RICHARD J. HUGHES JUSTICE COMPLEX • P.O. BOX 037 • TRENTON, NJ 08625-0984

For immediate release: June 14, 2016

Office of Attorney Ethics Releases 2016 Annual Report

The Office of Attorney Ethics (OAE) of the New Jersey Supreme Court today released its <u>annual Attorney</u> Disciplinary System Report, announced OAE Director Charles Centinaro.

The OAE investigates allegations of serious attorney misconduct and files formal complaints when warranted. In addition to its investigative and prosecutorial responsibilities, the OAE oversees 18 volunteer District Ethics Committees, 17 district fee arbitration committee, the random audit program, and the collection and analysis of attorney registration statement data. The annual report contains detailed information and statistics on each of these areas and can be found at nicourts.gov.

OAE Report Highlights

Investigations and formal complaints

In 2016, a total of 1,379 new investigations were added, representing a 15.8 percent increase from the previous year. The OAE also filed 279 complaints in 2016, a 19.2 percent increase from the 234 complaints filed in 2015.

The prompt completion of investigations is a high priority for the OAE. In 2016, the office maintained an average time goal compliance rate of 78 percent for its investigations.

Public Discipline

In 2016, 169 attorneys were sanctioned by the Supreme Court, a 13.4 percent increase from the 149 attorneys sanctioned in 2015. Disciplinary sanctions include final discipline, which is imposed after the completion of an investigation, hearing and review by the Disciplinary Review Board (DRB) and emergent actions, which are imposed to protect the public while the disciplinary case is pending.

The 130 final sanctions for discipline included 21 disbarments, 15 disbarments by consent, 31 term suspensions, zero indefinite suspensions, 22 censures, 26 reprimands and 15 admonitions.

The Supreme Court also issued 39 temporary license suspensions for emergent cases in 2016. Suspended attorneys can petition the Disciplinary Review Board for reinstatement. The petition is reviewed by the OAE, the DRB, and the Supreme Court. In 2016, the Supreme Court reinstated 12 attorneys.

Fee Arbitration Program

The fee arbitration program adopted by the Supreme Court in 1978 provides a neutral, confidential forum in which clients and attorneys can resolve legal fee disputes. Fee arbitration committees rely on volunteers, both attorneys and members of the public, to determine the appropriateness of attorney fees. In 2016, the program received 986 new filings. District fee committees arbitrated matters involving \$11.5 million in legal fees.

Random Audit Compliance Program

The OAE conducts random audits of private law firms that handle client funds to ensure compliance with the Supreme Court's stringent financial recordkeeping rule. The purpose of the program is to educate and inform attorneys about proper accounting procedures and to protect the public from those few attorneys who misuse client funds. New Jersey is one of only eight states with an operational random audit program.

Since its inception in 1981, the random audit program has provided reliable evidence that the overwhelming majority of New Jersey law firms account for clients' funds honestly and without incident. In 2016, the program conducted a record 730 audits of law firms. As a result of the program's detection efforts, the Supreme Court imposed disciplinary measures against nine attorneys in 2016, including three attorneys who were disbarred for knowingly misappropriating funds.

###