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Office of Attorney Ethics Releases 2019 Annual Report

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

Fewer attorneys were disciplined in 2019 compared to the previous year, and new formal complaints decreased for the second consecutive year.

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 committees, 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 njcourts.gov.

OAE Report Highlights

Investigations and Formal Complaints

In 2019, a total of 1,227 new investigations were added, representing a 0.2 percent increase from the previous year. For the second consecutive year, new formal complaints decreased. The OAE filed 248 complaints in 2019, a 14.8 percent decrease from the 291 complaints filed in 2018. The prompt completion of investigations is a high priority for the OAE. In 2019, the office maintained an average time goal compliance rate of 76 percent for its investigations.

Public Discipline

In 2019, 174 attorneys were sanctioned by the Supreme Court, a 15.9 percent decrease from the 207 attorneys sanctioned in 2018. 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 143 final sanctions for discipline included 27 disbarments, 12 disbarments by consent, 30 term suspensions, one indeterminate suspension, 25 censures, 23 reprimands and 25 admonitions.

The Supreme Court also issued 31 temporary license suspensions for emergent cases in 2019. Suspended attorneys can petition the Disciplinary Review Board for reinstatement. The petition is reviewed by the OAE, the DRB, and the Supreme Court. In 2019, the Supreme Court reinstated 18 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 2019, the program received 796 new filings. District fee committees arbitrated matters involving \$10.1 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 nine 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 2019, the program conducted 556 audits of law firms. As a result of the program's detection efforts, the Supreme Court imposed disciplinary measures against 14 attorneys in 2019, including four attorneys who were disbarred for knowingly misappropriating funds.