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Office of Attorney Ethics Releases 2020 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.

While some of the report's statistics reflect the disruption caused by the COVID-19 pandemic, others demonstrate the importance of the continued work of the Office of Attorney Ethics and the District Ethics and Fee Arbitration committees during the public health emergency.

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 2020, a total of 869 new investigations were added, representing a 29.2 percent decrease from the previous year. For the third consecutive year, new formal complaints decreased. The OAE filed 237 complaints in 2020, a 4.4 percent decrease from the 248 complaints filed in 2019. The prompt completion of investigations is a high priority for the OAE. The office experienced a slight decrease (3 percent) in average time goal compliance rate for its investigations, from 76 percent for 2019 to 73 percent for 2020.

Public Discipline

In 2020, 167 attorneys were sanctioned by the Supreme Court, a 4 percent decrease from the 174 attorneys sanctioned in 2019. 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 149 final sanctions for discipline included 10 disbarments by order of the Supreme Court, 10 disbarments by consent, 41 term suspensions, one indeterminate suspension, 29 censures, 29 reprimands, and 29 admonitions.

The Supreme Court also issued 18 temporary license suspensions for emergent cases in 2020. Suspended attorneys can petition the Disciplinary Review Board for reinstatement. The petition is reviewed by the OAE, the DRB, and the Supreme Court. In 2020, the Supreme Court reinstated 21 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 2020, the program received 586 new filings. District fee committees arbitrated matters involving \$7.4 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 2020, the program conducted 454 audits of law firms. As a result of the program's detection efforts, the Supreme Court imposed disciplinary measures against 13 attorneys in 2020, including one attorney who was disbarred for knowingly misappropriating funds.