



NEW JERSEY STATE BAR ASSOCIATION

THOMAS HOFF PROL, PRESIDENT
 Laddey Clark & Ryan, LLP
 60 Blue Heron Road, Suite 300
 Sparta, NJ 07871-2608
 973-729-1880 • FAX: 973-729-1224
 tprol@lclrlaw.com

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VIA E-MAIL AND REGULAR MAIL

Glenn A. Grant, J.A.D.
 Acting Administrative Director of the Courts
 Comments on Proposed Attorney Discipline Budget
 Hughes Justice Complex
 P.O. Box 037
 Trenton, NJ 08625-0037

Re: Comments on 2017 Proposed Disciplinary Budget

Dear Judge Grant:

Thank you for allowing the New Jersey State Bar Association the opportunity to review the 2017 budget for the attorney disciplinary system proposed by the Disciplinary Oversight Committee (DOC), and for allowing additional time to submit comments.

We thank the members of the DOC for their dedication and service to the Supreme Court and bar in monitoring the budget and operations of our disciplinary system.

We are pleased to see that the DOC recommends no increase for this year in the current annual assessment paid by attorneys. However, the NJSBA continues to be concerned about the amount of the DOC's reserve, and the inconsistent projections about its depletion. Since 2009, DOC policy has called for a reserve no greater than ten per cent of the operating budget. The Court has indicated an even smaller reserve of five per cent of the operating budget is appropriate. Yet, since 2009, the reserve has consistently remained above twenty per cent, and the DOC projections about an end-of-year deficit have been between \$100k and \$600k higher than the actual deficit. This year will be no different, with a projected deficit of about \$350k, but the actual being closer to \$200k.

In light of this trend, the NJSBA questions the DOC's prediction of a potential need for an increase within the next three years. We urge the Court and the DOC to develop more reliable projections for future budgets and ways to minimize or eliminate deficit spending by the time the reserve is truly decreased to the desired range of 5-10 percent of the DOC budget, so a fee increase does not become necessary. Indeed, the state bar feels strongly that an attorney fee increase should only be considered after every alternative has been fully exhausted, including budgetary restrictions and reductions in expenditures.

Again, the NJSBA wishes to commend the members of the DOC for their diligence and dedication, and their desire to ensure that our disciplinary system remains fiscally sound. In doing so, however,

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the NJSBA urges the DOC to develop realistic budgetary projections that permit the system to operate within the current revenue stream and do not rely on the anticipation of an increase in the assessment in the near future.

The NJSBA is grateful for the opportunity to comment on the DOC's budget proposal, and looks forward to additional opportunities to assist the Supreme Court in its oversight of the disciplinary system.

Sincerely,



Thomas H. Prol
President

/sab

cc: Robert B. Hille, Esq., NJSBA President-Elect
Angela C. Scheck, NJSBA Executive Director