



NEW JERSEY STATE BAR ASSOCIATION

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VIA E-MAIL AND REGULAR MAIL

Hon. Mark Neary
Clerk of the Supreme Court
Comments on Proposed Disciplinary Budget
Hughes Justice Complex; P.O. Box 970
Trenton, New Jersey 08625-0970

Re: Comments on 2018 Proposed Disciplinary Budget

Dear Mr. Neary:

Thank you for allowing the New Jersey State Bar Association the opportunity to review the 2018 budget for the attorney disciplinary system proposed by the Disciplinary Oversight Committee (DOC).

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 projections about its depletion. Since 2009, DOC policy has called for a reserve no greater than ten percent of the operating budget. Yet, the reserve has consistently remained above twenty percent. Furthermore, 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.

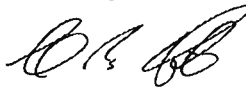
In light of this trend, the NJSBA urges the Court to consider a reduction in the attorney registration fee. If the registration fee were reduced to \$143.00, it would reduce the revenue projection by \$245,600. If you add that amount to the \$524,391 currently projected as a budget deficit this year, the projected deficit would rise to \$769,991, which is still lower than the approved projected deficit last year. If actual expenses come in as budgeted, that would leave the reserves at the end of 2018 at \$2,590,625, or 19.4% of the budget. This is still well above the DOC's goal of 10%.

In addition, the NJSBA notes that the DOC budget routinely includes projections for deficit spending as a way to reduce the reserves to an acceptable amount. The NJSBA urges the Court to work with the DOC to find cost-saving measures to eliminate the need for deficit spending in the future.

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.

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,



Robert B. Hille
President

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cc: John E. Keefe, Esq., NJSBA President-Elect
Angela C. Scheck, NJSBA Executive Director