

## ANNUAL REPORT HIGHLIGHTS

By

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The Rules on Lawyers Professional Responsibility require the Lawyers Board and the Director's Office to file with the Supreme Court an annual report of their activities. This article summarizes the year's activities and the highlights of the report, which was filed with the clerk of appellate courts.

Although there has probably never been a year in the professional responsibility system without controversy and change, the past year has been marked by a degree of stability. The persons employed in the Director's Office in May 1987 are the same as those employed in May 1986 except for one legal assistant. As the table below indicates, for the last year and one-half, the numbers of open files, complaints received, and cases at least one year old have remained nearly constant.

	<b>Total Open Files</b>	<b>Complaints Received Y.T.D.</b>	<b>Cases at Least One Year Old</b>
12/31/84	686	1,069	242
12/31/85	417	1,244	66
12/31/86	406	1,233	52
5/31/87	413	475	55

Expenditures for the fiscal year ended June 30, 1987, are expected to total approximately \$889,616, compared to \$839,009 for the previous fiscal year. The attorney registration fee allocated to professional responsibility remains at \$70 as it has since 1985.

While much has remained the same, there have been significant changes and developments. Implementation of certain changes recommended by the Supreme Court Advisory Committee has been largely completed. On July 1, 1987, the Director's Office began providing staff services to the Client Security Board, pursuant to Supreme Court order. In addition to adopting the client security rules the Court since July 1, 1986, has twice amended the procedural Rules on Lawyers Professional Responsibility. The Court also appointed an attorney registration fee committee which will soon report to the Court on lawyer financing of the several Court boards. Finally, in the period January 1, 1986, through June 30, 1987, the Court issued 52 disciplinary orders and opinions. Disbarment orders were issued in the major misappropriation cases, *Flanagan* and *Sampson*. Several orders were issued suspending or reprimanding attorneys who had forged documents or signatures, or who had improperly notarized forged signatures. The lengthy investigation involving Norman Perl was concluded when the Court imposed a one-year suspension.

A major goal throughout the professional responsibility system has been promoting consistency in the handling of disciplinary matters. Previous *Bench & Bar* articles have reported on the Lawyers Board adoption of summary dismissal guidelines and on promoting the *ABA Standards for Imposing Lawyer Sanctions*. The Lawyers Board is also developing a panel manual which will detail various board panel procedures.

Education continues to be an important duty of the professional responsibility system. A brochure has been developed and distributed, describing in general terms the operation of the Lawyers Board, the district ethics committees, and the Director's Office. In 1986 the Director's Office issued 711 telephone advisory opinions and 40 written opinions to Minnesota attorneys confronted with ethics questions. About 750 hours of staff time were needed for this important function. A brochure explaining and illustrating proper trust account procedures is now being developed. The Director's Office continues to furnish speakers for many continuing legal education programs.

As always, there have been controversies over difficult cases and knotty issues. Should lawyers be required to pay for their colleagues' defalcations? When should the disciplinary system defer to proceedings in other forums? When a lawyer is disqualified from representation because he or she is a necessary witness, should the lawyer's firm also be disqualified? Are there cost-effective ways of preventing misappropriation of client funds? Has the pendulum swung toward too lenient a disciplinary system or is the system too tough? What responsibility do lawyers have for "professionalism" on matters best left uncovered by mandatory rules?

Whatever the issues and changes of the day, this year as always the professional responsibility system operated in large part through the efforts of its volunteer lawyer and nonlawyer district ethics committee and Lawyers Board members. The district committees in 1986 investigated 549 complaints against lawyers. The committees now draft explanatory memoranda for complaint dismissals and admonitions. On October 9, 1987, there will be a fifth annual day-long seminar for district committee members and others interested in professional responsibility. Several Lawyers Board committees have devoted considerable time to such topics as proposed changes in procedural and substantive rules, handling ethics complaints by criminal defendants, insurance coverages for the office and the board, budget, computerization of the office, and development of a policy regarding representation of attorneys by former employees. Board members also perform their regular and time-consuming duties under the Rules, including conducting contested case hearings and considering complainant appeals. Whatever events and developments are reported next year, lawyers and the public can again expect to rely on the experience, judgment, and litigation of the volunteers in the professional responsibility system.