



THE STATE BAR OF CALIFORNIA

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Title of Report: Annual Discipline Report of the State Bar of California
Statutory Citation: Business and Professions Code section 6086.15
Date of Report: April 30, 2011

The State Bar of California has submitted its Annual Discipline Report to the Chief Justice of California, the Governor, the Speaker of the Assembly, the President pro Tempore of the Senate and the Assembly and Senate Judiciary Committees in accordance with Business and Professions Code section 6086.15. The following summary is provided under Government Code section 9795.

The State Bar's Annual Discipline Report describes the performance and condition of its attorney discipline system in the previous calendar year. In this report for 2010, the State Bar has significantly changed the format and organization of the tables and data in part to more fully implement recommendations of the California State Auditor (see California State Auditor Report 2009-030 (July 2009), pp. 36-40) and to provide more complete information to evaluate the effectiveness of its attorney discipline system. The changes in presentation include:

- The processing times (by months and average number of days) of complaints for completing investigations, filing disciplinary charges, or forwarding final disciplinary recommendations to the California Supreme Court.
- The report of backlog of cases in the State Bar's attorney discipline system to include all complaints as of December 31 that were pending beyond six months after receipt without dismissal, admonition, or the filing of disciplinary charges in the State Bar Court. (Bus. & Prof. Code, § 6086.15, subd. (a)(1).) The backlog has been adjusted to add complaints previously excluded, but technically within the statutory definition, including those:
 - Designated complex under Business and Professions Code section 6094.5
 - Abated or held because of pending criminal, civil, other State Bar or administrative proceedings
 - Referred to special outside examiners to handle
 - Made against different members in the same case.

The result is an increase in the complaints reported in backlog, but there is also a more complete presentation of the caseload and the status of complaints. This data will help in the evaluation of the discipline system and will better inform the State Bar on where to focus efforts to achieve the statutory goals in Business and Professions Code sections 6094.5 and 6140.2 for completing investigations, filing charges, or disposing complaints of professional misconduct.

In addition, the Annual Discipline Report continues to present summaries of (1) other programs of the State Bar directed at assuring attorney honesty and competency or preventing misconduct, (2) the condition of the Client Security Fund, and (3) the cost of the discipline system. (Bus. & Prof. Code, § 6086.15, subs. (a)(8)—(a)(11).)

The full report is available at:

<http://www.calbar.ca.gov/Attorneys/LawyerRegulation/DisciplineReport.aspx>

A printed copy of the report may be obtained by calling 916-442-8018.

**The State Bar of California
Attorney Discipline Report
For Year Ending December 31, 2010**



**The State Bar of California
April 30, 2011**



THE STATE BAR OF CALIFORNIA

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Executive Director/Secretary

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April 30, 2011

The Chief Justice, Supreme Court of California
The Governor, State of California
The Speaker of the Assembly
The President Pro Tem, California State Senate
Assembly Judiciary Committee
Senate Judiciary Committee

Attached is the Annual Discipline Report of the State Bar of California in fulfillment of the requirements of Business and Professions Code section 6086.15.

This year, the State Bar has made major changes in both the format and the content of the Annual Discipline Report. Our goal has been to sharpen its focus on the areas of greatest interest to the State Bar's stakeholders and to improve the overall transparency of the attorney discipline system. We have also incorporated recommendations from the Bureau of State Audits regarding the information presented. At the same time, we have taken care to conform to the requirements of the statute which directs us to submit this report.

Because of the changes, meaningful comparisons with previous years' reports are difficult to make. To assist readers in making valid comparisons, this report includes comparable data for the years 2007-2009 along with the 2010 figures.

The principal focus of this report is on the efficiency and speed with which the discipline system is able to address allegations of professional misconduct against attorneys. Handling these complaints fairly and expeditiously is a cornerstone of the State Bar's mission. Moreover, state law establishes specific benchmarks for the speed of complaint resolution. Business and Professions Code section 6094.5 sets one benchmark for closing or completing the investigations of complaints within six months after receipt and within 12 months for cases designated as complex. Business and Professions Code section 6140.2 sets another goal of filing disciplinary charges in the State Bar Court within six months of the receipt of the complaints. The extent to which the State Bar meets or falls short of these benchmarks is one of the major purposes of this report. Complaints that do not meet these statutory goals at the end of each year are included in the "existing backlog of cases" that must be described in this and in previous years' reports.

Another key purpose of this report is to provide a thorough, comprehensive and comprehensible statistical portrait of the condition and operations of the discipline system. To better meet this goal, we have restructured the presentation of the data in this year's report. The volume of information provided is considerable – almost twenty tables pertaining to the complaint resolution process. But more importantly, we have attempted to organize and arrange the data in a logical, engaging and informative way.

The Annual Discipline Report for 2010 is a transitional document. We expect to refine and expand this format in coming years, and we look forward to feedback on how we might improve upon this year's effort.

Most notable in the report are the figures showing a significant rise in both the caseload and backlog. The State Bar will continue to monitor closely this situation. The revised report provides better information to evaluate the discipline system and to help the State Bar focus its efforts to improve its performance. The Chief Trial Counsel and the Regulation, Admissions and Discipline Oversight Committee of the Board of Governors are committed to reducing the backlog by year's end and to meet the statutory goals for closing complaints, completing investigations, or filing disciplinary charges.

Sincerely,

A handwritten signature in blue ink that reads "Joseph L. Dunn". The signature is fluid and cursive, with the first letter of each name being significantly larger and more stylized.

Joseph L. Dunn
Executive Director
The State Bar of California

EXECUTIVE SUMMARY

In the Annual Discipline Report for 2010, the State Bar has significantly changed the format of its presentation and the methodology of calculating key indicators to more fully implement recommendations of the California State Auditor (see California State Auditor Report 2009-030 (July 2009), pp. 36-40) and to provide greater transparency and better inform the Legislature, the Governor, and the Supreme Court on the effectiveness of the attorney discipline system in processing complaints from receipt to resolution.

The reader should bear in mind that the figures throughout this report are based on definitions and methodologies that have been extensively revised as of this year. Therefore comparisons with past reports may not be meaningful, but adjusted and updated figures for 2007-9 are given throughout this document to permit comparison for that period.

Some key numbers in this year's report are:

Statutory Benchmarks (“Backlog”)

- As of December 31, 2010, the investigative backlog¹, which is defined as those cases not meeting the time goals set in Business and Professions Code section 6094.5², stood at 350 cases, down from 409 at the end of 2009.
- The broader backlog, defined in section 6086.15 of the Business and Professions Code³, and mandated as a goal in section 6140.2, would encompass 4,193 cases as of December 31, an increase of over 60% from the numbers for the previous year under the adjusted methodology used this year. However, these figures are substantially increased by the inclusion of more than two thousand cases which are either held or in abeyance because of other pending

¹ This includes complaints open in the Intake Unit of the State Bar's Office of Trial Counsel longer than six months, as well as open cases in the Investigation Unit more than six months after receipt of the originating complaint (or twelve months after receipt of the originating complaint for matters designated “complex” by the Chief Trial Counsel). These figures, like others in this report, count complaints against each individual respondent as separate cases.

² The statute states in pertinent part: “It shall be the goal and policy of the disciplinary agency to dismiss a complaint, admonish the attorney, or forward a completed investigation to the Office of Trial Counsel within six months after receipt of a written complaint. As to complaints designated as complicated matters by the Chief Trial Counsel, it shall be the goal and policy of the disciplinary agency to dismiss, terminate by admonition, or forward those complaints to the Office of Trial Counsel within 12 months.”

³ This goal and definition simply includes all complaints in which disciplinary charges have not been filed in the State Bar Court against the member or closed within six months of receipt, regardless of complexity or of a case's status as held or abated.

Business and Professions Code section 6140.2 states; “The State Bar shall set as a goal the improvement of its disciplinary system so that no more than six months will elapse from the receipt of complaints to the time of dismissal, admonishment of the attorney involved, or the filing of formal charges by the State Bar Office of Trial Counsel.” Business and Professions Code section 6086.15, subdivision (a)(1), defines the existing backlog of cases to be reported in the Annual Discipline Report as “including, but not limited to, the number of complaints as of December 31 of the preceding year that were pending beyond six months after receipt without dismissal, admonition, or the filing of a notice to show cause”

criminal, civil, State Bar, or other administrative proceedings. Excluding these cases – although they are technically part of the backlog definition – yields a figure of 1,901 complaints in backlog, up just over 5% from the previous year.

- During 2010, 712 investigations were completed more than six months after the receipt of the original complaint (or twelve months for cases designated complex), up from 546 in 2009.
- Also during 2010, 3,866 cases were filed or closed more than six months after the receipt of the original complaint, up from 1,971 in 2009.

Complaint Resolution Process Operations

- The Intake Unit received 17,904 written complaints in 2010. This is roughly equal to the 2009 level, but sharply higher than the levels experienced in 2007-8 (under 13,600 complaints per year). The unit closed 13,235 cases, a 30% increase over the prior year, and forwarded 6,028 complaints to the Investigations unit.
- The Investigations Unit, in turn, closed 3,024 cases – up almost 50% from the 2009 level. It forwarded 1,362 cases to the Trial Unit, an increase of more than one third from the prior year.
- The Trial Unit closed 719 cases in 2010, up from 238 cases the year before. The unit also formally filed 636 cases with State Bar Court, a 50% increase from the previous year's level of 423.

The increase in the figures is the result of changes that included complaints that in the past were excluded from the calculation of the backlog, but technically within the statutory definition. Also the sharp rise in the caseload appear to have been connected to the large number of complaints received by OCTC against lawyers involved in home loan modification scams in 2009 and 2010. These new numbers, however, provide a more complete description of the backlog and caseload. Moreover, this more complete information will significantly assist in the implementation of structural and organizational changes this year by the State Bar to improve the operations of its discipline system and to assure public protection.

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I. TABLE OF STATUTORILY REQUIRED CONTENT

I. TABLE OF STATUTORILY REQUIRED CONTENT

Business and Professions Code section 6986.15, subdivision (a), enumerates eleven specific requirements that must be included in the Annual Discipline Report. The following table lists the required content and where it may be found in this report.

6086.15 Required Elements

Bus. & Prof. Code, § 6086.15(a)(1)

- Existing backlog: cases pending more than six months
 - Reported in Table 4, line 1 on page 26.
- Tables showing time periods beyond six months and number of cases in each category
 - Reported in Table 2 for all units, and in Tables 2(a), 2(b) and 2(d) for the Intake, Investigations, and Trial units respectively. Table 2(c) reports this for held and abated cases. Pages 21 – 25.
- Discussion of the reason for the extended periods
 - *passim*

Bus. & Prof. Code, § 6086.15, subd. (a)(2)

- Number of inquiries and complaints and their disposition
 - Reported in Table 5, on page 28

Bus. & Prof. Code, § 6086.15, subd. (a)(3)

- Number and types of self-reported reportable events
- Reported in “Reportable Events” section, page 43

Bus. & Prof. Code, § 6086.15, subd. (a)(4)

- Number and types of reportable events from other sources
 - Reported in “Reportable Events” section, page 43

Bus. & Prof. Code, § 6086.15, subd. (a)(5)

Speed of complaint handling and dispositions by type

- The average number of days spent by cases in each stage of the complaint resolution process is reported in Tables 12 – 14.
- The average age of all open cases as of December 31st is reported in Table 3, page 25.

- The age of cases at the time of (pre-filing) closure is reported in Table 10, pages 37 and 38 the age of cases at the time of filing is reported in Table 11, page 39.
- The dispositions of complaints received by each unit are shown in Tables 5 – 8., pages 28 - 34.

Bus. & Prof. Code, § 6086.15, subd. (a)(6)

Number and types of filed notices to show cause and formal disciplinary outcomes

- Notice filings for cases originating from complaints are shown in Table 7, pages 30 and 31. Disciplinary outcomes are reported in Table 18.

Bus. & Prof. Code, § 6086.15, subd. (a)(7)

Number and types of informal discipline outcomes

- Informal disciplinary outcomes are listed under “Complaints Closed” in Tables 5, 6, 7 and 8 (pages 28 - 34).

Bus. & Prof. Code, § 6086.15, subd. (a)(8)

Description of programs to assure honesty and competence

- Reported in “Assurance and Prevention Programs” section, pages 56 - 59.

Bus. & Prof. Code, § 6086.15, subd. (a)(9)

Description of programs to prevent acts warranting discipline

- Reported in “Assurance and Prevention Programs” section, pages 56 - 59.

Bus. & Prof. Code, § 6086.15, subd. (a)(10)

Description of the condition of the Client Security Fund

- Reported in “Condition of the Client Security Fund” section, pages 53 - 55.

Bus. & Prof. Code, § 6086.15, subd. (a)(11)

An accounting of the cost of the discipline system by function

- Reported in “Costs of the Discipline System” section, pages 51 - 52

II. COMPLAINT RESOLUTION BENCHMARKS ("BACKLOG")

II. COMPLAINT RESOLUTION BENCHMARKS (“BACKLOG”)

State law establishes benchmarks for the speed of handling of complaints against attorneys. Under Business and Professions Code §6094.5, investigations of complaints should be completed within six months, or within twelve months for cases designated as “complex” by the Chief Trial Counsel. At the same time, §6140.2 sets a goal of resolving complaints or filing formal charges within six months of receipt. At the end of each year, complaints that are opened more than six months from their receipt without disciplinary charges filed in the State Bar Court are defined as the “existing backlog of cases” for that year. (Bus. & Prof. Code, § 6086.15, subd. (a)(1).)

The table below shows the number of cases not meeting these benchmarks over the past four years and therefore in “backlog.”

Cases Not Meeting Statutory Benchmarks					
Pending Cases ("Backlog")	Source	2007	2008	2009	2010
Cases 6+ Months Old	§6140.2	1,685	1,948	2,580	4,193
As Above Excluding Held and Abated Cases		1,406	1,481	1,801	1,901
Investigations 6+ or 12+ Months Old	§6094.5	422	388	409	350
Filed or Closed Cases	Source	2007	2008	2009	2010
Cases 6+ Months Old at Closure or Filing	§6140.2	1,485	1,957	1,971	3,866
Investigations 6+ or 12+ Old at Completion	§6094.5	666	678	546	712

The upper panel shows the number of cases or investigations remaining open past the 6 or 12 month deadline as of December 31st of each year, often called the “backlog.” The lower panel shows the number of cases and investigations completed during the year which failed to meet the relevant benchmarks.

The State Bar is implementing structural and organizational changes this year and will focus efforts on this and other issues raised in this report to reverse these trends, substantially reduce the backlog, and to meet the statutory benchmarks by year’s end.

III. COMPLAINT RESOLUTION PROCESS & STATISTICS

III. COMPLAINT RESOLUTION PROCESS & STATISTICS

The following description of how a complaint is received and processed will give a background to understanding the following tables and numbers in this section that have been prepared in response to the statutory requirements. The State Bar's degree of success in meeting the statutory benchmarks for the speed of complaint resolution is a key indicator of the overall performance of the complaint resolution process. A complaint passes through several distinct stages and organizational units on its journey to final disposition. This section provides a brief description of the major steps in the process, followed by detailed statistical tables reporting on the condition and operations of the system.

Complaint Resolution Process

1. Intake Unit receives written complaint. The process begins with the receipt of a complaint form by the Intake Unit within the Office of Chief Trial Counsel. Intake staff reviews the complaint and determines whether it merits a full investigation. About two-thirds of the complaints are closed at this stage. The remainder are forwarded to OCTC's Investigations Unit.
2. Investigations Unit conducts investigation. Complaints received by the Investigation Unit are investigated, and investigators prepare reports for review by attorneys within the unit. The case may be closed at this stage, or the report may be forwarded to the Trial Unit for drafting of formal charges.
3. Trial Unit drafts charges and negotiates settlement. Completed investigations are forwarded to OCTC's Trial Unit, which prepares formal charges against the respondent member. In appropriate cases, the Unit will also attempt to negotiate a stipulation to an agreed outcome with the respondent. If a stipulation as to facts and proposed discipline cannot be reached, the Unit files formal charges against the respondent in State Bar Court.
4. State Bar Court Hearing Division conducts hearing. With attorneys from the Trial Unit acting as the "prosecution," the Hearing Division of the State Bar Court carries out the formal hearing process, leading to a decision as to whether the State Bar should recommend that the State Supreme Court impose disciplinary sanctions on the respondent. The hearing stage may be followed by an appeal to the State Bar Court's Review Division. If there is no appeal, or the appeal is unsuccessful, the case passes to the Effectuation stage which finalizes the court's decision.
5. State Bar Court's recommendation is forwarded to the Supreme Court. Ultimate authority to impose disciplinary standards rests with the California State Supreme Court. The State Bar's final action in a disciplinary proceeding is to forward its recommendations to the Supreme Court. Discipline is only imposed after the Supreme Court enters its final order.

The foregoing is a brief summary of the process. Two of the complications which may arise include:

- If a complaint is connected with a criminal, civil, or other proceeding, the case may be placed on hold or in abeyance until that proceeding is complete. This allows the outcome of the proceeding to be included in any subsequent State Bar proceedings against the member on the abated complaint, which may expedite or moot further action.
- The State Bar Court may refer a respondent with substance abuse or mental illness to the Alternative Discipline Program (ADP) prior to entering a final recommendation on disciplinary sanctions. In such cases, the respondent may spend several years in court-monitored treatment. A respondent's successful completion of the ADP may be considered by the court in determining its final recommendation. The case remains open while the respondent is participating in the ADP.

To inform the reader on the performance of the discipline system, the tables in this section present statistical information on numbers and age of complaints in the discipline system and at each of the stage of the process described above.

Overview of Statistical Tables

The tables in this section are organized into four groups, as follows:

1. Open Cases as of December 31

Tables in this group present snapshots of open cases in the complaint resolution process as of the end of each year.

Table 1 shows the total numbers of open cases, of all ages and at all stages of the process. Table 2 breaks these totals down by age group: under six months, six to twelve months, one to two years, two to three years, three to five years, and more than five years. Table 3 supplements Table 2 by showing the average age, in months, of cases pending at each stage of the process. Finally, Table 4 reports the backlog, as discussed in the previous chapter.

2. OCTC Unit Operations

Tables in this group report data on the volume of activity carried out by each unit of the Office of Chief Trial Counsel. For each unit, tables in this group show the number of complaints pending at the beginning of the year, the number of new matters received during the year, and the number of complaints completed by the unit – either by closure or by forwarding to the next stage. Finally, the number of complaints remaining at the end of the year is shown.

Table 5 reports on the Intake Unit. Table 6 covers the Investigations Unit. The Trial Unit's notice drafting and negotiations stage is reported in Table 7. Table 8 shows the number of cases moving into and out of held or abated status.

3. Cases Filed or Closed

Tables in this group report the number and ages of cases reaching completion – closure or formal filing – during each year.

Table 9 shows the number of completed cases each year, broken down by unit. Table 10 shows the number of cases closed by each unit, broken down by age group (based on the age of cases on their close dates). Table 11 shows the number of cases filed, again broken down by age group (as of the dates of filing).

4. Average Duration of Complaint Resolution Stages

The tables in this group report the average time a case spends in each of the stages of the process. Because these averages are only meaningful for cases which have already reached completion, it is necessary to determine the “universe” over which the averages should be calculated. We present tables corresponding to three different plausible choices of “universe.”

Table 12 shows the average number of days spent in each stage by all cases forwarded to the Supreme Court in each given year. Table 13 shows the averages for all cases reaching the effectuation stage in State Bar Court in each given year. Finally, Table 14 shows the averages for all of the cases formally filed in State Bar Court by the Trial Unit in each given year.

Scope and Terminology

Because this section is focused on the complaint resolution process, the tables presented here include only cases which originated from complaints against attorneys received by the Intake Unit.

Each complaint against each individual attorney is counted separately. (Note, however, that a single complaint against a single attorney might encompass several allegations.)

The “age” of a case is always measured from the date that the complaint was received by the Intake unit. The age of a case is therefore cumulative, not a reflection of the amount of time it has spent in the particular unit or status it may occupy at any point in time. For information about the average duration of each stage, see the tables in group 4, below.

**A. STATISTICAL TABLES GROUP I:
OPEN CASES AS OF DECEMBER 31**

TABLE 1: OPEN CASES AS OF DECEMBER 31

Highlights: Table 1 shows all open complaints against attorneys in the discipline system on December 31. The total number of open cases at year end (of all ages and in all stages) stood at 9,214, down 6% from 2009, but still 48% more than at the end of 2008. Of these, 2,545 cases were held or abated, an increase of over one thousand from 2009 and of over two thousand over 2008. This increase is due in part to the practice of holding or abating cases related to loan modification matters until civil or criminal proceedings are complete.

Table 1				
Open Cases as of December 31				
Office of Chief Trial Counsel	2007	2008	2009	2010
Intake	1,579	1,841	3,324	1,965
Investigation	1,712	1,448	2,772	2,851
Held or Abated	307	531	1,416	2,545
Trial Unit				
Drafting & Negotiation	993	1,150	1,247	859
Filed in SBC	<u>412</u>	<u>564</u>	<u>420</u>	<u>573</u>
Sub-Total	1,405	1,714	1,667	1,432
Total	5,003	5,534	9,179	8,793

Table 1 continued on next page.

Table 1
(Continued from previous page.)

State Bar Court	2007	2008	2009	2010
Hearing Department	394	528	371	536
Review Department	18	36	49	37
Effectuation	<u>9</u>	<u>55</u>	<u>23</u>	<u>86</u>
Sub-Total	421	619	443	659
Abated	61	126	169	172
Alt. Discipline Program	581	509	459	163
Total	1,063	1,254	1,071	994
Grand Total*	5,654	6,224	9,830	9,214

Number of open cases originating from complaints against attorneys filed with the Intake Unit. Cases are counted by complaint and respondent.

* Cases in the Hearing and Review Departments are also included in the caseload of the Trial Unit. The grand total is adjusted to remove this duplication.

TABLE 2: OPEN CASES BY AGE

Highlights: Table 2 shows the number of open complaints by age. There were 7,356 open cases in pre-filing statuses at the end of 2010; of these, 43% were under six months old and two thirds were under twelve months old.

Table 2
Open Cases By Age

	2007	2008	2009	2010
0 - 6 Months	1,778	2,074	4,878	3,163
6 - 12 Months	681	662	1,056	1,746
1 - 2 Years	705	864	827	1,931
2 - 3 Years	211	312	508	314
3 - 5 Years	77	97	177	182
5 + Years	11	13	12	20
Total	3,463	4,022	7,458	7,356

Number of cases in Intake and Investigation units, in notice drafting, or held or abated.
Cases counted by complaint and respondent; breakdown by age of case.

TABLE 2(a): OPEN CASES BY AGE – INTAKE UNIT

Highlights: Table 2(a) shows the number of open complaints by age that were in OCC’s Intake Unit at year’s end. The number of open cases in the Intake Unit fell from 3,324 at the end of 2009 to 1,884 at the end of 2010. Almost all open cases in Intake were under six months old.

Table 2(a)
Open Cases By Age: Intake Unit

Age Category	2007	2008	2009	2010
0 - 6 Months	1,535	1,785	3,282	1,864
6 - 12 Months	30	39	29	12
1 - 2 Years	10	14	9	3
2 - 3 Years	2	3	3	2
3 - 5 Years	2	0	1	3
Total	1,579	1,841	3,324	1,884

Number of cases in the Intake Unit, counted by complaint and respondent;
breakdown by age of case.

TABLE 2(b): OPEN CASES BY AGE – INVESTIGATIONS UNIT

Highlights: Table 2(b) shows open complaints by age in OCTC’s Investigations Unit, designated as normal or complex under Business and Professions Code section 6094.5. The Investigations Unit had 2,851 cases open at the end of 2010, up slightly (3%) from 2009. The number of cases designated as “complex” by the Chief Trial Counsel grew from 53% of the total in 2009 to over 73% of the total in 2010.

Table 2(b)				
Open Cases By Age: Investigations Unit				
Normal Complexity	2007	2008	2009	2010
0 - 6 Months	849	709	1,021	607
6 - 12 Months	178	115	172	81
1 - 2 Years	85	92	77	68
2 - 3 Years	8	21	23	15
3 - 5 Years	7	9	7	10
5 + Years	1	2	1	2
Sub-Total	1,128	948	1,301	783
Designated Complex	2007	2008	2009	2010
0 - 6 Months	187	190	929	1,008
6 - 12 Months	298	217	455	906
1 - 2 Years	92	75	72	142
2 - 3 Years	3	15	12	9
3 - 5 Years	3	2	3	2
5 + Years	1	1	0	1
Sub-Total	584	500	1,471	2,068
Total	1,712	1,448	2,772	2,851

Number of cases in the Investigation Unit, counted by complaint and respondent; breakdown by complexity designation and age of case.

TABLE 2(c): OPEN CASES BY AGE – HELD AND ABATED

Highlights: Table 2© shows the number of open complaints held or abated and their age at year’s end. The number of held and abated cases has grown rapidly since 2007. At the end of that year, the number stood at 307; four years later, the figure stood at 2,545. Almost two-thirds of these cases were over one year old at the end of 2010. The rise in this category is due in part to the practice of holding or abating cases related to loan modification matters until civil or criminal proceedings are complete.

Table 2(c)
Open Cases By Age: Held and Abated

Age Category	2007	2008	2009	2010
0 - 6 Months	28	64	637	253
6 - 12 Months	76	154	334	603
1 - 2 Years	126	200	243	1,363
2 - 3 Years	56	71	138	183
3 - 5 Years	19	35	56	124
5 + Years	2	7	8	19
Total	307	531	1,416	2,545

Original matters in pre-filing status on hold or abated, counted by complaint and respondent; breakdown by age of matter.

TABLE 2(d): OPEN CASES BY AGE – NOTICE DRAFTING

Highlights: Table 2(d) shows the number of open complaints by age at year’s end, where the investigations were completed and forwarded to the Trial Unit for the drafting of disciplinary charges to be filed in the State Bar Court. There were 859 cases open in the Trial Unit for notice drafting at the end of 2010. This represents a reduction of more than 30% from the number of cases open twelve months before. 69% of those cases were over twelve months old, compared with 79% the year before.

Table 2(d)
Open Cases By Age: Notice Drafting

	2007	2008	2009	2010
0 - 6 Months	28	35	30	38
6 - 12 Months	277	252	238	225
1 - 2 Years	477	575	503	423
2 - 3 Years	150	223	355	120
3 - 5 Years	53	60	117	53
5 + Years	8	5	4	0
Total	993	1,150	1,247	859

Original matters in Trial Unit for negotiation and notice drafting, counted by complaint and respondent; breakdown by age of matter.

TABLE 3: AVERAGE AGE OF CASES, ALL PRE-FILING STATUSES

Highlights: Table 3 shows the average age in months of open complaints pending in each unit in OCTC in which disciplinary charges have not been filed (“pre-filing”). The average age of an open investigation, measured from the receipt of the original complaint, stood at 6.6 months at the end of 2010. The average age of a case in the Trial Unit for notice drafting, again measured from the receipt of the original complaint, was 17.3 months – just short of a year and a half old.

Table 3
Average Age of Cases, All Pre-Filing Statuses

Unit / Status	2007	2008	2009	2010
Intake Unit	1.6	1.4	1.5	1.3
Investigation Unit	6.6	7.3	5.7	6.6
Held or Abated	18.4	17.4	11.8	16.2
Trial Unit (Drafting)	18.2	19.3	21.8	17.3

Average age, in months, of cases in pre-filing statuses as of December 31st. Ages measured from original receipt of complaint. Cases counted by complaint and respondent; breakdown by status.

TABLE 4: CASES NOT MEETING STATUTORY BENCHMARKS

Highlights: Table 4 shows the number of cases in backlog. At the end of 2010, there were 4,193 open, unfiled cases over six months old (1,901 cases if held and abated cases are excluded). 350 of the open investigations were over six months old (or twelve months for cases designated “complex”). The Bar closed or filed charges in 3,866 cases that were over six months old during 2010, up from 1,971 such cases during 2009.

**Table 4
Cases Not Meeting Statutory Benchmarks**

Pending ("Backlog")	2007	2008	2009	2010
§ 6140.2 (Note 1)	1,685	1,948	2,580	4,193
§ 6140.2 (Note 2)	1,406	1,481	1,801	1,901
§ 6094.5 (Note 3)	422	388	409	350
Completed	2007	2008	2009	2010
§ 6140.2 (Note 4)	1,485	1,957	1,971	3,866
§ 6094.5 (Note 5)	666	678	546	712

- (1) All pending complaints older than six months.
- (2) All pending complaints older than six months, omitting held and abated cases.
- (3) All pending complaints in Intake older than six months, plus all pending complaints of normal complexity in Investigation older than six months, plus all pending complaints in Investigation designated as "complex" older than twelve months.
- (4) All complaints filed or closed more than six months after receipt of complaint.
- (5) All complaints forwarded from Investigation to Trial Unit more than six months after receipt (normal complexity) or more than twelve months from receipt (designated complex).

**B. STATISTICAL TABLES GROUP II:
OCTC UNIT OPERATIONS**

TABLE 5: INTAKE UNIT OPERATIONS

Highlights: Table 5 shows the number of complaints received, closed, or forwarded to investigations by OCTC’s Intake Unit. The Intake Unit received 17,904 written complaints during 2010. It closed 13,323 complaints and forwarded 6,028 more to the Investigations Unit.

Table 5				
Intake Unit Operations				
	2007	2008	2009	2010
Pending Complaints January 1	1,335	1,579	1,841	3,324
New Complaints Received	13,537	13,585	17,103	17,904
Complaints Closed				
Closed: No Case	6,860	7,594	7,428	8,167
Closed: Pros Discr	0	2	16	260
Closed: Rule of Limitation	183	209	223	275
Closed: Letter	735	618	631	668
Closed: CW Issue	230	417	229	171
Resolved, Referred or ADR	129	115	136	109
Fee Arb Matter	467	338	252	292
Monitored as Criminal	1,031	718	758	1,032
Resp Resigned or Disbarred	305	172	265	1,866
Matter Resolved Between Parties	148	145	108	173
Closed: Other	61	62	68	57
Duplicate or Error	<u>136</u>	<u>129</u>	<u>129</u>	<u>165</u>
Total Closed	10,285	10,519	10,243	13,235
Forwarded To Investigation	3,008	2,804	5,377	6,028
Pending Complaints December 31	1,579	1,841	3,324	1,965

Number of complaints pending in the Intake Unit on January 1, complaints received during the year, disposition of complaints during the year, and complaints remaining in Intake on December 31. Complaints counted by complaint and respondent.

TABLE 6: INVESTIGATIONS UNIT OPERATIONS

Highlights: Table 6 shows the number of complaints received, closed, or forwarded for prosecution by OCTC’s Investigation Unit. The Investigations Unit received 6,190 new cases in 2010, including 138 which had previously been held or abated. During the year, the unit closed 3,024 cases, held or abated 1,725, and forwarded 1,362 cases to the Trial Unit for notice drafting.

Table 6
Investigations Unit Operations

	2007	2008	2009	2010
Pending Complaints January 1	1,405	1,712	1,448	2,772
<u>New Complaints Received</u>				
From Intake	3,008	2,806	5,377	6,030
From Trial (Drafting)	4	3	0	3
From SBC Hearing Department	0	1	0	0
Previously Held or Abated	54	43	73	138
Previously Closed	<u>41</u>	<u>43</u>	<u>31</u>	<u>19</u>
Total Received	3,107	2,896	5,481	6,190
<u>Complaints Closed</u>				
Closed: No Case	1,040	990	1,245	1,754
Closed: Pros Discr	31	43	74	187
Closed: Letter	94	174	145	283
Closed: Rule of Limitation	6	6	5	11
Closed: CW Issue	72	109	125	149
Closed: Other	45	33	48	57
Duplicate or Error	61	76	119	168
Fee Arb Matter	65	89	112	210
Matter Resolved Between Parties	114	143	158	192
Resp Resigned or Disbarred	<u>17</u>	<u>13</u>	<u>13</u>	<u>13</u>
Total Closed	1,545	1,676	2,044	3,024
Forwarded to Trial Unit	1,017	1,140	995	1,362
Held or Abated	238	344	1,118	1,725
Pending Complaints December 31	1,712	1,448	2,772	2,851

Number of matters pending in the Investigations Unit on January 1, matters received by Investigations during the year, disposition of matters during the year, and matters remaining in Investigations on December 31. Complaints counted by complaint and respondent.

TABLE 7: TRIAL UNIT NOTICE DRAFTING OPERATIONS

Highlights: Table 7 shows the number of complaints in the Trial Unit awaiting the drafting of disciplinary charges for filing in the State Bar Court. The Trial Unit received 1,431 new cases in 2010 – including 1,362 from the Investigations Unit. It closed 719 cases, including 415 closed for insufficient evidence, insufficient proof or lack of merit (“no case”). The unit held or abated 460 cases and filed formal charges in 636 cases.

Table 7				
Trial Unit Notice Drafting Operations				
	2007	2008	2009	2010
Pending Complaints January 1	695	992	1,149	1,250
<u>New Complaints Received</u>				
From Investigations	1,017	1,140	995	1,362
Previously Held or Abated	12	17	11	56
SBC Hearing Department	2	7	5	3
SBC Effectuation	0	1	0	0
Alternative Discipline Program	4	0	3	0
Previously Closed	<u>8</u>	<u>11</u>	<u>5</u>	<u>10</u>
Total Received	1,043	1,176	1,019	1,431

Table 7 continued on next page.

Table 7
(Continued from previous page.)

	2007	2008	2009	2010
Complaints Closed				
Closed: No Case	67	137	97	415
Closed: Pros Discr	6	25	21	43
Closed: Letter	29	73	78	209
Closed: CW Issue	1	7	2	2
Closed: Rule of Limitation	0	1	6	0
Closed: Other	4	8	25	11
Resp Resigned or Disbarred	12	0	1	3
Agreement in Lieu of Discipline	2	7	2	8
Fee Arb Matter	3	7	0	7
Matter Resolved Between Parties	2	3	4	8
Duplicate or Error	<u>1</u>	<u>5</u>	<u>2</u>	<u>13</u>
Total Closed	127	273	238	719
Notice of Charges Filed	427	518	423	636
Held or Abated	187	224	256	460
Returned to Investigations	4	3	0	3
Other Dispositions	1	1	1	2
Pending Complaints December 31	992	1,149	1,250	861

Number of matters pending for notice drafting in the Trial Unit on January 1, matters received by the Trial Unit during the year, disposition of matters during the year, and notice drafting matters remaining in the Trial Unit on December 31. Complaints counted by complaint and respondent.

TABLE 8: HELD AND ABATED CASES

Highlights: Table 8 shows the number of complaints held or abated. There were 1,412 cases held or abated at the beginning of 2010, and an additional 2,204 were held or abated during the year. Also during 2010, 573 previously held or abated cases were formally filed in State Bar Court, 56 were sent to the Trial Unit for notice drafting, and 138 were sent to the Investigations Unit. In addition, 266 held or abated cases were closed when the respondent resigned or was disbarred in a separate matter.

Table 8				
Held and Abated Cases				
	2007	2008	2009	2010
Held & Abated January 1	197	306	529	1,412
<u>New Holds & Abatements</u>				
Investigations	238	344	1,118	1,725
Trial (Notice Drafting)	187	224	256	460
SBC Hearing Division	0	0	0	6
Previously Closed	<u>4</u>	<u>4</u>	<u>2</u>	<u>13</u>
Total New Holds & Abatements	429	572	1,376	2,204
<u>Complaints Made Active</u>				
Investigations	54	43	73	138
Trial (Notice Drafting)	12	17	11	56
Notice Filed	96	126	136	573
SBC Effectuation	0	1	0	2
Alternative Discipline Program	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
Total Re-Activations	162	187	221	770

Table 8 continued on next page.

Table 8
(continued from previous page)

	2007	2008	2009	2010
<u>Complaints Closed</u>				
Agreement in Lieu of Discipline	20	19	16	10
Closed: Letter	1	1	1	0
Closed: No Case	5	2	14	17
Closed: Pros Discr	1	6	2	13
Closed: Other	3	2	18	0
Closed: Rule of Limitation	0	0	0	1
Discipline Imposed	0	1	3	0
Duplicate or Error	0	1	2	2
Matter Resolved Between Parties	2	0	0	0
Not Closed	0	2	0	3
Resp Resigned or Disbarred	<u>126</u>	<u>128</u>	<u>216</u>	<u>266</u>
Total Closed	158	162	272	312
<hr/>				
Held & Abated December 31	306	529	1,412	2,534

Number of held and abated matters in pre-filing statuses as of January 1, additional matters held and abated during the year, held and abated matters made active during the year, held and abated matters closed during the year, and matters remaining held and abated as of December 31. Complaints counted by complaint and respondent.

**C. STATISTICAL TABLES GROUP III:
CASES FILED OR CLOSED**

TABLE 9: CASES FILED AND CASES CLOSED

Highlights: Table 9 shows the number of complaints closed or, if not, where disciplinary charges were filed. During 2010, the Bar closed or filed 18,499 cases. Of these, 13,235 were closed by the Intake Unit, and another 3,024 were closed by the Investigations Unit. Another 312 previously held or abated cases were closed, and the Trial Unit closed 719. The Trial Unit filed formal charges in 636 active cases, along with 573 previously held or abated cases. In all, there were formal filings in 1,209 cases, and 17,290 cases were closed.

Table 9				
Cases Filed and Cases Closed				
Unit / Status	2007	2008	2009	2010
Closed by Intake	10,285	10,519	10,243	13,235
Closed by Investigation	1,545	1,676	2,044	3,024
Held / Abated				
Filed	96	126	136	573
Closed	<u>158</u>	<u>162</u>	<u>272</u>	<u>312</u>
Sub-Total	254	288	408	885
Trial (Drafting)				
Filed	427	518	423	636
Closed	<u>127</u>	<u>273</u>	<u>238</u>	<u>719</u>
Sub-Total	554	791	661	1,355
Total Closed & Filed	12,638	13,274	13,356	18,499
Memo: Closed	12,115	12,630	12,797	17,290
Memo: Filed	523	644	559	1,209

Number of cases either closed or formally filed with State Bar Court during the year. Breakdown by status of matter prior to closure or filing. Cases counted by complaint and respondent.

TABLE 10: CLOSED CASES BY PRIOR STATUS AND AGE

Highlights: Table 10 shows the number and age of complaints closed by each unit of OCTC. Closed complaints are further categorized if designated as a normal or complex case or if held or abated before their closure. Virtually all of the cases closed by the Intake Unit in 2010 were under six months old at the time of closure. The Investigation Unit closed 1,849 cases of normal complexity, 45% of which were under six months old at closure. In addition, 1,175 cases designated as “complex” were closed by the Investigations Unit. 72% of these were under twelve months old at closure, and 35% were under six months old.

Table 10
Closed Cases By Prior Status and Age

Unit / Status	2007	2008	2009	2010
<u>Intake Unit</u>				
0 - 6 Months	10,250	10,453	10,162	13,132
6 - 12 Months	26	58	59	84
1 - 2 Years	8	5	21	17
2 - 3 Years	1	2	0	2
3 - 5 Years	0	1	1	0
5 + Years	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Sub-Total	10,285	10,519	10,243	13,235
<u>Investigation Unit (Normal)</u>				
0 - 6 Months	740	717	869	829
6 - 12 Months	380	465	504	757
1 - 2 Years	104	111	110	224
2 - 3 Years	21	23	26	23
3 - 5 Years	6	7	8	16
5 + Years	<u>0</u>	<u>0</u>	<u>7</u>	<u>0</u>
Sub-Total	1,251	1,323	1,524	1,849
<u>Investigation Unit (Complex)</u>				
0 - 6 Months	76	104	264	409
6 - 12 Months	121	120	134	434
1 - 2 Years	87	118	101	310
2 - 3 Years	9	6	14	12
3 - 5 Years	1	4	6	7
5 + Years	<u>0</u>	<u>1</u>	<u>1</u>	<u>3</u>
Sub-Total	294	353	520	1,175

Table 10 continued on next page.

TABLE 10 (continued)

Of the 312 held or abated cases closed in 2010, fewer than 10% were under six months old, and 42% were less than twelve months old. Finally, the Trial Unit closed 719 cases in 2010, of which fewer than 20% were under twelve months old.

Table 10
(Continued from previous page.)

Unit / Status	2007	2008	2009	2010
<u>Held and Abated</u>				
0 - 6 Months	25	7	16	25
6 - 12 Months	55	22	45	106
1 - 2 Years	53	62	107	108
2 - 3 Years	14	63	74	44
3 - 5 Years	11	8	29	27
5 + Years	<u>0</u>	<u>0</u>	<u>1</u>	<u>2</u>
Sub-Total	158	162	272	312
<u>Trial Unit</u>				
0 - 6 Months	6	8	10	27
6 - 12 Months	37	52	37	98
1 - 2 Years	57	120	63	224
2 - 3 Years	25	71	66	202
3 - 5 Years	1	20	60	167
5 + Years	<u>1</u>	<u>2</u>	<u>2</u>	<u>1</u>
Sub-Total	127	273	238	719
Total Closed	12,115	12,630	12,797	17,290

Number of cases closed during the year by the Intake Unit, the Investigations Unit (with cases designated complex shown separately), and the Trial Unit, as well as held and abated cases closed. Breakdown by age; cases counted by complaint and respondent.

TABLE 11: FILED CASES BY AGE

Highlights: Of the 636 active cases formally filed by the Trial Unit during 2010, 37% were under twelve months old, and 7% met the six-month filing benchmark. At the same time, 573 previously held or abated cases were formally filed in 2010, the majority of which under twelve months old and almost thirty percent of which were under six months old on the date of filing.

**Table 11
Filed Cases By Age**

Unit / Status	2007	2008	2009	2010
<u>Held / Abated</u>				
0 - 6 Months	7	7	11	165
6 - 12 Months	22	18	27	128
1 - 2 Years	46	49	48	129
2 - 3 Years	15	40	32	88
3 - 5 Years	5	11	18	59
5 + Years	<u>1</u>	<u>1</u>	<u>0</u>	<u>4</u>
Sub-Total	96	126	136	573
<u>Trial Unit (Drafting)</u>				
0 - 6 Months	49	21	53	46
6 - 12 Months	89	100	99	188
1 - 2 Years	191	215	158	216
2 - 3 Years	72	129	85	115
3 - 5 Years	22	46	24	70
5 + Years	<u>4</u>	<u>7</u>	<u>4</u>	<u>1</u>
Sub-Total	427	518	423	636
Total Filed	523	644	559	1,209

Number of cases formally filed by in State Bar Court by the Trial Unit during the year, including previously held and abated cases. Breakdown by age; cases counted by complaint and respondent.

**D. STATISTICAL TABLES GROUP IV:
AVERAGE DURATION OF COMPLAINT RESOLUTION STAGES**

TABLE 12: DURATION (DAYS) OF CASES FORWARDED TO SUPREME COURT

Highlights: Table 12 shows the average duration in days in each unit in OCTC and in State Bar Court of those complaints resulting in a recommendation of discipline forwarded to the Supreme Court. Cases forwarded to the Supreme Court in 2010 had, on average, spent 29 days in Intake, another 225 days in Investigations, 29 days held or abated, and 222 days in the Trial Unit for notice drafting. The hearing, appeal and effectuation stages accounted for an additional 219 days. Overall, a case forwarded to the Supreme Court in 2010 took 723 days to pass through all stages (excluding any time spent in the Alternative Discipline Program).

Stage	2007	2008	2009	2010
Intake	37	38	28	29
Investigation	265	237	258	225
Held / Abated	5	47	8	29
Trial Unit (drafting)	<u>197</u>	<u>235</u>	<u>316</u>	<u>222</u>
Total Pre-Filing	504	557	610	504
State Bar Court (all stages)	303	271	347	219
Total Days	807	828	958	723

Average number of days spent in each stage for cases forwarded to the State Supreme Court in each year, excluding any time spent in Alternative Discipline Program. Cases counted by complaint and respondent.

TABLE 13: DURATION OF CASES REACHING EFFECTUATION STAGE

Highlights: Table 13 shows the average duration in days at each stage of the disciplinary process before it reaches the effectuation stage in the State Bar Court. Cases reaching the effectuation stage in 2010 had spent an average of 26 days in Intake, another 210 days in Investigations, 20 days held or abated, and 215 days in notice drafting. The hearing stage in State Bar Court added another 173 days.

Table 13
Duration (Days) of Cases Reaching Effectuation Stage

Stage	2007	2008	2009	2010
Intake	36	36	31	26
Investigation	247	249	244	210
OCTC Held	8	42	5	20
OCTC Drafting	<u>196</u>	<u>251</u>	<u>299</u>	<u>215</u>
Days Pre-Filing	488	577	579	470
State Bar Court (all stages)	227	219	259	172
Total Days	715	796	838	643

Average number of days spent in each stage for cases entering the Effectuation stage in each year, excluding any time spent in Alternative Discipline Program. Cases counted by complaint and respondent.

TABLE 14: DURATION OF CASES FILED IN STATE BAR COURT

Highlights: Table 14 shows the average duration by days of complaints in each unit of OCTC before disciplinary charges are filed in the State Bar Court. Cases formally filed in 2010 spent an average of 575 days in all pre-filing statuses. This included an average of 33 days in Intake, 243 days in Investigations, 12 days on hold or abated, and 287 days in the Trial Unit for notice drafting.

Table 14
Duration (Days) of Cases Filed in State Bar Court

Stage	2007	2008	2009	2010
Intake	42	27	28	33
Investigation	250	270	234	243
OCTC Held	7	11	13	12
OCTC Drafting	231	339	260	287
Combined Days	529	646	535	575

Average number of days spent in each stage for cases filed in the State Bar Court Hearing Division in each year. Cases counted by complaint and respondent.

IV. REPORTABLE EVENTS

IV. REPORTABLE EVENTS

By statute, banks, courts, and insurers are required to report specified information about attorneys to the State Bar. The general areas which require reporting include: orders, certain sanctions, or judgments reflecting on the attorney's conduct in a case (reportable by courts); claims or lawsuits against an attorney insured by the insurer (reportable by insurers); and insufficient fund activity in a client trust account (reportable by financial institutions).

In addition, attorneys are required to self-report specified types of conduct to the State Bar, such as three or more lawsuits against the attorney in a 12-month period for professional negligence or wrongful conduct; entry of judgment against the attorney for fraud, misrepresentation, breach of duty or gross negligence, disciplinary action by another agency, reversal of a judgment based on attorney misconduct, and any conviction of a crime.

Table 15
Reportable Events

	2007	2008	2009	2010
Attorney Self Reports	94	149	118	165
<u>Other Reporting Sources</u>				
Banks	2,617	1,979	3,031	2,929
Insurers	105	103	139	140
Courts	113	98	103	126
Other	<u>0</u>	<u>14</u>	<u>16</u>	<u>16</u>
Sub-Total	2,835	2,194	3,289	3,211
Total Received	2,929	2,343	3,407	3,376
Forwarded to Investigation Unit	558	475	602	1,093

V. OTHER CASE TYPES (PRE-FILING STATUSES)

V. OTHER CASE TYPES (PRE-FILING STATUSES)

While the complaint resolution process is the largest segment of the discipline system, original complaints against attorneys are not the only matters handled by the Office of Chief Trial Counsel and the State Bar Court. Other matters include:

- Unauthorized practice of law matters by non-lawyers, which may be referred to local law enforcement for criminal investigations or processed by OCTC for special proceedings in the superior court.
- Matters initiated because of reportable events.
- OCTC must also monitor conviction matters involving members pending criminal appeals before disciplinary proceedings may be initiated.
- Disciplinary proceedings may be initiated against members who have violated conditions imposed in reprimands (Rules Prof. Conduct, rule 1-110).
- Proceedings may be initiated against a member who has been disciplined in other jurisdictions in which they are also licensed to practice law (Bus. & Prof. Code, § 6049.1).
- Further proceedings may be initiated against disciplined members who failed to comply with requirements under Cal. Rules of Court rule 9.20.
- Special proceedings may be initiated to place members in involuntary inactive status—essentially an interim suspension—while formal disciplinary proceedings are pending.
- Proceedings involving suspended members to determine if they have met rehabilitation standards in Standard 1.4(c)(ii) of the State Bar’s Rules of Procedure.
- Probation revocation proceedings against disciplined lawyers who violate conditions of probation.
- Proceedings involving members who resign with disciplinary charges pending.
- Special proceedings in the superior court to assume jurisdiction over the law practice of members under Business and Professions Code sections 6180 and 6190.

Other matters include:

- Unauthorized practice of law matters by non-lawyers, which may be referred to local law enforcement for criminal investigations or processed by OCTC for special proceedings in the superior court.
- Matters initiated because of reportable events.
- OCTC must also monitor conviction matters involving members pending criminal appeals before disciplinary proceedings may be initiated.
- Disciplinary proceedings may be initiated against members who have violated conditions imposed in reprimands (Rules Prof. Conduct, rule 1-110).

- Proceedings may be initiated against a member who have been disciplined in other jurisdictions in which they are also licensed to practice law (Bus. & Prof. Code, § 6049.1).
- Further proceedings may be initiated against disciplined members who failed to comply with requirements under Cal. Rules of Court rule 9.20.
- Special proceedings may be initiated to place members in involuntary inactive status—essentially an interim suspension—while formal disciplinary proceedings are pending.
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- Probation revocation proceedings against disciplined lawyers who violate conditions of probation.
- Proceedings involving members who resign with disciplinary charges pending.
- Special proceedings in the superior court to assume jurisdiction over the law practice of members under Business and Professions Code sections 6180 and 6190.

This section presents summary data on the other matters.

Table 16
Unresolved Non-Complaint Cases as of December 31

Unit & Case Type	2007	2008	2009	2010
<u>Intake Unit</u>				
Unauthorized Practice of Law	53	70	102	64
<u>Investigations Unit</u>				
Unauthorized Practice of Law	172	199	209	240
Non-Complaint Original Matters	142	116	109	185
Contempt	<u>43</u>	<u>42</u>	<u>46</u>	<u>44</u>
Sub-Total	357	357	364	469
<u>Trial Unit</u>				
Non-Complaint Original Matters	131	139	133	71
Conviction Monitoring or Referral	1	2	1	1
Rule 1-110 Violation	11	12	16	13
Other Jurisdiction 6049.1	9	16	20	27
Rule 9.20 Violation	12	15	19	11
Involuntary Inactive 6007(b)(3)	1	2	0	0
Standard 1.4(c)(ii) Mini-Reinstatement	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
Sub-Total	165	187	189	123

Table 16 continued on next page.

Table 16
(Continued from previous page.)

Unit & Case Type	2007	2008	2009	2010
<u>Held or Abated</u>				
Non-Complaint Original Matters	18	49	80	113
Conviction Monitoring or Referral	0	0	0	2
Rule 1-110 Violation	2	4	3	3
Other Jurisdiction 6049.1	1	2	2	8
Rule 9.20 Violation	4	9	9	19
Probation Revocation Motion	1	1	0	0
Resignation with Charges Pending	0	0	0	1
Involuntary Inactive 6007(c)	0	0	4	4
Involuntary Inactive 6007(b)(3)	0	0	3	5
Trust Over Law Practice (6180, 6190)	<u>37</u>	<u>49</u>	<u>51</u>	<u>47</u>
Sub-Total	63	114	152	202
Total	638	728	807	858

Table 17
Age of Unresolved Non-Complaint Cases

Age of Cases	2007	2008	2009	2010
0 - 6 Months	282	286	341	346
6 - 12 Months	157	141	148	157
1 - 2 Years	150	203	160	189
2 - 3 Years	27	69	98	73
3 - 5 Years	11	17	45	76
5 + Years	11	12	15	17
Total	638	728	807	858

"Backlog" Cases	2007	2008	2009	2010
Cases Exceeding Six Months	356	442	466	512
Excluding Held and Abated	324	389	415	443
Investigations Exceeding Six Months	170	211	210	269

Table 18
Formal Disciplinary Outcomes

Outcome	2007	2008	2009	2010
Disbarment	55	57	71	128
Summary Disbarment	11	6	10	10
Suspension	170	245	255	444
Reprovals	95	67	106	104
Dismissal	34	37	56	64
Termination	64	46	57	17
Revoke Probation	4	7	17	7
Probation	0	0	0	0
Extend probation	2	0	0	1
License to Practice Cancelled	0	1	0	0
Admonition	0	1	2	5
Deny Petition/Application	0	2	1	0
Withdrawn	0	0	1	0
Pre-filing	0	0	0	9
Total	435	469	576	789

Source: State Bar Court. SBC counts matters by cases filed, frequently consolidating many complaints against a respondent into a single case. These figures are not directly comparable with the complaint-level data shown elsewhere in this report.

VI. COSTS OF THE DISCIPLINE SYSTEM

VI. COSTS OF THE DISCIPLINE SYSTEM

The Annual Discipline Report must include an accounting of the cost of the discipline system. (Bus. & Prof. Code, § 6086.15, subd. (a)(11).)

Table 19
Costs of the Discipline System by Function

Function	Amount	Percentage
<u>General Fund</u>		
Office of Chief Trial Counsel	36,257	63%
State Bar Court	9,991	17%
Probation	926	2%
Mandatory Fee Arbitration	766	1%
Professional Competence	<u>2,302</u>	<u>4%</u>
Sub-Total	50,242	87%
Client Security Fund	7,437	13%
Total	57,679	100%

VII. CONDITION OF THE CLIENT SECURITY FUND

VII. CONDITION OF THE CLIENT SECURITY FUND

The Annual Discipline Report must include a description of the condition of the Client Security Fund, including an accounting of payouts. (Bus. & Prof. Code, § 6086.15, subd. (a)(10).)

Established in 1972, this State Bar sponsored Fund is designed to help protect consumers of legal services by relieving or mitigating pecuniary losses caused by the dishonest conduct of California lawyers. This program works closely with the Office of the Chief Trial Counsel in protecting California's legal consumers.

The Fund may reimburse a maximum of \$100,000 for losses occurring on or after January 1, 2009. Previous to this date, the maximum reimbursement was capped at \$50,000. Beginning in August of 2009, the filing rate for new applications began to increase significantly due in part to loan modification fraud losses. In 2009, 3,028 new claims were received as compared to 825 new claims in 2008. During 2010, new claims filed reached 3,875. As of the end of 2010, 760 claims were processed to closure with 267 claims paid in the total amount of \$3.3 million.

Table 20, below, reflects the activity of the Fund for 2007 through 2010.

Table 20
Client Security Fund Activity

Dollars	2007	2008	2009	2010
Claims outstanding at the beginning of the year	9,648,573	11,811,143	11,871,541	22,124,850
Prior year accrual adjustment	0	107,497	15,532	100,260
New applications filed	12,927,446	11,290,084	19,469,661	23,231,936
Less: Claims paid	4,352,110	4,638,272	3,461,950	3,331,124
Claims denied	2,066,308	2,196,878	1,930,226	2,869,032
Claims withdrawn	4,346,458	4,502,033	3,839,708	4,743,243
Claims outstanding at the end of the year	<u>11,811,143</u>	<u>11,871,541</u>	<u>22,124,850</u>	<u>34,513,647</u>
Claims payout ratio	42%	41%	39%	34%
Estimated claims liability at year end	5,013,830	4,829,343	8,712,766	11,620,745
Cash and investments available to pay claims	6,464,048	10,579,890	11,474,261	15,522,370
Number of Claims	2007	2008	2009	2010
Claims outstanding at the beginning of the year	797	1,161	1,084	3,371
New applications filed	1,013	825	3,028	3,875
Less: Claims paid	607	479	378	267
Claims denied	42	57	52	138
Claims withdrawn	374	366	311	355
Claims outstanding at the end of the year	<u>1,161</u>	<u>1,084</u>	<u>3,371</u>	<u>6,486</u>

VIII. ASSURANCE AND PREVENTION PROGRAMS

VIII. ASSURANCE AND PREVENTION PROGRAMS

The Annual Discipline Report is required to include a description of the programs of the State Bar directed at assuring honesty and competence by attorney or at preventing acts warranting discipline. (Bus. & Prof. Code, § 6086.15, subd. (a)(8) & (a)(9).) The following is a brief description of some of those programs.

Professional Competence

The Office of Professional Competence offers a wide range of programs to help lawyers meet their ethical duties and operates the Ethics Hotline, which responded to 22,900 calls in 2010. The office helped seek the public's input on 67 new and amended Rules of Professional Conduct that were adopted by the board of governors and will be submitted to the California Supreme Court for approval. An ethics alert about loan modification issues, prepared by the Committee on Professional Responsibility and Conduct in 2009, received 48,500 online hits in 2010.

Professional Competence

The Office of Professional Competence operates the Ethics Hotline, which responded to 22,900 calls in 2010 with references on the Rules of Professional Conduct, the State Bar Act, or case law to members with questions about their ethical duties. The office processed public comment received on the 67 proposed new or amended Rules of Professional Conduct that were adopted by the board of governors and will be submitted to the California Supreme Court for approval later this year. An ethics alert about lawyers involved in home loan modification, prepared by the Committee on Professional Responsibility and Conduct in 2009, received 48,500 online hits on the State Bar's Web site in 2010.

Other Regulatory or Legal Education Programs

Oter programs involving regulating the practice of law in California, legal education and competence include:

- **Multijurisdictional Practice Program (MJP):** Regulates out-of-state lawyers who live in California who register with the State Bar and perform limited legal services as in-house counsel for some corporations or to provide practice with legal aid organizations to the poor. In 2010, 14 legal services lawyers and 829 in-house counsel were registered in the MJP program. (California Rules of Court 9.45-9.48 and State Bar rules)
- **Pro Hac Vice Program:** Assists the California courts in the application of out-of-state attorneys to appear in a case in California state courts. In 2010, 2,847 attorneys filed pro hac vice applications with the State Bar. (Rule of Court 9.40)

- **Military Counsel Program:** Regulates out-of-state serving as judge advocates in the military to appear in California courts and represent military personnel on a limited basis. (Rule of Court 9.41)
- **Foreign Legal Consultant Program:** Regulates attorneys who are licensed in a foreign jurisdiction to register and engage in the limited practice the law of that country in California. At the end of 2010, 47 attorneys from 26 foreign jurisdictions were registered as foreign legal consultants. (Rule of Court 9.44 and State Bar rules)
- **Practical Training of Law Students Program:** Regulates law students who may provide limited legal services under a California attorney's supervision. In 2010, 2,625 students applied to the program. (Rule of Court 9.42 and State Bar rules)
- **Legal Specialization Program:** Administers the requirements for California attorneys to become certified specialists in one or more of 11 areas of law. Certified specialists must pass a written exam, possess special education and experience, undergo peer review and recertify every five years. Currently, 4,238 lawyers are certified specialists and another 338 are certified by five other organizations accredited by the the State Bar. (California Rule of Court 9.35 and State Bar rules and standards)
- **Minimum Continuing Legal Education (MCLE) Providers Program:** Authorizes education providers to offer MCLE courses to lawyers. In 2010, providers filed approximately 2,015 applications for provider status or for approval to teach individual classes. (Bus. & Prof. Code § 6070, Rule of Court 9.31 and State Bar rules)
- **Minimum Continuing Legal Education (MCLE) Compliance:** Tracks whether State Bar members meet their continuing legal education requirements every three years. In September 2010, the State Bar placed 416 members on involuntary inactive status for failure to comply. (Bus. & Prof. Code § 6070 and State Bar rules)
- **Lawyer Referral Services (LRS) Certification Program:** Certifies services that refer potential clients to attorneys in California. To qualify for certification, an LRS must verify that its attorneys have sufficient experience and training, agree to fee arbitration for dispute resolution and possess certain liability coverage. At the end of 2010, 58 lawyer referral services were operating in California. (Bus. & Prof. Code § 6155 and State Bar rules and regulations)

Probation

The Office of Probation monitored the compliance of disciplined lawyers with the conditions of probation. In 2010, the number of cases ranged between 799 and 886 per month, an increase of 13 percent over 2009. The office referred 165 attorneys to OCTC for possible discipline for failing to meet the terms of their probation and filed 20 motions to revoke probation.

Mandatory Fee Arbitration

The State Bar's program processed 107 arbitration cases in a state-wide program to arbitrate disputes in fees between attorneys and clients. Awards in favor of clients that are unpaid may be enforced through a process administered by the program. In 2010, 70 client made requests for enforcement and refund payments were made to 48 clients. The State Bar Court placed nine lawyers on involuntary inactive enrollment for failing to pay fee arb awards.

VIII. CONCLUSION

IX. CONCLUSION

- With the new information in the revised Annual Discipline Report, the State Bar will continue to monitor the performance of its attorney discipline system in 2011.
- Significant steps and changes will be implemented this year to address the caseload and backlog figures disclosed in this report.
- The State Bar will examine the statuses of the complaints, such as those abated or held or designated complex, and recommend to the Legislature and Supreme Court whether these types of matters should be included in the backlog.
- The State Bar is committed to instituting structural and organizational reforms necessary to improve performance of its discipline system this year to achieve the statutory goals for processing and resolving complaints.