



INFORMATION RELEASE TUESDAY MAY 1, 2012

ANNUAL ILLINOIS LAWYER REPORT RELEASED ON LAW DAY

The Attorney Registration and Disciplinary Commission (ARDC), the administrative agency that regulates licensed Illinois lawyers, has filed its year 2011 Annual Report with the Supreme Court of Illinois. The report was released to the public this morning when a copy was posted on the ARDC website: www.iardc.org.

A summary of the annual report entitled *Highlights from the Annual Report* is attached to this information release.

The ARDC annually evaluates the effectiveness of the disciplinary system. Complete and comprehensive statistics concerning the disciplinary caseload are submitted to the Illinois Supreme Court and are published in the Annual Report. Few professions account for their regulatory activity in such detail. In addition, the Annual Report also includes the findings of an independent auditor that the agency's financial statements were accurate and that the ARDC employs appropriate accounting procedures.

In its Annual Report, the ARDC accounts to the Supreme Court for money received and spent. No tax money is used to fund the agency. All operating funds are taken from an annual registration fee paid by Illinois attorneys. Most lawyers now pay an annual fee of \$289. Of that amount, \$200 is used by the ARDC to pay for lawyer regulation; \$42 is remitted to the Lawyers Trust Fund to fund legal services for the indigent; \$7 is sent to the Lawyers' Assistance Program, an organization that helps lawyers, judges, law students, and their families with alcohol abuse, drug dependency, or mental health problems; \$15 is submitted to the Supreme Court's Commission on Professionalism; and \$25 funds the Client Protection Program. The Supreme Court of

Illinois created the Client Protection Program in 1994 to reimburse clients who lose money because of the dishonest conduct of a lawyer.

Annual reports for the prior eleven reporting periods are published at the ARDC website under the tab marked: **ARDC Organizational Information**. The website also includes the Master Roll of Attorneys in Illinois and permits a user to search for certain basic public registration information, including the business address and public disciplinary record, of Illinois lawyers. The site attracts up to 93,000 visits each month and, in 2011, visitors totaled more than 1.1 million. It has a searchable database of disciplinary decisions.

The ARDC consists of four members of the Illinois Bar and three non-lawyers appointed by the Supreme Court. The ARDC Chairman is R. Michael Henderson of Peoria. The Vice Chair is Joan Myers Eagle of Chicago. The Commissioners receive no compensation for their services. The Commissioners create ARDC policies, establish an operating budget, appoint members of the Inquiry and Hearing Boards, and manage the Client Protection Program. Subject to the approval of the Supreme Court, the Commissioners appoint the ARDC's chief executive officer, the Administrator. The Administrator is Jerome Larkin.

There are two ARDC offices: One Prudential Plaza in Chicago and One North Old Capitol Plaza in Springfield.

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THE ARDC WEBSITE: WWW.IARDC.ORG



HIGHLIGHTS FROM THE 2011 ANNUAL REPORT

■ Lawyer Population

The names of 87,943 lawyers appeared on the Master Roll of Attorneys as of October 31, 2011. That number does not include 2,121 attorneys who took their oath of office in late 2011. The overall lawyer population in Illinois saw a modest increase of 1.3% from 2010. The number of newly admitted lawyers continues a steady increase first noted in 2005, with at least 2,000 more lawyers each year. The percentage of attorneys reporting a principal address outside Illinois remained constant at 27%. Counties with 500 or more attorneys experienced less than a 1% increase in growth.

■ Grievances and Formal Disciplinary Charges

During 2011, the ARDC docketed 6,155 investigations, a 9.6% increase from the prior year and the highest number of docketed investigations since 2003. More than one-third of the increase is attributable to a new Supreme Court rule requiring financial institutions to report any overdraft on a lawyer's trust account to the ARDC. Allegations of excessive or improper fees more than doubled from 2010. The 6,155 investigations involved charges against 4,063 different attorneys, representing about 4.6% of all registered lawyers. Similar to past reporting years, grievances typically allege neglect (40% of all investigations), a failure to communicate (20%), and conduct involving fraud or deceit (12%). Consistent with prior years, the top practice areas likely to attract a grievance include criminal law, domestic relations, tort, and real estate. Approximately 68% of all grievances were concluded within ninety days after they were initiated.

■ Disciplinary Sanctions

During 2011, the Supreme Court entered 156 sanctions against 155 lawyers; another ten lawyers were reprimanded by the Hearing Board. Approximately 43% of those sanctioned practiced in Cook County, where more than 45% of the state's lawyers are located. The county with the second highest percentage of sanctioned lawyers was DuPage (9%). More lawyers were disciplined for engaging in fraudulent or deceptive conduct than any other offense. Of those disciplined, 89% were men; 65% of the sanctioned lawyers were between the ages of 50 and 74. Nearly 90% of those disciplined were sole practitioners or practiced in a firm of 2-10 lawyers at the time of the misconduct and approximately 30% of lawyers disciplined in 2011 had one or more identified substance abuse or mental impairment issues.

■ Public Outreach Efforts

The ARDC continues to be a leader in providing professional responsibility training and ethics seminars to the profession and public. Commission personnel gave over 220 presentations

to bar associations, government agencies, law firms, law schools, public interest groups and other organizations in 2011. The ARDC also produced five MCLE accredited webcasts which were posted on the ARDC website. A total of over 13,700 lawyers watched those webcasts and were able to earn up to seven hours of ethics and professionalism MCLE credit at no cost. As a result of such efforts, thousands of Illinois lawyers have had the opportunity to pose questions and learn more about lawyer regulation in this state. Finally, as part of the ARDC's efforts to apprise lawyers of rule changes and professional risk trends, the ARDC sent an e-mail notice in July 2011 to approximately 65,000 lawyers alerting them of important amendments to the Supreme Court's trust accounting rules.

■ Pro Bono Legal Services

There was an increase in the number of lawyers providing *pro bono* legal services during 2011, as well as the number of lawyers making monetary contributions. In 2011, 30,203 of the total Illinois attorney population, approximately 34.3% of all lawyers, provided free legal services to persons of limited means or to organizations designed to address the needs of people of limited means. Despite the sluggishness of the national economy, the percentage of lawyers who made monetary contributions to *pro bono* service organizations increased to 17.4% in 2011. The total amount contributed increased by 1% over 2010, and totaled \$15,419,130.

■ Client Protection Program

The Supreme Court of Illinois established the Client Protection Program (CPP) to reimburse clients who lose money due to the dishonest conduct of lawyers who have been disciplined or have died. The maximum available award is \$75,000 per claim and \$750,000 per lawyer. In 2011, CPP approved 89 claims against 38 lawyers and paid \$1,006,013 to claimants. Six approvals were for the \$75,000 maximum, and 33 were for \$2,500 or less. The six \$75,000 approvals were made on claims involving six different lawyers, and those six lawyers accounted for \$708,389 of the total payments approved. The types of misconduct that led to payouts of the 89 approved claims were conversion allegations, which constituted 52% of approvals and 88% of payouts, and unearned fee claims, which comprised 48% of approvals and 12% of payouts.

■ Ethics Assistance to the Bar

The ARDC's Ethics Inquiry Program, a telephone inquiry resource, continues to serve Illinois attorneys who seek help in resolving hypothetical, ethical dilemmas. In 2011, staff lawyers responded to 4,063 ethics inquiries. Questions about a lawyer's obligation to report the misconduct of another attorney continue to be the most popular area of inquiry posed to the Program. Also, the ARDC publishes and distributes free of charge booklets containing the Rules of Professional Conduct as well as *The Client Trust Account Handbook*, which details a lawyer's duties to safeguard client funds and property.