

**2003 ANNUAL REPORT OF  
THE COLORADO SUPREME COURT  
OFFICE OF ATTORNEY REGULATION COUNSEL**

The Colorado Supreme Court Office of Attorney Regulation Counsel performs multiple regulatory and administrative duties. These duties include:

1. Field and investigate approximately 5,000 complaints filed with the Central Intake Division of the Office of Attorney Regulation Counsel;
2. Investigate and prosecute violations of the Colorado Rules of Professional Conduct under the direction of the Attorney Regulation Committee, C.R.C.P. 251.3;
3. Investigate and prosecute violations of the Colorado Rules of Professional Conduct relating to trust account overdraft notifications;
4. Investigate and prosecute attorney disability actions;
5. Investigate and prosecute petitions for immediate suspension, C.R.C.P. 251.8, C.R.C.P. 251.8.5, and C.R.C.P. 251.8.6.
6. Investigate and prosecute contempt proceedings for violations of the Colorado Rules of Procedure Regarding Attorney Discipline and Disability, C.R.C.P. 251.3(c)(7);
7. Investigate and prosecute violations of the Code of Judicial Conduct by attorneys serving as magistrates under the Colorado Rules for Magistrates;
8. Investigate and prosecute complaints alleging the unauthorized practice of law upon the request and direction of the Unauthorized Practice of Law Committee, C.R.C.P. 228, *et seq.*;
9. Coordinate and investigate the filing of claims with the Colorado Attorneys' Fund for Client Protection under the direction of the Colorado Attorneys' Fund for Client Protection Board of Trustees, C.R.C.P. 251.3, *et seq.*, C.R.C.P. 252, *et seq.*;

10. Represent and counsel the Colorado State Board of Law Examiners in formal hearings regarding applicants denied admission to the Colorado Bar, C.R.C.P. 201.10;

11. As requested, represent and serve as special counsel to the Commission on Judicial Discipline in matters related to the removal, retirement, suspension, censure, reprimand, or other discipline of judges, Colorado Rules of Judicial Discipline, Chapter 24;

12. Obtain appointment of inventory counsel in cases where an attorney has become disabled, disappeared, or died, and assist inventory counsel with the client files and funds; and

13. Provide extensive educational opportunities to the practicing Bar and the public on topics related to attorney ethics.

The various duties of the Office of Attorney Regulation Counsel are set forth individually to reflect a summary of work performed in each area. The annual report of the Colorado Attorneys' Fund for Client Protection is under separate cover.

In 2003, the Office of Attorney Regulation Counsel employed 14 full-time attorneys, including Regulation Counsel and Chief Deputy Regulation Counsel, Deputy Regulation Counsel, as well as four full-time, non-attorney investigators.

## **ATTORNEY REGULATION**

### **I. CENTRAL INTAKE**

Perhaps the biggest single change in the Colorado attorney regulation system was the implementation of a central intake program in 1999. *See* next page. Prior to implementation of central intake, all complaints against attorneys were in writing. Typically, the office annually mailed 5,000 to 6,000 complaint forms to individuals who inquired about filing a "grievance." Generally, about 25 percent of the forms were returned by complainants. *But see* next page. Many potential complainants simply found the prior intake system too complex or burdensome to follow through with their complaint. *See* Table 1.

Table 1

Year	Complaints Filed	Percent Change From Prior Year
2003	4,521	-13%
2002	5,186	+14%
2001	4,550	+1%
2000	4,507	-9%
1999	4,961	+237%
1998	1,472	-5%

Central intake now reaches virtually every complainant. By eliminating the need to initiate a complaint in writing, the Office of Attorney Regulation Counsel is truly user friendly and available to a much broader range of the public. The Office of Attorney Regulation Counsel also accepts written and in-person complaints.

Prior to 1999, a yearly average of approximately 1,500 written complaints was filed and reviewed at the intake stage. In its fifth full year of operation (2003), central intake handled 4,521 complaints. Nearly the same number of individuals who in the past called requesting written complaint forms (of which only 25%-30% were returned) now are provided the opportunity to speak with an intake attorney. *See* Table 2.

Table 2

	Intake Complaint Calls	Additional Intake Calls	Additional Miscellaneous Calls
2003	4,521	2,670	13,305
2002	5,186	3,087	13,646
2001	4,550	3,044	13,654
2000	4,507	5,944	10,065
1999	4,961		10,038

Measuring the efficiency and competency of central intake is critical to the Court, the public, and the Bar. Although there are many ways to evaluate the old system to central intake, it is important to ensure that the evaluation is statistically reliable. In this report, the following benchmarks are used:

- Number of intake matters past and present;
- The time a complaint was pending at the intake level; and
- The handling of complaints at intake:
  - Number of complaints dismissed at intake past and present,
  - Number of complaints resolved at intake by diversion,
  - Number of complaints processed for investigation, past and present.

Five experienced litigation attorneys, along with one non-attorney investigator and 3.5 support-staff members, comprise central intake. The Regulation Counsel or Chief Deputy Regulation Counsel reviews all offers of diversion made by the central intake attorneys. Additionally, at the request of either the complainant or the respondent-attorney, Regulation Counsel reviews any determination made by a central intake attorney.

One of the goals of central intake is to handle complaints as quickly and efficiently as possible. At its inception, central intake set the inspirational goal of ten days to review complaints. In 2003, the average time from the original call to central intake and an intake resolution was 1.8 weeks. In 1998, prior to central intake, the average time matters spent at the intake stage was 31 weeks. *See* Table 3.

Table 3

Average Time (in weeks)	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
	31.0	2.0	1.8	1.8	2.2	1.8

At central intake, three resolutions are possible:

- The intake attorney may dismiss the matter if it is clear that no misconduct occurred;
- If there is evidence of minor misconduct, and the misconduct fits within the guidelines set forth in C.R.C.P. 251.13, the intake attorney may offer diversion;<sup>1</sup>
- If there is clear evidence of misconduct that falls outside of the diversion program or if the respondent-attorney rejects diversion offered at central intake, the matter is processed for further investigation and assigned to a trial attorney, C.R.C.P. 251.10.

Critical to the evaluation of central intake is the number of matters processed for further investigation versus the number of cases processed for investigation prior to implementation of central intake. In 2003, central intake handled 4,521 complaints; 415 of those cases were processed for further investigation.<sup>2</sup> See Table 4.

Table 4

Year	Investigations Initiated	% Change From Prior Year
2003	415	-31%
2002	602 <sup>2</sup>	+20%
2001	500	+16%
2000	432	-11%
1999	485	+1%
1998	279	-8%

<sup>1</sup> C.R.C.P. 251.13 provides diversion as an alternative to discipline. The alternatives to discipline (diversion) program offers several programs designed to assist the attorney in resolving issues related to their misconduct. Participation in the program is limited to cases where there is little likelihood that the attorney will harm the public during the diversion and where the program is likely to benefit the attorney. A matter generally will not be diverted if the presumptive range of discipline is likely to be greater than public censure; if the misconduct involves misappropriation of funds; or if there is serious criminal conduct, family violence, or actual injury to a client or other person.

<sup>2</sup> One attorney-respondent received 256 separate requests for investigation for his conduct in one case. The requests for investigation were filed by 256 different individuals.

In conjunction with central intake, cases that are determined to warrant a public censure or less in discipline are eligible for a diversion program. *See* C.R.C.P. 251.13. Participation in diversion is always voluntary and may involve informal resolution of minor misconduct by referral to Ethics School,<sup>3</sup> fee arbitration, an educational program, or an attorney-assistance program. If the attorney successfully completes the diversion agreement, the file in the Office of Attorney Regulation Counsel is closed and treated as a dismissal. Since the diversion program became effective on July 1, 1998, the first full year of measurement was 1999. In 2003, at the central intake stage, 96 matters were resolved by 87 diversion agreements. *See* Table 5. (A representative summary of diversion agreements is published quarterly in *The Colorado Lawyer*.)

Table 5

Year	Central Intake Diversion Agreements
2003	87(96)*
2002	85(93)*
2001	62
2000	75
1999	98

\*The first number is actual diversion agreements. The second number in parentheses represents the number of separate requests for investigation involved in the files.

In cooperation with the Office of Attorney Regulation Counsel, the Colorado Bar Association (CBA) has established fee arbitration committees that accept referrals. Complaints that do not allege excessive fees, but rather a dispute regarding payment or the amount of attorney's fees, are referred to the CBA for handling. If the matter is not resolved at fee arbitration, it is referred back to the Office of Attorney Regulation Counsel for review.

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<sup>3</sup> Ethics School is a one-day program designed and conducted by the Office of Attorney Regulation Counsel. The program is a comprehensive review of an attorney's duty to his/her clients, courts, opposing parties and counsel, and the legal profession. The class also covers conflicts, fee issues, law office management, and trust accounts. Attendance is limited to attorneys participating in diversion agreements or otherwise ordered to attend.

## II. INVESTIGATION

Matters docketed for further investigation are assigned to trial counsel within the Office of Attorney Regulation Counsel. Trial counsel completed a total of 397 matters involving 414 separate requests for investigation (including two matters closed because of the attorneys' transfer to disability inactive status) alleging attorney misconduct in the year 2003. The possible resolutions following the investigation are:

- Trial counsel finds no violations of the Rules of Professional Conduct and submits a memorandum detailing the investigation to Regulation Counsel. *See* C.R.C.P. 251.11. Regulation Counsel may dismiss the matter or order further investigation;
- Trial counsel determines that misconduct occurred and submits a written report of investigation to the Attorney Regulation Committee with a recommendation of dismissal, private admonition, or formal disciplinary proceedings;
- Trial counsel determines that misconduct within the provisions of C.R.C.P. 251.13 occurred and submits a diversion agreement to the Attorney Regulation Committee for approval;
- Trial counsel submits a stipulation recommending public discipline to the Presiding Disciplinary Judge;
- Cases are placed in abeyance when an attorney is disbarred or is transferred permanently to disability inactive status during the course of an investigation; or
- Cases go directly to the Presiding Disciplinary Judge or to the Supreme Court without the necessity of action by the Attorney Regulation Committee, e.g., criminal conviction cases, reciprocal discipline cases, and cases in which an order of immediate suspension has entered at the investigative stage. *See* Table 6.

Trial counsel also investigate Unauthorized Practice of Law matters and Attorneys' Fund for Client Protection matters. Statistics relating to the unauthorized practice of law are covered under a separate heading in this report. The Attorneys' Fund for Client Protection report is filed separately.

Table 6

Year	Investigations Initiated	Dismissed by Regulation Counsel	To Presiding Disciplinary Judge	To Attorney Regulation Committee	Directly to Presiding Disciplinary Judge	Placed in Abeyance	Other	Pending
2003	415	178	14(18)*	205(218)*	12	1	2	173
2002	602	207	18(36)*	182(207)*	13	4	3	442**
2001	500	195	13(15)*	184(194)*	5	24		310
2000	432	158	12(17)*	218(244)*	12	20		243
1999	485	239						262

\*The first number is actual files. The second number in parentheses represents the number of separate requests for investigation involved in the files.

\*\*Two hundred and fifty-six (256) of the pending matters involve one attorney. The 256 separate requests for investigation were initiated as one investigation and closed as one matter in 2003.

Review of Regulation Counsel Dismissals

A complainant may appeal Regulation Counsel’s determination to dismiss the matter to the full Attorney Regulation Committee. If review is requested, the Attorney Regulation Committee must review the matter and make a determination as to whether Regulation Counsel’s determination was an abuse of discretion. *See C.R.C.P. 251.11; see Table 7.*

Table 7

	Number of Review Requests	Regulation Counsel Sustained	Regulation Counsel Reversed
2003	4	4	0
2002	4	4	0
2001	3(5)*	3(5)*	0
2000	4	4	0
1999	1	1	0

\*The first number is actual files. The second number in parentheses represents the number of separate requests for investigation involved in the files.



### III. ATTORNEY REGULATION COMMITTEE (ARC)

The Attorney Regulation Committee<sup>4</sup> is comprised of nine members, six attorneys and three public members appointed by the Supreme Court with assistance from the Court's Advisory Committee.<sup>5</sup> One of the Attorney Regulation Committee's primary functions is to review investigations conducted by Regulation Counsel and determine whether there is reasonable cause to believe grounds for discipline exist. *See* C.R.C.P. 251.12. Following review of the investigation conducted by Regulation Counsel, the Attorney Regulation Committee may dismiss the allegations, divert the matter to the alternatives to discipline program, order a private admonition imposed, or authorize Regulation Counsel to file a formal complaint against the respondent-attorney.

In 2003, the Attorney Regulation Committee reviewed 218 matters.<sup>6</sup> *See* Table 8.

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<sup>4</sup> The Attorney Regulation Committee is a permanent committee of the Supreme Court, and its members are selected by and serve at the pleasure of the Court, *see* C.R.C.P. 251.2. 2003 Attorney Regulation Committee members were Steven K. Jacobson, Chair (Boulder); Bethiah B. Crane, Vice-Chair (Durango); Alberto Gurule (Pueblo); William R. Lucero (Denver); Jeffrey L. Metzner, M.D. (Denver); Barbara Miller (Denver); John E. Mosby (Denver); Doris B. Truhlar (Littleton); and Albert B. Wolf (Denver).

<sup>5</sup> The Supreme Court Advisory Committee is a permanent committee of the Court. Members of the Advisory Committee are selected by and serve at the pleasure of the Court, *see* C.R.C.P. 251.34. 2003 members were Justice Nathan B. Coats; Justice Michael L. Bender; David W. Stark, Esq., Chair; Janet Adams; Bethiah B. Crane, Esq.; Steven K. Jacobson, Esq.; Arthur S. Nieto, Esq.; Daniel A. Vigil, Esq.; and Joseph G. Webb, Esq. The general duties of the committee include coordination of administrative matters within all programs of the attorney regulation system.

<sup>6</sup> Because some matters are carried over from one calendar year to the next, the number of matters reviewed by the Attorney Regulation Committee and the number of matters dismissed by Regulation Counsel generally will not conform to the number of cases docketed or completed in the investigation area. *See* Tables 4, 6, and 8.

Table 8

Year	Cases Reviewed by Grievance Committee	Cases reviewed By ARC
2003		218
2002		207
2001		194
2000		244
1999		232
1998		
1998	504	
1997	591	

Granting Regulation Counsel jurisdiction to dismiss cases following investigation resulted in a significant reduction in the number of cases presented to the Attorney Regulation Committee. *See* C.R.C.P. 251.11. Review and dismissal by Regulation Counsel in lieu of review by the Attorney Regulation Committee further reduces the time that matters not warranting formal proceedings spend in the attorney regulation system. *See* Tables 9 and 10.

Table 9

Number of Requests for Investigation Dismissed After Investigation By the Attorney Regulation Committee				
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
3	6	1	3	6 <sup>7</sup>

<sup>7</sup> As a matter of office policy, Regulation Counsel does not dismiss matters that allege domestic violence by an attorney. Rather, the matter is reviewed by the Attorney Regulation Committee.

Table 10

<u>Number of Weeks from Case Assigned to Dismissal by Regulation Counsel/ARC</u>				
<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
26.3	26.6	29.9	26.6	27.4 <sup>8</sup>

The Attorney Regulation Committee's disposition of the 218 matters presented to the Committee is detailed in Table 11.

Table 11

<u>Year</u>	<u>Formal Proceedings</u>	<u>Diversion Agreements</u>	<u>Private Admonition</u>	<u>Conditional Admissions</u>	<u>Dismissals</u>	<u>Total Cases Acted Upon By ARC</u>
2003	133	57(68)*	9(11)*	0	6	205(218)*
2002	123	52(73)*	4(8)*	0	3	182(207)*
2001	117	61(68)*	5(8)*	0	1	184(194)*
2000	140	61(83)*	11(15)*	0	6	218(244)*
1999	128	93	6	2	3	232

\*The first number is actual files. The second number in parentheses represents the number of separate requests for investigation involved in the files.

Trial counsel averaged 25.8 weeks from the time the case was assigned to completion of the report of investigation. *See* Table 12. This average time is less than last year. Furthermore, the added office responsibilities in the area of Board of Law Examiner matters, Unauthorized Practice of Law cases, and Attorneys' Fund for Client Protection investigations resulted in significantly increased case loads for trial counsel.

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<sup>8</sup> In an effort to reduce costs, two monthly meetings of the Attorney Regulation Committee were cancelled when the total number of agenda items did not warrant a meeting. The cancellation of a meeting extends the time of dismissal by as much as four weeks.

Table 12

Number of Weeks from Case Assigned to Completion of Report/Diversion/Stipulation					
<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
27.4	28.1	25.6	27.7	28.1	25.8

#### **IV. FORMAL COMPLAINTS**

In 133 separate matters, the Attorney Regulation Committee found reasonable cause and authorized the Office of Attorney Regulation Counsel to file a formal complaint. *See* C.R.C.P. 251.12(e). Several matters were consolidated, and the number of formal complaints filed in 2003 was 58. In certain cases, after authority to file a formal complaint is obtained, Attorney Regulation Counsel and Respondent enter into a Conditional Admission to be filed with the Presiding Disciplinary Judge without the filing of a formal complaint. *See* Table 13.

Table 13

Year	Formal Complaints Filed	Resolved Prior to Complaint Filed
2003	58(119)*	8
2002	58(97)*	
2001	60	
2000	52	
1999	69	
1998	98	

\*The first number is actual files. The second number in parentheses represents the number of separate requests for investigation involved in the files.

The formal complaints filed, and those pending from 2002, in the attorney discipline area resulted in 32 trials (22 attorney discipline and 10 attorney reinstatement/readmission trials). The trial division also participated in 79

additional matters before the Presiding Disciplinary Judge (at issue conferences, status conferences, and pretrial conferences). Disposition of the matters is detailed in Table 14. In many cases, voluntary settlement officers are utilized in an effort to resolve pending matters. The voluntary settlement officers are generally senior judges, retired judges, or lawyers with significant experience in the area of attorney ethics.

Table 14

	2000	2001	2002	2003
Attorney discipline trials	29(79)*	18(65)*	19(50)*	22(47)*
Reinstatement hearings		6	8	10
Conditional admissions filed	21(33)*	27(47)*	23(53)*	34(63)*
Diversion agreements filed	7	2	6	3(6)*
Dismissals	5	8(18)*	2	7(18)*
Abeyance	2	1	2	2

\*The first number represents actual files; the second number in parentheses represents the number of separate requests for investigation involved in the files.

In an effort to better protect the public, modifications in the attorney regulation system were directed toward a quicker resolution of the more serious matters. At the same time, matters that were less serious were more quickly resolved by diversion agreements at central intake, following investigation, or at the trial stage. *See* Table 15.

Table 15

Diversion Agreements at Intake Stage					
<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
None	98	75	62	85(93)*	87(96)*

\*The first number represents actual files; the second number in parentheses represents the number of separate requests for investigation involved in the files.

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Diversion Agreements at Investigative Stage  
Approved by the Attorney Regulation Committee

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<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
21	93	61(83)*	61(68)*	52(73)*	57(68)*

\*The first number represents actual files; the second number in parentheses represents the number of separate requests for investigation involved in the files.

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Diversion Agreements at Trial Stage  
Approved by the Presiding Disciplinary Judge

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<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
21	29	7	2	6	3(6)*

\*The first number represents actual files; the second number in parentheses represents the number of separate requests for investigation involved in the files.

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Conditional Admissions at Investigative Stage<sup>9</sup>  
Approved by the Presiding Disciplinary Judge

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<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
2	6(10)*	12(17)*	13(15)*	18(36)*	14(18)*

\*The first number represents actual files; the second number in parentheses represents the number of separate requests for investigation involved in the files.

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Conditional Admissions at Trial Stage  
Approved by the Presiding Disciplinary Judge

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<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
49	38(83)*	21(33)*	27(47)*	23(53)*	34(63)*

\*The first number represents actual files; the second number in parentheses represents the number of separate requests for investigation involved in the files.

In 1999, the Supreme Court created the Office of the Presiding Disciplinary Judge. *See* C.R.C.P. 251.16. All formal attorney discipline matters are filed with the Presiding Disciplinary Judge. Attorney discipline matters proceed much the way a civil case is handled in district court. For instance, the rules of civil procedure and evidentiary rules apply in attorney discipline matters. After a formal complaint is filed with the Presiding Disciplinary Judge, and prior to trial, the Presiding Disciplinary Judge rules on all motions filed, conducts “at-issue” conferences, and resolves all pretrial issues. Prior to the trial, two hearing board members are appointed from a diverse pool of members of the Bar and members of the public. *See* C.R.C.P. 251.17. The two hearing board members, along with the Presiding Disciplinary Judge, hear the evidence presented at trial. The Presiding Disciplinary Judge rules on all motions, objections, and other matters presented at trial or following trial.

After a formal complaint is filed with the Presiding Disciplinary Judge, the matter may be resolved by dismissal, diversion, conditional admission of misconduct,<sup>9</sup> or by trial. The following tables compare the length of time formal complaints were pending before the former Grievance Committee versus the Presiding Disciplinary Judge. Additionally, a comparison of the time period from the filing of the formal complaint until a conditional admission of misconduct is filed, and a comparison of the time period from the filing of the formal complaint to trial is provided.

Table 16

Average Weeks From Filing of Formal Complaint to Conditional Admission/Diversion Filed		
2003	Presiding Disciplinary Judge	19.3 weeks
2002	Presiding Disciplinary Judge	21.6 weeks
2001	Presiding Disciplinary Judge	24.9 weeks
2000	Presiding Disciplinary Judge	23.8 weeks
1999	Presiding Disciplinary Judge	18.5 weeks
1999	Grievance Committee	60.5 weeks

<sup>9</sup> Pursuant to C.R.C.P. 251.22, at any point in the proceedings prior to final action by a Hearing Board, an attorney against whom proceedings are pending may tender a conditional admission of misconduct. The conditional admission constitutes grounds for discipline in exchange for a stipulated form of discipline. The conditional admission must be approved by the Regulation Counsel prior to its submission.

Average Weeks From Filing of Formal Complaint to Trial		
2003	Presiding Disciplinary Judge	27.6 weeks
2002	Presiding Disciplinary Judge	36.7 weeks
2001	Presiding Disciplinary Judge	40.4 weeks
2000	Presiding Disciplinary Judge	33.0 weeks
1999	Presiding Disciplinary Judge	23.0 weeks
1999	Grievance Committee	42.3 weeks

Another comparison is the average time it takes from the filing of the formal complaint with the Presiding Disciplinary Judge until the Presiding Disciplinary Judge issues a final order.

Table 17

Average Weeks from Filing Formal Complaint With The Presiding Disciplinary Judge Until Final Order is Issued by the Presiding Disciplinary Judge		
Year	Conditional Admission Of Misconduct Filed	Trial Held
2003	30.4 weeks	42.8 weeks
2002	32.6 weeks	69.6 weeks
2001	29.1 weeks	62.1 weeks
2000	25.7 weeks	88.2 weeks

## V. APPEALS

In 1999, the Office of Attorney Regulation Counsel filed or answered four appeals filed with the Appellate Discipline Commission. In September 2000, the Appellate Discipline Commission was eliminated, and appeals are now filed directly with the Colorado Supreme Court. In 2003, seven appeals were filed with the Court, four appeal briefs were submitted, and the Court held one oral argument.



Table 18

Year	Appeal Filed With:	Number of Appeals
2003	Colorado Supreme Court	7
2002	Colorado Supreme Court	3
2001	Colorado Supreme Court	6
2000	Colorado Supreme Court	5
1999	Appellate Discipline Commission	4
1999	Colorado Supreme Court	12
1998	Colorado Supreme Court	6

Year	Appeals Filed	Appeals Dismissed	Appeals Affirmed	Appeals Reversed	Appeals Pending
2003	7	0	2	1	6
2002	3	2	3	2	2
2001	6	2	4		6

## VI. ATTORNEY DISCIPLINE

Final dispositions of formal proceedings are reflected in Table 19.

Table 19

Year	Abeyance	Dismissals	Diversions	Public Censures	Suspensions	Probations	Disbarments
2003	2	7	3	4	50	25	21
2002	2	2	6	2	41	23	15
2001	2	8	2	5	44		20
2000	2	5	7	4	33		13
1999		8		8	59		19

## VII. IMMEDIATE SUSPENSIONS

In 2003, the Office of Attorney Regulation Counsel filed 19 petitions for immediate suspension and participated in three trials/hearings.<sup>10</sup> The petitions are filed directly with the Presiding Disciplinary Judge or the Colorado Supreme Court. The Presiding Disciplinary Judge or a Justice of the Supreme Court may issue an order to show cause why the respondent-attorney should not be immediately suspended. The respondent-attorney may request a prompt hearing if the Supreme Court enters an order to show cause. Dispositions of the immediate suspension petitions are reflected in Table 20.

Table 20

Year	Filed	Suspended	Suspended (Child Support)	Suspended (Failure to Cooperate)	Felony Conviction	Reinstated	Withdrawn	Discharged/ Denied	Pending
2003	19	8	0	3	2	1		3	3
2002	8	3		3	2		1		1
2001	18	7	1		0	0	1	9	2
2000	8	2	1		1		2	4	2
1999	26	10	3		1	1		7	4

(Matters filed in the previous calendar year may be carried over to the next calendar year.)

<sup>10</sup> Immediate suspension is the temporary suspension by the Supreme Court of an attorney's license to practice law. Ordinarily, an attorney's license is not suspended during the pendency of disciplinary proceedings, but when there is reasonable cause to believe that an attorney is causing or has caused immediate and substantial public or private harm, immediate suspension may be appropriate. Petitions are typically filed when an attorney has converted property or funds, the attorney has engaged in conduct that poses an immediate threat to the administration of justice, or the attorney has been convicted of a serious crime. *See* C.R.C.P. 251.8. Additionally, under C.R.C.P. 251.8.5, a petition for immediate suspension may be filed if an attorney is in arrears on a child-support order. Note: On October 29, 2001, the Supreme Court adopted a rule change authorizing suspension of an attorney for failure to cooperate with Regulation Counsel. *See* C.R.C.P. 251.8.6. The rule change authorizes Regulation Counsel to file a petition directly with the Supreme Court alleging that an attorney is failing to cooperate in an investigation alleging serious misconduct. Proceedings under the rule are not disciplinary proceedings. The rule was drafted by Regulation Counsel with the advice and assistance of a committee of the Colorado Bar Association. The rule addresses problems caused by relatively few attorneys who fail to cooperate with Regulation Counsel. *See* Comment to Rule 251.8.6.

## VIII. DISABILITY MATTERS

The Office of Attorney Regulation Counsel filed 13 petitions to transfer attorneys to disability inactive status in 2003 and participated in three trials/hearings. When an attorney is unable to fulfill his/her professional responsibilities because of physical, mental, or emotional illness, disability proceedings are initiated. Transfer to disability inactive status is not a form of discipline. Disability petitions are filed with the Presiding Disciplinary Judge. *See* C.R.C.P. 251.23. An attorney who has been transferred to disability inactive status may file a petition for reinstatement with the Presiding Disciplinary Judge. *See* Table 21.

Table 21

Year	Filed	Disability Inactive Status	Dismissed\ Discharged	Reinstated	Pending
2003	13	11	1		1
2002	11	10	1		0
2001	11	8	2	2	0
2000	7	6	1		1
1999	14	11	3		1

(Matters filed in the previous calendar year may be carried over to the next calendar year.)

## IX. CONTEMPT PROCEEDINGS

In 2003, the Office of Attorney Regulation Counsel filed two motions for recommendation of contempt with the Supreme Court, held two hearings. Contempt proceedings are filed when an attorney practices law while under suspension or disbarment. *See* Table 22.

Table 22

Year	Motions for Contempt	Held in Contempt	Discharged\ Dismissed	Pending
2003	2	0	3	0
2002	1	3	2	1
2001	4		1	5
2000	3	2	2	2

## **X. MAGISTRATES**

Effective July, 2000, the Office of Attorney Regulation Counsel undertook the responsibility of handling complaints against magistrates. *See* C.R.C.P. 251.1(b). In the year 2003, the Office of Attorney Regulation Counsel received 55 complaints against magistrates. *See* Table 23.

Table 23

Year	Complaints	Dismissed
2003	55	55
2002	87	87
2001	38	38
2000	12	12

## **XI. REINSTATEMENT AND READMISSION MATTERS**

Twelve reinstatement or readmission matters were filed with the Office of Attorney Regulation Counsel in 2003. When an attorney has been suspended for at least one year and one day, has been disbarred, or the court's order requires reinstatement, they must seek reinstatement or apply for readmission to the Bar.<sup>11</sup>

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<sup>11</sup> A disbarred attorney may seek readmission eight years after the effective date of the order of disbarment. The individual must retake and pass the Colorado Bar examination and

Reinstatement and readmission matters proceed much like an attorney discipline case. Extensive discovery is undertaken to ensure that the attorney seeking reinstatement or readmission has complied with all court orders in the underlying discipline case. Typically, the matters proceed to hearing regarding the attorney's fitness to return to active practice. An attorney denied readmission or reinstatement may not reapply for two years. Reinstatement from disability inactive status is governed by C.R.C.P. 251.30. Reinstatement from immediate suspension is governed by the rule applicable to the suspension. *See* C.R.C.P. 251.8, 251.8.5(d), 251.8.6(c).

Table 24

Year	Filed	Readmitted	Reinstated	Dismissed	Withdrawn	Denied	Pending
2003	12	2	6	1	2	1	4
2002	13	1	6	1	1	2	4
2001	7		9		1	2	2
2000	12		3		3	2	7
1999	7	3	4	1	1		3

(Matters filed in the previous calendar year may be carried over to the next calendar year.)

## **XII. TRUST ACCOUNT NOTIFICATION MATTERS**

On May 13, 1999, the Colorado Supreme Court amended Colo. RPC 1.15 effective July 1, 1999. The various amendments require modification of trust accounting practices by Colorado attorneys. Essentially, all Colorado attorneys in private practice must maintain a trust account in a financial institution doing business in Colorado. The financial institution must, however, be approved by Regulation Counsel. The only criteria for approval is the financial institution's

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demonstrate fitness to practice law. Any attorney suspended for a period of one year and one day or longer must file a petition for reinstatement with the Presiding Disciplinary Judge. In some matters, reinstatement proceedings are ordered when the suspension is less than one year and one day. *See* C.R.C.P. 251.29.

agreement to report to Regulation Counsel any properly payable trust account instrument presented against insufficient funds, irrespective of whether the instrument is honored. The report by the financial institution must be made within five banking days of the date of presentation for payment against insufficient funds.

The reporting requirement is a critical aspect of the Attorneys' Fund for Client Protection. The rule is designed to operate as an "early warning" that an attorney may be engaging in conduct that might injure clients.

In 2003, the Office of Attorney Regulation Counsel received 288 notices of trust account checks drawn on insufficient funds. Because of their potentially serious nature, the reports receive immediate attention from the Office of Attorney Regulation Counsel. An investigator or attorney is required to contact the attorney account holder and the financial institution making the report. A summary of the investigator's finding is then submitted to Regulation Counsel for review. If Regulation Counsel determines that there is reasonable cause to believe that a conversion of client funds occurred, the matter is immediately assigned to trial counsel. If there is no evidence of intentional misconduct or inappropriate accounting practices, the matter is dismissed by Regulation Counsel.

See Table 25 for an explanation of the trust account notification matters resolved in 2003.

Table 25

Year	Total Reports	Bank Errors Bookkeeping/ Deposit Errors	Checks Cashed Prior To Deposit Clearing	Conversion/ Commingling Assigned to Trial Attorney	Diversions	Pending
2003	288	214	40	19	10(16)*	18
2002	309	251		32	8(13)*	19
2001	342	313		27	2	6
2000	284	278		3	1(3)*	2
1999	210	164		10	3	2

\*The first number represents actual files; the second number in parentheses represents the number of separate requests for investigation involved in the files.

### XIII. UNAUTHORIZED PRACTICE OF LAW (UPL)

The Office of Attorney Regulation Counsel investigates and prosecutes allegations of the unauthorized practice of law. *See* C.R.C.P. 229.<sup>12</sup> In 2003, the Office of Attorney Regulation Counsel received 101 unauthorized practice of law complaints. *See* Table 26.

Table 26

Complaints Received	
2003	101
2002	77
2001	70
2000	138
1999	66
1998	54

The Unauthorized Practice of Law Committee may direct trial counsel to seek a civil injunction by filing a petition with the Supreme Court or, in the alternative, offer the respondent an opportunity to enter into a written agreement to refrain from the conduct in question, to refund any fees collected, and to make restitution. Additionally, trial counsel may institute contempt proceedings against a respondent that is engaged in the unauthorized practice of law. *See* C.R.C.P. 238.

In 2003, the Unauthorized Practice of Law Committee took action on 32 unauthorized practice of law matters, 34 complaints were dismissed by Regulation Counsel, for a total of 66 completed matters. *See* Table 27.

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<sup>12</sup> The Colorado Supreme Court Unauthorized Practice of Law Committee is a committee comprised of 9 members, including both attorneys and non-attorneys. The members are appointed and serve at the pleasure of the Supreme Court. The Unauthorized Practice of Law Committee members in 2003 were: Bruce F. Black (Denver); Susan R. Fox (Denver); Edward C. Gassman (Loveland); Michael L. Griffith (Fort Collins); Michael B. Lupton (Highlands Ranch); Cheryl Martinez-Gloria (Denver); David A. Mestas, Chair (Denver); Brenda Mientka (Colorado Springs); and Dr. Kurt L. Miller (Aurora).

Table 27

Unauthorized Practice of Law Dispositions						
Year	Filed	Dismissed by Regulation Counsel	Dismissed After Investigation by UPL Committee	Abeyance	Agreements	Formal (injunctive or contempt proceedings)
2003	101	34	0	0	15	17
2002	77	23	20	1	17	5
2001			30	3	13	21
2000			107	0	10	7
1999			12	3	14	1

The following information regarding the investigation and prosecution of unauthorized practice of law matters is provided for informational purposes:

- **INTAKE:** The Office of Attorney Regulation Counsel typically receives two or three general inquiries on unauthorized practice of law matters each day. These calls come from lawyers, judges, clients, or nonlawyers who have questions concerning Colorado’s new multi-jurisdictional practice rule, C.R.C.P. 220, and also from individuals who may be interested in opening, or who have opened, a document-preparation business. Regulation Counsel uses these telephone inquiries as an opportunity to educate the lawyer, client, or nonlawyer-provider on the issues of what constitutes the unauthorized practice of law and possible harm that can result from the unauthorized practice of law. Regulation Counsel discusses the impact of C.R.C.P. 220 (Colorado’s new multi-jurisdictional rule, C.R.C.P. 221 and C.R.C.P. 221.1 (Colorado’s new *pro hac vice* rule), and C.R.C.P. 222 (Colorado’s new single-client certification rule). Regulation Counsel also discusses the fact that nonlawyers owe no duties of competence, diligence, loyalty, or truthfulness, and there may be fewer remedies as there is no system of regulating the quality of such services, no client protection funds, and no errors and omissions insurance. Regulation Counsel discusses the potential issues involving types and levels of harm. Regulation Counsel encourages a caller to file a request for investigation if they believe the unauthorized practice of law has occurred rather than dissuade them from filing an unauthorized practice of law request for investigation. Regulation Counsel



tries to make the process more user friendly (although the requests are still required to be in writing).

- **INVESTIGATION:** The Office of Attorney Regulation Counsel uses the same investigation techniques in unauthorized practice of law matters that are used in attorney discipline matters. These techniques include interviewing the complaining witness, any third-party witnesses, and the respondent(s). Regulation Counsel orders relevant court files and other documents, and frequently uses the power of subpoenas to determine the level and extent of the unauthorized practice. If the unauthorized practice of law has occurred, Regulation Counsel attempts to identify and resolve the unauthorized practice, as well as issues involving disgorgement of fees and restitution with an informal agreement. These investigations create further public awareness on what constitutes the unauthorized practice of law and this office's willingness to address unauthorized practice of law issues.
- **TRIAL:** Once matters are investigated and issues involving serious client harm, or harm to the legal system, are identified, Regulation Counsel pursues enforcement of the rules concerning the unauthorized practice of law. Injunctive proceedings are used to ensure that future misconduct does not occur. Federal and state district court (and state county court) judges have taken note of this and submit the names of the problematic nonlawyer respondents. As a result of unauthorized practice of law proceedings, numerous immigration consulting businesses have been shut down throughout Colorado. In addition, other individuals who either posed as lawyers to unwary clients, or who otherwise provided incompetent legal advice were enjoined from such conduct. Two individuals were found in contempt of prior Colorado Supreme Court orders of injunction. Because of recent injunctive proceedings, Regulation Counsel stopped the abuse of one respondent who engaged in a pattern and practice of filing frivolous federal court matters; a respondent who was causing significant levels of harm to dependency and neglect matter clients in El Paso County and Fremont County Courts; a respondent who was practically disabling the ability of the Delta County Combined Court Clerk's Office to function on a daily basis due to the volume of pleadings filed; a respondent who preyed on inmates by promising legal services, collecting retainers and personal papers, and then abandoning that inmate's legal matter with no refund or return of property; an interactive internet document-preparer service operating out of Wichita Falls, Texas; and a respondent who prepared dissolution pleadings in

complex matters, including separation agreements and qualified domestic relations orders, with no lawyer supervision and resulting in harm.

The total yearly budget for the Unauthorized Practice of Law Committee is \$3,400. Regulation Counsel assigns trial counsel and non-attorney investigators to unauthorized practice of law matters. (The Office of Attorney Regulation Counsel does not receive any budget allocation for the assigned attorneys, investigator, or support staff.)

#### **XIV. COLORADO STATE BOARD OF LAW EXAMINERS**

The Office of Attorney Regulation Counsel represents the Board of Law Examiners Inquiry Panel in formal hearings. *See* C.R.C.P. 201.10. If an inquiry panel of the Board of Law Examiners finds probable cause to believe that an applicant for admission to the Colorado Bar is mentally unstable or ethically or morally unfit for admission, the applicant may request a formal hearing. A formal hearing proceeds much like an attorney discipline matter. Trial counsel conducts an investigation and engages in discovery with the applicant. In 2003, one formal stipulation was filed before a hearing panel of the Board of Law Examiners. *See* Table 28.

Table 28

Matters referred to Regulation Counsel						
Year	Filed	Admitted	Not Admitted	Withdrawn	Abeyance	Pending
2003	1	1	0	1		1
2002	3	4	0	2	1	2
2001	6	0	2	1		6
2000	2	5	2	1		3
1999	11	1	2	1		9
1998	3					

The Office of Attorney Regulation Counsel does not receive any budget allocation to represent the Board of Law Examiners. Rather, the Board is billed a minimal hourly rate (\$35) for trial counsel’s time.

## **XV. INVENTORY COUNSEL**

In 2003, the Office of Attorney Regulation Counsel filed five petitions for appointment of inventory counsel. When an attorney has been transferred to disability inactive status, or when an attorney has disappeared, or when an attorney has died and there is no partner, executor, or other party responsible for conducting the attorney's affairs, protective appointment of counsel is essential. With the assistance of attorneys and investigators from the Office of Attorney Regulation Counsel, inventory counsel reviews all of the files and takes any steps necessary to protect the interests of the attorney in question and the attorney's clients. It is not unusual that the review includes literally hundreds of client files. The Office of Attorney Regulation Counsel relies on the assistance of the Colorado Bar Association, as well as local bar associations, in completing this important process. *See* C.R.C.P. 251.32(h). (There is no budget allocation provided to handle inventory counsel matters.)

## **XVI. PUBLIC SPEAKING**

The Office of Attorney Regulation Counsel presented 106 public speeches in 2003. The talks were to bar associations, law schools, civic organizations, and the general public. Literally hundreds of attorneys and members of the public attended the various public-speaking engagements. Additionally, Regulation Counsel attorneys regularly participate as speakers in national forums.

The attorneys and investigators within the Office of Attorney Regulation Counsel participate in many national and local professional activities. Many of the attorneys are also active in community organizations, youth sports organizations, college alumni organizations, and other community affairs.

## **XVII. ETHICS SCHOOL**

The Office of Attorney Regulation Counsel created, designed, and staffs an Ethics School. In 2003, 140 attorneys attended four ethics classes presented. *See* Table 29.

Table 29

Year	Classes Presented	Attendance
2003	4	140
2002	5	166
2001	5	177
2000	6	214
1999	3	103

The school is a seven-hour course that focuses on the everyday ethical dilemmas attorneys confront. The course addresses the following issues:

- Establishing the attorney-client relationship;
- Fee agreements;
- Conflicts;
- Trust and business accounts;
- Law office management; and
- Private conduct of attorneys.

The Ethics School is not open to all attorneys. Rather, the attorneys attending are doing so as a condition of a diversion agreement or pursuant to an order from the Presiding Disciplinary Judge or Supreme Court. The attorneys attending Ethics School are provided with a detailed manual that addresses all of the topics covered in the school, along with suggested forms and case law.

The Ethics School manual is available for purchase for \$150. The purchase price includes manual updates for one year. A manual may be purchased by contacting the Office of Attorney Regulation Counsel.

## **XVIII. TRUST ACCOUNTING SCHOOL**

In 2002, the Office of Attorney Regulation Counsel created a four-hour school that addresses the correct method for maintaining a trust account. The course is designed for either attorneys or legal support staff. The course instructors are trial attorneys from the Office of Attorney Regulation Counsel and a certified QuickBooks instructor. In 2003, 42 attorneys attended five classes presented. *See* Table 30.

Table 30

Year	Classes Presented	Attendance
2003	5	42

The course is accredited for four general Continuing Legal Education credits and is open to all members of the bar. The cost of the course is minimal so as to encourage widespread attendance.

## **XIX. PROFESSIONALISM SCHOOL – C.R.C.P. 201.14**

At the direction of the Supreme Court and in cooperation with the Colorado Bar Association, the Office of Attorney Regulation Counsel designed a professionalism school for newly-admitted Colorado attorneys. The Office of Attorney Regulation Counsel designed the curriculum and teaches the course in such a fashion as to address the most common ethical dilemmas confronted by newly-admitted attorneys. Attendance at the course is a condition of admission to the Colorado Bar. In the first year of the new course, nearly 800 attorneys attended and participated in the training. Lawyers from the Office of Attorney Regulation Counsel committed hundreds of hours to the planning, administration, and presentation of the professionalism course. This course is separate and distinct from the ethics school and trust accounting school presented by the Office of Attorney Regulation Counsel.