



2015 ANNUAL REPORT

PART 137 ATTORNEY-CLIENT
FEE DISPUTE RESOLUTION PROGRAM

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Introduction

The UCS ADR Office administers the NYS Attorney/Client Fee Dispute Resolution Program. Oversight is guided by the Board of Governors, which ensures that attorneys and clients have access to cost-effective, high-quality methods of resolving fee disputes.

The Board continues to monitor local programs across New York State. Working with Co-counsel from the ADR Office, the Board supports their efficient operation by providing funding, training volunteer arbitrators, promoting the Program and responding to myriad substantive and operational questions from staff of local programs as well as attorneys and clients. The Board regularly reviews questions arising under Part 137 of the Rules of the Chief Administrative Judge and the Board's Standards and Guidelines to promote consistent practices where appropriate. The Board also reviews the UCS website for the Program to ensure that parties and local programs have access to the information and forms they need.

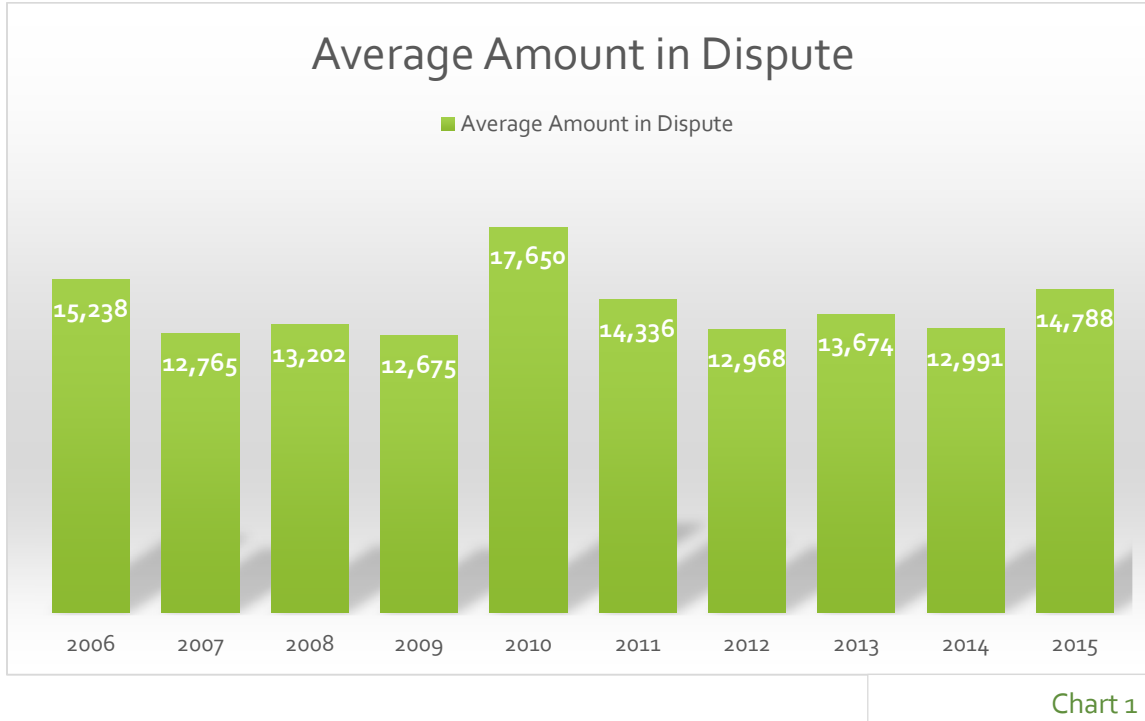
In December 2015, after serving 14 years as Chair of the Board, Hon. Guy James Mangano (ret.) resigned. Judge Mangano led the efforts from the program's inception, traveling around the state meeting with the local bar associations to talk about the Program and to hear local concerns. He, along with Dan Weitz, Esq. (co-counsel) and Antonio Galvao, Esq. (former co-counsel), brought the information learned from these meetings back to the Board to develop practices and procedures that the bar could embrace. The Board is very grateful for all of the time and effort Judge Mangano contributed to the program and for his leadership over the years.

The Board is now chaired by Martha E. Gifford, who was appointed by Hon. Jonathan Lippman on December 30, 2015. Ms. Gifford was a member of the Task Force on Client Satisfaction that recommended the expansion of matrimonial fee dispute arbitration to most civil matters. She has also been a valued member of the Board since the beginning, chairing the Approval and Arbitrator Review committees and guiding the Board through many complex legal and procedural issues. The Board looks forward to working with her in her capacity as Chair.

Statistical Highlights

From January 1, 2002 through December 31, 2015, the Fee Dispute Resolution Program has closed 10,955 cases. During 2015, local programs closed 1,097 cases, which is an increase from

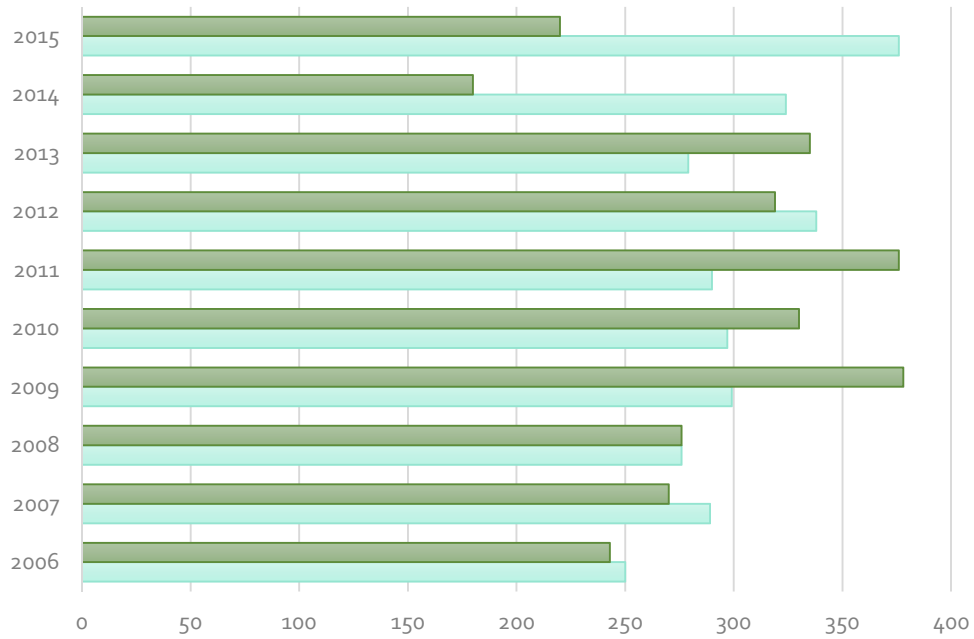
the 997 cases closed in 2014. Statewide, the average amount in dispute was \$12,990.95, which is a nominal decrease in the average amount in dispute in 2014 cases (\$13,013.92).



Of the 10,955 cases closed in 2015, 596 were arbitrated, and arbitrators issued awards in 428 of those cases. Two hundred eighty-one cases were either dismissed for lack of jurisdiction or withdrawn by the filing party. Two hundred seventeen cases were resolved outside of arbitration. Cases resolved outside of arbitration include 190 cases settled prior to arbitration or mediation and 27 mediated cases.

The Board of Governors is examining the time to disposition in programs statewide focusing on the impact that the panel requirement has on scheduling of cases. The Board of Governors with the approval of the Administrative Board, raised the threshold for assembling panel arbitrations from \$6,000 to \$10,000 in January 2014. As a result, the number of arbitrations conducted by one arbitrator has continued to exceed the number of panel arbitrations. In 2015, solo arbitrations totaled 376, while panel arbitrations totaled 220. The average number of weeks from intake to disposition for Part 137 arbitrations concluded in 2015 was 48.

Number of solo arbitrations vs. Panel arbitrations



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
■ Panels Statewide	243	270	276	378	330	376	319	335	180	220
■ Solos Statewide	250	289	276	299	297	290	338	279	324	376

Chart 2

TIME IN WEEKS FROM INTAKE TO DISPOSITION

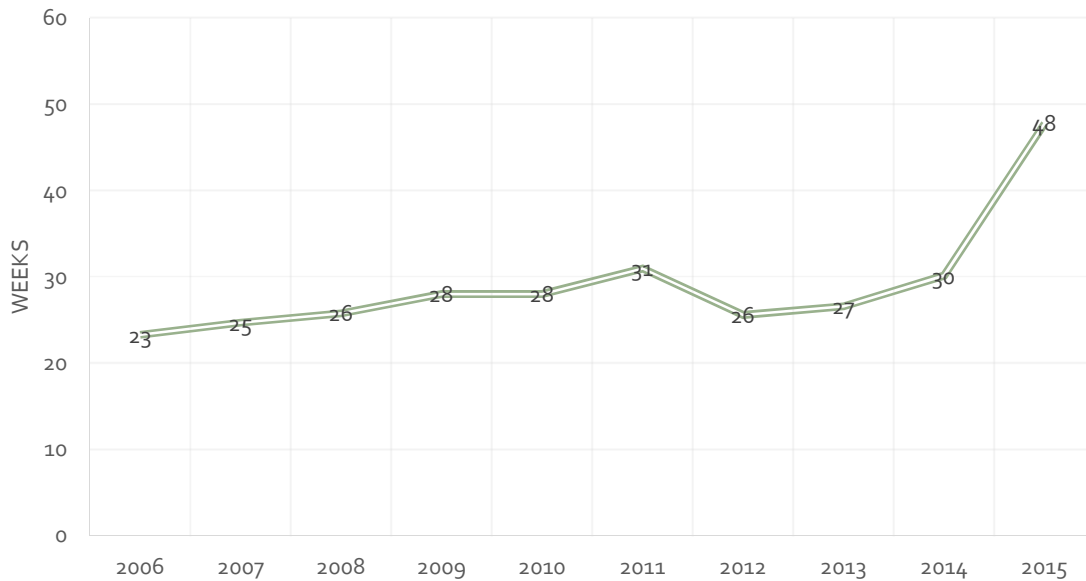


Chart 3

2015 Attorney-Client Fee Dispute Resolution Case Types

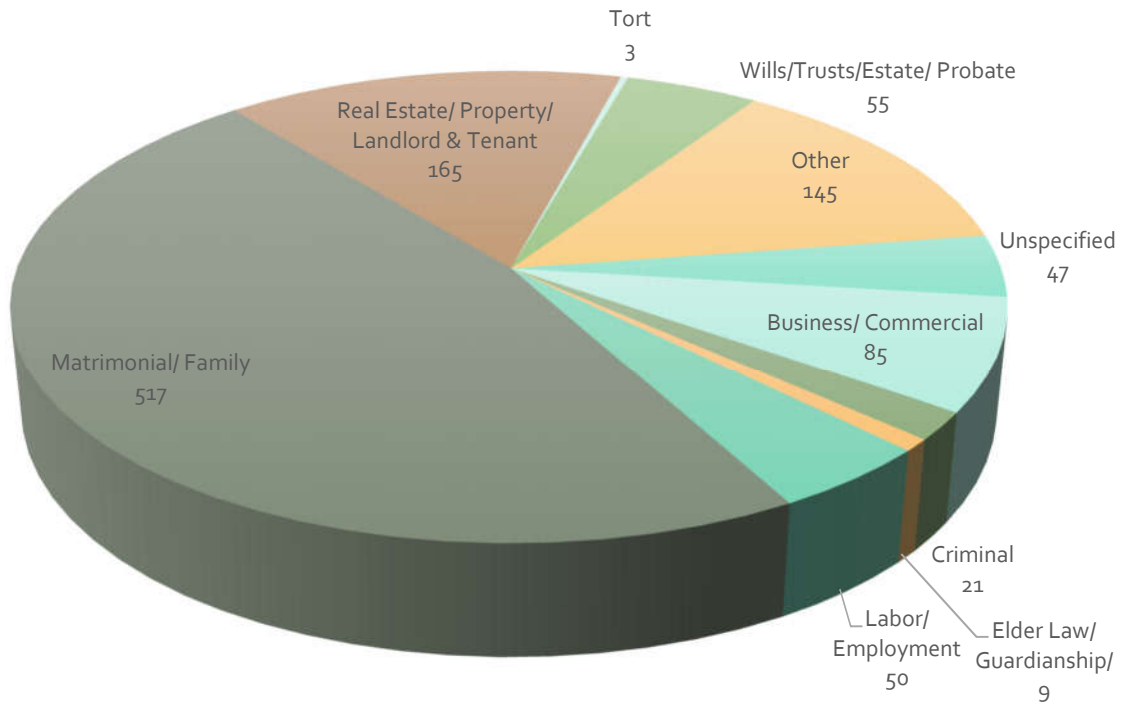


Chart 4

* "Other" includes the following subjects, among others: immigration, bankruptcy, collection, Medicaid, nursing home, school issues, civil contracts, tax, retirement planning and pension, stock, patent law, defamation, lobbyist.

† "Unspecified" is generally used as a temporary place-holder until the administrator receives more information in order to designate a case type or to determine that the program lacks jurisdiction.

New Arbitrator Trainings



Both attorney and non-attorney volunteers are assigned to Part 137 cases. Arbitrations where the amount in dispute is less than \$10,000 are heard by one arbitrator who must be an attorney. However, where the amount in dispute is \$10,000 or greater, the local program assigns a panel of three arbitrators. Panels must include one non-attorney arbitrator and one attorney who serves as the chair.

Four arbitrator trainings were held in 2015 where over 75 new arbitrators were trained. The new arbitrator training program is an all-day event; participants learn the background and basics about the Part 137 rule and program during the first part of the day and complete the day learning the skills to become an arbitrator. After participating in the training, potential arbitrators apply to a local program. The program submits a resume or bio for review by the Qualifications, Training and Review Committee of the Board. Once an arbitrator is approved to join a roster, he or she must submit a notarized oath or affirmation to arbitrate faithfully and fairly, which the local program keeps on file.

The 2015 new arbitrator trainings were conducted on the following dates and locations:

February 3	Richmond County Bar Association	13 th Judicial District
April 3	Sixth Judicial District	6 th Judicial District
May 6	Monroe County Bar Association and the Seventh Judicial District Administrative Judge's Office	7 th Judicial District
October 20	Joint Committee on Fee Disputes and Conciliation at the New York County Lawyers' Association	1 st and 12 th Judicial Districts

Funding

The Office of Court Administration continues to fund the following programs in order to help defray costs: The Bar Association of Erie County (BAEC); the New York County Lawyers Association (NYCLA), which administers the Joint Committee on Fee Disputes and Conciliation in Bronx and New York Counties; the Onondaga County Bar Association (OCBA); and the Monroe County Bar Association (MCBA). Beginning in 2007, all funding to bar associations occurs pursuant to the terms of negotiated multi-year contracts based on a fiscal year.

In 2015, programs were granted a 1% budget increase for the fiscal year. The following is a breakdown of the funding that each program received during the period April 1, 2015- March 31, 2016:

BAEC - \$ 9,186; NYCLA - \$ 78,801; OCBA - \$ 13,509; MCBA - \$ 17,626.; NYCLA - \$ 80,377; OCBA - \$13,779;

More Highlights from 2015

Co-Counsel held a Webinar for Help Centers	The Board approved records retention guidelines
The Board circulated a guidance memo for programs on how to determine venue	Local Program Administrators met with Co-counsel and Board members on October 27th

Board Composition

as of September 9, 2016

Member	Appointment
Martha E. Gifford, Chair	Chief Judge Jonathan Lippman
Simeon H. Baum, Esq.	Chief Judge Jonathan Lippman
Gene A. Johnson	Chief Judge Jonathan Lippman
Paul M. Hassett, Esq.	Chief Judge Jonathan Lippman
Abigail A. Wickham, Esq.	Chief Judge Janet DiFiore
Vacant	Chief Judge
William J. Dockery, Esq.	Presiding Justice Joseph P. Sullivan
Vacant	Presiding Justice (App. Div. 1 st Dept.)
Vacant	Presiding Justice (App. Div. 1 st Dept.)
Robin S. Abramowitz, Esq.	Presiding Justice Randall Eng
Stephen W. Schlissel, Esq.	Presiding Justice Randall Eng
Vacant	Presiding Justice (App. Div. 2d Dept.)
Michelle L. Haskin, Esq.	Presiding Justice Karen K. Peters
Linda J. Clark, Esq.	Presiding Justice Karen K. Peters
Elizabeth Jane Cahill	Presiding Justice Karen K. Peters
Katherine S. Bifaro	Presiding Justice Henry J. Scudder
Linda M. Campbell, Esq.	Presiding Justice Henry J. Scudder
Shari Jo Reich, Esq.	Presiding Justice Gerald J. Whalen

Program Approval Status- Statewide Overview

As of December 31, 2015

District	Administrator	Status
First (Manhattan)	Joint Committee on Fee Disputes and Conciliation	Joint program of New York County Lawyers Assn, Bronx County Bar Assn, and New York City Bar Assn. Program operates out of NYCLA headquarters. Approved to administer program as of 3/4/2002
Second (Kings)	Brooklyn Bar Assn	Approved to administer program as of 8/20/2002
Third (Albany, Schoharie, Rensselaer, Greene, Columbia, Ulster, Sullivan)	District Administrative Judge's Office. (Program covers entire District)	Approved to administer program as of 7/23/2002
Fourth (Schenectady, Saratoga, Montgomery, Fulton, Washington, Warren, Hamilton, Essex, St. Lawrence, Franklin, & Clinton)	District Administrative Judge's Office (Program covers entire District)	Approved to administer program as of 5/1/2005
Fifth (Onondaga, Herkimer, Jefferson, Lewis, Oneida, Oswego)	Onondaga County Bar Assn, in partnership with the District Administrative Judge's Office (Program covers entire District)	Approved to administer program as of 7/24/2002
Sixth (Broome, Chemung, Chenango, Cortland, Delaware, Madison, Otsego, Schuyler, Tioga & Tompkins)	District Administrative Judge's Office (Program covers entire District)	Approved to administer program as of 4/16/2003
Seventh (Monroe, Cayuga, Livingston, Ontario, Seneca, Steuben, Wayne & Yates)	Monroe County Bar Assn, in partnership with the District Administrative Judge's Office (Program to cover entire District)	Approved to administer program as of 10/1/2002
Eighth (Erie, Allegany, Cattaraugus, Chautauqua, Genesee, Niagara, Orleans & Wyoming)	Bar Assn of Erie County (Program covers entire District)	Approved to administer program as of 2/6/2002
Ninth (Westchester, Dutchess, Orange, Putnam, Rockland)	District Administrative Judge's Office (Program covers entire District)	Approved to administer program as of 2/24/2003
Tenth (Nassau)	District Administrative Judge's Office (Program covers Nassau County)	Approved to administer program as of 2/24/2003

District	Administrator	Status
Tenth (Suffolk)	Suffolk County Bar Assn (SCBA Pilot program ran from Feb. 28, 2003 to Nov. 22, 2004 to arbitrate disputes of \$3000 and above only in Suffolk County; District Administrative Judge's Office arbitrated disputes between \$1,000 and \$3,000. The SCBA now handles all Part 137 fee disputes.)	Approved to administer program as of 10/9/2002
Eleventh (Queens)	District Administrative Judge's Office	Approved to administer program as of 4/24/2003
Twelfth (Bronx)	Same as First District	Same as First District
Thirteenth (Staten Island)	Richmond County Bar Assn	Approved to administer program as of 1/9/2003

Appendix A Caseload Data

	Statewide	1st & 12th JDs	2nd JD	3rd JD	4th JD	5th JD	6th JD	7th JD
<u>Disposition Information</u>								
Total Cases Closed	1,097	308	10	48	25	8	25	59
Average Weeks from Intake to Disposition	47.80	103.59	34.71	22.02	9.83	55.63	63.92	15.88
Total Cases Arbitrated	596	145	6	8	7	7	11	30
Cases Arbitrated With Awards Issued	428	113	4	7	4	4	7	22
Cases Settled During Arbitration	121	22	0	1	2	2	3	8
Arbitration Held But No Award Issued	47	10	2	0	1	1	1	0
Cases Arbitrated by One Arbitrator	376	78	5	6	6	7	8	26
Cases Arbitrated by Three Arbitrators	220	67	1	2	1	0	3	4
Total Cases Resolved Outside of Arbitration	217	120	0	6	0	1	7	11
Total Number of Settled Cases	190	93	0	6	0	1	7	11
Settlements Prior to Arbitration	171	76	0	6	0	1	6	10
Settlements Prior to Mediation	19	17	0	0	0	0	1	1
Total Number of Mediated Cases	27	27	0	0	0	0	0	0
Cases Mediated to Agreement	22	22	0	0	0	0	0	0
Cases Mediated With No Agreement	5	5	0	0	0	0	0	0
Total Cases Withdrawn and Dismissed for Lack of Jurisdiction	281	43	3	34	18	0	7	16
Cases Withdrawn	20	2	1	2	3	0	0	2
Cases Dismissed for Lack of Jurisdiction	261	41	2	32	15	0	7	14
<u>Financial Information</u>								
Total Admin. Fees Collected From Parties	\$91,740.00	\$60,300.00	\$1,575.00	\$0.00	\$0.00	\$450.00	\$0.00	\$5,400.00
Average Amount in Dispute	\$14,787.78	\$20,103.66	\$12,503.90	\$12,463.25	\$13,256.32	\$3,094.38	\$6,974.32	\$4,879.07

	8th JD	9th JD	10th JD - Nassau	10th JD - Suffolk	11th JD	13th JD
<u>Disposition Information</u>						
Total Cases Closed	59	104	252	136	42	21
Average Weeks from Intake to Disposition	14.29	42.83	20.21	25.48	7.02	48.33
Total Cases Arbitrated	26	51	156	111	19	19
Cases Arbitrated With Awards Issued	14	35	104	88	14	12
Cases Settled During Arbitration	12	7	33	22	5	4
Arbitration Held But No Award Issued	0	9	19	1	0	3
Cases Arbitrated by One Arbitrator	21	33	88	67	16	15
Cases Arbitrated by Three Arbitrators	5	18	68	44	3	4
Total Cases Resolved Outside of Arbitration	5	14	37	12	3	1
Total Number of Settled Cases	5	14	37	12	3	1
Settlements Prior to Arbitration	5	14	37	12	3	1
Settlements Prior to Mediation	0	0	0	0	0	0
Total Number of Mediated Cases	0	0	0	0	0	0
Cases Mediated to Agreement	0	0	0	0	0	0
Cases Mediated With No Agreement	0	0	0	0	0	0
Total Cases Withdrawn and Dismissed for Lack of Jurisdiction	28	39	59	13	20	1
Cases Withdrawn	4	1	3	2	0	0
Cases Dismissed for Lack of Jurisdiction	24	38	56	11	20	1
<u>Financial Information</u>						
Total Admin. Fees Collected From Parties	\$5,940.00	\$0.00	\$0.00	\$15,975.00	\$0.00	\$2,100.00
Average Amount in Dispute	\$10,436.24	\$10,872.96	\$12,152.67	\$12,734.89	\$42,642.88	\$7,460.29

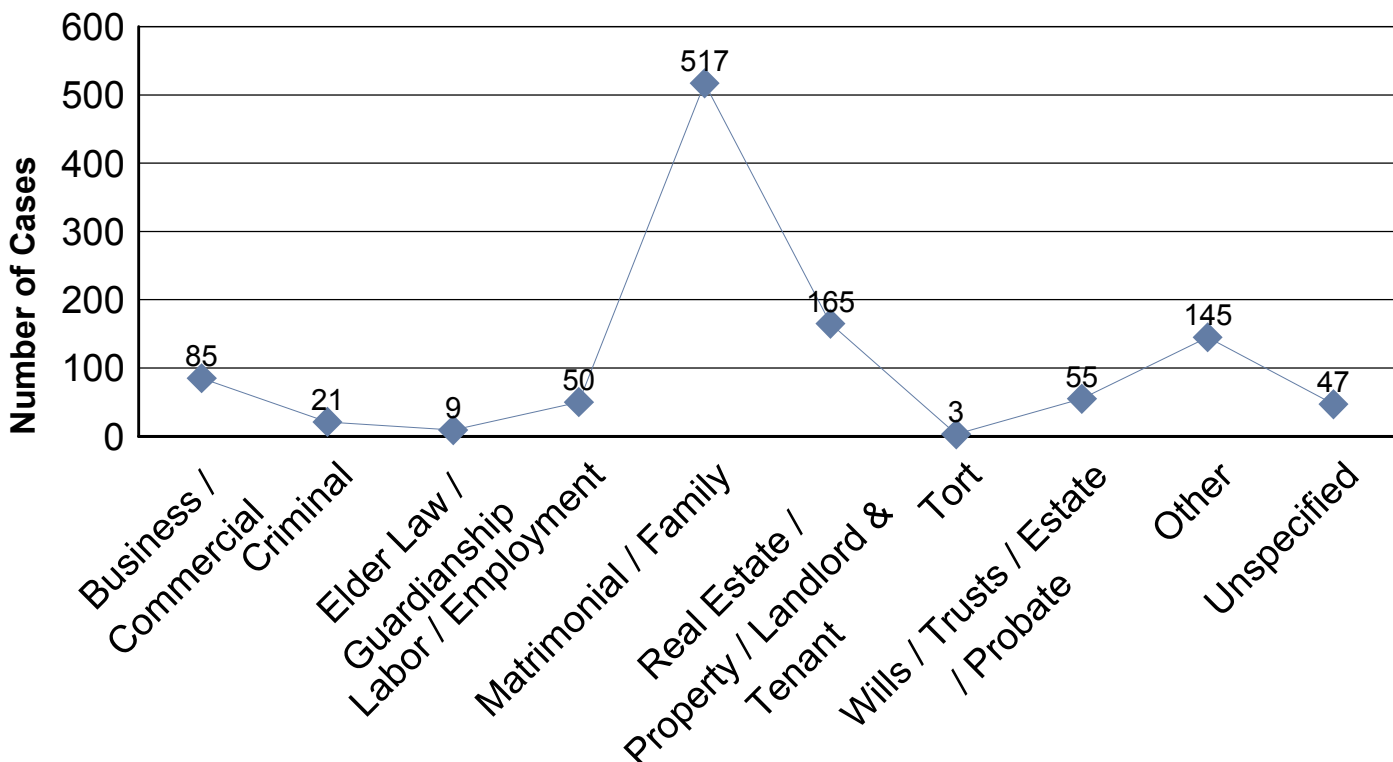
Quarterly Activity Report: 2015

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Cases Closed	228	281	282	306	1,097
Average Number of Weeks from Intake to Disposition	26.8	29.6	49.3	79.3	47.8
<u>Cases Arbitrated or Settled During Arbitration</u>					
Cases Assigned to One Arbitrator	81	106	95	94	376
Cases Assigned to Three Arbitrators	44	67	44	65	220
Total Admin. Fees Collected from Parties	\$16,835.00	\$24,270.00	\$20,010.00	\$30,625.00	\$91,740.00
Average Amount in Dispute (All Cases)	\$11,602.18	\$21,100.22	\$11,550.85	\$14,347.72	\$14,787.78

Filing Parties

Attorney	Client	Not Reported
94	969	34

Case Type Information



Disposition Information

	Number of Cases
Arbitrated - Award Issued	428
Arbitrated - No Award Issued	47
Mediated - Settlement Reached	22
Mediated - No Settlement Reached	5
Settled During Arbitration	121
Settled Prior to Arbitration or Mediation	190
Claim Withdrawn	20
Lack of Jurisdiction (see below)	261
Others	3
Total	1,097

Cases Dismissed for Lack of Jurisdiction

	<i>Number of Cases</i>
<i>Amount in Dispute > \$50,000</i>	9
<i>Amount in Dispute < \$1,000</i>	18
<i>Services Provided Outside Local Program's Geographic Jurisdiction</i>	24
<i>Referred to Grievance Committee for Noncompliance with Part 137</i>	1
<i>Referred to Grievance Committee for Apparent Attorney Misconduct</i>	12
<i>Substantial Legal Question</i>	34
<i>Other</i>	163