

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN RE: DISCIPLINE OF JOSE C.
PALLARES.

No. 40168

FILED

FEB 07 2003

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY *J. Richards*
CHIEF CLERK

ORDER APPROVING CONDITIONAL GUILTY PLEA
IN EXCHANGE FOR STATED FORM OF DISCIPLINE

This is an automatic appeal from a Southern Nevada Disciplinary Board hearing panel's decision. The panel recommends that we approve attorney Jose C. Pallares' conditional guilty plea agreement in exchange for a stated form of discipline under SCR 113. The agreement provides that Pallares shall be suspended for ninety days, complete six hours of continuing legal education in trust account management or a comparable subject, pay a \$1,000 fine to the State Bar of Nevada, submit quarterly trust account reports to the State Bar for one year and pay the costs of the disciplinary proceeding.

The plea agreement resolved a formal complaint filed against Pallares. The facts underlying the formal complaint relate generally to Pallares' representation of clients Burns and Saulsberry in a personal injury action, and particularly to his representation of Burns. Both clients treated with Sahara Health Care (SHC). In December 1999, Burns and Saulsberry agreed to accept the at-fault driver's coverage limit, \$15,000

each, and Pallares received the proceeds in January 2000, but failed to inform Burns. Pallares distributed \$5,000 of the proceeds to Burns' treatment providers, including \$1,189 to SHC, while Burns continued treating with SHC, incurring \$8,725 in additional costs. In March 2001, Burns and Saulsberry's insurer paid \$15,000 each on their underinsured motorist claims. Pallares ultimately paid Burns about \$6,000 as her share of the settlement proceeds and paid Saulsberry his share.


In April or May 2001, after learning that Burns had settled, SHC provided Pallares with an itemized bill and continuously requested payment on the \$8,725 lien. Pallares failed to pay SHC, and failed to maintain the funds in his attorney-client trust account from April 2001 through September 2001, misappropriating the funds. Pallares finally paid SHC the full amount of Burns' lien in November 2001. During the State Bar's investigation of the complaint, Pallares failed to respond diligently and thoroughly to requests for additional information and documents, forcing the State Bar to make numerous telephone calls, send numerous letters and serve him with a subpoena to obtain information and documents concerning his attorney-client trust account. Pallares' actions violated SCR 154 (communication), SCR 165 (safekeeping property), SCR 200(2) (Bar admission and disciplinary matters), and SCR 203(3) (misconduct—conduct involving dishonesty, fraud, deceit or misrepresentation).

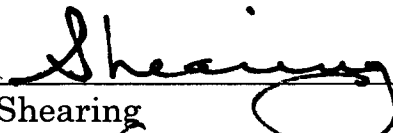
Pallares was admitted to practice law in Nevada in 1991, and has been disciplined twice; he received a private reprimand in June 1998 and a public reprimand in June 2000.


We conclude that the discipline set forth in the panel's recommendation is appropriate. Accordingly, we suspend Pallares for


ninety days. In addition, Pallares shall (1) complete six hours of continuing legal education in trust account management or a comparable subject, in addition to the annual credits required by SCR 210, within one year from the date of this order and submit proof of completion to the State Bar, (2) pay a \$1,000 fine to the State Bar of Nevada within thirty days from the date of this order, and (3) submit quarterly trust account reports to the State Bar for one year in accordance with his agreement, with the first report due within ninety days from the date of this order. Finally, Pallares shall pay the costs of the disciplinary proceeding within thirty days after the State Bar issues its bill of costs.


It is so ORDERED.¹



_____, C.J.
Agosti



_____, J.
Shearing


_____, J.
Rose


_____, J.
Leavitt


_____, J.
Becker


_____, J.
Maupin


_____, J.
Gibbons

¹Pallares and the State Bar shall comply with SCR 115.

cc: Howard M. Miller, Chair, Southern Nevada Disciplinary Board
Rob W. Bare, Bar Counsel
Allen W. Kimbrough, Executive Director
Perry Thompson, U.S. Supreme Court Admissions Office
Kirk T. Kennedy