



FOR PENNSYLVANIA YOUNG
LAWYERS, HERE'S WHAT'S...



AT ISSUE

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A PENNY SAVED ...

By Eric B. Smith

Saving — it may be the last thing on an underpaid, overworked young lawyer's mind; possibly beyond a young lawyer's capabilities, you may think. Maybe so. However, if you want to attain certain financial goals in life (such as buying a house, BMW or engagement ring; sending your children to college; retiring early and wealthy; and passing your wealth along to your heirs) you must begin saving, investing and planning now.

"Unless you are heiress to a hotel empire or a Pennsylvania lotto winner, as a young professional, you should think about a plan to accumulate wealth," says Christopher Wiegand, a financial advisor from Conshohocken. "And no rule states you must wait for a spouse or kids."

Saving and accumulating wealth is probably much easier than you think. So, where do you start?

"The most basic tenet in personal finance is to live within your means, and yet the national savings rate has dropped from 12 percent to 2 percent over the last decade," says Wiegand. He suggests starting by asking the question: Do I save? When answering this question, it is important to collect all the information you have on your expenses from last year, such as bank statements, annual credit card summaries, your checkbook ledger, etc., then group every expense as either necessary or discretionary. For example, the mortgage and food are necessary, while the happy hours and vacations are discretionary. Set aside your 401(k) or other contribution in a third

category: savings. Looking at these numbers, determine whether you experienced a profit last year. Said another way, did your take-home pay keep up with the cost of your lifestyle? If you did save, or profit, what percentage of your income did this savings represent? As a general rule, the starting goal is to save 15 percent of your income.

To increase savings, you must do one or a combination of the following: 1) earn more money while keeping your expenses fixed; 2) cut necessary expenses wherever possible, such as by shopping around for a lower auto insurance rate or refinancing your mortgage at a lower rate; or 3) cut discretionary expenses. As

a practical matter, the easiest of the three is the third option. Easier said than done, right? Many of us spend more on optional, leisure-related items than we realize because they are our reward in life for working so hard. They bring us happiness. But they also are the biggest roadblock to establishing a good savings plan. As you will see, discipline is essential to successful savings.

The exercise you just completed was drafting an income statement, similar to that of a company. You now have the foundation for a savings plan. So, did you have a surplus or a deficit last year?

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PHILADELPHIA'S ULTIMATE WEAPON IN FIGHTING THE WAR ON DRUGS

By Scott P. Sigman

In Philadelphia, the District Attorney's Office uses asset forfeiture to hammer drug dealers out of the area and the business. By seizing the houses, apartments, stores and bars used in drug transactions, dealers are forced out of their havens and, ideally, out of the business entirely, which improves the quality of life for the community.

The forfeiture initiative, however, could not be as successful without the tips local law enforcement receive from members of the community. After receiving such a tip, the police then investigate by conducting surveillance, making undercover purchases and/or using con-

fidential informants to make illegal drug purchases. The fruits of the investigation lead to the issuance of a search and seizure warrant, which is then executed by police. Ultimately, the district attorney charges the defendant(s) and initiates forfeiture proceedings against any real property used to facilitate the drug dealing.

A forfeiture proceeding is filed ex parte (without the knowledge of the property owner) and may include an order to immediately seize and seal the property prior to the first listing in court.

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This comes as a complete surprise to the nabbed dealers who, in most cases, are out on bail within a few hours or a day due to the perpetually overcrowded county jails.

Those defendants will generally return to the same dealing location to get back in the game in order to pay for their newly-needed attorneys and make up for lost profits while they sat in jail. Naively, the bailed drug dealers feel confident that the police haven't even finished their arrest paperwork and probably won't be back to their locations for some time. However, in the case of a "Full Seal" ex parte forfeiture petition filed with a seize-and-seal order, county detectives can immediately seal the subject property by removing anyone inside and boarding up the windows and doors, forcing drug dealers to relocate or give up the business. If a drug dealer enters the sealed property, he or she will be arrested for criminal trespass.

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In the case of a dealer operating from a rental property or an apartment, the district attorney uses a modified version of the forfeiture process: Once the police make the arrest, the district attorney files an ex parte forfeiture petition against the lease (Full Seal-Lease) so long as there was contact with the owner or landlord. Similar to the Full Seal proceeding, in the Full Seal-Lease situation, county detectives can immediately seal the subject's leased property and remove anyone inside; the landlord or the landlord's representative changes the locks. If the landlord attempted to evict the drug dealer through regular landlord/tenant proceedings, it could take up to 90 days instead of 24 hours, as in a forfeiture case. In cases where the owner or the landlord cannot be contacted, the district attorney files for forfeiture of the entire property.

In both the Full Seal and Full Seal-Lease scenarios, the owner and/or tenants are notified of the seizure by regular and certified mail, personal service by county detectives and by advertisement in the local newspaper. In cases where the property was sealed, signs are posted

warning of the seizure and utilities are terminated, providing more direct notification to a property owner/tenant. Furthermore, a court listing is provided within 10 days from the date of filing of the ex parte forfeiture petition.

The goal of these proceedings, of course, is the long-term cessation of the drug dealer's operation in that neighborhood; the overall result is a win for the community. In every case, the forfeiture proceeding immediately halts the drug dealer's operation from real property while the criminal prosecution is pending. Moreover, in some cases, forfeited properties are donated back to the community for use as community centers; in other cases, properties are sold at auction to legitimate buyers (who may not straw purchase for drug dealers or have drug convictions themselves). The proceeds from the sale are then used to increase the coffers for the continuing war on drugs.

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