

Judicial Inquiry Commission

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November 22, 1983

The Judicial Inquiry Commission has considered your request for an opinion concerning whether a judge would be disqualified from handling cases in which a large insurance company has an interest if the local office of the agency of that insurance company is located on premises leased from the judge.

Your request is based on the following fact situation: The local agent of a large insurance company has approached a judge about renting office space in a commercial building located across the street from the courthouse and owned by the judge. The property was formerly used as the law office of the judge. The insurance company is on numerous occasions a named party in lawsuits pending before the judge's court. Occasionally, the insurance company is the insurer of defendants in lawsuits in which the insurance company is not a named party. The judge is informed by the local agent that the agent's financial standing is not affected by the outcome of suits in which the insurance company is involved. However, the building is located across the street from the courthouse, is generally known in the community to be owned by the judge, and if leased to the agent, the agent will hang a large sign on the front of the building identifying it as an office of the insurance company.

Your specific question is whether the judge would be disqualified from handling any case in which the insurance company has an interest.

It is the opinion of the Commission that the judge would be disqualified under the above fact situation from handling any case in which the insurance company has an interest. The disqualification in this instance is based primarily on Canon 3C of the Alabama Canons of Judicial Ethics in conjunction with Canon 2.

Canon 3C provides in pertinent part as follows:

“(1) A judge should disqualify himself in a proceeding in which ... his impartiality might reasonably be questioned ...”

In pertinent part, Canon 2 provides that “a judge should avoid impropriety and the appearance of impropriety in all of his activities.” Canon 2A provides:

“A judge should respect and comply with the law and should conduct himself at all times in a manner that promotes public confidence in the integrity and impartiality of the judiciary.”

Given the facts here presented to the Commission that it is generally known that the judge owns the building in question, the building is in close proximity to the courthouse, and that the agent intends to identify the building as the office of the insurance company, the Commission believes that the impartiality of the judge might reasonably

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be questioned in cases in which the insurance company is either a party or has an interest. The Commission further believes that if the judge sat in cases involving the insurance company, the appearance of impropriety would certainly be present.

Yours very truly,

JUDICIAL INQUIRY COMMISSION