



# DUES INCREASE FAQs

## IS THE STATE BAR OF TEXAS INCREASING DUES?

Yes, in 2025. On April 19, 2024, the State Bar Board of Directors approved a 10% increase in membership dues rates, as authorized by statute, to be effective June 1, 2025. The Supreme Court of Texas approved the increase on May 28, 2024.

The dues increase will be part of the bar's proposed budget for fiscal year 2025-2026. The budget process is transparent and includes extensive review and approval by the Budget Committee, Executive Committee, Board of Directors, and Supreme Court. A public hearing on the proposed 2025-2026 budget will be held in spring 2025.

## BY HOW MUCH WILL DUES RATES INCREASE?

Annual membership dues will be adjusted as follows effective June 1, 2025:

- **Licensed <3 years: \$68 to \$74 (\$6 increase)**
- **Licensed 3-5 years: \$148 to \$162 (\$14 increase)**
- **Licensed >5 years: \$235 to \$258 (\$23 increase)**
- **Inactive: \$50 to \$55 (\$5 increase)**
- **Emeritus: \$0 (no change)**

According to the ABA's 2022 State Bar Survey, the State Bar of Texas is the third largest bar in the U.S. but ranks 33<sup>rd</sup> in the amount of dues it charges to its members. With the 10% dues increase, Texas will be ranked 28<sup>th</sup>.

## WHEN WILL THE DUES INCREASE TAKE EFFECT?

The 10% dues rate increase will take effect for the 2025-2026 bar year, beginning June 1, 2025.

## WHY IS THE STATE BAR INCREASING DUES RATES?

Like every organization, the State Bar is subject to the inflation affecting the national economy. The 10-year average rate of inflation from calendar year 2014 to 2023 was 2.75%, with the last three years hitting record numbers of 4.1% up to 8% in 2022. And, the State Bar has not raised dues since 1991. If membership dues had kept up with inflation, the maximum dues rate would be approximately \$540 a year today. In addition, as the membership continues to both grow and age, the State Bar is serving more lawyers each year, including an increasing number who are transitioning to emeritus status at age 70 and therefore no longer pay dues.

The result is that the bar's budgeted operating expenditures are increasing faster than its budgeted operating revenues, resulting in budgeted deficits that started in fiscal year 2023.

Because of years of responsible fiscal planning, the State Bar has reserves to cover deficits in the short term. The board is attempting to address the bar's long-term needs by increasing dues rates.

### **WHEN LOOKING AT THE STATE BAR'S MOST RECENT FINANCIAL STATEMENTS, THE STATE BAR HAS A POSITIVE INCOME. WHY CAN'T THE STATE BAR USE THE INCOME TO COVER THE BUDGETED DEFICITS?**

The State Bar has been setting aside a majority of its net income to cover projected budget deficits, to fund IT and other infrastructure, and to maintain minimum reserves. Since the State Bar is self-funded, meaning it does not receive any appropriations from the State of Texas, it must respond to projected budgetary shortfalls before they occur. Also, it must plan for contingencies, such as unforeseen events, to ensure financial resources are available should it encounter a difficult event.

### **WHY DOESN'T THE STATE BAR CUT STAFFING OR PROGRAMS TO BALANCE THE LONG-TERM BUDGET?**

Because our goal is to meet the bar's statutory purposes and maintain the high level of services that our members and the public have come to expect. Many programs are statutorily required, and others are very popular with our members because they help support lawyers in the practice of law.

The State Bar has reduced staffing and programs in the past, which helped delay a dues increase for over 30 years. During that time, the number of active members of the State Bar has doubled, while the number of State Bar staff has declined from a peak of 324 budgeted employees in 1999 to 271 for the 2023-2024 bar year.

### **WHAT DO I GET FOR MY BAR DUES?**

Dues help to fund the operations of the State Bar, which is an administrative arm of the judicial branch of state government. Through your State Bar membership, you have the ability to practice law in a self-regulated profession with an independent grievance system. Since the bar's inception, Texas lawyers have retained the right to approve proposed disciplinary rule changes in referenda elections and vote on members of the board of directors, which governs all manner of bar administration.

In addition, the State Bar serves its members with continuing education and resources such as the *Texas Bar Journal*, Law

Practice Management Program, Ethics Helpline, Texas Lawyers' Assistance Program, Texas Bar Career Center, Fastcase free legal research, TexasBarCLE (including scholarships for free CLE programs), Client-Attorney Assistance Program, and the Member Benefits Program, which offers access to health insurance as well as discounts on a variety of services to help members with the practice of law.

### **IS THE STATE BAR NOTIFYING MEMBERS OF THE DUES INCREASE?**

Yes. The March 2024 and June 2024 issues of the *Texas Bar Journal* included articles related to the dues increase proposal. The *Texas Bar Journal* is distributed to all members by mail and/or email and is available online at [texasbar.com/tbj](https://texasbar.com/tbj). The bar will continue to keep members updated on the dues increase as part of its 2025-2026 budget approval process, which will include a public hearing in the spring of 2025.

### **DON'T STATE BAR MEMBERS GET TO VOTE ON DUES INCREASES?**

The State Bar Act [Texas Gov't Code 81.022 (a-4)] provides that the State Bar Board of Directors may increase membership fees by up to 10% every six years with Supreme Court approval without calling a referendum. Increases of over that threshold would go to the membership for a vote.

### **ARE ADDITIONAL DUES INCREASES UNDER CONSIDERATION BEYOND THE 10% INCREASE?**

In April 2024, the Budget Committee estimated that the State Bar could need an additional dues increase by fiscal year 2026-2027 to address its long-term needs. The board voted to ask the committee to review financial trends after the budget is drafted for fiscal year 2025-2026 and develop future recommendations based on those trends. Any additional increase in dues before 2030 would require approval by a vote of the members.

### **CAN I PROVIDE FEEDBACK TO THE BOARD?**

Yes. The board invites public comment at each of its quarterly meetings, and you can email comments anytime to [boardofdirectors@texasbar.com](mailto:boardofdirectors@texasbar.com). A public hearing on the proposed 2025-2026 budget will take place in the spring of 2025.