



Investing in Our **BAR'S FUTURE**

IN 1991, THE AVERAGE NEW CAR COST ABOUT \$15,000,¹ the median Texas home price was approximately \$71,000,² and the maximum annual dues rate for a State Bar of Texas member was \$235.

Today, the average new car costs over \$48,000,³ the median Texas home price is about \$343,500,⁴ and the maximum annual dues rate for a State Bar of Texas member remains \$235.

Carefully controlling costs, maximizing technology, and reducing staff levels enabled the State Bar to hold the line on dues for 33 years, but to be responsible stewards of the State Bar's future, the time has finally come to consider a modest increase.

Like every organization, the State Bar of Texas is subject to the inflation affecting the national economy. 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 electing to take emeritus status at age 70, meaning they no longer pay dues. The result: The bar's budgeted operating expenditures are increasing faster than its budgeted operating revenues, resulting in budgeted deficits that started in fiscal year 2023. Due to years of conservative fiscal planning, the State Bar has reserves to cover deficits in the short term, but it would be irresponsible to ignore the bar's long-term needs.

On April 19, the State Bar Board of Directors will consider a statutory 10% increase in membership dues.⁵ If approved by the board, the maximum annual dues rate would increase by \$23 effective June 1, 2025.⁶

By itself, this increase is not enough to balance the bar's long-term finances. The State Bar leadership anticipates proposing a referendum on an additional dues increase in late 2025 or 2026, in an amount to be determined by the board. We are proposing this two-step approach to give you, our members, time to budget for the changes and to allow you to vote on any dues increase beyond the 10%.

A dues increase is an investment in the bar's future. As an administrative arm of the state's judicial branch, the State Bar of Texas is statutorily charged with regulating the legal profession and supporting the administration of justice, and it is completely self-funded, meaning the bar receives no appropriations from the state of Texas. Like most organizations, the State Bar's primary cost is staffing, and approximately 37% of the staff is in the Office of Chief Disciplinary Counsel, followed by other major departments such as Professional Development/TexasBarCLE (16%) and Attorney Compliance (9%).

It benefits all Texas lawyers to have a State Bar that enforces the disciplinary rules, because a profession that polices itself effectively is one that holds the public trust. It benefits all Texas lawyers to have a State Bar that develops high-quality continuing education programs, journals, and other publications that help them stay current in the law. It benefits all Texas lawyers to have a State Bar that, through its 31 committees, works continuously to review and enhance multiple areas of the profession, including the rules of practice, minimum continuing legal education standards, pattern jury charges, advertising rules, law practice management, and lawyer well-being.

And all Texas lawyers benefit from the bar's unified, mandatory structure that ensures lawyers' self-governance—your right to vote on disciplinary rule changes and representatives on the board of directors.

Your dues payments directly support all of these aspects of our bar, ensuring we can work together to serve Texas lawyers and improve the quality of legal services available to our fellow Texans.

As always, your input is welcome. The board invites public comment at each of its quarterly meetings, and you can email comments anytime to boardofdirectors@texasbar.com.

Sincerely,

TREY APFFEL

Executive Director, State Bar of Texas
Editor in Chief, *Texas Bar Journal*

NOTES

1. *Fact #744: September 10, 2012 Average New Light Vehicle Price Grows Faster than Average Used Light Vehicle Price*, Office of Energy Efficiency & Renewable Energy, <https://www.energy.gov/eere/vehicles/fact-744-september-10-2012-average-new-light-vehicle-price-grows-faster-average-used>.
2. *Housing Activity for Texas*, Texas Real Estate Research Center, <https://www.recenter.tamu.edu/data/housing-activity/#!/activity/State/Texas>.
3. Jeff S. Bartlett, *Cars Are Expensive. Here's Why and What You Can Do About It.*, Consumer Reports (Sept. 13, 2023), <https://www.consumerreports.org/cars/buying-a-car/people-spending-more-on-new-cars-but-prices-not-necessarily-rising-a3134608893/>.
4. *Texas Housing Market*, Redfin, <https://www.redfin.com/state/Texas/housing-market>.
5. Texas Gov't Code 81.0215 (a-4) provides that the State Bar Board of Directors may increase membership fees by up to 10% every six years.
6. Annual membership dues would be adjusted as follows: from \$68 to \$74 for lawyers licensed up to three years, from \$148 to \$162 for lawyers licensed four to five years, from \$235 to \$258 for lawyers licensed more than five years; and from \$50 to \$55 for inactive members.