GRAPHICALLY SPEAKING: Infusing Ever More Value Into the License Fee

What new long-term license fee philosophy will guide the WSBA's work into the future?

BY WSBA STAFF

A core tenet of Washington State Bar Association leaders is infusing value into each license to practice law. Toward that end, the 2025 licensing season marks the sixth vear in a row with no increase to the \$458 active-attorney fee (a fee that has risen only \$9 since 2018).

While the license fee has remained flat, the work of the Bar has not. The WSBA's court-ordered mission is to uphold and support an integrous legal profession that champions justice for all Washingtonians. To do that, the WSBA-like most of youmust keep pace with the growing complex-

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> Read the November 2024 installment for more information about the WSBA's new office lease, smart investments, and other strategic decisions that have allowed us to keep license fees steady for the past six years.

> Read the December/January 2025 installment for more information about how the "steady" license fee is, in fact, a diminishing license fee when adjusted for inflation year to year.

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ities and opportunities of the modern legal system by continually prioritizing and pivoting, adapting and renewing, firefighting and innovating.

Therein lies the tightrope of the annual license fee: Respecting members' pocketbooks while maintaining compulsory regulatory and service standards at the highest levels. Previous editions of this "Graphically Speaking" column have explored two ideas-one, how strategic financial decisions have allowed the license fee to remain flat for so long¹ and, two, how a "steady" license fee is, in fact, a significantly diminishing fee when adjusted for inflation year to year.² This edition of "Graphically Speaking" delves into the other side of the equation, which is the value proposition of the license fee-the punch your fee is packing!-as the WSBA's work has been growing in complexity and size even as revenue has declined.

GROWTH AND COMPLEXITY

The numbers themselves tell the tale of growth: While the license fee has increased 2 percent since 2018, the total size of membership has grown 7 percent. That translates into escalating service needs, such as 80 percent more bar-exam disability accommodation requests, 7 percent more admissions applications, and 19 percent more requests for license status changes per year than in 2018, just to name a few.

What the statistics don't convey is the

License fee increase 2018-2025: +\$9 \$\$\$\$\$\$\$\$



growth of complexity across all facets of the WSBA's court-defined scope of work. These are best illustrated through some examples:

• Technology needs. The rapid advancement of technology is accelerating the aging process for software systems to the point where they are unsuitable for modern usage, at best, and obsolete, at worst. The WSBA's current association management software-the backbone for WSBA membership and the system of record serving all other systems-is reliant on software and operating systems that are approaching end-of-life, which means replacement is critical. This is a cannot-fail, cannot-postpone, timeintensive project requiring momentous staff time across all departments.

And it's the tip of the iceberg. In recent years, the applications for the discipline, admissions, and MCLE systems have all needed total replacements. Additionally, a top priority is continually escalating internal and external security measures (many of which are insurance requirements) to stay ahead of generic cyber threats and the growing number of targeted scams aimed at bar associations. The financial context for all this work is significant price increases for upgrades, updates, and subscriptions across the world of information technology; the cost in

terms of WSBA staff time is significant for each and every one of these IT projects.

- assistance and guidance for using members to deeply understand the challenges and opportunities, researching and working with for action. The Small Town and ideas and generate solutions, wellinternships.
- horizon for regulatory trends and

• Challenges and opportunities.

Eliminating "legal deserts" in rural communities, providing cutting-edge technology in legal practices, creating robust member wellness resources informed by best practices: These are among the most urgent issues facing the legal community, as reported by members statewide. The WSBA has responded by creating corresponding committees that are engaging with leading experts across the nation, and delivering concrete recommendations Rural Council, for example, has many initiatives already underway including an annual stakeholder summit to share attended statewide rural job fairs, and grants to attract law students to rural

Regulatory initiatives. Part of the WSBA's duties include scanning the

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Number of requests for disciplinary history certificates: +34%



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innovations that might better serve the public and legal practitioners. One recent initiative illustrates how exciting, and prodigious, such projects can be. The Supreme Court-created Bar Licensure Task Force spent three years thoroughly researching the efficacy of the bar exam, resulting in the court's adoption in concept in 2024 of historic, far-reaching changes to Washington's lawyer admissions process.3 WSBA expertise and representation were foundations of the task force, and the WSBA is now leading the work, guided by an implementation steering committee, to move the court order from theory to practice. The project will require numerous staff and volunteer hours to navigate the intricacies and relationships with partner organizations needed to evolve centuries-old bar admission traditions.

Complexity of work. Consider one recent investigation conducted by the WSBA Office of Disciplinary Counsel. The grievant alleged that a lawyer had sent unsolicited, lewd, sexually explicit messages via social media. The grievant was frightened enough to file a police report. The responding lawyer insisted, under oath, that the social media account in question must have been hacked. The WSBA investigator relied on skills and resources that are fast becoming part of the modern forensic

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sidebar Member Benefits

Services that support you in your practice and are available to you as a member of the WSBA at no additional cost:

- Ethics Line
- > Legal Lunchbox[™] Series
- > Legal Research Tool
- Lending Library
- > Member Wellness Program
- > Job Seeking Assistance
- Practice Management Discount Network
- > WSBA Insurance Marketplace
- > WSBA CLE
- Mentorship
- > New Member Resources

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toolkit, although unheard of even a decade earlier: sourcing technology metadata and piecing together a lawyer's user history vis-à-vis the grievant. In this situation, the digital footprint helped prove what otherwise would have been unprovable—that the respondent was lying to the Office of Disciplinary Counsel—leading to a public discipline order.

LOOKING TO THE FUTURE: THE COST OF DOING BUSINESS

Recent WSBA treasurers, members of the Board of Governors, and staff are all proud of their commitment and strategic efforts to hold the license fee steady for almost a decade even while continuously growing and adapting to maintain high service levels.

It's respect for members' pocketbooks that has driven this budgeting philosophy since 2018. It's respect for members' pocketbooks that now has them looking to pivot to a more sustainable budgeting philosophy for the future. It is inevitable that license fees will need to increase—but how and when?

The WSBA Budget and Audit Committee is coalescing around the idea of a "soft landing" for members—gradual annual increases in the license fee to align with the true cost of doing business rather than remaining steady until there must be a substantial fee hike. (The latter, for example, is what is happening in California this year, with fees increasing \$88 after remaining flat since 2020.) Toward that end, the Board of Governors approved the Budget and Audit Committee's proposal in November for a \$10 net increase in fees for 2026.

In March, the Board of Governors will meet for a budget retreat where they will explore how to incorporate the "soft landing" approach into a longer-term budget philosophy. What might that look like? One idea under consideration is an automatic inflation factor built into the fee each year, which can be mitigated by use of reserves or other offsetting factors. Here's how that works out when applied, for example, to the recommended 2026 fee: \$468 represents a \$10 increase to the active lawyer license; this amount was arrived at by applying the Washington State Department of Labor & Industries Cost of Living Adjustment (COLA) for 2024-2025 of 5.9 percent resulting in a \$27 fee increase, minus a \$17 use of reserve funds. Looking to the future, this type of budgeting approach might allow us to be mindful of the "soft landing" we need to operate sustainably while creating a cushion to respect members' wallets.

We are going to expand these conversations to include *you* in the coming months as we continue to explore a long-term, sustainable license fee philosophy. Look for more information in *Bar News* in the months ahead.

NOTES

- This includes an office-space lease renegotiation that saves almost \$1 million a year compared to the previous agreement; see "Graphically Speaking: Strategic Fiscal Oversight Keeps License Fees Steady," in the November 2024 issue of *Bar News*, https://wabarnews. org/2024/11/12/graphically-speaking-strategicfiscal-oversight-keeps-license-fees-steady/.
- If license fees had mirrored inflation for the past decade, an active lawyer would pay \$705 for the 2025 renewal cycle; see "Graphically Speaking: the Value of a Dollar and Creating a New License Fee Philosophy" in the December/January issue of *Bar News*, https://wabarnews.org/2024/12/17/ graphically-speaking-the-value-of-a-dollar-andcreating-a-new-license-fee-philosophy/.
- See www.wsba.org/connect-serve/committeesboards-other-groups/licensure-pathwayssteering-committee.

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