



GRAPHICALLY SPEAKING:

# The Value of a Dollar and Creating a New License Fee Philosophy

BY WSBA STAFF

‘Tis the season! Perhaps you broke bread with extended family recently and indulged in a favorite pastime during intergenerational dining—reminiscing about what a buck or two used to buy. *Remember when a Snickers bar cost 50 cents? And gas was under \$2 a gallon?*

WSBA leaders have been having similar conversations of late, albeit gathered ‘round the board table rather than the holiday table. The 2025 licensing season marks the sixth year in a row with no increase to the \$458 active-attorney license fee. But during that time, the actual purchasing power of \$458 has decreased year by year, sometimes significantly.<sup>1</sup> All considered, if license fees had mirrored inflation for the past decade, an active lawyer would pay \$705 for the 2024 renewal cycle. To further put that in

perspective, the current active-attorney license fee, adjusted for inflation, is equivalent to what it was in 2013 when we had 10,000 fewer members.

Two constraints compound the equation: Membership fees are, by far, the WSBA’s primary source of revenue, and the rate of membership growth is slowing, not

**MORE ONLINE**

Read the November 2024 installment of *Graphically Speaking* 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.

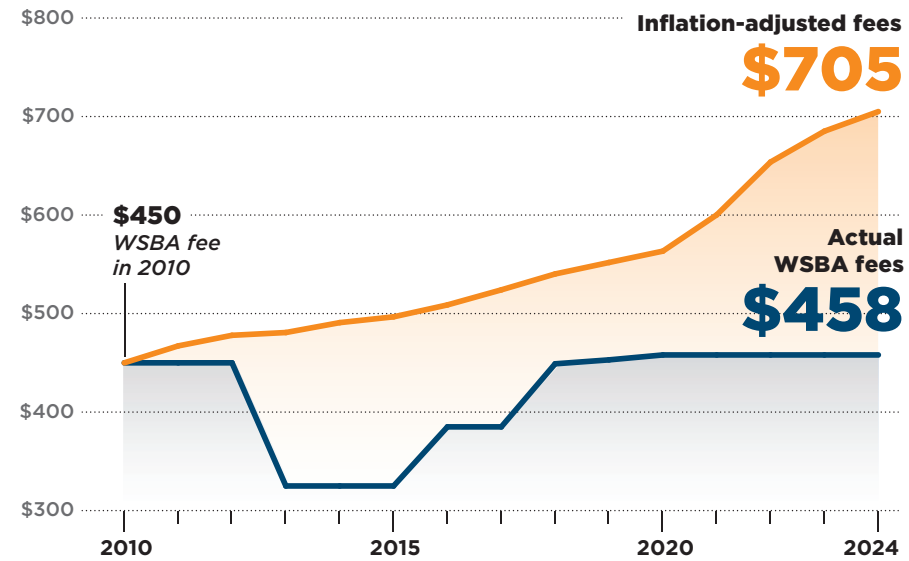
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nearly keeping pace with the rising cost of business; and the bulk of programs and services performed by the WSBA are not optional—in fact, the amount and complexity of our regulatory initiatives continues to grow.<sup>2</sup>

Considered in this context, it has been a remarkable feat, prioritized and upheld by recent WSBA treasurers and the Board of Governors, to keep the license fee steady for so long. Their budgeting philosophy has been to responsibly utilize all available options before leaning on the license fee for additional revenue. Essentially, the license fee *should* increase every year to balance out the books, for all the reasons listed above. For each of the past six years, however, there has been a significant and strategic fiscal counterbalance in the form of operational efficiencies, capitalization on market conditions, and/or careful shepherding of the reserve funds. Consider the new office-lease contract the WSBA negotiated last year (downsizing our space by 45 percent), projected to save more than \$900,000 annually per year for the next 10 years, compared to the previous agreement.

It’s respect for members’ pocketbooks that has driven this budgeting philosophy since 2018. It’s respect for members’ pocketbooks that now has the Board looking to pivot to a more sustainable budgeting philosophy for the future. We’ve just begun the 2025 fiscal year where we’ve budgeted a net loss of \$1.4 million. That’s OK—it is expected—but it’s a clear indication that we are going to need to reconcile the ever-rising cost of business (inflation) with our primary revenue source (fees) to remain solvent.

Given all this information, the WSBA



**It’s respect for members’ pocketbooks that has driven WSBA’s budgeting philosophy since 2018, and it’s that same respect that has the Board looking to pivot to a more sustainable budgeting philosophy for the future.**

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 in November approved the Budget and Audit Committee’s proposal for a \$10 net increase to fees in 2026 and the Supreme Court has confirmed that rate as reasonable to move forward.

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 fee; 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. We want you to know about the strategic financial decisions we have made to keep the license fee flat for so long. We want you to understand the gap we are facing between rising costs and flat revenue. Mostly, we want your input about a sustainable fiscal future for the WSBA. Look for more information in *Bar News* in the months ahead. [BN](#)

**NOTES**

1. [www.bls.gov/regions/west/news-release/consumerpriceindex\\_seattle.htm](http://www.bls.gov/regions/west/news-release/consumerpriceindex_seattle.htm).
2. A future installment of “Graphically Speaking” will explore the value of your license fee.

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