

**SBM** STATE BAR OF MICHIGAN

# **2023 ECONOMICS OF LAW SURVEY RESULTS**



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# 2023 ECONOMICS OF LAW PRACTICE IN MICHIGAN

## 2023 ATTORNEY INCOME AND BILLING RATE SUMMARY REPORT

The State Bar of Michigan Economics of Law Practice Survey provides Michigan attorneys with a resource that allows access to the most current law practice economic information available. This survey was conducted in 2023 and requested 2022 income and 2022 billing rate information. The survey results are provided as a service to members of the State Bar of Michigan.

The survey has two primary objectives:

- To provide timely, relevant and accurate information to inform and guide the practical management decisions of Michigan Attorneys
- To track and illustrate changes and trends within the legal profession

The survey monitors and reports on several points of information useful to attorneys:

- Attorney income
- Prevailing average hourly billing rates by several indicators including fields of practice, judicial circuit, and geographic location
- Time allocated to billable and non-billable professional activities
- Management practices
- Perceptions regarding current and future economic circumstances related to the practice of law

The key finding report contains information pertaining to attorney income and billing rates. It is produced as an early and separate report to provide attorneys with this target information as quickly as possible, as it is the most requested information from all attorneys. All other information will be contained in the full 2023 Economics of Law Practice Desktop Reference Report that will follow.

## METHODS AND MEASURES

The 2023 Economics of Law Practice Survey was conducted in 2023. In 2023 45.0% of active members identified as private practitioners and 55.0% identified as non-private practitioners. Surveys were emailed to 41,065 active members. Based on the proportions of both groups of active members an electronic survey was emailed to approximately 18,479 private practitioners and 22,586 non-private practice members of the State Bar of Michigan, inviting their participation.

18,292 members opened the survey. A total of 3,819 individuals completed the survey for an overall response rate of 20.9% of members who viewed the survey request. However, the response rate for private practitioners is significantly higher than for non-private practitioners.

Questionnaires were tabulated by Dr. James McComb, an independent consultant statistician. The economic data provides measures of central tendency and spread.

To help interpret the information presented in the surveys the following is a brief description of statistical terms of measures of central tendency (median and mean) and measures of dispersion (spread).

**MEAN**—The mean (also called the average) is calculated by adding the values of all responses then dividing by the number of responses. Example: Three responses (30, 1, 2) are reported. The average or mean is calculated by adding  $30+1+2=33$  and then by dividing by 3 = 11.

**MEDIAN**—The median is the middle value in a series or distribution of values (50th percentile, which is initially rank-ordered (from low to high or vice versa). By definition half of the numbers are greater and half are less than the median. Example: Three responses (30, 1, 2) are reported. The median is the middle number of the order of distribution (1, 2, 30), or 2. By comparison, the average of this distribution as shown above is 11. Use of the median as a statistical metric of central tendency reduces the effects of 'outliers' (extremely high or low values, such as the data point of 30 in the previous example) while the average does not. Median values are utilized throughout the survey results to denote the measure of central tendency.

**PERCENTILES**—In addition to the median, four other percentile values are used in the survey results to reveal the spread of a particular data distribution. The percentiles include:

- 25th percentile—Also referred to as the “lower quartile.” One-fourth of the values are less and three-fourths are more than this value.
- Median or 50th percentile—Half of the values are less and half are more than the “median” value.
- 75th percentile—Also referred to as the “upper quartile.” Three-fourths of the values are less and one-fourth are more than this value.
- 95th percentile—Ninety-five percent of the values are less and five percent of the values are more than this value.

**NOTE OF CLARIFICATION:** Extreme values were excluded due to their unrepresentative qualities. Thirty-five cases where private practitioners reported gross income over \$2,000,000 and two cases where non-private practitioners reported over \$2,000,000 were not included in the financial distributions because they were not typical of the population and skewed the distributions. Two cases in the private practitioner group were excluded for reporting hourly billing rates over \$5,000 (\$32,500 and \$48,333 respectively). All cases were included in the remainder of the analysis.

## I. 2022 ATTORNEY INCOME

<b>Table 1 -2022 Reported Attorney Gross Income - Private Practice</b>						
	Number	25th Percentile	Median	Mean	75th Percentile	95th Percentile
Sole Practitioner, office outside of home	384	97,350	165,000	232,312	279,500	750,000
Sole Practitioner, working out of home office	281	13,500	45,000	79,425	103,000	275,000
Sole Practitioner, sharing space	72	72,500	172,126	198,243	245,000	500,000
Managing Partner	157	190,000	300,000	432,291	510,000	1,300,000
Equity Partner/Shareholder	425	200,000	350,000	449,440	600,000	1,200,000
Non-Equity Partner	172	160,000	225,000	282,591	317,500	750,000
Of Counsel	69	35,000	150,000	184,897	260,000	700,000
Senior Associate	111	118,000	145,000	182,585	200,000	589,733
Associate	269	75,000	100,000	130,346	150,000	305,000
Arbitrator/Mediator	12	27,500	65,000	92,360	116,059	360,000
Assigned Counsel	6	87,000	93,000	133,833	130,000	350,000
Other	81	7,000	78,000	148,734	180,000	520,000
Total	2039	85,000	165,000	252,738	300,000	780,000

Excludes 35 cases reporting over 2,000,000 in income and 628 cases where either or both occupation and income were not reported

	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Other (please specify)	119	80,000	100,006	126,148	132,500	329,000
Academia	41	77,000	110,000	128,029	150,000	275,000
Federal Government	66	121,000	148,982	168,577	175,000	195,000
Governmental Relations	5	87,000	124,000	118,400	150,000	160,000
In-House Counsel	244	120,500	165,000	200,279	230,000	400,000
Judge	67	155,000	160,000	153,246	168,000	187,400
Law School	5	62,000	70,000	84,300	108,000	120,000
Legal Service Agency	80	64,474	75,000	79,363	86,685	153,000
Local Government	140	75,000	94,799	96,850	119,500	153,000
Military	4	147,500	159,000	161,750	176,000	184,000
Non-Law Related	24	79,000	112,500	178,208	198,000	500,000
Non-Profit Org	56	62,500	78,500	101,031	115,500	275,000
Other Judiciary	61	79,000	95,000	99,356	116,000	143,000
State Government	165	90,000	115,000	113,268	138,000	167,426
Total	1077	82,500	115,000	136,282	160,000	290,000

Excludes one case with income over 2 million, 64 cases without income data and cases without occupational area specified. Excludes retirees

## II. ATTORNEY HOURLY BILLING RATES

	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Sole Practitioner, office outside of home	403	300	250	311	350	475
Sole Practitioner, working out of home office	292	250	200	267	315	425
Sole Practitioner, sharing space	72	300	250	292	350	450
Managing Partner	161	325	275	348	408	585
Equity Partner/Shareholder	460	395	297	413	500	730
Non-Equity Partner	192	406	308	425	525	700
Of Counsel	74	350	300	368	485	605
Senior Associate	113	317	250	316	367	485
Associate	277	280	230	291	335	500
Arbitrator/Mediator	13	300	275	312	400	450
Assigned Counsel	4	163	103	197	290	405
Other	57	270	185	294	350	575
Total	2118	301	250	339	400	625

Excludes cases where either or both hourly rates and/or classification are missing and two cases with hourly rates over 5 thousand

<b>Table 4 – 2023 Attorney Hourly Billing Rates by Years in Practice</b>						
	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
1 to 2	73	200	250	251	300	350
3 to 5	129	228	275	300	340	530
6 to 10	237	250	300	322	385	585
11 to 15	253	250	305	330	395	575
16 to 25	424	250	315	337	425	600
26 to 30	228	275	350	375	450	635
31 to 35	195	260	342	369	450	645
>35	652	250	300	339	400	650
Total	2191	250	300	337	400	620

Excludes missing values and cases reporting over 67 years in the bar and hourly rates over 5000

<b>Table 5 – 2023 Attorney Hourly Billing Rates by Number of FTE Attorneys in Local Office</b>						
	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
1	625	230	283	289	342	450
2	213	250	300	311	375	475
3	163	250	310	333	375	525
4 to 6	240	250	300	327	371	550
7 to 10	175	267	320	347	405	600
11 to 20	188	268	350	359	450	640
21 to 50	233	258	385	381	475	680
Over 50	240	332	448	460	588	748
Total	2077	250	308	340	400	625

Excludes missing values, hourly rates over 5000 and 0 FTE

**Table 6 – 2023 Attorney Hourly Billing by Primary Office Location**

	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Ann Arbor area	114	275	325	358	438	640
Battle Creek area	13	53	220	191	275	300
Bay City/Saginaw/Midland area	30	175	250	244	300	405
Detroit, not Downtown	34	208	263	306	400	575
Downtown Detroit and New Center area	132	293	448	454	593	760
Flint area	61	228	260	286	300	450
Grand Rapids area	274	275	350	368	450	625
Jackson area	24	204	250	252	300	400
Kalamazoo area	69	250	317	332	415	600
Kent County (outside of Grand Rapids area)	6	200	250	268	395	400
Lansing area	120	250	300	333	375	667
Livingston County	34	200	259	249	300	345
Macomb County (outside of Mt. Clemens area)	73	250	300	320	350	510
Mid-Michigan area (outside of Lansing area)	23	247	275	269	315	350
Mount Clemens area	32	250	300	307	338	550
Muskegon area	32	195	250	235	300	380
Northern Michigan, Lower Peninsula	55	200	250	274	300	450
Oakland County, north of M-59	56	250	300	318	379	500
Oakland County, south of M-59	545	267	325	354	425	600
Other metro areas	9	175	250	217	250	300
Out state, Lower Peninsula	11	200	225	242	300	400
Southeast Michigan	45	215	262	277	337	450
Southfield	78	250	317	339	400	600
Traverse City area	42	225	279	284	350	450
Upper Peninsula	29	200	250	242	275	350
Wayne County (outside of Detroit)	101	240	283	295	350	425
Western Michigan	45	275	300	323	370	565
Out of State	126	275	366	395	492	700
Total	2213	250	300	338	400	620

Exclude missing data and hourly rates over 5000.

**Table 7 Attorney Hourly Billing Rates by Field of Practice**

	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Administrative Law	52	250	348	359	468	700
Appellate Law	107	250	350	356	435	625
Arbitration/Mediation	84	283	350	357	400	600

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**Table 7 Attorney Hourly Billing Rates by Field of Practice**

	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Auto (not lemon) Law	30	235	363	381	495	850
Auto no fault	94	175	225	307	450	650
Bankruptcy, Creditor	47	250	320	336	390	610
Bankruptcy, Debtor	53	250	300	311	400	540
Business/Commercial Litigation	312	300	373	392	450	660
Civil Litigation	408	250	325	351	425	625
Civil Rights	54	250	350	381	450	710
Collections, creditor	48	250	295	288	333	450
Collections, debtor	8	60	200	208	350	400
Condemnation law	8	173	400	333	460	550
Construction law	59	250	325	323	405	540
Consumer law (including lemon law)	27	235	330	330	450	600
Contracts	141	250	325	348	450	600
Corporate and business	318	300	350	380	440	675
Criminal (misdemeanor)	127	200	250	259	300	400
Criminal (felony)	144	250	300	316	400	500
Drivers License Revocation Restoration	20	250	250	275	325	400
Elder Law	73	250	300	304	350	425
Election Law	8	275	375	355	450	585
Employment law (plaintiff)	59	300	400	412	475	650
Employment law (defense)	65	250	325	354	435	580
Entertainment Law	7	200	300	256	350	400
Environmental law	18	300	413	409	490	650
Family law	386	250	300	299	350	450
Foreclosure, debtor	3	40	285	208	300	300
Foreclosure, lender	10	225	275	304	350	550
General Civil	75	225	275	295	350	595
Health & Hospital law	38	350	415	429	525	665
Immigration law	43	200	295	300	350	600
Indian Law	11	75	250	271	400	630
Insurance law (plaintiff)	45	350	450	447	550	700
Insurance law (defense)	99	160	185	201	210	310
Intellectual property	78	335	400	419	480	700
Labor and Employment	80	250	350	364	475	645
Landlord/tenant (commercial)	20	223	250	265	330	388
Landlord/tenant (residential)	59	175	250	228	275	350
Libel, slander and defamation	1	450	450	450	450	450
Marijuana Law	13	275	350	365	420	630
Medical malpractice (plaintiff)	15	350	600	635	900	1200
Medical malpractice (defendant)	18	185	203	249	250	650
Municipal Law	93	165	200	217	250	380

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**Table 7 Attorney Hourly Billing Rates by Field of Practice**

	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Veterans and Military Law	3	50	240	180	250	250
Other Civil law	66	250	300	327	400	650
Other Professional Liability	21	225	250	295	350	500
Personal Injury (defendant)	60	173	195	217	225	425
Personal Injury (plaintiff)	96	298	400	425	500	900
Probate litigation	122	275	300	324	385	525
Guardianship & conservatorship	98	250	285	284	350	425
Probate, trust administration	267	250	300	317	350	500
Probate estate planning, wills, and trusts	484	250	300	308	350	490
Product liability	13	250	280	275	400	500
Property Damage	6	165	283	305	500	550
Public benefits	7	45	300	269	450	500
Real Estate	366	250	300	318	370	510
Schools and Education	20	260	290	325	375	585
Securities Law	14	350	375	466	600	1065
Tax Law	73	300	400	419	525	700
Workers' Compensation (employee)	13	250	350	365	400	800
Workers' Compensation (employer)	10	135	145	145	150	185
Total	5197	250	300	330	400	600

Excludes Missing Data and Hourly Billing Rates Over 5000

**Table 8 Attorney Hourly Billing Rates by County**

	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Alcona	2	168	186	186	205	205
Alger	6	183	267	229	300	300
Allegan	55	250	300	316	370	525
Alpena	10	60	184	160	250	300
Antrim	24	200	250	253	321	400
Arenac	5	48	145	107	158	158
Baraga	6	53	204	188	300	325
Barry	13	250	350	321	385	490
Bay	32	156	247	247	300	585
Benzie	14	113	217	220	295	450
Berrien	34	215	300	297	365	550
Branch	9	195	292	220	295	310
Calhoun	37	225	295	302	350	525
Cass	21	200	267	258	310	365
Charlevoix	19	217	280	262	317	425
Cheboygan	9	250	283	280	325	367
Chippewa	7	107	200	184	245	275

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<b>Table 8 Attorney Hourly Billing Rates by County</b>						
	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Clare	13	267	300	285	315	350
Clinton	53	250	300	301	330	450
Crawford	6	145	241	238	350	400
Delta	6	150	167	181	250	300
Dickinson	7	150	200	200	285	350
Eaton	71	250	300	303	350	500
Emmet	20	208	282	273	321	450
Genesee	109	228	275	292	300	530
Gladwin	5	233	250	257	300	325
Gogebic	1	267	267	267	267	267
Grand Traverse	47	213	275	294	350	450
Gratiot	12	275	300	285	318	425
Hillsdale	11	200	250	253	300	335
Houghton	9	250	267	267	300	350
Huron	5	200	250	242	275	337
Ingham	151	250	300	334	383	640
Ionia	11	258	280	295	375	450
Iosco	2	158	182	182	205	205
Iron	5	47	150	122	180	200
Isabella	21	250	300	278	315	400
Jackson	38	225	250	265	300	440
Kalamazoo	112	250	350	366	450	600
Kalkaska	2	183	204	204	225	225
Kent	338	285	364	374	450	620
Keweenaw	3	57	275	211	300	300
Lake	5	47	180	161	225	308
Lapeer	33	228	250	293	350	585
Leelanau	25	250	300	323	395	463
Lenawee	26	180	250	241	300	350
Livingston	83	250	295	305	350	425
Luce	3	107	200	196	280	280
Mackinac	4	75	178	169	263	275
Macomb	540	250	300	327	393	550
Manistee	10	295	308	401	333	1167
Marquette	16	205	263	261	310	350
Mason	10	207	267	246	308	325
Mecosta	2	158	229	229	300	300
Menominee	3	200	200	233	300	300
Midland	10	267	296	314	350	585
Missaukee	5	47	150	178	300	350
Monroe	29	207	260	265	300	450

<b>Table 8 Attorney Hourly Billing Rates by County</b>						
	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Montcalm	9	200	300	307	375	497
Montmorency	5	47	50	128	250	250
Muskegon	59	213	280	273	325	440
Newaygo	13	183	300	254	325	440
Oakland	1045	250	325	356	425	637
Oceana	11	200	225	246	308	385
Ogemaw	3	158	267	235	280	280
Osceola	5	300	300	297	350	350
Oscoda	2	52	201	201	350	350
Otsego	10	200	238	229	250	270
Ottawa	162	285	340	355	415	595
Presque Isle	2	228	239	239	250	250
Roscommon	6	57	258	221	300	400
Saginaw	45	200	250	279	310	585
Sanilac	11	150	200	192	233	275
Schoolcraft	3	45	183	143	200	200
Shiawassee	20	238	256	307	325	625
St. Clair	32	208	278	286	325	550
St. Joseph	9	200	290	242	295	310
Tuscola	12	164	200	210	263	308
Van Buren	33	250	300	301	375	565
Washtenaw	223	250	325	342	420	600
Wayne	972	250	330	357	425	650
Wexford	11	183	208	256	350	363
Statewide Practice	39	300	350	396	485	710
Out of state practice	130	300	400	410	500	737
Total	5037	250	300	334	400	600

<b>Table 9 Attorney Hourly Billing Rates by Circuit</b>						
Circuit/County(s)	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
1 Hillsdale	11	200	250	253	300	335
2 Berrien	34	215	300	297	365	550
3 Wayne	972	250	330	357	425	650
4 Jackson	38	225	250	265	300	440
5 Barry	13	250	350	321	385	490
6 Oakland	1045	250	325	356	425	637
7 Genesee	109	228	275	292	300	530
8 Ionia, Montcalm	20	229	290	300	375	473
9 Kalamazoo	112	250	350	366	450	600
10 Saginaw	45	200	250	279	310	585
11 Alger, Luce, Mackinac, Schoolcraft	16	107	200	192	271	300
12 Baraga, Houghton, Keweenaw	18	180	263	231	300	350
13 Antrim, Grand Traverse, Leelanau	96	221	275	291	350	450
14 Muskegon	59	213	280	273	325	440
15 Branch	9	195	292	220	295	310
16 Macomb	540	250	300	327	393	550
17 Kent	338	285	364	374	450	620
18 Bay	32	156	247	247	300	585
19 Benzie, Manistee	24	200	285	295	321	500
20 Ottawa	162	285	340	355	415	595
21 Isabella	21	250	300	278	315	400
22 Washtenaw	223	250	325	342	420	600
23 Alcona, Arenac, Iosco, Oscoda	21	158	200	189	250	270
24 Sanilac	11	150	200	192	233	275
25 Marquette	16	205	263	261	310	350
26 Alpena, Montmorency	15	48	168	149	250	300
27 Newaygo, Oceana	24	192	268	251	312	385
28 Missaukee, Wexford	16	163	204	232	343	363
29 Clinton, Gratiot	65	250	300	298	330	450
30 Ingham	151	250	300	334	383	640
31 St. Clair	32	208	278	286	325	550
32 Gogebic, Ontonagon	1	267	267	267	267	267
33 Charlevoix	19	217	280	262	317	425
34 Ogemaw, Roscommon	9	158	267	225	280	400
35 Shiawassee	20	238	256	307	325	625
36 Van Buren	33	250	300	301	375	565
37 Calhoun	37	225	295	302	350	525
38 Monroe	29	207	260	265	300	450
39 Lenawee	26	180	250	241	300	350

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<b>Table 9 Attorney Hourly Billing Rates by Circuit</b>						
Circuit/County(s)	Number	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
40 Lapeer	33	228	250	293	350	585
41 Dickinson, Iron, Menominee	15	150	200	181	200	350
42 Midland	10	267	296	314	350	585
43 Cass	21	200	267	258	310	365
44 Livingston	83	250	295	305	350	425
45 St. Joseph	9	200	290	242	295	310
46 Crawford, Kalkaska, Otsego	8	163	204	230	325	400
47 Delta	6	150	167	181	250	300
48 Allegan	55	250	300	316	370	525
49 Mecosta, Osceola	7	183	300	277	350	350
50 Chippewa	7	107	200	184	245	275
51 Lake, Mason	15	155	225	218	308	325
52 Huron	5	200	250	242	275	337
53 Cheboygan, Presque Isle	11	228	280	273	325	367
54 Tuscola	12	164	200	210	263	308
55 Clare, Gladwin	18	233	300	277	315	350
56 Eaton	71	250	300	303	350	500
57 Emmet	20	208	282	273	321	450
84 Statewide Practice	39	300	350	396	485	710
85 Out Of State Practice	130	300	400	410	500	737
Total	5037	250	300	334	400	600