

# **Representative Assembly Presentation**

## **SBM Dues Update**

**September 28, 2017**

**Janet K. Welch, Executive Director**

**James C. Horsch, Director of Finance & Administration**

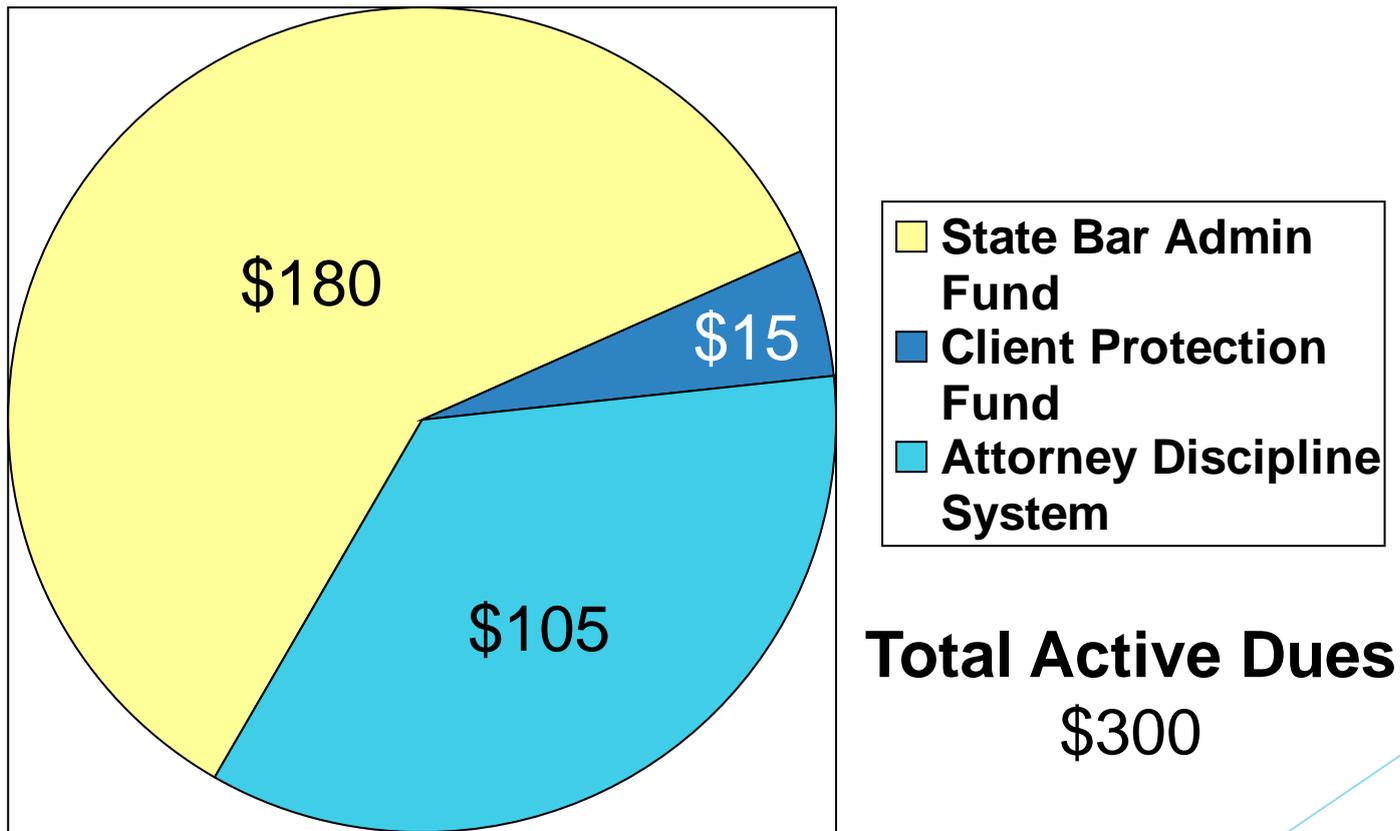
# How Dues Are Set

**Michigan Supreme Court sets dues pursuant to court rule, administrative order.**

**Representative Assembly has exclusive authority on behalf of the State Bar of Michigan to recommend a dues increase *in the State Bar association portion* of the dues to the Michigan Supreme Court.**

# 2017-18 State Bar of Michigan Active Member Dues

(Highest Dues Level for an Active Member)



**Increase of \$15 for discipline portion over 2016-2017 Dues**

# 2017-18 State Bar of Michigan Annual Dues

	Active	Active 50 yrs service	Inactive	Inactive 50 yrs service	Emeritus
State Bar	180.00	0.00	90.00	0.00	0.00
Client Prot Fund	15.00	15.00	7.50	7.50	0.00
Atty Discipline	<u>105.00</u>	<u>105.00</u>	<u>105.00</u>	<u>105.00</u>	<u>0.00</u>
Total Dues	\$300.00	\$120.00	\$202.50	\$112.50	\$0.00

**Active Member** - privilege granted to practice in Michigan, receive full benefits of membership

**Inactive Member** - cannot practice law, but receives all other member benefits. Must be recertified by the BLE after 3 consecutive years of inactive status to regain active status

**Emeritus Member** - 30 years membership or 70 years of age - cannot practice law, but receives all other member benefits

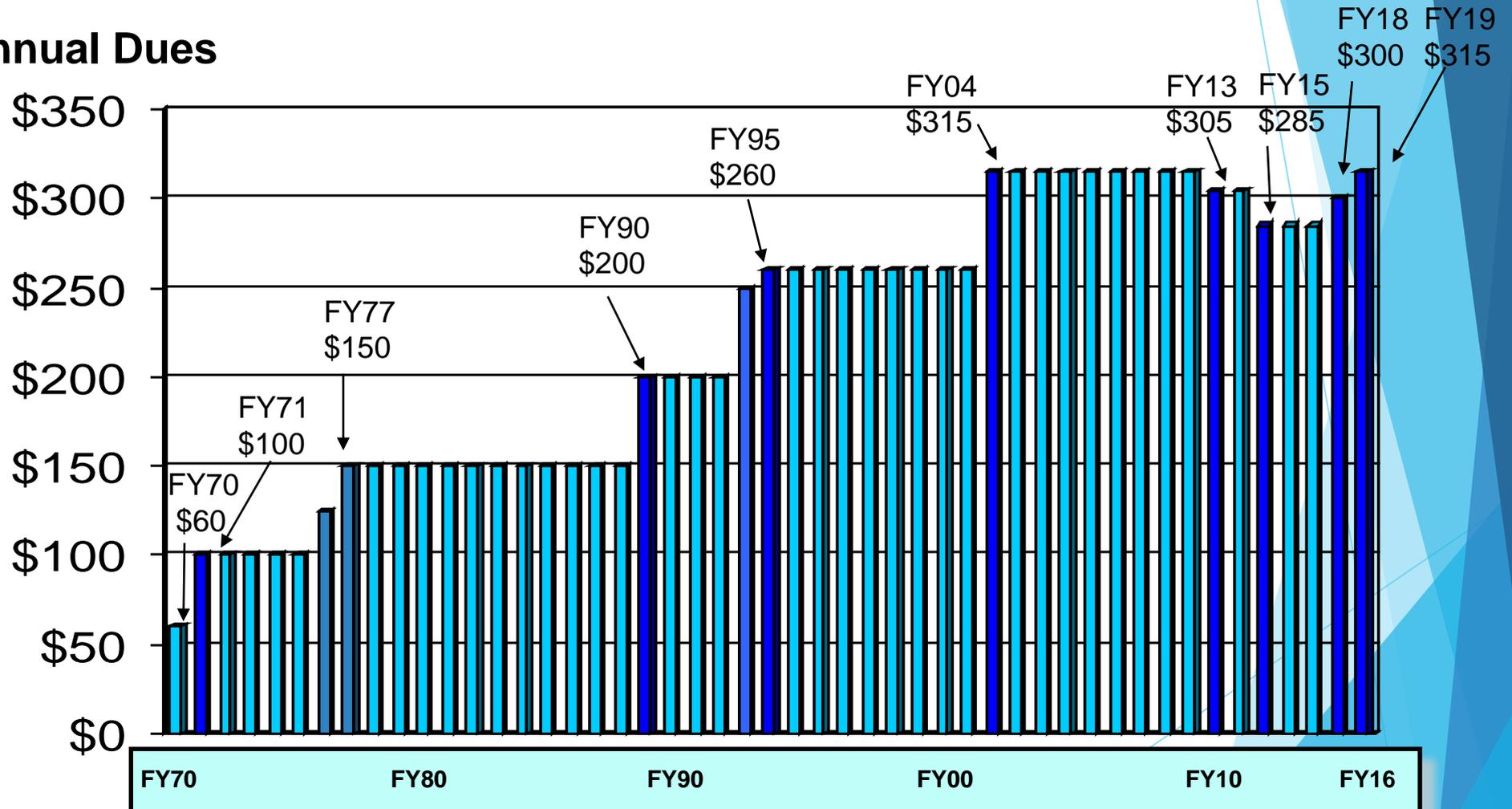
**Active Duty Military** - active dues are waived for up to 4 years

No other dues discounts or waiver (hardship, new attorney, judicial, etc.)

# SBM Active Member Dues History

*Top Dues Level – Active Member  
(Since FY 1970)*

## Annual Dues

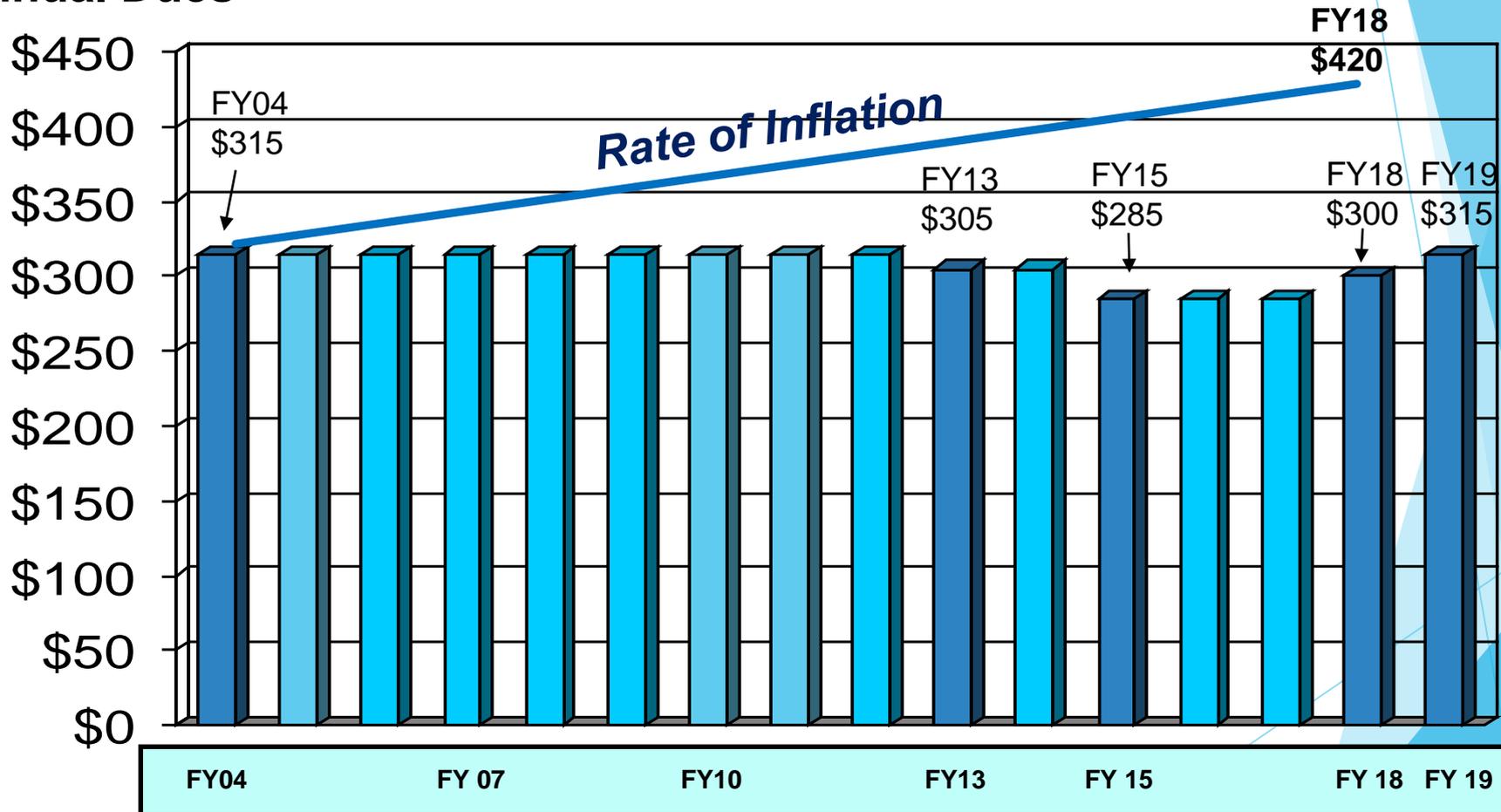


Active member dues were decreased in FY 2013 and FY 2015 due to decreases in the ADS portion ordered by the Michigan Supreme Court, and will be restored in FY 2018 and FY 2019.

# SBM Active Member Dues

*Top Dues Level – Active Member*  
*And since FY 2004 if dues increased at rate of inflation*

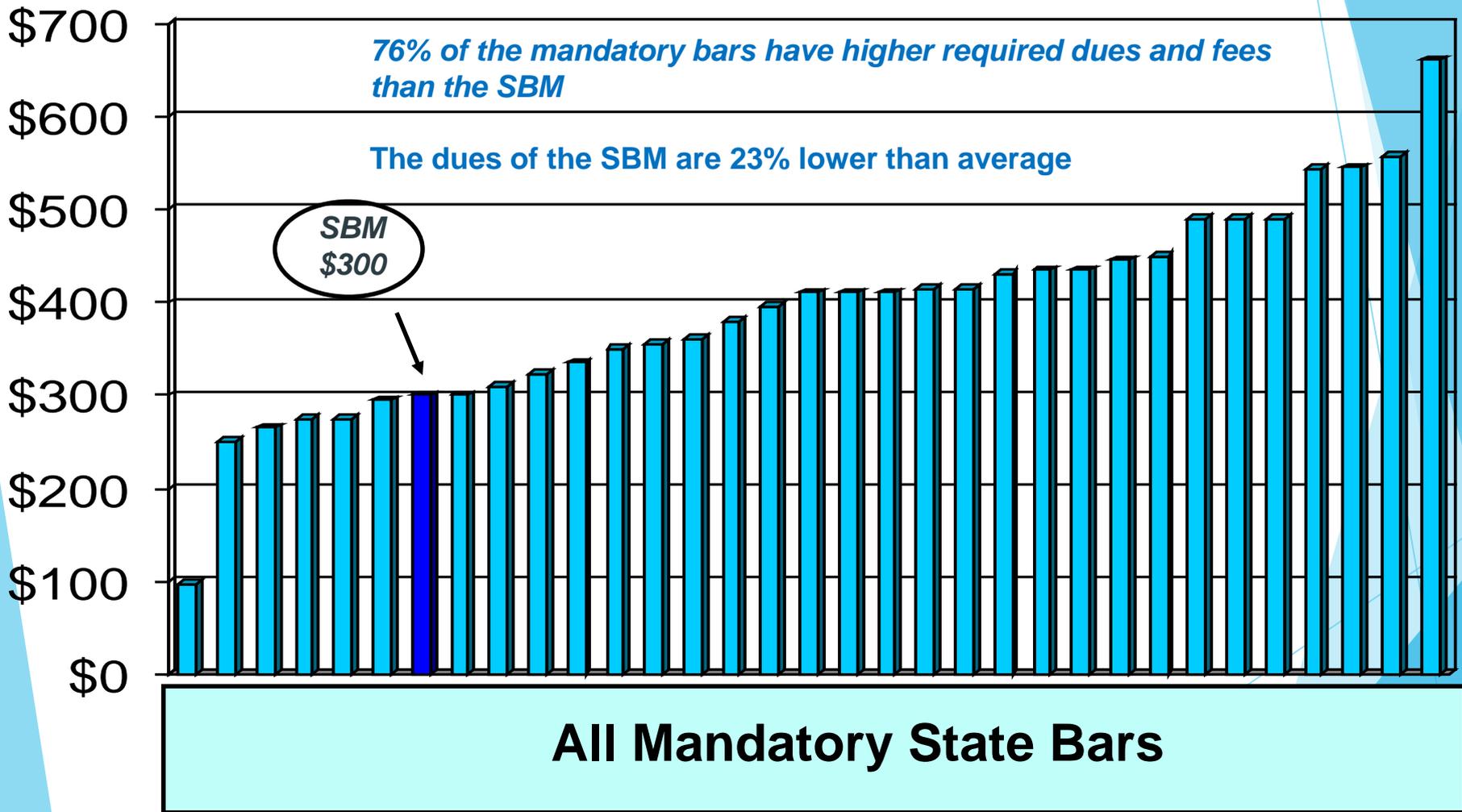
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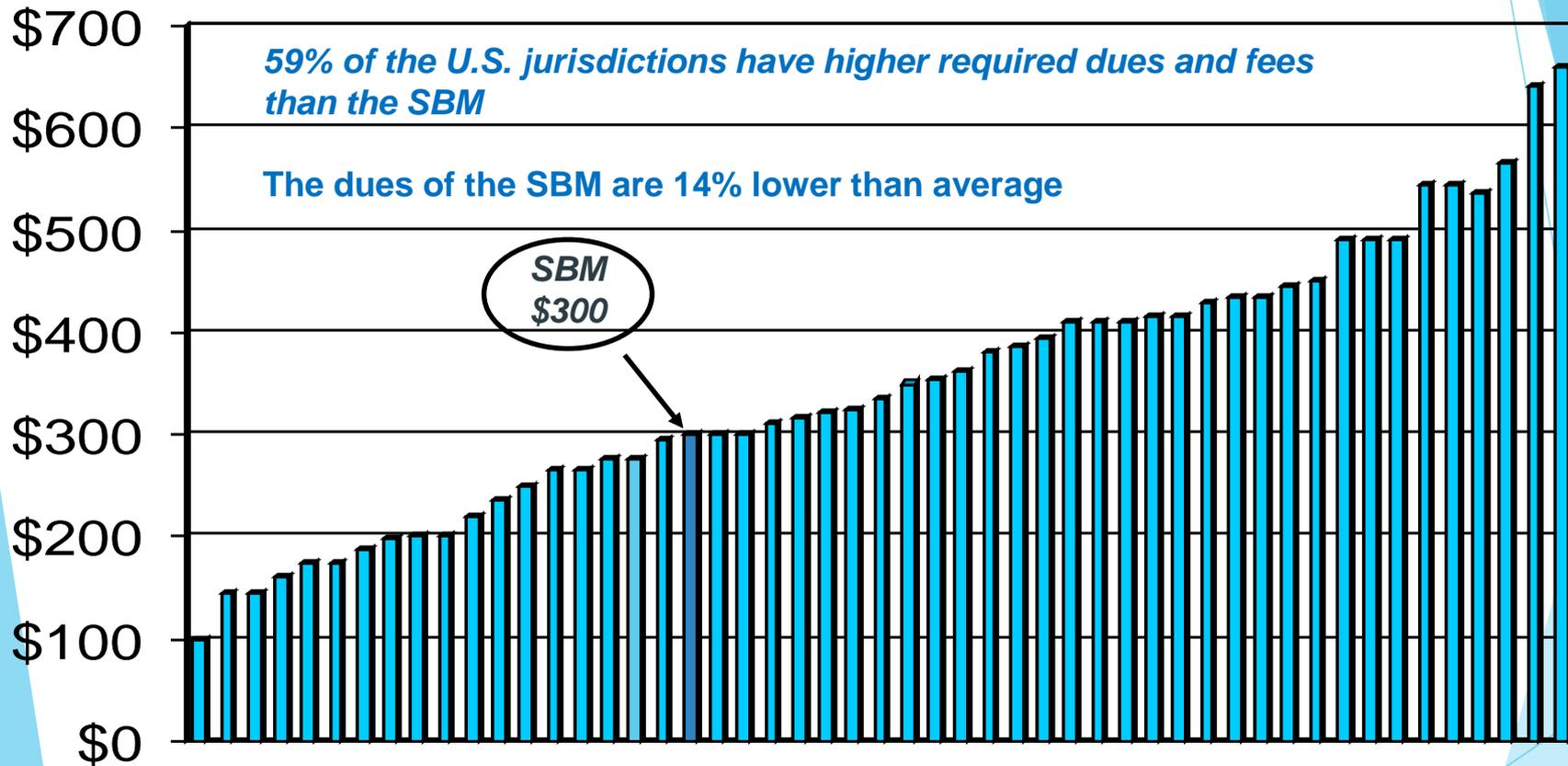
# SBM Active Dues Comparison to Mandatory Bars

*Top Active Dues Level -- all required fees other than mandatory continuing legal education*



# SBM Active Dues Comparison to All States

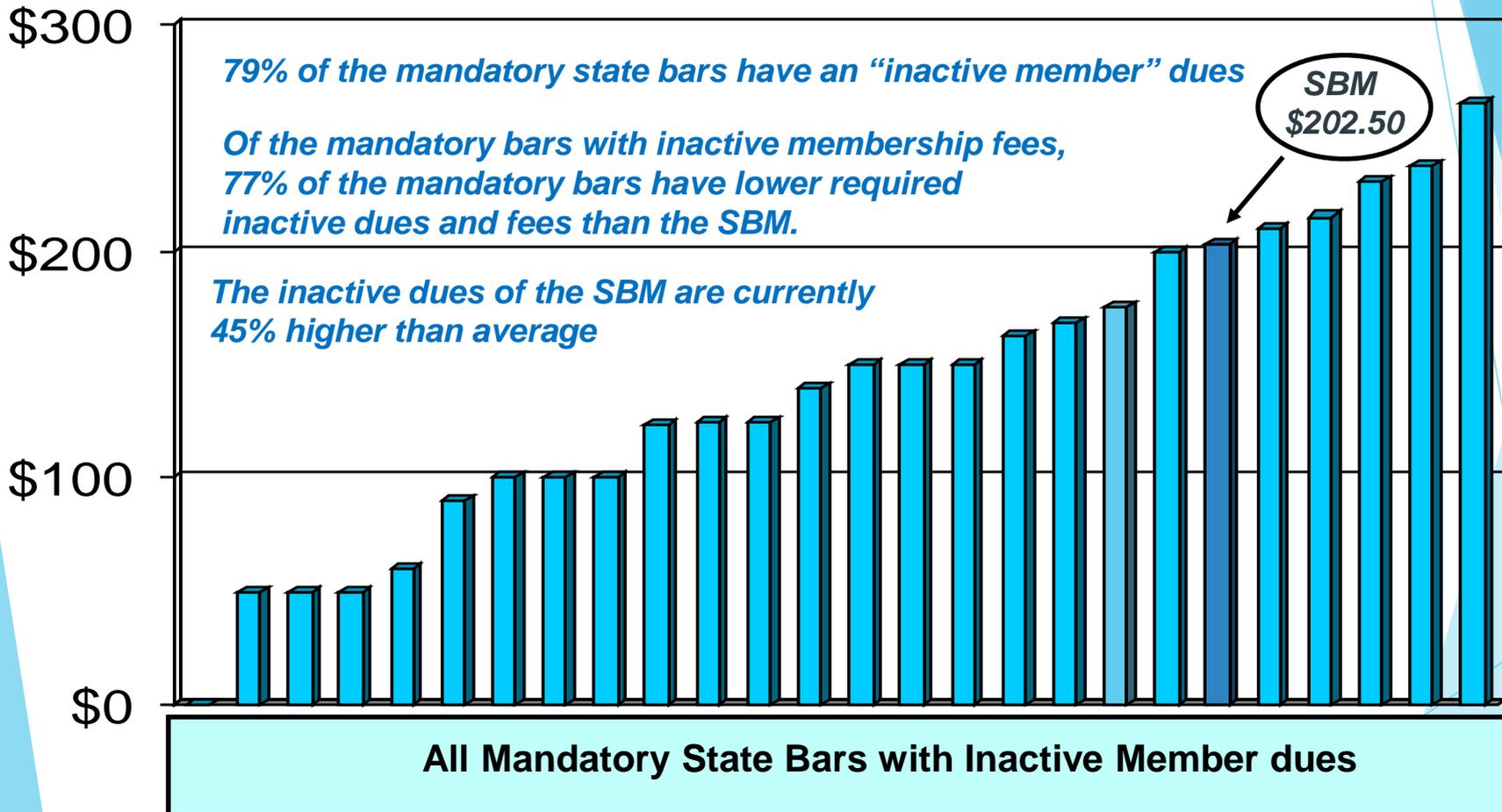
*All Required Regulatory Fees  
except mandatory continuing legal education*



**All States – Total Required Regulatory Fees other than mandatory continuing legal education**

# SBM Inactive Dues Comparison to Mandatory States

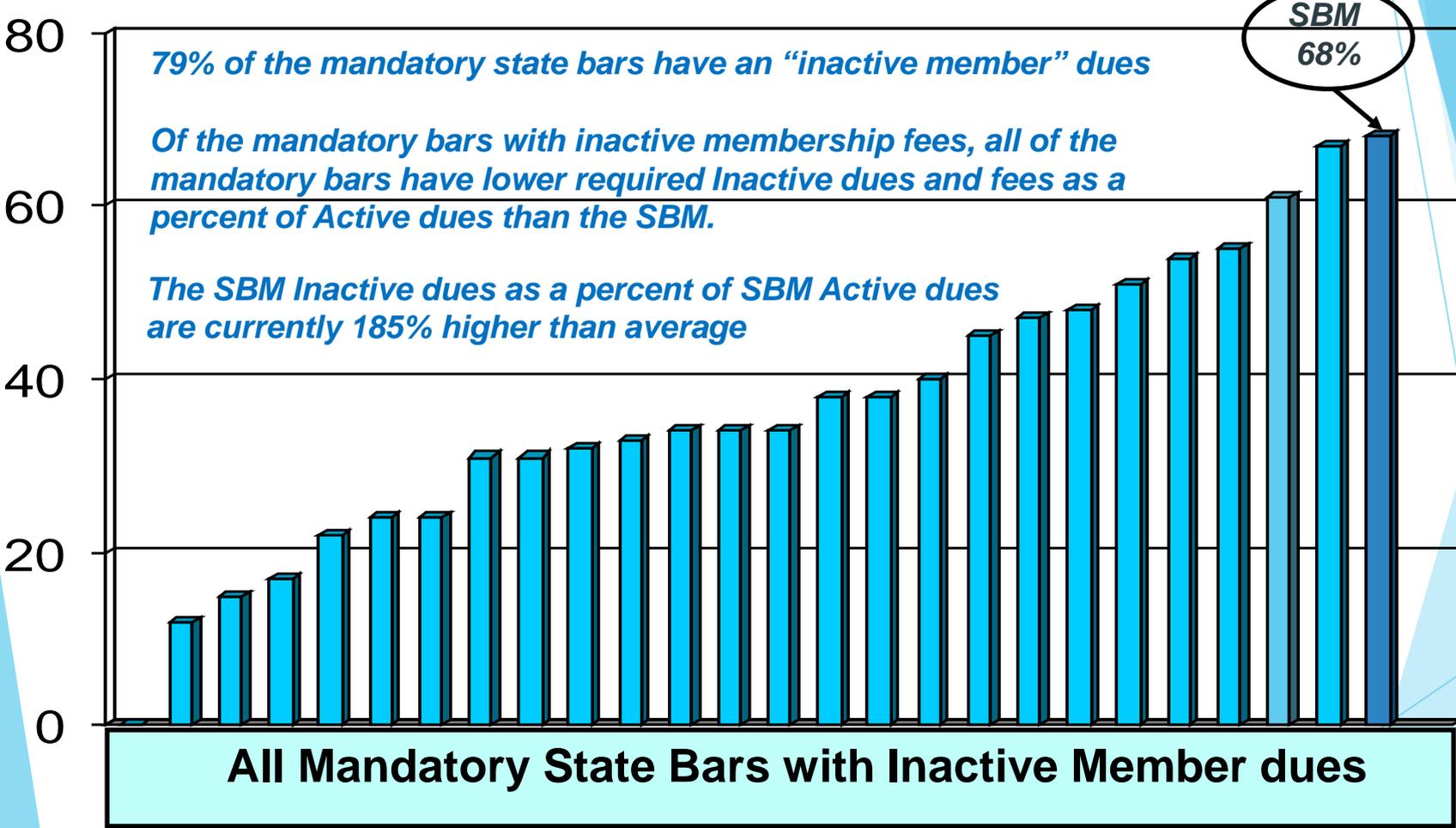
*All Required Regulatory Fees  
except mandatory continuing legal education*



# SBM Inactive Dues as a % of Active Dues Comparison to Mandatory States

*% Inactive  
vs. Active dues*

*All Required Regulatory Fees  
except mandatory continuing legal education*



*79% of the mandatory state bars have an "inactive member" dues*

*Of the mandatory bars with inactive membership fees, all of the mandatory bars have lower required Inactive dues and fees as a percent of Active dues than the SBM.*

*The SBM Inactive dues as a percent of SBM Active dues are currently 185% higher than average*

**SBM  
68%**

**All Mandatory State Bars with Inactive Member dues**

# Other Dues Issues

- SBM BOC work group reviewing process for suspensions for non-payment of dues and late fees, and will be making recommendations as appropriate.
- Transitioning from paper dues invoices to electronic dues notification and further automating the dues process