

LAW SCHOOL FINANCING

Structure & Trends



FINANCING

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A Comprehensive Guide to
Financial Aid for Law Students &
an Insight into Trends



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It was in 1965 that U.S. President Lyndon Johnson proposed that the nation must provide each child with the best education. It was with this noble objective that the Higher Education Act of 1965 was signed.

The Act instituted interest-free loans with deferment until the completion of graduation for deserving and capable students. The Act also has provisions for scholarships to promising high school students and the students who need such support. Additionally, the Act guarantees low-interest loans to students continuing their college studies.

Over the years, the Act has covered postgraduate education too.

The additional dimension has resulted in a steep increase in the number of students who have finished high school. It has risen from 41 to 81 percent. Simultaneously, the number of the students who have completed college increased from 8 to 28 percent in 2004. The enrollment among low-income students has doubled, owing to the new provision.

FINANCIAL AID

The rising costs of education can be frustrating, and it may make the student wonder how he/she will compensate for the costs of obtaining an education. Financial aid is the solution. It is designed to bridge the gap between the funds that the student has and the amount that he/she needs to meet education expenses.

The financial aid program includes federal and nonfederal aid.

The total financial aid given to students during 2004-05 was \$143 billion.

In fact, 63 percent of the total financial aid amounting to \$90 billion was through federal aid while 37 percent (\$52.5 billion) was through non-federal aid.

The Comparative Study of the Federal Financial Aid for 2004 - 05

Federal Aid Component	Amount in billion \$
Pell Grants	13
Loans	63
Other Grants	5
Work Study Grant	1
Tax Credits and Deductions	8
Total Federal Aid	90

Table 1(1)

Federal Aid can be availed by those who:

- demonstrate financial need
- are U.S. citizens or are eligible non-citizens, with valid Social Security Numbers (SSN)
- are working towards a degree or certificate in an eligible program
- are qualified to obtain post-graduate education
- are males between 18 and 25 years, registered with the Selective Service
- maintain satisfactory academic progress once enrolled in a school

The Comparative Study of the Components of the Non-federal Financial Aid for 2004-05

Non-federal Aid Component	Amount in billion \$
State Grants	6.3
Institutional Grants	24
Private and Employer Grants	8.4
Non-Federal Grants	13.8
Total Non-federal Financial Aid	52.5

Table 1(2)



Types of Financial Aid

(A) GRANTS

Grants are financial awards that do not have to be repaid. As federal grants are available only to undergraduates, law students are not eligible for this facility.

Grants for Law Students:

The grants which are available to law students are from:

- (a) law schools
- (b) professional law associations and organizations
- (c) private sources

(B) LOANS

Loans constitute a major portion of financial aid. The students take loans to bridge the prevailing gap between the grants and their college fees.

Forms of the Education Loans:

I. Direct Stafford Loans or Direct Loans consisting of:

- Direct Stafford Loans
- Direct PLUS Loans (Parent Loans for Undergraduate Students)
- Direct Consolidation Loans

II. FFEL (Federal Family Education Loan) Stafford Loans or Federal Stafford Loans consisting of:

- FFEL Stafford Loans
- FFEL PLUS Loans
- FFEL Consolidation Loans

The Comparative Study of Different Types of Loans

Federal Student Aid Program	Features	Eligibility	Annual Award Limit
Federal Work Study	<p>Money is earned while attending school</p> <p>No need to be repaid</p>	<p>For undergraduate and graduate students</p> <p>Jobs can be on campus or off campus</p> <p>Students paid at least federal minimum wage</p>	No annual minimum or maximum award amount
Federal Perkins Loan	Loans must be repaid	<p>5% interest charged to both undergraduate and graduate loans</p> <p>Payment is owed to the school that made the loan</p>	<p>No minimum award amount</p> <p>\$4,000 maximum for undergraduates</p> <p>\$6,000 maximum for graduate and professional students</p>
Subsidized Direct or FFEL Stafford Loans	Loans must be repaid	<p>US Department pays the interest while the borrower is in the school and during the grace and deferment period</p> <p>Beneficiary must be at least a half time student</p>	\$2,625 to \$8,500, depending on grade level
Unsubsidized Direct or FFEL Stafford Loans	Loans must be repaid	<p>Borrower responsible for interest during the life of the loan</p> <p>Beneficiary must be at least a half-time student</p> <p>Financial need not a requirement</p>	\$2,625 to \$18,500, depending on grade level (includes any subsidized amount received for the same period)
Direct or FFEL PLUS Loans	Loans must be repaid	Available to parents of undergraduate students enrolled at least half time	<p>No minimum award amount</p> <p>Maximum amount is cost of attendance minus any other financial aid the student receives</p>

Table 1(3)



The Comparative Study of Direct and FFEL Loans

Loan Program	Eligibility	Award Amount	Interest Rate	Lender/ Length of Repayment
Federal Perkins Loans	Undergraduate and graduate Do not have to be enrolled at least half-time	Undergraduate: up to \$4,000 a year (maximum \$20,000 as an undergraduate) Graduate: up to \$6,000 a year (maximum \$40,000, including undergraduate loans) Amount depends on the financial need, amount of other aid, availability of funds at school	5%	Lender is the school Repay the school or its agent Up to 10 years to repay, depending on the amount owed
FFEL Stafford Loans (Subsidized & Unsubsidized)	Undergraduate and graduate; Must be enrolled at least half time	Depends on grade level in school and dependency status Financial need not necessary	Changes yearly; It was 5.3% for loans in repayment for 2005-06 For those in financial need government pays interest during school and certain other periods (for subsidized loans)	Lender is bank, credit union or other participating private lender Repay the loan holder or its agent Between 10 to 25 years to repay, depending on the amount owed and type of repayment plan
Direct Stafford Loans (Subsidized & Unsubsidized)	Same as above	Same as above	Same as above	Lender is the U.S. Department of Education Repay the department. Between 10 to 30 years to repay, depending on the amount owed and type of repayment plan selected
FFEL PLUS Loans	Parents of dependent undergraduate students Enrolled at least half-time Parents must not have negative credit history	Maximum loan amount = Student's cost of attendance – Other aid student receives	Changes yearly It was 6.1% for loans in repayment for 2005-06 Government does not pay interest	Same as for FFEL Stafford loans above
Direct PLUS Loans	Same as above	Same as above	Same as above	Same as for Direct Stafford Loans , except that Income Contingent Repayment plan is not an option

Table 1(4)

The FFEL Program generated \$52.5 billion of loans for more that 6.5 million students and their parents during the academic year 2005-06. (Source: U.S. Department of Education.)

The Comparative Study of Maximum Annual Amount in Stafford Loans

Year of Study	Graduate or Professional Level		Graduate Medical Level	
	Subsidized	Unsubsidized	Subsidized	Unsubsidized
1st Year	\$8,500	\$10,000	\$8,500	\$30,000
2nd year	\$8,500	\$10,000	\$8,500	\$30,000
3rd year and Higher	\$8,500	\$10,000	\$30,000	\$30,000

Table 1(5)

Student Loans at a Glance

- The student loans are available to undergraduate, graduate, and professional students
- The student must be enrolled full time or half time
- The student loans taken must be repaid with interest
- Student Loans cannot be cancelled because the student did not like the education received, or did not get a job in the field of study, or because he/she is in financial difficulty
- Loans are legal obligations. The student must know that the amount he/she borrows will have to be repaid
- The amount a student can borrow depends on his/her academic level in school, whether the student is full-time or part-time, and whether he/she is dependent or independent.
- The students who demonstrate financial need are eligible for a subsidized Direct or FFEL loan to cover the entire or a part of that need.
- The U.S. Department of Education pays loan interest for the students who are eligible for subsidized Stafford Loans. The interest is paid during the period the student is in school, at least half time, for the first six months after the student leaves school, and during the deferment period.
- Unsubsidized loans are available for students who do not demonstrate financial need. The U.S. Department of Education does not pay any interest on unsubsidized loans.
- Whether the student or his/her parents would receive a Direct or a FFEL Loan depends on the program the school participates in. Most schools participate in one or the other, while some schools participate in both.
- It is possible to receive both Direct and FFEL Stafford Loans, but not for the same period of enrollment.
- The student can receive both subsidized and unsubsidized loans for the same enrollment period, as long as the total of these loans does not exceed the annual loan limit.



- The student loan must be first used to pay tuition, fees, and room and board. Unless the student gives the school written permission to hold the funds until later in the enrollment period, he/ she will receive the remaining funds, if any, by check or in cash.
- The parents of dependent undergraduate students only are eligible to apply for PLUS loan.

In the academic year 2005-06, total \$67.3 billion federal student loans were disbursed. Out of it, \$28.8 billion was Stafford subsidized loans; \$28.8 billion Stafford unsubsidized loans; and \$9.7 billion PLUS loans.

Repayment of Loans

It is the student's obligation to repay his/ her student loans. A borrower of loans has various facilities while repaying loans.

The Comparative Study of the Features of the Repayment of Different Loans

Type of Loan	Grace Period	Repayment Period	Repayment Options*	Tax Benefits
Federal Perkins	9 months if the student is at least a half-time student	10 years		
Direct or Stafford Loans	6 months	10 to 30 years, depending on whether it is a Direct or FFEL Stafford Loans	10-year Standard Plan	Deductions for student loan interest for certain borrowers.
Subsidized	No interest is charged.		Extended Plan provides for a longer period	
Unsubsidized	No principal needs to be paid	Also depends on the repayment plan one chooses	A Graduated Plan with low initial monthly payments, which increase gradually	Maximum deduction is \$2,500 a year
	Interest will be charged, which can be paid later.		Repayment plan based on one's income; Income Contingent Repayment Plan(Direct Loans)/ Income Sensitive Repayment Plan(FFEL Loans)	
	No principal needs to be paid.			
PLUS Loans	No grace period	Repayment starts within 60 days after the loan is fully disbursed	All the above-mentioned options available except the income-based repayment plans	

Table 1(6)

** - If one does not opt for a repayment plans, when repayment begins, then by default repayment will have to be made under the Standard Repayment Plan. For Direct Loans, repayment plans can be changed any time, while for FFEL Plans, change in repayment plans can be made only once a year.*

Deferment

Deferment is a period of time during which no payments are required and interest does not accumulate, unless the student has an unsubsidized Stafford Loan, in which case one needs to pay the interest. Deferment is not automatic. One needs to apply for it. Similarly, the repayment needs to continue till the lender gives a written agreement on the deferment.

The Comparative Study of the Deferment Conditions for Different Loans

Deferment Condition	Stafford Loans		Perkins Loans
	Direct Loans ^{a,b}	FFEL Loans ^{a,c}	
Study in approved graduate fellowship program or in an approved rehabilitation training program for the disabled	Available	Available	Available
Unable to find full-time employment (only on pre-July 1, 1993, loans)	Up to 3 years	Up to 3 years	Up to 3 years
Economic hardship	Up to 3 years ^d	Up to 3 years ^d	Up to 3 years ^d
Engaged in service listed under discharge/ cancellation conditions	Not Available	Not Available	Available ^c

Table 1(7)

- ^a For PLUS Loans and unsubsidized Stafford Loans, only principal is deferred. Interest continues to accrue.
- ^b A Direct Loan borrower who has an outstanding balance on a FFEL disbursed before July 1993 might be eligible for additional deferments provided the outstanding FFEL balance existed when the borrower received his or her first Direct Loan.
- ^c Applies to loans first disbursed on or after July 1, 1993, to a borrower who has no outstanding FFEL or Federal Supplemental Loans for Students (Federal SLS) loan on the date he or she signed the promissory note.
- * (Note that the Federal SLS Program was repealed beginning with the 1994-95 award year.)
- ^d Many Peace Corps volunteers, for example, will qualify for deferment based on economic hardship.
- ^e More information on teaching service deferments and cancellations can be found online at www.studentaid.ed.gov.

Forbearance

Forbearance occurs when the lender or the loan servicing agency agrees in writing to either temporarily reduce or postpone the repayments on the student loans. The interest on the loan continues to accrue and has to be paid. There are some situations in which mandatory forbearance is granted.

Forbearance can be granted for a period of 12 months at a time, for a maximum of 3 years. The documentation to show the need for forbearance will have to be submitted to the lender.

One needs to apply for forbearance and continue to repay till he/ she receives the agreement in writing from the lender. This facility is available for Federal Perkins Loans, Direct Loans (including Direct PLUS Loans), and FFEL Loans (including FFEL PLUS loans).

If a borrower cannot meet the repayment schedule temporarily and is not eligible for deferment, the lender may grant forbearance for a limited and specific period of time.

There are certain situations in which a borrower must be granted mandatory forbearance. Such situations specifically for law students are:

- When the student loan repayment is 20% or more of the monthly income
- When repayments are being made by the Department of Defense

Loan Repayment Assistance Programs

The law students finance their study through loans. These loans need to be repaid by them after graduation. The government and the legal profession are concerned about the burden these loans create. They have developed Loan Repayment Assistance Programs (LRAP) and thus responded positively to the concern.

Loan Repayment Assistance Programs (LRAP) provide financial aid to law school graduates, typically to those working in the government institutions and public interest sector. This helps them to repay their annual educational debt. This aid is in the form of loans. When the required term of service is fulfilled by the program participant, the loan is cancelled. This aid is available to those whose earnings are within certain limits. These aid programs are offered by law schools, state bar foundations, the state governments, and the federal government.

Loan Repayment and Forgiveness Programs for public service lawyers are instituted at the federal level, state level and the law school level.

Cancellation of Loans

Student Loans can be cancelled or discharged under some specific circumstances provided one has not defaulted on the loans. On the death or permanent disability of the student, the loans are cancelled. The other situations when the loans are discharged are when one teaches in a designated low-income school or serves as a full time teacher/professional with institutions providing services to the disabled or low income groups. Some other areas of work which allow loans to be discharged are teacher shortage areas, U.S. Armed Forces, Peace Corps, nursing, medical technician, and law enforcement.

PLUS loans are cancelled only in the event of the death of the borrower.

Consolidation of Loans

Consolidation is combining multiple federal student loans with different repayment schedules into one loan. It means the borrower will have to make one single monthly installment.

Consolidation of loans can be done during the grace period and also when the repayment has started. All kinds of federal loans can be consolidated, provided one of them is a Direct Loan or FFEL Loan.

Advantages of Consolidation of loans:

- It may lower the monthly installment to be paid.
- The borrower may have longer time to repay the loan.
- The interest charged will be at a fixed rate.
- No credit check is required for consolidation.
- There are flexible and graduated repayment plans under consolidation.
- No fee is charged for consolidation.
- There is no prepayment penalty, in case one wishes to prepay the loan.
- It enhances your credit score.

While consolidating loans, one needs to remember:

- Choosing a longer period for repayment, one pays higher amount interest.
- Consolidation is possible only if there have been no defaults on loans.
- One must have at least one Direct or FFEL Loan.

Student loans are a great way to fund an education, but at the same time, student loans are real loans. They are serious obligations. It is suggested that those interested in loans understand the types, repayment terms, interest rates, and other features associated with the loan. Before taking a student loan, the student should think and rethink about the amount he/ she will have to repay over the years. Assessment of all the options in depth is imperative before one settles on a loan.



Tuition and fees at law schools have been rising across the nation for the past 30 years. However, since 1985, the rise has been dramatic. Law school tuition since 1985 has increased more than six times. The trend of increasing tuition fees is observed at public (resident and non-resident) as well as at private law schools. The cost of a legal education has skyrocketed. In just a decade, the law school tuition has nearly doubled.

Significant Tuition Trends

- Average tuition fees grew more rapidly during 2002-2005.
- The largest rise was 15% in 2003 (13% in constant dollars) in Public Schools (Resident Students) and 11% (9% in constant dollars) in the same year for Public Schools (Non-Resident Students).
- On an average, there is a rise of 8-10% every year in the average tuition fees for Public (Resident and Non-Resident) Schools.
- Average tuition fee raises at Private Schools remain almost constant between 5 - 7%.
- For private schools, the maximum rise was 7% in 2005 (7% in constant dollars also).
- In 2005, the average tuition fee at public law schools was \$13,145 for residents and \$22,987 for nonresidents, and the average tuition at private law schools was around \$28,900 a year.
- If compared with increases over previous years in percentage terms, the maximum rise was 11% in 2005 for Public Resident Schools, 7% in Private, and a minimum of 5% in Public Non-Resident Schools.

Comparative Study of Rises in Tuition and Fees (Current Dollars)

Academic Year	Public School (Resident Student)		Public School (Non-Resident Student)		Private School	
	Average Tuition Fees (in \$)	Increase over Previous Year (%)	Average Tuition Fees (in \$)	Increase over Previous Year (%)	Average Tuition Fees (in \$)	Increase over Previous Year (%)
1994	5,016	14	10,667	9	15,835	7
1995	5,530	10	11,683	12	16,798	6
1996	5,955	8	12,419	9	17,785	6
1997	6,521	10	13,234	10	18,726	5
1998	6,490	6	14,056	6	19,693	5
1999	7,367	6	14,754	5	20,709	5
2000	7,790	6	15,683	6	21,790	5
2001	8,419	8	16,643	6	22,961	5
2002	9,392	12	18,146	9	24,193	5
2003	10,819	15	20,171	11	25,574	6
2004	11,860	10	21,905	9	26,952	5
2005	13,145	11	22,987	5	28,900	7

Table 2(1)

Average Law School Tuition

	1990	2000	2003	13-year increase
Average Public Resident Tuition	\$3,236	\$7,790	\$10,820	234%
Average Public Non-resident Tuition	\$7,385	\$15,683	\$20,171	173%
Average Private Tuition	\$11,728	\$21,790	\$25,584	118%
Change in CPI				41.5%

Table 2(2)

The average rise during the period 1990 to 2003 in Public Resident tuition is 234%, in Public Non-resident tuition 173%, and in Private tuition is 118%. The CPI has increased by only 41.5%.



Average Direct Expenditure by Law Schools

Category of the Expenditure	1993-94	1999-2000	2002-03
Total Salaries & Benefits	\$6,775,574	\$9,216, 574	\$10,662,041
Total Library Operations	\$850,418	\$1,103,991	\$1,221,178
Total Other Law School Operations	\$1,291,364	\$2,047,302	\$2,290,135
Total Financial Aid	\$959,053	\$1,797, 500	\$2,511,641
Total Direct Expenditures	\$10,098,534	\$14,498,481	\$17,485,921

Table 2(3)

There is an increase in average direct expenditure by the law schools over the period (1993-94 to 2002-03) in various categories of expenditure. This increased expenditure has improved the quality of legal education in areas like reduction in the average student–faculty ratio, improvement in programs, services, and enhanced technology.

Trends in Cost of Study

Every student faces financial costs as a full-time or part-time student in higher education. The Cost of Attendance (COA) includes: Tuition, Room and Board, Insurance, Transportation, Books, Living Expenses, and Miscellaneous. The COA can be divided into two components, Cost of Study, and Cost of Living. Cost of Study includes; tuition, cost of books, materials, and field trips, for the course, while Cost of Living include: accommodation, food, household bills, clothes, travel, socializing, leisure, and sport.

Tuition and fees account for only a portion of the expenses associated with attending Law School. Every law school creates a COA (Cost of Attendance), or yearly budget. The average COA for private schools is \$35,000 and for public schools is \$24,000.

According to the College Board, “Total published tuition, fee, room, and board charges at public four-year colleges grew twice as fast in inflation-adjusted dollars between 2001-02 and 2006-07 as compared to the charges at private four-year colleges. However, the average total charge at private colleges is almost two-and-a-half times as high as the average total charge for state residents at public four-year colleges and universities.”

During 1990 to 2006, there was a steady rise in the average living and book expenses for a single student living on a campus. A maximum increase over the previous year was observed during the 2000-01 (47%), while a minimum increase over the previous year was observed during 2003-04 (-20%).

The Comparative Study of Rises in Book Expenses

Academic Year	Book Expenses	Increase over previous year (%)
1990-91	\$ 5,269	-
1991-92	\$ 6,088	16
1992-93	\$ 6,785	12
1993-94	\$ 6,604	-3
1994-95	\$ 6,845	4
1995-96	\$ 7,222	6
1996-97	\$ 7,638	6
1997-78	\$ 8,045	5
1998-99	\$ 8,050	0.06
1999-00	\$ 8,467	5
2000-01	\$ 12,466	47
2001-02	\$ 13,051	5
2002-03	\$ 13,048	0
2003-04	\$ 10,461	-20
2004-05	\$ 11,094	6
2005-06	\$ 11,054	0

Table 2(4)

The Comparative Study of Law Student Borrowing and Loan Debt

	1990-1991	1999-2000	2002-2003
Public Law School Loan Volume	\$200 million	\$560 million	\$672 million
Private Law School Loan Volume	\$650 million	\$1520 million	\$1875 million
Total Loan Volume	\$850 million	\$2.08 billion	\$2.55 billion

Table 2(5)



Factors for Increasing Indebtedness

There is an increase in the amount of borrowing by law students and in the average indebtedness of graduating law students. According to John A. Sebert, American Bar Association's Consultant on Legal Education, the reason of this increase may be for the following five factors.

- The significant reduction in the level of state support for higher and legal education over the decade
- The substantial increase in tuition at both public and private schools
- The major increase that occurred in 1993 in the amounts that law students may borrow under federally guaranteed loan programs, raising the borrowing limit to \$18,500 per year of law school
- A significant reduction over the decade in the amount and portion of law school expenses that are paid by students' parents
- An inclination by law students (often with parental encouragement) to borrow the maximum that they can (at the relatively low rates of federally guaranteed student loans and supplemental private loans) even if they do not need to borrow the maximum amount

Trends in Student Borrowings

Federal student aid has not kept pace with the rising cost of higher education. As a consequence, students and parents rely more heavily on loans to finance higher education. Higher education improves one's chances of being employed and having higher earnings. People with bachelor's degrees on an average earn over 62 percent more than those with only a high school diploma. Over a lifetime, the gap in earning potential between a person with a high school diploma and a bachelor's degree is more than \$1 million (College Board, 2005).

The average amount borrowed for studying at law school during 2001 to 2005 has steadily increased in both private and public law schools. During this period the amount borrowed has risen 10% in public and 12 % in private school.

The Comparative Study of Average Amounts Borrowed for Law School

Academic Year			% Change over previous year	
	Public	Private	Public	Private
2001-2002	\$46,499	\$70,147		
2002-2003	\$45,763	\$72,893	-2%	3.91%
2003-2004	\$48,910	\$76,563	7%	5.03%
2004-2005	\$51,056	\$78,763	4%	2.87%

Table 2(6)

Increase in the Number of Law Schools

American law schools developed primarily out of the apprentice system. In the 1870s, the model of the present-day American law school took shape as a result of the professionalizing within the university and the legal profession.

The efforts of the American Bar Association (ABA) and the Association of American Law Schools (AALS) during the 1920s increased the number of law schools by 25 percent, but fewer of the new schools met the standards of accreditation. As of 2006 December, a total of 196 law schools are approved by ABA.

The return of soldiers after World War II and the increase in size of law firms increased the demand for legal education. The gradual removal of discrimination in hiring increased the demand for legal education among women and the minorities. Availability of federal and private financial aid to students was one more factor.

The Comparative Study of Increases in the Number of Law Schools

Academic Year	No of Schools		Academic Year	No of Schools
2005 - 2006	191		1988 - 1989	174
2004 - 2005	188		1987 - 1988	175
2003 - 2004	187		1986 - 1987	175 (3)
2002 - 2003	186		1985 - 1986	175 (4)
2001 - 2002	184		1984 - 1985	174
2000 - 2001	183		1983 - 1984	173
1999 - 2000	182		1982 - 1983	172
1998 - 1999	181		1981 - 1982	172
1997 - 1998	178(1)		1980 - 1981	171
1996 - 1997	179		1979 - 1980	169
1995 - 1996	178		1978 - 1979	167
1994 - 1995	177(2)		1977 - 1978	163
1993 - 1994	176		1976 - 1977	163
1992 - 1993	166		1975 - 1976	163
1991 - 1992	176		1974 - 1975	157
1990 - 1991	175		1973 - 1974	151
1989 - 1990	175		1972 - 1973	149

Table 2(7)



The Comparative Study of Law School Enrollment and Degrees Awarded

Academic Year	No of Schools	Total J.D. Enrollment	J.D. or LL.B Awarded
2005 - 2006	191	140,298	42,673
2004 - 2005	188	140,376	40,023
2003 - 2004	187	137,676	38,874
2002 - 2003	186	132,885	38,605
2001 - 2002	184	127,610	37,909
2000 - 2001	183	125,173	38,157
1999 - 2000	182	125,184	39,071
1998 - 1999	181	125,627	39,455
1997 - 1998	178(1)	125,886	40,114
1996 - 1997	179	128,623	39,920
1995 - 1996	178	129,397	39,271
1994 - 1995	177(2)	128,989	39,710
1993 - 1994	176	127,802	40,213
1992 - 1993	166	128,212	39,425
1991 - 1992	176	129,580	38,800
1990 - 1991	175	127,261	36,385
1989 - 1990	175	124,471	35,520
1988 - 1989	174	120,694	35,701
1987 - 1988	175	117,997	35,478
1986 - 1987	175 (3)	117,813	36,121
1985 - 1986	175 (4)	118,700	36,829
1984 - 1985	174	119,847	36,687
1983 - 1984	173	121,201	36,389
1982 - 1983	172	121,791	34,846
1981 - 1982	172	120,879	35,598
1980 - 1981	171	119,501	35,059
1979 - 1980	169	117,297	34,590
1978 - 1979	167	116,150	33,317
1977 - 1978	163	113,080	33,640
1976 - 1977	163	112,401	32,597
1975 - 1976	163	111,047	29,961
1974 - 1975	157	105,708	28,729
1973 - 1974	151	101,675	27,756
1972 - 1973	149	98,042	22,342

Table 2(8)

NOTES: Enrollment is in American Bar Association-approved schools as of October 1. J.D. or LL.B. degrees are those awarded by approved schools for the academic year ending in the first year stated.

1. One law school not included. | 2. One law school not included | 3. Number includes one law school which terminated its program effective June 1, 1986. However, the Council advised the law school to retain degree-granting authority for those former students who satisfactorily completed 30 additional hours in an ABA-approved law school by September 1, 1988 | 4. One law school not included

Trends in Loan Repayment Assistance Programs

Under the stewardship of ABA, the LRAP has been adopted by many schools. The number has grown in the recent years.

Loan repayment assistance programs are provided by 100 law schools. In 2004-05, 70 schools provided loan repayment assistance programs to 1778 lawyers.

Funds are required for the loan repayment assistance program. The funds required for the loan repayment assistance programs (LRAP) are raised through school's operating expenses, endowments, school's fund raising activities, and student fees.

Year	No. of Schools with LRAP	Lawyers Assisted
2000	47	
2004	81	1778
2006	100	

Table 2(9)

Public Interest Scholarships and Postgraduate Public Interest Fellowships provided by law schools also play a role in reducing the burden on the law school graduates.

Source: www.equaljusticeworks.org



Attorney Demographics

In 1960 the lawyer population was 285,933, which grew to 1,104,766 by 2005. The most dramatic increases occurred in the 1970s and 1980s, when the lawyer population increased by about 50% in each decade. Since 1951, the growth rate of the lawyer population has regularly exceeded that of the general U.S. population as reflected in declining population/ lawyer ratios from 1 lawyer per 695 persons in 1951 to 1 per 268 in 2005.

The Comparative Study of Lawyer Population and Population/Lawyer Ratio in Selected Years

Year	No. of Lawyers	Population/ Lawyer Ratio
1951	221,605	695
1960	285,933	627
1971	355,242	572
1980	542,205	418
1985	655,191	360
1988	723,189	340
1991	805,872	313
1995	857,931	303
2000	1,066,328	264
2005	1,104,766	268

Table 2(10)

A major factor for lawyer population growth was the steady rise in law school enrollments and, consequently, in law degrees conferred.

Gender Profile

The rapid rise in the number of women entering the legal profession has transformed the demographic composition of the bar. From 1951 through 1971 only 3% of the lawyer population was women; by the year 2000, 27% of U.S. lawyers were women.

Comparative Study of Gender Profile of Lawyer Population

	1980	1991	2000
Male	92%	80%	73%
Female	8%	20%	27%

Table 2(11)

Minorities in the Law Profession

Minority representation in the legal profession is significantly low. Total minority representation among lawyers is about 11.2 percent, according to the 2000 U.S. Census. As per ABA Lawyer Demographics, there is a rise in representation of minority in legal profession in 2000 as compared to 1990 data.

Population growth of Minority J.D. Degrees was due to the steady rise in law school enrollments and, consequently, law degrees conferred. Minority J.D. Degrees awarded increased from 8.6 % of all JD awarded in 1983-84 to 22.4% in 2004-05. This shows the legal profession has a long way to go before it reflects the ethnic and racial diversity of general population.

The Comparative Study of the Number of Minorities in the Lawyer Population

Group of Minorities	Number of People		
	Male	Female	Total
White non-Hispanic	56,8125	208,500	776,625
Hispanic	17,835	10,795	28,630
Black non-Hispanic	17,450	16,415	3,3865
AIAN non-Hispanic	975	755	1,730
Asian non-Hispanic	10,830	9,035	19,865
NHOPI non-Hispanic	190	105	295
Black & White non-Hispanic	385	360	745
AIAN & White non-Hispanic	1,635	825	2,460
AIAN & Black non-Hispanic	165	185	350
Asian & White non-Hispanic	1,140	1,020	2,160
Balance 2+ Races, non-Hispanic	2,585	1,810	4,395
Total	62,1315	249,805	871,120

Table 2(12)

AIAN = American Indian or Alaskan Native NHOPI = Native Hawaiian or Pacific Islander

NOTE: For information on confidentiality protection, sampling error, non-sampling error, and accuracy of the data, see www.census.gov/prod/cen2000/doc/sf3chap8.pdf.



Trends in Salaries

The Comparative Study of Median Starting Salaries and Firm Size: 1990-2004

Year	Firm Size (Number of Attorneys)							
	All Sizes	2-10	11-25	26-50	51-100	101-250	251-500	501+
1990	\$50,000	\$30,000	\$40,000	\$45,000	\$53,000	\$60,000	\$70,000	\$70,000
1991	50,000	30,000	40,000	48,000	55,000	61,000	70,000	70,000
1992	47,500	30,000	40,000	48,000	54,000	60,000	70,000	70,000
1993	48,000	30,000	40,000	48,000	54,000	61,750	70,000	70,000
1994	50,000	32,000	40,000	48,000	55,000	60,080	70,000	70,000
1995	50,000	32,500	40,000	48,000	55,000	62,000	72,000	72,000
1996	50,000	34,000	40,000	49,000	55,000	62,000	74,000	77,000
1997	55,000	35,000	42,000	50,000	58,000	67,000	79,000	80,000
1998	60,000	37,000	43,500	52,000	62,000	72,000	85,000	90,000
1999	70,000	40,000	46,000	55,000	70,000	80,000	92,000	97,000
2000	80,000	40,000	50,000	60,000	76,000	99,500	125,000*	125,000*
2001	90,000	43,000	52,000	62,000	80,000	100,000	125,000*	125,000*
2002	90,000	45,000	52,500	65,000	80,000	100,000	125,000*	125,000*
2003	80,000	45,000	55,000	65,000	80,000	95,000	125,000*	125,000*
2004	80,000	48,000	55,000	65,000	76,000	100,000	116,000	125,000*
% Change 1990-2004	60%	60%	37%	44%	43%	67%	66%	79%

Table 2(13)

Source: www.nalp.org/content/index.php?pid=318

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