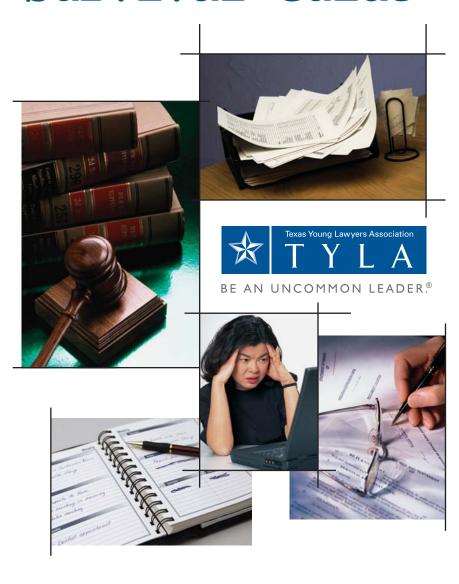
# Survival Guide



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## ORIGINALLY PREPARED BY THE 2003-2004 MEMBER SERVICES COMMITTEE

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## **Special Thanks to:**

Kevin Brand, LUTCF Houston Young Lawyers Association Tracy Brown, TYLA Director of Administration Denny Sheppard, TYLA Project Coordinator Bree Trevino, TYLA Office Manager State Bar of Texas Graphics Department

#### REMARKS FROM THE TYLA PRESIDENT

This "survival guide" is a product of the Texas Young Lawyers Association's Member Services and Outreach Committee and is modeled after a similar guide produced by the Houston Young Lawyers Association. It is designed to provide fundamental information that new lawyers might not otherwise have at their fingertips. This guide provides information that would have been beneficial to us as new lawyers starting the practice of law. The Survival Guide will hopefully provide both law students and new lawyers valuable resources as you navigate through the first years of your practice.

The legal profession is changing, and the needs of its youngest members are changing as well. In this regard, we have attempted to provide resource information in areas such as: (1) student loans; (2) professional help in times of need; (3) dues, taxes and CLE requirements; (4) establishing your own practice; (5) the composition of the State Bar of Texas and TYLA; (6) demographic information regarding young lawyers' jobs and salaries; and (7) helpful websites for young lawyers.

We have also provided you with additional information about the State Bar of Texas as well as the Texas Young Lawyers Association and some of its many member and public service projects. We encourage you to become actively involved in TYLA. To find out more information about our many projects, or to sign up for one of our many committees, visit us at <a href="https://www.tyla.org">www.tyla.org</a>.

Sincerely,

William W. Miller, Jr. TYLA President 2007-2008

Bill

#### FINANCIAL INFORMATION AND ASSISTANCE

#### 1. Student Loans

When it comes to student loans, as you likely know already, there is good news and bad news. First, the bad news: the average annual tuition for law schools nationwide and the average debt load have increased dramatically over the past 15 years. The good news is the median salary of entry-level lawyers (nationwide) has gone up. Because most of your financial aid will come from loans, you are likely to graduate from law school with debt to repay. For example, in 2006, the average debt for law school graduates who borrowed both federal and privately guaranteed student loans was about \$90,000. For those graduates who borrowed only federally guaranteed student loans, the average debt was just over \$55,000. The amount of your monthly payment will vary depending on the amount you borrow, the type of loan, and the interest rate.

An interesting study by Nellie Mae indicates that the majority of student loan borrowers are able to successfully repay their student loans without a significant impact on their consumer and social behavior—e.g., buying homes, buying cars, getting married, and having children. Seventy-six percent of respondents said that student loans were extremely or very important in allowing them to continue their education after high school, and that the investment they made in their education through borrowing was worth it for personal growth. Nine percent disagreed. Sixty-four percent of respondents said that the investment they made in their education through borrowing was worth it for the career opportunities it provided. Sixty-six percent of borrowers said that while repaying loans is unpleasant, the benefits are worth it.

#### Helpful information and advice:

When will you start paying? Your repayment period for student loans will likely begin about six months after graduation. Because repayment is likely to begin soon after you get your bar exam results and while you are still trying to get acclimated to a new job, it is important that you are proactive with regard to your student loans.

What about debt consolidation? You will be bombarded with offers for consolidation of your student loans, some of which sound (and likely are) too good to be true. Consolidation of student loans is basically a refinance of the various student loans you have into one loan with one monthly payment to one lender, often with a longer repayment period. You may also have the opportunity to structure your payments in a way that is less burdensome to you. There are numerous lenders interested in consolidating student loans and they will be in touch with you.

A great place to learn about repayment methods and options is through the Department of Education's website. At <a href="http://studentaid.ed.gov">http://studentaid.ed.gov</a> you will find answers to many of your questions about repayment and/or consolidation. You can even consolidate through the Department of Education using an online application. There are many options and a good deal of repayment flexibility concerning your student loans. A little online research and proactive work on your part can go a long way toward making student loan repayment less stressful.

**Record keeping.** It is important that you keep accurate records of all loans you receive during your enrollment in law school. You should also keep accurate and up to date files for promissory notes and all correspondence. Accurate records will help you manage your repayments. The amount of your monthly payment will vary depending on the amount you borrow, the type of loan, and the interest rate.

Also, be diligent in notifying your student loan lenders about changes of address and other contact information. These lenders can be fairly flexible if they truly believe you intend to pay and are being diligent about your financial responsibilities.

#### 2. Saving

Young lawyers have plenty of financial demands, not including allocating a certain amount to savings. It is very easy to fall prey to the mentality that "I am young and have plenty of time to save later." The bottom line, however, is that it is never easy to save. There will always be a multitude of demands for your money, but you must remember to pay yourself first!

#### Helpful information and advice:

**Rule of thumb: create a comfort zone.** Your goal should be to have three to six months' income saved up as an emergency fund. The comfort of knowing you are not living paycheck-to-paycheck will provide you with the ability to make better decisions in many areas of your life.

**Save early and often.** Begin now or with your next paycheck. The habit of saving is valuable. The amount is secondary to the committed effort to save in a regimented fashion. The money should be kept separate from regularly used funds.

**Avoid major "feel good"** purchases. If you need to reward yourself for your hard work, sacrifice and newfound employment, do it with the brain that got you through law school and the bar exam! Do not dig a hole for yourself by buying things you cannot presently afford. Reward your self in a way that will not financially penalize you down the road.

**Recommended reading.** For a good perspective and study on wealth building, consider reading the book *The Millionaire Next Door* by Stanley and Danko.

#### 3. Investing

There is a great feeling of pride in growing rich over time. Get rich quick scenarios are unrealistic, so ignore the stories you read about people hitting it big on a single investment. People who make a tremendous amount of money in an investment are as newsworthy as they are exceptions to the rule. Use common sense; if it were easy to get a 25% return on your investments year after year, there would be a lot more wealthy people today. Suppose, for example, a person aged 65 today had invested \$1,000 annually upon graduating from law school at age 25 and received a 25% return on his or her money each year, that investment would be worth a staggering \$37,610,819. Unbelievable, especially considering he or she only invested \$40,000! Do not allow yourself to be "wowed" by someone, whether it's a stockbroker, friend, or business associate, telling you about a high return investment. An investment that pays a higher return will also involve a higher risk of losing your principal.

#### Helpful information and advice:

**Build your portfolio from the base up.** Invest safely until you can afford to weather the volatility of higher risk/higher return investments. For example, if you think you would be upset to find out your investment had gone down in value by 25% in a year and you would seriously consider selling that investment to get into another one, you are not financially or emotionally ready for the stock market.

Work with an experienced professional. Talk to that person and ask questions that allow you to determine whether this is the type of person you can work with for years to come. The professional should be able to explain at your request: (1) his or her method of advising clients, (2) the services you can expect, and (3) how he or she is compensated. The manner in which these questions are answered is important in your evaluation of whether you will be comfortable using this professional as your financial advisor.

## 4. Disability Income and Life Insurance

There is always a possibility that you could become too sick or too hurt to work. What happens to your income in this case? You need to know the answer to this question before a need arises. All the preceding information—i.e. repaying loans, saving and investing—is predicated on your ability to earn an income. Your earning potential is your most valuable asset, and you should protect it. For example, if a person aged 30 earns \$50,000 per year and works for 30 more years without a raise, he or she will make \$1,500,000. Disability income insurance protects the \$1,500,000.

There is also the possibility that you will want or need life insurance in the future to protect your family. Both disability income and life insurance coverage require proof of good health. The longer you wait to purchase insurance coverage, the more difficult it will be to find adequate and affordable coverage.

#### Helpful information and advice:

Rule of thumb: disability income insurance. Purchase the maximum amount of disability insurance for which you qualify to protect your most valuable asset, the ability to generate income.

**Rule of thumb: life insurance.** Your life insurance coverage should equal six to ten times your income to adequately protect your family. If you are single with no dependants or debts, you only need a modest policy that guarantees your ability to add coverage when you need it in the future, regardless of your health at the time the policy is modified.

**Recommended websites.** For more information on disability income insurance, see the MassMutual Financial Group website at: <a href="www.halfapaycheck.com">www.halfapaycheck.com</a>. The Texas Department of Insurance website at <a href="www.tdi.state.tx.us">www.tdi.state.tx.us</a> provides a variety of insurance-related consumer information, including disability income insurance and life insurance. Of course you should also see what insurance options are available through the State Bar of Texas too. See, for example, www.sbotit.com.

When should you get coverage? Get it before you need it, while you are healthy. Certain types of policies let you lock in the price for the age you are when first covered, guarantee premiums, and guarantee coverage cannot be cancelled even if your health changes. This is really about you being in control of your finances and knowing that you have established these valuable rights and some level of coverage.

## TEXAS LAWYER ASSISTANCE PROGRAM

#### FEELING STRESSED? NEED HELP?

Entering the legal profession can be stressful. Add other life stressors, such as overwhelming school debt, personal tragedies, and life demands, and a person can reach the breaking point. This is probably why the legal profession as a whole, as compared to other professions, has one of the highest levels of alcoholism/substance abuse, overall job dissatisfaction, and reported cases of depression. Young lawyers are especially vulnerable to such stress factors.

If you feel you are reaching that breaking point—whether because of a problem with substance abuse, overwhelming student debt, clinical depression, or some other overwhelming personal tragedy or demand—the State Bar of Texas can help. TYLA would like to introduce you to the **Texas Lawyers Assistance Program (TLAP)**. TLAP, a department of the State Bar, is a confidential crisis counseling and referral program that helps **Texas attorneys**, **judges**, and **law students** who are challenged by substance use and other mental health disorders, including clinical depression, anxiety, chemical dependency, alcoholism, and any stress-related concerns. TLAP not only helps save the lives of impaired attorneys, but also contributes to the protection of the public, the continued improvement in the integrity and reputation of the legal profession, and, because assistance to an impaired lawyer often prevents future ethical violations, the reduction of disciplinary actions against attorneys.

TLAP is staffed by three full time employees—a director, an assistant director, and a program attorney—who operate a confidential, **toll-free hotline**, 24 hours a day, 7 days a week. Impaired lawyers or their colleagues, family members, friends, office staff, judges or clients can call for assistance. TLAP staff personally speaks with those seeking help and then, utilizing a statewide volunteer network, often assigns volunteer attorneys to work face-to-face with the impaired lawyer to assist him or her in recovery or rehabilitation. As necessary, TLAP may refer the attorney to appropriate professional assistance in his or her local community. TLAP will even assist individuals who are overwhelmed and having problems with their school debt, which has become an increasing problem in our profession. They have useful information and references concerning financial assistance in this regard.

In addition to the direct assistance provided to lawyers, TLAP staff, members of the Lawyers' Assistance Committee, and volunteer attorneys work to increase the legal community's and the public's awareness about impairments among lawyers and the help available to them. This educational effort is accomplished through presentations at conferences, MCLE events, local bar associations, law firms, and law schools, as well as by articles in bar journals and other print media.

TLAP estimates that approximately 10,000 to 15,000 lawyers in Texas suffer from substance use disorders or mental health issues affecting their law practices. Historically, TLAP receives more than 250 hotline calls each month. TLAP works with hundreds of attorneys suffering from substance abuse or chemical dependency and those dealing with mental health issues, clinical depression, stress, and other related conditions. These attorneys come from all types of practice, from all areas of the state, and from all age groups.

Although TLAP does receive referrals from the State Bar's disciplinary system, it will not intervene or advocate for or against any lawyer in any disciplinary action, nor will it report any lawyer to the disciplinary authorities. TLAP was established under Chapter 467 of the Texas Health & Safety Code. Pursuant to that statute, the confidentiality of all communications with TLAP is protected. Accordingly, TLAP will not disclose any information about any impaired attorney to anyone without that attorney's written consent. If you or a lawyer you know needs professional help, contact TLAP at 800-343-8527 or call the State Bar of Texas at 800-204-2222 and ask for the TLAP department.

## HANGING OUT YOUR SHINGLE

Lawyers of all ages start their own law firms for a variety of reasons. Whether an attorney starts his or her own practice for financial reasons or simply to have more autonomy than offered at a traditional firm, the following items must be addressed when forming a new law firm:

#### What type of entity?

Before you start your firm, you must decide what type of business entity your firm will be. If you are starting a firm alone, you need to decide if your firm will be a sole proprietorship, a professional corporation, or some other type of entity. If you are entering into practice with one or more other attorneys, you need to decide if you are best served by being a professional corporation, a general partnership, a limited liability partnership or some other form of partnership. Each of these decisions must be made taking into account tax consequences, liability exposure, and flexibility of the structure with an evolving business. It may be helpful to discuss the financial aspects of the business entity options with an accountant.

#### **Professional Liability Insurance**

You have insurance for your car, your house, your health, and your life; you need it for your practice as well. The amount of insurance you need depends on the type of cases you handle, the size of cases you handle, the volume of cases you have, and the experience of the attorneys in your firm. To determine your specific needs, visit with an insurance professional. Look for insurers that have an established business in the professional liability market and that are highly rated by financial rating services, such as Best.

#### **Business Insurance**

As with any business, a law firm can have damage to its building, equipment, or important papers. Clients can suffer an accidental injury at your office or by an employee working for you. Employees can be injured on the job, or you may need to offer insurance benefits for your employees. Again, to determine your specific needs, visit with an insurance professional. A good starting point is with the State Bar Insurance Trust (www.sbotit.org).

#### Federal Tax Identification Number

Unless you are a sole proprietorship that merely reports your firm's activities on your Schedule C, you need to get a federal tax identification number for

your firm. You can contact the Internal Revenue Service and get a tax identification number the same day you call.

#### **Employment Taxes/Payroll Taxes**

If you have employees, you must pay unemployment taxes and payroll taxes based on the number of employees and the earnings of your employees. There are deadlines for paying these taxes that go into effect as soon as you start your practice. The Texas Comptroller's office will issue a state tax identification number to an entity required to file organizational documents with the Secretary of State. This number is used for all Texas employer reporting requirements.

#### **Advertising / Website**

Legal marketing and business development are an important aspect of a lawyer's practice. If you plan on advertising your new firm, even if it is only on a firm website, you need to be aware of restrictions on your advertising. Lawyers who advertise must comply with ethical rules as specified by Part VII of the Texas Disciplinary Rules of Professional Conduct. The rules apply to all forms of public media advertisements and targeted written solicitation letters and require lawyers to submit their ads to the State Bar. The State Bar must review all advertising you use. This includes information on your website. For more information, contact the State Bar's Advertising Review Department at 800-566-4616.

For a lighthearted look at starting your own firm, contact the TYLA office and request the Hangin' Out Your Shingle video. Corresponding written materials are available for a nominal fee from the State Bar Sales Desk. Topics include forming your business, financing, human resources issues, marketing strategies, electronic research, insurance, IOLTA compliance, and billing.

## **DUES, TAXES AND MCLE**

#### Dues

The current dues structure for lawyers licensed in Texas is as follows:

- \$68 licensed fewer than three years
- \$148 licensed three to five years
- \$235 licensed more than five years

If admitted in Texas after December 1 of the current fiscal year, dues are prorated.

All dues notices are mailed via first class mail. The following is the schedule of dues statement mailings for the fiscal year beginning June 1 and ending May 31:

- May 1 annual dues statement mailed advising members of June 1 payment deadline.
- July 1 reminder notice mailed to those whose payments have not been received. Members have an additional 60 days to remit payment without penalty.
- **September 1** suspension date for dues and occupation tax delinquents. Members remitting dues after August 31 of any fiscal year are penalized 50%.

## **Attorney Occupation Tax**

Beginning in 1991, the Texas Legislature imposed an annual occupation tax on every person licensed to practice law in Texas. In 1995, the Legislature amended the law and tasked the Supreme Court with collecting this tax on behalf of the Texas State Comptroller. The current tax rate is \$200 per year, payable to the Texas State Comptroller and due on or before June 1. The following persons are exempt:

- 1 attorneys who are 70 years of age or older;
- 2 attorneys with inactive status under the rules governing the State Bar of Texas;
- 3 out-of-state attorneys who are not practicing law in Texas;
- 4 judges;
- 5 federal and state employees;
- 6 attorneys employed by city, county and district attorneys' offices who do not have a private practice that accounts for more than 50% of their time;

- 7 employees of a 501(c)(3) or 501(c)(6) nonprofit corporation that is prohibited from private practice; or
- 8 an attorney exempt from the MCLE requirements because of non-practicing status.

The following penalties and interest will be added if payment is not received for the fiscal year beginning June 1 and ending May 31 (includes 10-day grace period):

- May 1-June 10: \$200
- June 11-July 10: extra \$10 (additional 5% penalty)
- July 11-August 10: extra \$10 (additional 5% penalty)
- August 11: 12% annual interest added

## MCLE Requirements

The purpose of minimum continuing legal education (MCLE) requirements is to ensure that every active member of the State Bar of Texas pursues a plan of continuing legal education throughout his or her career in order to remain current on the law in our rapidly changing society. Every year, attorneys must accumulate 15 hours of MCLE credit of which 3 hours should be ethics or legal professionalism.

## **USEFUL WEBSITES**

#### Popular Links and Resources

#### www.tyla.org

The Texas Young Lawyers Association website includes information about emerging legal news, service projects, legal issues, and affiliate contact information.

#### www.texasbar.com

This site provides information about the State Bar of Texas including a calendar of events, a list of resources, and descriptions of the sections and divisions. This site also provides customized information about your status as an attorney licensed in Texas including your MCLE credits. Online CLE is also available.

#### https://texasbar.affinitycircles.com/

This site is the Texas Bar's effort to help lawyers interact through an online networking tool for lawyers to use to locate other Texas lawyers. Lawyers can be searched by practice area to geography.

#### www.ble.state.tx.us

This site provides information regarding the Texas bar exam including past exam questions, statistical information, pass rates, exam deadline and application information.

#### www.nalp.org

This is a great tool to find information about statistics of graduating classes (salaries, type of employment, etc.), career planning and job search information, tips on obtaining judicial clerkships, and links to bar associations, law schools, consulting services, law firms, out placement and relocation services. The Federal Legal Employment Opportunities Guide is available at this site.

#### Bar Associations and Related Organizations

Texas Young Lawyers Association	www.tvla.org
Austin Young Lawyers Association	
Dallas Association of Young Lawyers	
Houston Young Lawyers Association	
Texarkana Young Lawyers Association	
State Bar of Texas	
College of the State Bar of Texas	
Texas Board of Law Examiners	0 0
Texas Bar Foundation	
Texas Board of Legal Specialization	
American Bar Association	www.abanet.org
National Bar Association	9
National Conference of Bar Examiners	
National Women's Law Center	U

## Judiciary Links

TYLA Judicial Directorywww.tyla.org/judicialdirectory/
National Center for State Courtswww.ncsconline.org
Texas Judiciary OnLinewww.courts.state.tx.us
Fifth Circuit Court of Appealswww.ca5.uscourts.gov
Northern District of Texaswww.txnd.uscourts.gov
Eastern District of Texaswww.txed.uscourts.gov
Southern District of Texaswww.txsd.uscourts.gov
Western District of Texaswww.txwd.uscourts.gov
Pacer Service Centerhttp://pacer.psc.uscourts.gov
Texas Civil Practice & Remedies Code
http://tlo2.tlc.state.tx.us/statutes/cp.toc.htm
Rules of Evidencewww.courts.state.tx.us/rules/tre-toc.aso
Statuteshttp://tlo2.tlc.state.tx.us/statutes/statutes.html
Federal Law Clerk Information Systemhttps://lawclerks.ao.uscourts.gov
National Center for State Courts (NCSC)www.ncsconline.org
WhoHasCourtJobshttp://whohascourtjobs.com
Legal Career Sites
American Bar Association
Career Resource Centerwww.abanet.org/careercounsel
E-Attorneywww.eattorney.com
E-Attorneywww.eattorney.com Emplawyernetwww.emplawyernet.com
E-Attorney

## Government Career Sites

FRS FedJobs Texas Governor's Job Bank USA Jobs - Government	www.twc.state.tx.us
Employer Research	
Law Periscope	www.martindale.com is.com (password required)www.nalp.org
General Legal Information	
AllLaw American Law Sources Online	www.lawsource.comwww.catalaw.comcornell.eduwww.courts.net tsearch.com/law/main.htmwww.findlaw.comhttp://law.comwww.lawforum.netlawguru.comwww.lawinfo.comwww.lawresearch.com
Federal Resources	
Code of Federal Regulations (CFR)www.access.g Federal Register (FR)	
www.gpoaccess.gov/fr/index.html.ucop.edu/search Rules of Appellate Procedurewww.dcd.us Rules of Civil Procedurewww.dcd.us Rules of Criminal Procedurewww.dcd.us Rules of Evidencewww.gpo.ucop. U.S. Codewww.law.cornell.edu:80/ White HouseState Department	default.html courts.gov/frap-index.html vw.law.cornell.edu/rules/fre courts.gov/frcp-index.html vw.law.cornell.edu/rules/fre edu:80/search/uscode.html constitution.overview.html www.whitehouse.gov www.state.gov
Department of Justice	www.doj.gov

Department of Commerce	www.doc.gov
Department of Energy	www.doe.gov
Department of Health and Human Services	www.os.dhhs.gov
Department of Justice	www.usdoj.gov
Department of Labor	www.dol.gov
Department of Transportation	www.dot.gov
Environmental Protection Agency	www.epa.gov
Federal Communications Commission	www.fcc.gov
Federal Mediation and Conciliation Services	www.fmcs.gov
Federal Trade Commission	www.ftc.gov
Food and Drug Administration	www.fda.gov
Internal Revenue Service	www.irs.gov
Library of Congress	www.lcWeb.loc.gov
National Archives & Records Administration	www.nara.gov
National Labor Relations Board	www.nlrb.gov
Secretary and Exchange Commission	www.sec.gov
U.S. Copyright Office	
U.S. Patent and Trademark Office	www.uspto.gov
U.S. Census Bureau	www.census.gov
Legal News	
CourtTV	www.courttv.com
Findlaw Legal News	www.legalnews.findlaw.com
Law News Network	www.lawnewsnetwork.com
Law Street Journal	www.lawstreet.com/journal
Law Technology	www.ljx.com/ltpn
LawMoney.com	www.lawmoney.com
Legal News Network	www.legalnewsnet.com
QuickLaw America: Legal Newswv	ww.currentlegal.com/LegalNews
The Lawyer Online	www.the-lawyer.co.uk
The New York Law Journal	www.nyli.com

## INTRODUCTION TO YOUR STATE AND LOCAL BAR ASSOCIATIONS

## 1. State Bar of Texas

The State Bar of Texas is an administrative agency of the judicial branch in Texas. Every licensed attorney is a member of the State Bar, which provides a wide array of services to its members and the public. Among its responsibilities, the State Bar aids the courts in improving the administration of justice, advances the quality of legal services to the public, fosters the role of the legal profession in serving the public, and provides professional services to State Bar members.

Licensed by the Supreme Court of Texas, each Texas lawyer is an officer of the court and bears responsibility for keeping the public faith. Concern for maintaining the highest ethical standards led attorneys to create the Texas Bar Association (a voluntary membership organization) in 1882. The same concern led the bar to propose legislation that would make membership in the bar mandatory. That legislation, passed by the Texas Legislature in 1939, created the State Bar of Texas and provided for further controls over standards of legal practice.

#### Attorney Participation in State Bar Activities

Many practice areas have established sections within the State Bar. Each section charges nominal dues for membership. The most popular sections of the State Bar of Texas are litigation (31%), real estate, probate and trust law (19%), business law (14%), corporate counsel (13%), general practice, solo and small firm (12%), family law (10%), labor and employment law (10%), and oil, gas and energy resources law (10%).

#### 2. Texas Young Lawyers Association

What is TYLA? The Texas Young Lawyers Association, originally organized in 1930 as the Texas Junior Bar Association, is a department of the State Bar of Texas. TYLA is often referred to as the "public service arm" of the State Bar. TYLA's main purposes are to facilitate the administration of justice, foster respect for the law, and advance the role of the legal profession in serving the public. TYLA's programs are designed to assist Texas attorneys in their practice of law and to provide public legal education services to Texans.

**How do you become a member?** As soon as you pass the bar exam and become licensed to practice in Texas, you are automatically a member of TYLA. All licensed Texas lawyers who are 36 years old or younger, or who are in their first five years of licensure, regardless of age, are members of TYLA. TYLA's funding comes directly from the State Bar, so no additional dues are required to become a member.

What does TYLA do? Through board and committee volunteers, TYLA earns its slogan, "Be An Uncommon Leader." Members who are active on TYLA committees are leaders on many important projects fulfilling TYLA's two main goals – member service and public service.

TYLA's member service programs are specifically designed to assist young lawyers in their practice of law. This is accomplished through various member outreach projects, such as the TYLA eNews (a monthly e-newsletter that focuses on young lawyer happenings across the state and helpful hints for young lawyers); programs designed to assist small law office practioners (including the Hangin' Out Your Shingle project mentioned above); implementation of the Ten Minute Mentor web series of seminars, (www.TenMinuteMentor.com); sponsorship of free and/or low-cost professional development and legal education seminars (including the award winning Federal Court Practice Series and the New Lawyer/Practice Skills seminar); development of the On-Line Judicial Directory (to link young lawyers to courts across Texas), annual sponsorship of the National Trial and State Moot Court Competitions for law students (to further the advocacy skills of future lawyers); and activities that promote diversity in the profession.

Through TYLA's public service programs, young lawyers across the State have impacted hundreds of thousands of Texans. TYLA public service initiatives educate citizens about the law and help them to improve their lives and communities. These projects include helping low-income Texans living in colonias to obtain clear title to their land; advising senior citizens on estate planning issues, scams and abuse of seniors; developing and disseminating numerous legal information brochures on various consumer topics; and developing of law-related curriculums to educate elementary, middle school, and high school students about the Constitution, jury service, voting, and the consequences of breaking the law. TYLA welcomes any attorney's involvement in our numerous activities, and as volunteer speakers in communities.

#### 3. TYLA Local Affiliates

In Texas, there are numerous local young lawyer bars affiliated with TYLA. These groups are independent organizations from TYLA, charging separate dues for membership. As affiliates of TYLA, however, these local bar associations partner with TYLA on many projects, receive leadership training and networking opportunities, and have an opportunity to receive grants from TYLA for projects that further the purposes of TYLA in the areas of member and public service.

Local young lawyers associations are important components of the Bar network in Texas. To get involved with your local young lawyers organization, visit <a href="https://www.tyla.org">www.tyla.org</a> to obtain more information about TYLA's local affiliates.

## COMPOSITION OF THE STATE BAR AND TYLA

(from the State Bar of Texas, Department of Research & Analysis)

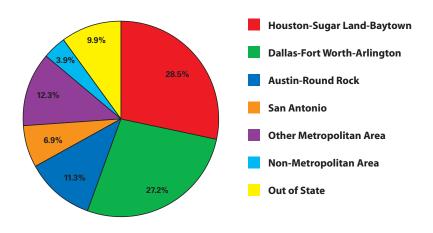
The State Bar of Texas membership has more than doubled over the last two decades, rising from some 34,800 active members in 1980 to around 79,400 in 2006. During the same time period, the Texas population grew approximately 65%. The ratio of attorneys to Texans has changed from one attorney for every 455 Texans in 1980 to the current ratio of one attorney for every 328 Texans. If the current trends continue, there will be 85,750 attorneys licensed by the State Bar as active members in the year 2009.

Since 1982, when there were fewer than 5,000 female attorneys in Texas (13% of the membership), the number of women attorneys licensed in Texas has more than quadrupled, while the Bar membership as a whole has doubled. Women lawyers licensed in Texas now number some 24,469, accounting for 31% of all licensed attorneys in Texas and 45% of TYLA members. Approximately 47% of Texas law school students are women. If trends continue at their current pace, women will comprise 50% of all State Bar members by the year 2034.

The number and percentage of minority attorneys entering the profession have also grown dramatically in recent years. Since 1993, minority membership has grown 143%, compared with 37% growth for the general membership. Currently, 27% of Texas law school students, 24% of TYLA members, and 15 % of all Texas Bar members are minorities.

#### **Geographic Distribution**

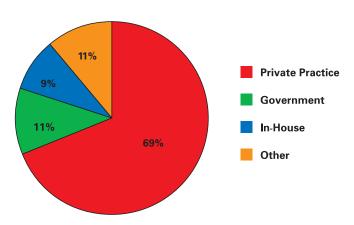
## Where Attorneys Live



Almost all Texas attorneys reside in a metropolitan area, and only around 3,060 attorneys are located in rural areas. Approximately 74% of State Bar members live in one of the four major metropolitan areas: Houston-Sugar Land-Baytown (28.5%), Dallas-Fort Worth-Arlington (27.2%), Austin-Round Rock (11.3%), and San Antonio (6.9%). Some 7,800 members--10% of the total membership--reside outside of Texas. With a ratio of one attorney for every 169 people, the Austin-Round Rock metropolitan statistical area has more attorneys per resident than any other Texas metropolitan area. The attorney/population ratios in other major Texas metropolitan statistical areas are: 1:277 (Dallas-Fort Worth-Arlington); 1:245 (Houston-Sugar Land-Baytown); 1:355 (San Antonio); 1:398 (Corpus Christi); and 1:659 (El Paso).

#### **Attorney Occupation and Law Firm Size**

## **Where Attorneys Work**



The percentage of Texas attorneys working in private law firms has declined in the past few years, from an estimated 75% in 1995 to 69% currently. The proportion of attorneys working in government settings and as in-house counsel has grown. About 11% of the current membership are government lawyers compared to 10% ten years ago, and approximately 9% work as in-house counsel, up from 8% ten years ago. The median law firm size (four attorneys) has remained steady during the last several years. Currently, 60% of Texas attorneys in private practice are sole practitioners or work in small firms (two to five attorneys), and 17% of private practitioners are in firms with more than 60 attorneys.

There are major differences in race/ethnicity and gender between TYLA and senior bar members. Both women and minorities account for a larger percentage of TYLA than the senior bar—women represent 45% of TYLA but only 31% of the senior bar, while minorities account for 24% of TYLA compared with 15% of the senior bar.

## Years Licensed and Age

The typical Texas attorney is 46 years old and has been licensed for 16 years. These figures have been increasing incrementally over the last several years, largely due to the aging 52% of the attorney membership born during the "Baby Boom" period. TYLA members represent 29% of the State Bar.

## WHERE TYLA MEMBERS WORK AND WHAT THEY EARN

In 2005, the median income for Texas private practitioners with two or fewer years of experience was \$78,700. The median income for all private practitioners was \$120,192, with 40% of practitioners earning \$125,000 or more and 20% earning less than \$70,000. Many factors affect new attorney salaries, including practice area and employer type.

#### **Practice Subject Matter**

Differences in income can be classified based on one's chosen practice area. The lowest median incomes have been associated with the practice areas of consumer bankruptcy (\$23,957) and juvenile law (\$66,611). Tax (\$270,643), health (\$264,612), and intellectual property law (\$246,069) are the highest identified income producing practice areas.

#### Type of Employer

Government Attorneys: Approximately 14% of TYLA members are considered government attorneys, which includes attorneys who work for federal, state, or local governmental entities. A first or second year government attorney on average earns \$42,800. However, the median pay scale for government attorneys varies depending on the type of governmental entity for which one chooses to work. The median income for an attorney with six or fewer years of experience working as a city attorney is \$48,900, for a county attorney it is \$53,909, for a state attorney it is \$43,428 and for a federal attorney it is \$72,923.

<u>Corporate/In-House Counsel</u>: Only a small percentage of TYLA members are considered corporate or in-house counsel. Attorneys employed as corporate or in-house counsel with two or less years of experience earned a 2005 median income of \$64,977.

Private Practice Attorneys: Thirty percent of TYLA members work in law firms with more than 60 attorneys. Private practitioners who are TYLA members work in firms with a median firm size of 12 attorneys. Annual salaries for TYLA private practitioners vary significantly depending on the size of the firm. At some of the largest firms in the state, salaries for first year associates are as high as \$160,000. In 2005, the median incomes for young lawyers in private practice, based on firm size and the number of years in practice, was as follows:

FIRM SIZE	YEARS OF EXPERIENCE				
	2 or fewer	3 to 6	7 to 10		
Sole Practitioner	\$48,574	\$71,236	\$65,869		
2 to 5	\$67,822	\$73,439	\$93,103		
6 to 10	\$64,751	\$72,877	\$112,596		
11 to 24	\$67,549	\$110,231	\$213,425		
25 to 40	\$82,861	N/A	\$157,964		
41 to 100	\$77,735	\$91,390	N/A		
Over 100	\$113,767	\$133,520	\$191,316		

<u>Sole Practitioners:</u>: Solo practitioners comprise approximately 17% of current TYLA private practitioner membership, and salaries vary dramatically depending on type of practice, years in practice, and geographic location.

## **TYLA FEATURED PROJECTS**

#### Member Services

#### TYLA eNews

The TYLA monthly e-mail newsletter keeps young lawyers across Texas informed about state and local activities, upcoming activities, and opportunities for involvement. The eNews also includes useful articles on various legal issues, legislative developments, and practice tips for lawyers.

#### **Judicial Directory**

A Judicial Directory has been developed and targeted for young lawyers throughout the State. All judges through Federal and State District Courts, including higher Texas courts, are included on the directory and judges provide unique and important advice to young lawyers practicing in their court rooms.

#### **National Trial Competition**

The National Trial Competition (NTC) is the one of the oldest and most prestigious mock trial competitions in the U.S. Every ABA-accredited law school in the country is invited to compete in this annual competition. The top 2 teams from each of the 13 regional tournaments advance to the championship rounds in Texas. NTC is co-sponsored by the American College of Trial Lawyers and West Group.

#### **TYLA Roadshows**

TYLA Roadshows assist small to medium-sized bar associations in providing quality leadership and CLE programs to their members at no cost.

#### **Ten Minute Mentor**

Ten Minute Mentor is an online video library of more than 200 brief presentations by Texas lawyers and judges that provide practice tips on a wide variety of subjects. This service is available for free on the Ten Minute Mentor website (www.TenMinuteMentor.com).

#### **Professional Development Seminars**

TYLA routinely organizes seminars around the state on topics of interest to its members, including the Federal Court Practice Seminar, Choosing and Courting a Jury, and TYLA's New Lawyer Course.

#### Public Services

#### They Had a Dream Too: Young Leaders of the Civil Rights Movement

This multi-media project, which includes a high school curriculum, website, and 28-minute film narrated by Julian Bond, teaches students about the role played by young people during the Civil Rights movement and motivates them to positively change their world.

#### **ProBAR Children's Project**

TYLA partners with the South Texas Pro Bono Asylum Representation Project to help provide a pro bono representation for some of the more than 6,000 unaccompanied children who reach the United States after fleeing abuse, neglect, and persecution in their home countries.

#### Legal Guide for Cancer Patients

This 71-page pamphlet provides comprehensive information on legal issues faced by most cancer patients. Topics include insurance, clinical trials, employment disability, guardianship, and estate planning.

#### Kids in the Crossfire

This video is aimed at helping parents understand the impact their behavior has on their children during and after divorce. It has been adopted throughout the state by courts, counselors, and children's advocates.

#### Other Programs

Numerous other TYLA programs and projects can be found on TYLA's website www.TYLA.org. Because TYLA is a dynamic, highly motivated group of young lawyers, TYLA's offerings are continually changing, being updated, and designed. Referring to the website will always provide a more up-to-date synopsis of TYLA's current and past Public Service projects.



1414 Colorado, Suite 400B Austin, Texas 78701 (800) 204-2222 www.tyla.org

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