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March, 2002

LENGTH: 1120 words

FEATURE: WE NEED MORE LAWYERS!?

by Lawrence C. Foster

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TEXT:

For nearly twenty-five years, from 1978 to 1995, our State Supreme Court has sworn in approximately 250 newly licensed lawyers a year. In 1996, this trend began to change and last year there were only 114 new lawyers admitted in Hawai'i, the lowest number since 1971! As with most socio-economic phenomena, there are no doubt several reasons for this decline and several points of view as to whether this decline is good or bad for Hawai'i.

The first chart (Figure 1) compares three things: the number of newly admitted lawyers, the number of people taking the bar, and the bar pass rate since 1972. The chart clearly shows two simple reasons for the decline in the number of new lawyers. First of all, since 1996, each year fewer people have taken the Hawai'i bar exam. Second, the bar passage rate has dropped from around 84% in the 1980s to around 68% in the 1990s, a total of 16 percentage points.

Figure 1. Comparison of Hawaii Bar Passage and Admission

[SEE FIGURE 1 IN ORIGINAL]

The good news for the William S. Richardson School of Law, as demonstrated in the second chart and third (Figure 2), is that our graduates' pass rate saw a much smaller decline in the 1990s compared to the overall drop of 16 percentage points.

The sharp decline in newly admitted attorneys has been good for the graduates of our law school because our placement rates continue to be among the highest in the nation despite our long economic slump here in Hawai'i. In 2000, for example, our placement rate placed us # 18 among the 182 ABA-accredited law schools.

However, I do believe that this decline is not good for the future of our state as it represents a brain drain of some of our best and brightest to jurisdictions where the legal economy is booming. Moreover, these numbers do not include the loss of already licensed attorneys to headhunters recruiting for mainland and Asia law firms.

The primary reason for this brain drain is pretty obvious: money. Mainland starting salaries for the best and brightest law graduates in spring 2000 topped \$ 140,000, not including signing bonuses. One of our recent graduates just finished a federal clerkship and was offered several jobs with East Coast law firms at salaries as high as \$ 180,000. Locally, a few daring law firms recently increased starting salaries to just over \$ 70,000 in an attempt to compete with the mainland market. The same is true for those already licensed lawyers being headhunted out of Hawai'i; they are being offered salaries as high as 2-3 times what they can earn in Hawai'i.

A related reason for the decline is the poor health of our State's economy. While there seems to be some reason for hope in a slow economic recovery, some attorneys 1 speak to still feel the legal economy is very weak and will remain

so for many years to come. A large number are resigned to never again seeing the boom years of the 1980s. This is not an encouraging picture for a new lawyer looking for a place to begin a career in law.

The good news is that not all new lawyers make their job decisions based solely upon salary levels. For those pursuing a career in public service, for example, job satisfaction is measured in other, non-economic ways.

This new trend of fewer lawyers in Hawai'i is also reflected in our alumni association. Up until the 1990s, 90% of our alumni were living and working in Hawai'i. This percentage is slowly declining and this spring we had a record number of our May graduates (16%) taking their first bar exam in other jurisdictions.

As with all data, interpretation is in the eyes of the beholder. If you are concerned that we still have too many lawyers practicing law in Hawai'i, this data should make you feel better. If you are concerned that the number of people with unmet legal needs is growing, or your firm is finding it increasingly difficult to find and retain quality attorneys, this data will probably not be comforting.

(Please see tables on the following page.)

`	# taking	# passing	%	# taking	# passing	UH %
	February	February	passing	July	July	passing
2000	75	41	55	157	113	85
1999	73	43	59	172	117	81.7
1998	98	70	71	154	115	89.1
1997	94	54	57	178	133	83.6
1996	110	69	63	172	125	91.1
1995	120	79	66	197	149	86.4
1994	123	84	68	215	153	82.5
1993	133	85	64	208	138	83
1992	147	117	80	223	161	84.5
1991	132	87	66	201	127	76
1990	113	82	73	215	169	89.7
1989	136	102	75	211	185	93
1988	90	59	65.6	218	161	80
1987	144	116	80.6	219	199	97
1986	123	91	74	232	162	80
1985	122	96	78.7	212	183	88
1984	102	91	89	184	175	100
1983	92	74	80.4	210	178	85.9
1982	69	64	92.8	166	150	91.4
1981	90	70	77.7	199	183	95.7
1980	80	80	100	186	182	100
1979	81	62	77	160	152	96.2
1978	101	90	89	191	174	95.2
1977	88	77	88	181	148	92.7

1976	65	45	69	203	162	66
1975	85	62	73	129	116	
1974	77	65	89	105	90	
1973	46	40	87	100	86	
1972	58	50	86	82	73	
1971						
1970						
1969						
1968						

** The National data in the last column is not reliable because not every state reports every year.

	%	total #	total #	total %	total	National
	passing	taking	passing	passing	admitted	total **
2000	72	232	154	66	114	46,559
1999	68	245	160	65	159	48,136
1998	75	252	185	73	185	49,168
1997	75	272	187	69	272	50,673
1996	73	282	194	69	194	50,232
1995	76	317	228	72	317	50,907
1994	71	338	237	70	238	52,962
1993	66	341	223	65	219	
1992	72	370	278	75	276	51,139
1991	63	333	214	64	226	48,198
1990	79	328	251	77	233	47,282
1989	88	347	287	83	285	46,613
1988	73.9	308	220	71.4	228	45,171
1987	90.9	363	315	86.8	261	43,481
1986	69.8	355	253	71.3	261	
1985	86.3	334	279	86.1	287	41,901
1984	95	286	266	93	266	
1983	84.8	302	252	83.4	243	42,375
1982	90.4	235	214	91	212	42,251
1981	91.9	289	253	87.5	253	41,442
1980	98	266	262	98	262	41,105
1979	95	241	214	90	214	41,903
1978	91	292	264	90	263	38,319
1977	82	269	225	84	225	36,463

1976	80	268	207	77	207	34,951
1975	90	214	178	83	174	34,144
1974	86	178	155	87	141	33,358
1973	86	146	126	86	121	29,903
1972	89	140	123	88	120	24,447
1971					105	
1970					105	
1969					52	
1968					71	

^{**} The National data in the last column is not reliable because not every state reports every year.

Figure 2. Comparision of Overall and UH Law School Bar Pass Rates
[SEE ILLUSTRATION IN ORIGINAL]