

**Stephen N. Zack**  
President

**AMERICAN BAR ASSOCIATION**

321 North Clark Street  
Chicago, IL 60654-7598  
(312) 988-5109  
Fax: (312) 988-5100  
E-mail: [abapresident@abanet.org](mailto:abapresident@abanet.org)

April 27, 2011

The Honorable Barbara Boxer  
United States Senate  
Washington, DC 20510

Dear Senator Boxer:

I received your letter of March 31, 2011, regarding the transparency of law school data and appreciate this opportunity to respond. The Section of Legal Education and Admissions to the Bar, as the Department of Education's recognized accreditor for legal education, is required by the Department's regulations to carry out its accreditation activities independent from the American Bar Association. For that reason the Section has prepared for you a separate, detailed memo that accompanies this letter.

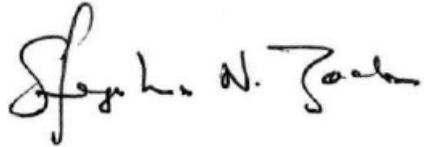
I want to emphasize that we share your concerns: no one could be more focused on the future of our next generation of lawyers than the ABA and the legal profession for whom we speak. An interest in pursuing justice should not leave someone with a life shadowed by overwhelming debt.

Much of the issue is about students making informed, smart choices, and the ABA distributes information that can help. I enclose a paper the Association produced entitled "The Value Proposition of Attending Law School," which has gained wide coverage in traditional press and by legal bloggers for its simple, clear approach to helping potential law students weigh their decision to enter law school. The ABA also is encouraging more young people to read the highly detailed, comparative information about law schools, published in the ABA-LSAC Official Guide to ABA-Approved Law Schools. This book includes extensive chapters on job opportunities, careers and salaries, and also is posted free on the Law School Admission Council website.

The ABA Young Lawyers Division, at my request, also has been looking into how the ABA can encourage additional dissemination of relevant information on this topic. While the ABA Section of Legal Education and Admissions to the Bar leads on this issue through the accreditation standards applied to law schools, the ABA as a whole is committed to complementing its efforts.

This is a dynamic time for the legal profession and those who will one day lead it. The ABA will do everything possible to ensure this next generation has rewarding careers in the law that serve the American people's needs. We stand ready to provide any additional information you might need.

Sincerely,

A handwritten signature in black ink that reads "Stephen N. Zack". The signature is written in a cursive, flowing style.

Stephen N. Zack  
President

**MEMORANDUM**

April 27, 2011

**TO:** Senator Barbara Boxer

**FROM:** Section of Legal Education and Admissions to the Bar

**RE:** Transparency of Law School Data

---

This memorandum responds to your letter of March 31, 2011, regarding the transparency of law school data. Because of the technical nature of this issue and because the regulations of the Department of Education require that the Accreditation Project of the Section of Legal Education and Admissions to the Bar (“the Section”) be “separate and independent” from the ABA associational activities, ABA President Stephen Zack has requested that the Section respond separately to your inquiry.

The Section, as the Department of Education’s recognized accreditor for legal education, takes very seriously its responsibility to assure that law schools provide accurate, complete, and helpful information to current and prospective law students. It believes that transparency will assist prospective students in determining whether to attend law school and, if so, which school to attend.

Two Committees of the Section are currently working on recommendations to the Council for the production by ABA-approved law schools of additional employment, placement and salary information: the Questionnaire Committee, which examines the annual questionnaires that law schools submit to the Section to provide data relevant to accreditation; and the Standards Review Committee, which is engaged in a comprehensive review of all the ABA Standards and Rules of Procedure for Approval of Law Schools and is charged with examining the requirements found in Standard 509 (Consumer Information), which delineates the information and data that law schools must provide to the public. The Questionnaire Committee will be reporting on its recommendations to the full Section Council at its meeting June 10-12 of this year. Once the Council has taken action on those recommendations, we will follow up with you and your staff in mid-June on the next steps the Section is recommending to improve transparency through the questionnaire process. In the meantime, here is an overview of the work of the Section and its Committees to improve data integrity:

**Questionnaire Committee**

The Committee is composed of nine members, including Deans, Associate Deans, professors and financial officers of ABA-approved law schools. This Committee is responsible for reviewing all law school informational questionnaires and instructions and for recommending to the Council

changes to minimize the duplication of requested information and to meet accreditation and other needs for law school data.

Last year the Questionnaire Committee began a review of the questions asked on the ABA Annual Questionnaire regarding each law school's employment, placement, and salary data, as well as the information that the Section publishes in the ABA-LSAC Official Guide to ABA-Approved Law Schools (attached is a list of the questions currently asked). The Committee's objective was to determine what additional information should be obtained from law schools regarding the placement and salaries of graduates so that the Official Guide contains information that is most helpful to its readers. The Official Guide also contains several chapters providing advice and guidance to prospective law students on the law school admission process, selecting a law school, financing a legal education, finding a job/career placement, and bar admission. These chapters provide national and regional data that should be very helpful to students in the decision-making process.

During the course of this academic year the Questionnaire Committee has held three in-person meetings and two conference-call meetings, the most recent of which took place earlier this month. Each meeting included discussion of issues regarding the collection and reporting of placement data. The Committee also held an all-day hearing in December to receive input from various constituents on the collection and reporting of employment, placement and salary data. Invitations were sent to law school deans, career services officers, national and regional pre-law advisor associations, various law school professors, the President of the ABA, the ABA Young Lawyers Section, the ABA Law Student Division, and a number of students and recent graduates who are members of advocacy groups concerned with the transparency of law school placement data. A large number of people provided very useful testimony in person, by telephone, or by written submission, all of which will inform the Committee's decision-making.

The Committee has developed tentative ideas on how employment and salary data should be obtained, how best to obtain it, and how best to report it in the Official Guide. The objective in selecting, obtaining, and reporting these data are several-fold: to provide correct and complete data to law school applicants; to assist them in making a decision on whether to go to law school and, if so, which school to attend; and, for current law students and recent graduates, to assist them in making job and career decisions. The Committee also wants to ensure that this information is obtained and provided in the most efficient and cost-effective manner as possible.

The Committee is currently in the process of finalizing the means for obtaining the data and plans to report to the Council of the Section in June for purposes of obtaining Council approval of these initiatives and new questions. The plan is that the revised collection and reporting processes will be in place for the next data collection cycle of the ABA Annual Questionnaire, which begins in August of 2011.

This will not be the end of the Section's efforts to improve the collection and reporting of placement data, however. The Committee will be working with the Standards Review Committee, the Accreditation Committee and, of course, the Council to analyze further steps to

assure the accuracy and completeness of the data. We will also be considering other methods of reporting these data to prospective and current students.

### Standards Review Committee

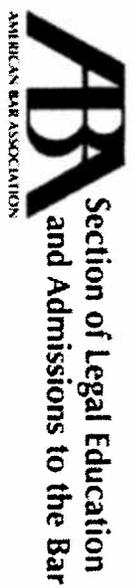
The Standards Review Committee is made up of fourteen members, seven of whom are legal academics, and among the other seven are judges, practitioners and public members. This Committee is charged with reviewing proposed changes in or additions to Standards, Interpretations, Rules, Policies, Procedures, and Criteria related to accreditation. Proposed changes are referred to the Committee by the Council for its review and recommendations, and all proposals of the Committee must be acted upon by the Council for final adoption.

The Committee is engaged in a comprehensive review of all the Standards, which began in late 2008 and will continue for at least another year. As a part of this process, a Subcommittee has been specifically charged with looking into “transparency” and the requirements in the Standards for disclosure by law schools to the public of important consumer information. Currently, Standard 509 requires schools to publish “basic consumer information.” Interpretation 509-1 includes “placement rates” as one of the categories of consumer information that schools must publish. The Subcommittee has made a recent report to the full Committee and will be proposing additional requirements in July on the disclosure of employment, placement and salary information.

Whereas the Questionnaire Committee is addressing the issues surrounding the reporting of data to the Section, the Standards Review Committee will address what data law schools should be required to publish on their own, on their websites and in publications sent to prospective students. These are two different but complementary approaches that are being coordinated carefully because the ultimate goal of both is a shared one: to make useful, reliable and current information readily accessible to everyone, especially to any student who wishes to consider attending law school.

The Section of Legal Education is dedicated to ensuring that potential law students have as much information as possible to make an informed decision about whether to enter law school and, if so, what school to attend. The Section appreciates and shares your commitment to provide those seeking information about law school to have the most accurate and complete data about job placement, salaries, and the like. This is an ongoing process, and we are committed to continuing our efforts in this area.

**GENERIC UNIVERSITY SCHOOL OF LAW - 2010**  
 321 Clark Ave.  
 Phone : 312-988-6739  
 Chicago, IL 60610  
 Website : www.abanet.org/legaled



**Placement (Employment) Rates**

	9/1/2006 - 8/31/2007		9/1/2007 - 8/31/2008		9/1/2008 - 8/31/2009	
	#	%	#	%	#	%
Graduates from :						
Total Graduates	0		0	0	0	0
Graduates whose employment status is Unknown	0		0	0	0	0
Graduates whose employment status is known	0		0	0	0	0
Graduates who are enrolled in a full-time degree program	0		0	0	0	0
Graduates who are unemployed and seeking work	0		0	0	0	0
Graduates who are unemployed and NOT seeking work	0		0	0	0	0
Graduates who are unemployed and studying for the bar full-time	0	0	0	0	0	0
Graduates known to be employed	0		0	0	0	0
<b>Type of Employment</b>						
Law firms					0	0
Business and industry					0	0
Government					0	0
Public interest					0	0
Judicial clerkship					0	0
Academia		0			0	0
Unknown		0			0	0
<b>Geographical Location</b>						
In state:	1	0	0	0	0	0
Out-of-state:	1	0	0	0	0	0
Foreign countries	1	0	0	0	0	0
Unknown	1	0	0	0	0	0
Number of states where graduates are employed	1		0		0	



**ABA COMMISSION ON THE IMPACT OF THE ECONOMIC CRISES ON THE  
PROFESSION AND LEGAL NEEDS**

**THE VALUE PROPOSITION OF ATTENDING LAW SCHOOL**

Choosing to attend law school is a big decision that prospective law students should not take lightly. Although many factors may influence one's decisions about whether and where to attend law school, a proper understanding of the economic cost of a legal education is vital for making an educated decision. Far too many law students expect that earning a law degree will solve their financial problems for life. In reality, however, attending law school can become a financial burden for law students who fail to consider carefully the financial implications of their decision.

**I. THE COST OF A LEGAL EDUCATION**

Obtaining a degree from an ABA-accredited law school is not cheap. Over the last twenty-five years, law school tuition has consistently risen two times as fast as inflation.<sup>1</sup> Consequently, the average tuition at private law schools in 2008 was \$34,298, while the average in-state tuition for public law schools was \$16,836.<sup>2</sup> When one adds books and living expenses to tuition, the average public law student borrows \$71,436 for law school, while the average private school student borrows \$91,506.<sup>3</sup> Many students borrow far more than \$100,000,<sup>4</sup> and these numbers do not even include debt that students may still carry from their undergraduate years.

---

<sup>1</sup> Maimon Schwarzschild, *The Ethics and Economics of American Legal Education Today*, 17 J. CONTEMP. LEGAL ISSUES 3, 5 (2008); *see also* THE ABA COMMISSION ON LOAN REPAYMENT AND FORGIVENESS, LIFTING THE BURDEN: LAW STUDENT DEBT AS A BARRIER TO PUBLIC SERVICE 16 (Chicago 2003) [hereinafter LIFTING THE BURDEN].

<sup>2</sup> ABA SECTION OF LEGAL EDUC. & ADMISSIONS TO THE BAR, LAW SCHOOL TUITION 1985–2008 (2008), *available at* <http://www.abanet.org/legaled/statistics/charts/stats%20-%205.pdf>.

<sup>3</sup> ABA SECTION OF LEGAL EDUC. & ADMISSIONS TO THE BAR, AVERAGE AMOUNT BORROWED FOR LAW SCHOOL, 2001–2008 (2008), *available at* <http://www.abanet.org/legaled/statistics/charts/stats%20-%2020.pdf>.

<sup>4</sup> Schwarzschild, *supra* note 1, at 6.

To make matters worse, the recent economic downturn will likely make legal education even more expensive. Endowment losses, declining state support, and difficulties in fundraising have hit law schools hard. Consequently, most public law schools are raising tuition this year by 10-25%.<sup>5</sup> At the same time, prospective students may have fewer resources from savings, family assistance, or other sources to help defray the cost, even as financial aid assistance declines.<sup>6</sup> An average student considering enrolling in law school now should thus expect to graduate with debt well in excess of \$100,000.

## II. PROSPECTS FOR LAW GRADUATES IN THE EMPLOYMENT MARKET

Many prospective law students are already familiar with the steep price of a legal education. What many do not know, however, is that these costs often exceed the expected return on their investment in the job market.<sup>7</sup> Prior to the recession, starting salaries for associates at large law firms stabilized around \$160,000 a year,<sup>8</sup> and many prospective law students expect to be able to earn a comparable amount. In reality, however, only 23% of the graduates of the class of 2008 started with such a high salary, including only 37% of those who went into private practice.<sup>9</sup> Shockingly, most of the rest of the graduates, about 42%, started with an annual salary of less than \$65,000.<sup>10</sup>

These numbers reflect the employment of the last cohort of law students whose initial employment was relatively uninfluenced by the economic recession. This year, the employment

---

<sup>5</sup> Karen Sloan, *At Public Law Schools, Tuition Jumps Sharply*, NAT'L L.J., Aug. 3, 2009, available at <http://www.law.com/jsp/article.jsp?id=1202432727154>.

<sup>6</sup> Karen Sloan, *Law schools dealing with budget cuts*, NAT'L L.J., Jan. 19, 2009, available at <http://www.law.com/jsp/nlj/PubArticleNLJ.jsp?id=1202427496279>.

<sup>7</sup> See Leigh Jones, *As Salaries Rise, So Does the Debt*, NAT'L L.J., Feb. 1, 2006, available at <http://www.law.com/jsp/law/careercenter/lawArticleCareerCenter.jsp?id=1138701909390> (noting that law students in 2006 paid 267% more for their legal education than students in 1990, yet were earning an average of just 60% more).

<sup>8</sup> See Press Release, Nat'l Ass'n for Law Placement (NALP), *Salaries at Largest Firms Up Again* (Aug. 21, 2008), available at <http://www.nalp.org/salariesatlargestfirmsupagain>.

<sup>9</sup> NALP, *JOBS & JD'S: EMPLOYMENT AND SALARIES OF NEW LAW GRADUATES 18-19* (2009).

<sup>10</sup> See *id.*

picture is even more bleak. Students are now competing for half as many jobs at top law firms—those most likely to pay \$160,000 for first-year associates—as last year.<sup>11</sup> Recruitment at many levels of the job market is declining by similar amounts. Although numbers are not available yet, many members of the class of 2010 and 2011 may graduate without a job, and those who are lucky enough to find employment likely will collectively have lower salaries than their predecessors. In short, the job market is more challenging than it has been in many years, as well-paying jobs are in short supply.

### **III. THE BOTTOM LINE**

The combination of the rising cost of a legal education and the realities of the legal job market mean that going to law school may not pay off for a large number of law students. Dean David Van Zandt of Northwestern Law School estimates that to make a positive return on the investment of going to law school, given the current costs, the average law student must earn an average annual salary of at least \$65,315.<sup>12</sup> As the data above show, however, over 40% of law school graduates have starting salaries below this threshold. Thus, many students start out in a position from which it may be difficult to recoup their investment in legal education. Even students who do ultimately prosper over the course of a career face difficulties from high debt loads during the beginning of their career. High debt can limit career choices, prevent employment in the public service sector, or delay home ownership or marriage.<sup>13</sup> In short, going to law school can bring more financial difficulty than many law students expect.

---

<sup>11</sup> Gerry Shih, *Downturn Dims Prospects Even at Top Law Schools*, N.Y. TIMES, Aug. 25, 2009, at B1.

<sup>12</sup> Dean Van Zandt's estimate is based on the assumption that students would make \$60,000 per year without going to law school, that law school tuition is \$30,000 per year, that the student works for thirty years as a lawyer, and that the discount rate is 5%. His estimate does not take into account the opportunity cost of three years of foregone income, nor does he consider the cost of debt service on law school loans.

<sup>13</sup> See THE ABA COMMISSION ON LOAN REPAYMENT AND FORGIVENESS, *LIFTING THE BURDEN: LAW STUDENT DEBT AS A BARRIER TO PUBLIC SERVICE* (Chicago 2003).

The lack of financial return, of course, does not mean that it is not valuable to go to law school. Many lawyers receive intrinsic benefits from a satisfying career that cannot easily be quantified. It does mean, however, that students should think twice before going to law school simply for the money. All too often, students who bank on reaping a positive financial return from law school lose out.

#### **IV. ADVICE FOR PROSPECTIVE LAW STUDENTS**

All law school applicants should have a clear picture of the debt that they will incur and the expected earning power of graduates from the schools to which they are applying. If their expected salary cannot easily support their expected debt, students should look for other options to cut back on expenses while in law school. Options include attending a local law school and living at home, going to a public school where one can get in-state tuition, enrolling in a part time program and continuing to work, or carefully controlling costs while in law school. If students do not consider the financial implications of their decision to attend law school, they may find themselves facing debt levels that they cannot support. With careful planning, however, everyone who wants to attend law school should be capable of doing so. A prospective law student should thus weigh her options carefully before choosing where to go to law school.

*This paper was prepared by the ABA Commission on the Impact of the Economic Crisis on the Profession and Legal Needs. The views expressed herein only reflect the views of the Commission. No resolution presented in the paper represents the policy of the association until it has been approved by the House of Delegates.*

November 2009