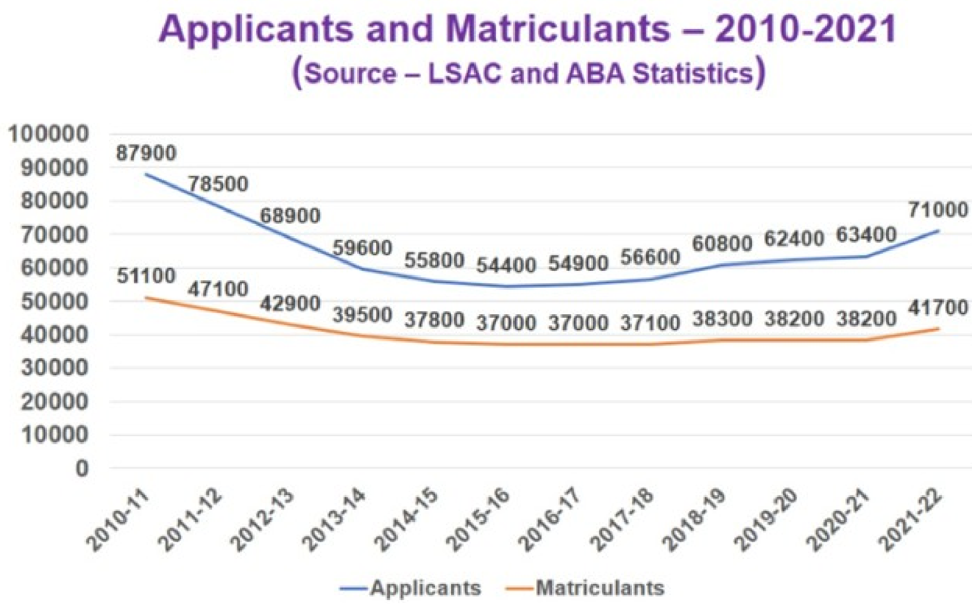
Evaluating Fall 2021 First-Year Enrollment Through The Lens Of 2024 Employment Outcomes

By Jerry Organ

With the ABA's posting of the 2021 Standard 509 Reports, we have the ability to compare first-year enrollment for 2020 and 2021. In compiling the information for this blog posting I used the data in the First-Year Class spreadsheets for 2020 and 2021.

First-year enrollment increased by 9.5% in 2021 from 2020, going from roughly 38,100 to roughly 41,700, an increase of roughly 3,600. (This calculation excludes Florida Coastal from the 2020 tally as Florida Coastal did not welcome a 2021 entering class.) As shown in Chart 1, this is the first significant increase in first-year enrollment since 2010 and represents the largest first-year class since the 2012-13 academic year (with 42,900 first-years). It also breaks an eight-year run in which first-year enrollment was under 40,000.

CHART 1 – APPLICANTS AND MATRICULANTS FROM 2010 to 2021



It's easy to understand the temptation that law schools faced – particularly law schools with higher median LSATs (more on this later) – as the pool of applicants for fall 2021 grew more than 12%, from 63,400 to 71,100, with most of the growth among applicants with the highest LSAT scores. Perhaps due to the LSAT Flex being slightly less challenging than the traditional LSAT, the 2021 applicant pool saw significant growth among those with LSATs of 170 or higher, jumping from roughly 3,500 to roughly 5,800, an increase of more than 65%. With this larger, stronger applicant pool, many law schools likely thought they could try to grow their class (and generate more revenue) while also increasing their median LSAT. (I will have a subsequent blog posting that looks at the LSAT composition of the entering class in 2021 compared to other recent classes.)

The challenge is that each law school, particularly in states with multiple law schools, is not acting in isolation. A given law school may think that increasing its first-year class by 25 students will not be a problem because the regional market for legal services in three years probably will be able to absorb those 25 graduates. But if every law school in a given metropolitan area or if most schools in a state, make the same decision, the market for legal services is not being asked to absorb 25 graduates, it may be asked to absorb 50 or 100 or 200 additional graduates. And if most law schools in adjacent states do the same, there may be even more graduates in the region that need to be absorbed.

A couple of recent articles – here and here -- have looked at this increase in first-year enrollment by asking whether law schools with large enrollment increases will see sufficient jobs available for their graduates in three years. These are good questions to ask, but they shouldn't be asked with respect to individual schools alone, they should be asked with respect to employment markets which may involve multiple law schools.

This blog will first evaluate enrollment changes by looking at geographic distributions with an eye toward those states or regions most likely to face employment challenges in 2024. The second part of the blog will look at enrollment changes by LSAT groupings of law schools.

Percentage of Graduates in Class of 2024 Employed in Full-Time, Long-Term Bar Passage Required or JD Advantage Jobs Likely to Decline

This significant increase in first-year students in the fall 2021 entering class likely means that, across the country three years from now, there will be roughly 4,000 more law school graduates than in the graduating classes in 2019 and 2020 (for which the entering classes were only 37,000 students). Will there be a comparable increase in the number of full-time, long-term, bar passage required (FTLTBPR) or JD advantage (FTLTJDA) jobs waiting for these law school graduates?

Taking 2019 and 2020 combined, based on the NALP Jobs and JDs Report for the Class of 2019 and the Class of 2020, we saw an average of 34,200 graduates (from entering classes that averaged approximately 37,100). Those graduates found an average of 27,500 FTLTBPR or FTLTJDA jobs. Over these two graduating classes in 2019 and 2020, an average of slightly over 80% of graduates landed FTLTBPR or FTLTJDA jobs. (Note that this was the highest percentage in these jobs in the last decade.)

Looking out to the graduating class of 2024, we can anticipate having roughly 38,400 graduates. (The graduating classes in 2019 and 2020, on average, represented roughly 92% of the first-year entering classes in 2016 and 2017.) To have an employment rate of 80% in FTLTBPR or FTLTJDA jobs, this would mean the legal market would need to provide roughly 30,700 such jobs – 3,200 more than the legal market provided on average for the two most recent graduating classes.

Is there reason to believe the legal services market will increase the number of FTLTBPR or FTLTJDA jobs by over 11% in the next three years? The last time the legal services market provided over 30,000 FTLTBPR or FTLTJDA jobs was for the Class of 2013, with roughly 31,300 such jobs provided for roughly two-thirds of the nearly 46,800 graduates (the largest graduating class on record).

While the legal services market may be able to absorb some of these additional graduates particularly in some markets that may see growth over the next three years, it appears very likely that the percentage of graduates in FTLTBPR or FTLTJDA employment for the Class of 2024 will drop well below 80%, perhaps to something below 75% (which would require roughly 28,800 such jobs (1,300 more than the average over the two most recent graduating classes)).

But given that employment footprints for the vast majority of law schools are "regional", the reality is that this downturn in employment outcomes is likely to be somewhat uneven across the country, with some parts of the country with larger increases in enrollment correspondingly seeing larger increases in the number of graduates and other parts of the country seeing much more modest increases in graduates.

Geographic Distribution of Enrollment Increases/Decreases

Examining the changes on a state-by-state basis, with first-year enrollment tallied across all law schools in a given state, it becomes clear that the increase in first-year enrollment is not evenly distributed across the country. Table 1 divides states into five categories in terms of enrollment increase (or decrease). The categories are: More than 19% increase (10 states, with Vermont in the lead at 29.9% and Nevada on its heels at 28.1%); 12% to 18% Increase (7 states); 7% to 11.9% Increase (12 states); 0% to 6.9% Increase (16 states); and Decrease (5 states). The number of law schools in each state is shown in parentheses.

TABLE 1 – Distribution of States Based on Increase in First-Year Enrollment for 2021

More than 19% Increase 10 states 20 law schools		**12%-18% Increase 7 states 36 law schools**		**7% to 11.9% Increase 12 states 85 law schools**		**0% to 6.9% Increase 16 states 44 law schools**		**Decrease 5 states 8 law schools**	
VT	29.9%	MD (2)	17.8%	WI (2)	10.9%	OH (9)	6.9%	HA	-3.8%
NV	28.1%	SC (2)	16.9%	FL (10)	10.4%	KS (2)	6.7%	CO (2)	-5.2%

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AZ (2)	22.8%	TX (10)	14.4%	PA (9)	9.9%	NM	6.7%	ID	-5.3%
AL (3)	21.8%	IL (9)	13.6%	CA (18)	9.6%	IN (3)	6.5%	CT (3)	-6.1%
SD	21.5%	UT (2)	12.6%	NY (15)	9.5%	DE	6.1%	MT	-7.9%
NJ (2)	20.5%	KY (3)	12.5%	VA (8)	9.5%	ND	6.1%		
NH	20.3%	MA (8)	12.2%	WA (3)	9.4%	WV	5.4%		
NE (2)	20.2%			MI (5)	9.0%	IA (2)	4.9%		
NC (6)	19.8%			MO (4)	8.6%	ME	4.6%		
WY	19.7%			OK (3)	8.5%	LA (4)	3.3%		
				GA (5)	8.0%	MN (3)	1.8%		
				OR (3)	7.8%	AR (2)	1.7%		
						DC (6)	1.5%		
						MS (2)	1.3%		
						RI	1.1%		
						TN (5)	0.2%		

With the exception of North Carolina (with six law schools) and Alabama (with three law schools), all of the states with an increase of 19% or more in first-year enrollment are states with one law school (NH, NV, SD, VT, WY) or two law schools (AZ, NE, NJ). The law schools in these ten states are likely to experience some significant challenges three years from now when their graduates are seeking employment. It's not hard to envision declining employment outcomes for a number of the law schools in these states in terms of the percentage of graduates in FTLTBPR or FTLTJDA jobs, simply because there will not be enough of those kinds of jobs in these states to accommodate this growth in graduates.

Of the seven states with first-year enrollment increases of 12% to 18%, three have two law schools (MD, SC, and UT) and one has three law schools (KY). The other three (MA, IL, and TX) have several law schools. The law schools in these seven states also are likely to experience some challenges three years from now when these larger cohorts of graduates are seeking employment, with some law schools perhaps facing more pressure than others, either due to a disproportionately large graduating class or the legal services market perhaps favoring graduates from more prestigious law schools in the state or region.

By contrast, law schools in those states with very modest increases in first-year enrollment or decreases in enrollment are likely to face far fewer challenges in helping their graduates obtain employment in FTLTBPA or FTLTJDA jobs.

Examining these trends regionally suggests that there may be geographic pockets in which the increase in first-year enrollment may not only affect employment outcomes for law schools in a given state but may have regional effects as well.

The color-coded map below shows that the entire Eastern seaboard is effectively above average in terms of enrollment increases for Fall 2021, with five states (AL, NJ, NC, NH, VT) in the top category for enrollment increases (more than 19%) and with three states (MD, MA, SC) in the second category for enrollment increases (increases of 12% to 18%). Four of the other five large states by population (FL (10.4%), PA (9.9%), NY (9.5%), and VA (9.5%)) are at or slightly above the average increase of 9.5%, with only Georgia coming in slightly below the average increase (8.4%). Across these 17 states, the average increase in first-year enrollment is 10.3%, with Connecticut, Delaware, District of Columbia, Maine and Rhode Island counterbalancing some of the larger increases in first-year enrollment in neighboring states. But if you look at the far Northeast (MA, ME, NH, VT), the increase is 13.4%, and if you look at the Southeast (AL, FL, GA, NC, SC), the increase is 13.3%.

Looking more locally in the Northeast, Boston saw the largest increase for any city with multiple law schools, with an increase in enrollment of 15.1% across the six law schools located in the Boston metropolitan area (Boston College, Boston University, Harvard, New England, Northeastern and Suffolk). Obviously, some of these are law schools with a national employment footprint, but this increase first-year enrollment across the city nonetheless is likely to present problems for some of these law schools with respect to employment outcomes for 2024 graduates.

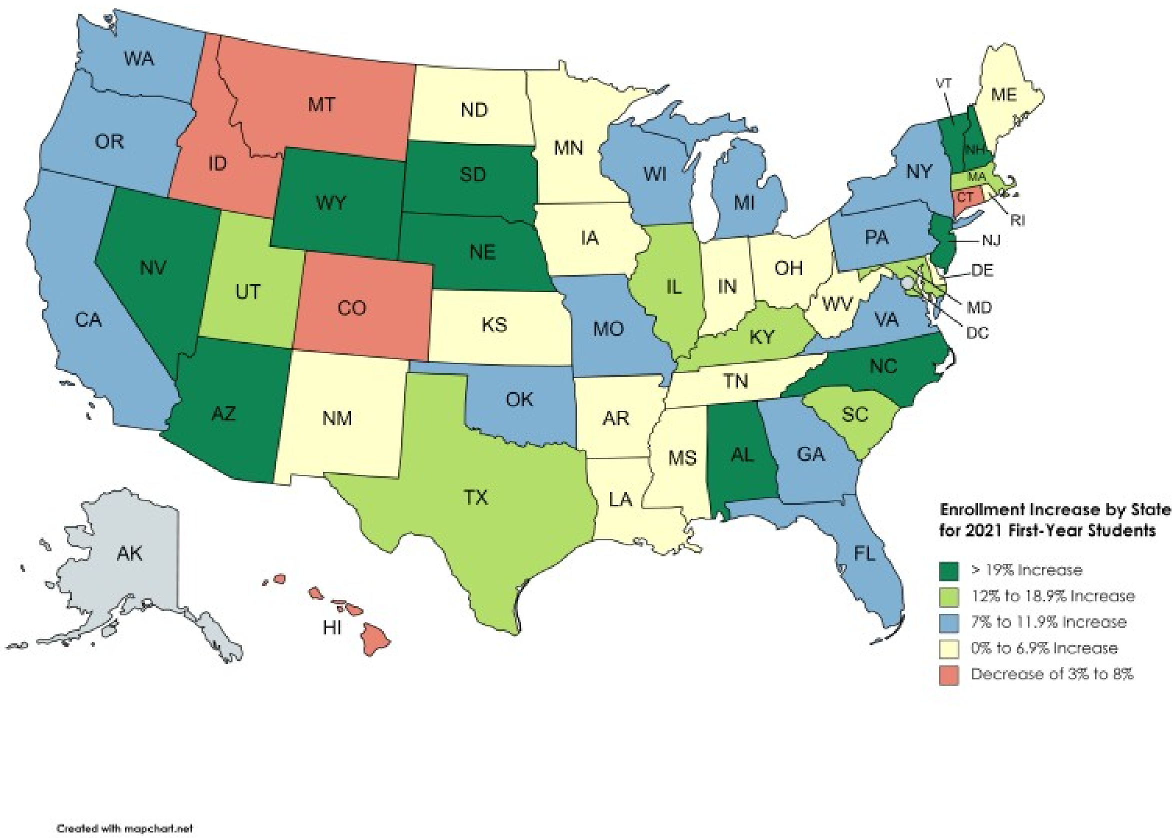
The Southwest also is above average in terms of enrollment increases, with two states (Arizona and Nevada) in the top tier (more than 19%), Utah in the second tier (12% to 18%), and California (9.6%) above the national average. Across these four states, the average increase in first-year enrollment is 11.2%.

One other pocket of states with significantly increased enrollment is South Dakota (21.5%), Nebraska (20.2%) and Wyoming (19.7%), but the law schools in these three states may benefit from being surrounded by states with below average increases in enrollment, including three with decreases in enrollment, Colorado (-5.2%), Idaho (-5.3%) and Montana (-7.9%).

The other three states in which enrollment increases in 2021 suggest possible employment challenges for the class of 2024 are Texas (14.4%), Illinois (13.6%), and Kentucky (12.5%). Indeed, Chicago, much like Boston, saw an increase in enrollment of 14% across the six law schools located in the Chicago metropolitan area (Chicago, Chicago-Kent, DePaul, Loyola, Northwestern, and UIC John Marshall).

Law schools in those states with smaller increases in enrollment (0% to 6.9%) or with decreases in enrollment, by contrast, likely will be less challenged in finding FTLTBPR or FTLTJDA jobs for their 2024 graduates.

MAP 1 – ENROLLMENT INCREASE BY STATE FOR 2021 FIRST-YEAR STUDENTS



Distribution of Enrollment Increases by Law Schools Based on Median LSAT

Table 2 presents enrollment increases by law schools' median LSAT.,The most growth in enrollment took place among law schools with the highest median LSATs. This isn't entirely surprising given that, as noted above, the applicant pool for 2021 saw the greatest percentage growth among those with LSAT scores of 165 and higher. The 79 law schools with LSAT medians of 160 or higher saw enrollment increase by 1997 students – more than 55% of the total increase across all law schools.

Table 2 – Increases in Enrollment across Law Schools Based on Median LSAT

Median LSAT Grouping	# of Law Schools	2020 Enrollment	2021 Enrollment	Numerical Increase	Percentage Increase
165+	33	8872	9920	1048	11.8
160-164	46	8827	9776	949	10.8
155-159	48	8607	9290	683	7.9
150-154	55	9647	10466	819	8.5
<150	14	2148	2270	122	5.7
TOTAL	196	38101	41722	3621	9.5

The following paragraphs look more closely at patterns within each category of law school based on median LSAT.

There were 33 law schools in the 165+ category. Eight had increases of 20% or more (with four above 30% (Texas (41.4%), Arizona State (38.4%), California-Davis (35.2%), and Boston College (31.2%)), 13 had increases of 10% to 19.9%, and seven had increases of less than 10%. Five saw decreases in enrollment (including Vanderbilt (-14.4%), Georgetown (-7.9%) and George Washington (-7.5%). Within this grouping of law schools, it seems plausible to predict that Texas, Arizona State, California-Davis and Boston College will face more challenges in terms of employment outcomes for the Class of 2024, than Vanderbilt, Georgetown and George Washington given that their smaller graduating classes will be smaller in 2024 than in 2023. While some law schools in this category have national employment footprints, others have more regional footprints. A significant number of these law schools in the 165+ category historically have placed large numbers of their graduates in very large law firms and in judicial clerkships. There is not likely to be much growth in the judicial clerkship market. Is it reasonable to anticipate sufficient growth in entry level positions at very large law firms to accommodate this growth in graduates in 2024? If not, some of these law schools likely will be disappointed by the percentage of their 2024 graduates landing FTLTBPR or FTLTJDA jobs.

There were 46 law schools in the 160-164 category. Twenty had increases of 20% or more (with seven above 30% (Wake Forest (89.8%), George Mason (75.7%), Baylor (51.1%), Case Western (41.1%), Seton Hall (39.9%), Maryland (34.6%), and Illinois (31.7%)), eight had increases of 10% to 19.9%, and 17 had increases of less than 10%. Ten saw decreases in enrollment including William and Mary (-23.7%), with the rest declining 6.5% or less. Within this grouping of law schools, one could imagine Wake Forest and George Mason perhaps facing the most significant challenges in terms of employment outcomes for the Class of 2024, followed by Baylor (in the same market as Texas) and Seton Hall and Maryland (with a number of law schools in neighboring cities also increasing enrollment significantly), while William and Mary likely will not face as much of a challenge.

There were 48 law schools in the 155 to 159 category. Eleven had increases of 20% or more (with three above 30% (Loyola-Chicago (51.8%), San Francisco (39.6%) and Catholic (36.4%)), six had increases of 10% to 19.9%, and 17 had increases of less than 10%. Fourteen saw decreases in enrollment, led by Mercer (-15.6%), Drexel (-13.5%), and Santa Clara (-10.7%) with the other eleven declining 8.9% or less.

There were 55 law schools in the 150-154 category. Ten had increases of 20% or more (with two above 30% (Faulkner (61.2%) and Charleston (36.4%)), 15 had increases of 10% to 19.9%, and 19 had increases of less than 10%. Ten saw decreases in enrollment, led by Dayton (-21.6%) and Univ. of Massachusetts at Dartmouth (-11.1%) with the other eight declining 6.7% or less.

There were 14 law schools in the <150 category. One had an increase of more than 20%, five had increases of 10% to 19.9%, and three had increases of less than 10%. Five saw decreases in enrollment.

Note that the modal response for the 165+ category is an increase of 10% to 19.9% or more (with 13 law schools), while the modal response for the three categories of 160-164, 155-159 and 150-154 is an increase of less than 10% (with 17, 17 and 19 law schools, respectively). These different modal tallies further highlight that much of the growth really was among law schools with the highest median LSATs. Indeed, of the top-15 law schools by median LSAT for the class of 2021, four of them saw increases in first-year enrollment of 17.7% or more and four others saw increases of 11.8% to 14.2%, while the other seven were between a 1.3% increase in first-year enrollment and a 7.9% decrease in first-year enrollment.

This more granular analysis also highlights that while there are some differences across categories of law school, there also is some significant variability within categories of law schools.

It will be interesting to see what happens in spring 2025 when employment outcomes for the Class of 2024 are reported.

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