WASHINGTON STATE
BAR ASSOCIATION
Office of the Executive Director

Practice of Law Board
Established by Washington Supreme Court
Administered by the WSBA
Lesli Ashley, Chair

January 21, 2026

The Honorable Debra L. Stephens
Chief Justice
Washington Supreme Court

Via Email Only

Re: Entity Regulation Pilot Project – Update

Dear Chief Justice Stephens:

On December 5, 2024, the Court ordered the Washington State Bar Association (WSBA) and the Practice of Law Board (Board) to collaborate to implement and oversee a pilot to test entity regulation. On behalf of the Washington State Bar Association (WSBA) and the Practice of Law Board (Board), we write to update the Court regarding the WSBA and the Board's work to that end.

Applications and Application Review

To date, three entities have submitted applications to participate in the pilot project. The review process includes review by WSBA staff, a background investigation, review by a subcommittee of the Practice of Law Board which includes an interview with the compliance officer, and, finally, review by the full Practice of Law Board which will make a recommendation to the Court. To assist the WSBA and the Board with reviewing an application, we have developed an assessment rubric to ensure applications comply with all requirements and standards. We anticipate sending a recommendation on the first application to the Court in late February.

Data and Compliance Reporting

The WSBA is currently in the process of finalizing requirements for an online entity reporting portal. Entities will be able to login and enter data and compliance information on a periodic basis as required by the Court's order authorizing the pilot project.

IOLTA

One of the requirements of the pilot project is to hold client funds in a trust account. For entities which might not have a lawyer or LLLT directly involved in the provision of legal services, we have worked with the Legal Foundation of Washington to develop a process for requesting an IOLTA

account. The IOLTA request form entities can present to their banks is now available online with the Legal Foundation of Washington.

Communication and Outreach

The WSBA and the Board continue outreach efforts to increase awareness of and garner interest in the pilot project. To that end, we are developing a standard PowerPoint presentation describing the reasons for the pilot project, the pilot's goals, and how to participate in the pilot project. The idea is to provide a tool for individuals to be able to easily and competently talk about the pilot project with groups with which they are associated.

We thank the Court for its engagement and time. The WSBA and the Board will continue regular updates to the Court during implementation and launch of the Pilot Project. We welcome any questions the Court may have.

Sincerely,

Terra Nevitt
WSBA Executive Director

Lesli Ashley
Chair, Practice of Law Board