

UTAH SUPREME COURT AD HOC COMMITTEE



REGULATORY REFORM

Nick Stiles, Co-Chair

Maryt Fredrickson, Co-Chair

Workgroup Meeting: AI/Legal Tech

November 21, 2025

12:00 – 1:00

Virtual & In-person Meeting

In person: Education Room, Matheson

[Meeting LINK](#)

1. Welcome
2. Approval of October Minutes (Tab 1)
3. Scope of work as a stand-alone working group. See Tab 2
 - a. Current & emerging trends
 - b. Other experts or recommendations
 - c. Other states' approaches to (1) regulating or carving out legal technology (2) defining the practice of law, and (3) multijurisdictional issues
 - d. Which rules might need revision
 - e. Any collaboration needed with other branches of government or stakeholders
4. Discuss what the Court may expect from the workgroup in the January preliminary report.
 - a. We may want to consider concrete (1) initial recommendations and (2) issues to flag for further study in 2025.
5. Identify research tasks and action items
6. Wrap up the meeting with a plan moving forward, including a plan for the December check-in and preparation for the January report.

Tab 1

Meeting Minutes
Utah Supreme Court's Ad Hoc Committee on Regulatory Reform
Legal Tech/AI and Rule 5.4 Meeting Minutes
Friday, October 17, 2025
12:00 – 1:00
Hybrid and In-person

The Committee accepted the minutes from the previous meeting with minor revisions.

The workgroups will begin meeting separately. They discussed logistics and exchanged policy considerations to keep in mind moving forward.

- Market Response vs. Regulation
 - Should the Utah Supreme Court relax Rule 5.4 and let the market sort out good entities from harmful ones?
 - The general consensus is that the market is insufficient to prevent consumer harm. Some regulation is necessary.
 - Additional guardrails should be tailored to address potential concerns with nonlawyer entities (e.g., same standards of professional conduct as lawyers).
 - There is a growing market for technology-based legal services.
 - One of the concerns with Rule 5.4 is that it may limit lawyer participation in this market where lawyer involvement is crucial for this enterprise.
 - One of the reasons for Rule 5.4 is to protect the independence of lawyers from profit-motivated nonlawyers. However, lawyers are just as motivated by profit as nonlawyers.
- Rule 5.4 in other jurisdictions
 - Utah compared to other jurisdictions like Puerto Rico, D.C., and Arizona.
 - Puerto Rico – the only example we have to go off of where they have relaxed 5.4 only for *free legal services*
 - D.C. – relaxed 5.4 restrictions as long as purpose of the entity is primarily to provide is legal services

- Arizona
 - Arizona has a carveout for Alternative Business Structures (ABS). Arizona has a licensure requirement similar to what lawyers already have. There must also be a compliance lawyer.
 - Arizona's removal of 5.4 is permanent.
- Broader implications of the Utah Sandbox
 - The Supreme Court has expressed that the focus of the Sandbox is to increase access to legal services in Utah
 - There are many implications of regulatory reform – one of the biggest being that it may influence how other states approach Rule 5.4.
 - While this isn't our primary focus, this is a relevant issue that we need to keep in mind.
 - One thing to consider is developing a regulatory scheme that can be emulated by other jurisdictions – this opens up opportunities for reciprocity similar to attorney licensure among jurisdictions.
 - There is some skepticism about whether other states will follow. Following a speaking tour on the Utah Sandbox, no other jurisdictions caught on in the same way.

The workgroups agreed that the Rule 5.4 workgroup will meet on the first Friday of each month and the Legal Tech/ AI workgroup will meet on the third Friday of each month.

Tab 2

Current AI/Legal Tech Scope

Artificial Intelligence and Legal Technology	
<ul style="list-style-type: none">• Identify current and emerging trends in legal technology.• Research recommendations from legal regulatory reform experts on how to adapt to advancing technology.• Examine other states' approaches to regulating or carving out legal technology, including how they define the practice of law and deal with multijurisdictional issues.• Draft proposed rule changes, if any.	<ul style="list-style-type: none">• Develop a recommendation:<ol style="list-style-type: none">1. Delineating between legal technology that should and should not be regulated as the practice of law,2. Identifying any additional rules or enforcement mechanisms needed to properly regulate technology-aided legal practice.• Identify whether collaboration with other branches of government or other stakeholders will be needed to implement recommendations.