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**HOUSE BILL NO. 343**

Offered January 14, 2004

Prefiled January 12, 2004

*A BILL to amend and reenact §§ 17.1-278 and 54.1-3916 of the Code of Virginia, relating to legal aid societies.*

Patrons—Kilgore and Phillips

Referred to Committee for Courts of Justice

**Be it enacted by the General Assembly of Virginia:****1. That §§ 17.1-278 and 54.1-3916 of the Code of Virginia are amended and reenacted as follows:**

§ 17.1-278. Additional fees in certain courts; use by Virginia State Bar.

In addition to the fees prescribed by §§ 16.1-69.48:2 and 17.1-275 A 13 and to be collected by the clerk of the circuit or general district court upon the filing of papers for the commencement of civil actions in such courts, the following additional fees shall be collected in all cities and counties in which civil legal representation is provided for the poor, without charge, by a nonprofit legal aid program organized under the auspices of the Virginia State Bar: (i) upon commencement of an action whether at law or in chancery in such circuit court, an additional fee of four dollars and (ii) upon commencement of a civil action in such general district court, an additional fee of four dollars.

The additional fees prescribed by this action shall be collected by the clerk at the time of the filing. The amounts so collected shall be paid by the clerk to the state treasury and credited as follows: (i) three dollars to a special fund within the Virginia State Bar fund to be designated the Legal Aid Services Fund, and (ii) one dollar to the general fund for funding of the district courts of the Commonwealth. Such amount for the district courts shall be used to assist indigent litigants. Such amounts credited to the Legal Aid Services Fund shall be disbursed by the Virginia State Bar by check from the State Treasurer upon a warrant of the Comptroller to nonprofit legal aid programs organized under the auspices of the Virginia State Bar through the Legal Services Corporation of Virginia to assist in defraying the costs of such programs. *No licensed legal aid society in good standing with the Virginia State Bar shall be denied funding from the Legal Aid Services Fund.* However, the additional fees prescribed by this section shall not be collected in actions initiated by any local government or by the Commonwealth.

§ 54.1-3916. Legal aid societies.

A. The Virginia State Bar through its governing body is authorized to promulgate rules and regulations governing the function and operation of legal aid societies to further the objective of providing legal assistance to persons requiring such assistance but unable to pay for it. To the extent that interest is paid by a financial institution on client funds deposited by attorneys or law firms in pooled interest bearing accounts established and maintained under circumstances which do not conflict with § 54.1-3915.1, any interest earned on such accounts shall be paid by the financial institution periodically, but at least quarterly, to the Legal Services Corporation of Virginia. *The funds received by the Legal Services Corporation of Virginia shall be distributed annually to legal aid societies licensed by the Virginia State Bar to carry out the objective of providing legal assistance to persons requiring such assistance but unable to pay for it. No licensed legal aid society in good standing with the Virginia State Bar shall be denied funding from the Legal Aid Services Fund.*

B. The rules and regulations adopted under subsection A may be enforced by the Virginia State Bar, or by the Attorney General if so authorized by the Virginia State Bar.

C. It shall be a Class 1 misdemeanor for any person, firm, corporation or other organization to render legal services as a legal aid society, or for any attorney to render legal services at the instance or request of any such person, firm, corporation or organization unless the person, firm, corporation or organization complies with the rules and regulations adopted under subsection A hereof. In addition to the criminal penalty, an injunction shall lie to prevent any violation of this section or rule or regulation adopted hereunder.

INTRODUCED

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