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**HOUSE BILL NO. 1571**

Offered January 12, 2011

Prefiled January 5, 2011

*A BILL to amend and reenact § 54.1-3916 of the Code of Virginia and to repeal § 54.1-3915.1 of the Code of Virginia, relating to lawyers; client accounts.*

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Patron—Cleaveland

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Referred to Committee for Courts of Justice**Be it enacted by the General Assembly of Virginia:****1. That § 54.1-3916 of the Code of Virginia is amended and reenacted as follows:**

§ 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.

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.

**2. That § 54.1-3915.1 of the Code of Virginia is repealed.**

INTRODUCED

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