

**Department of Planning and Budget**  
**2021 Special Session I Fiscal Impact Statement**

**1. Bill Number:** HB1853ER

<b>House of Origin</b>	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
<b>Second House</b>	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Enrolled

**2. Patron:** Sullivan

**3. Committee:** Passed Both Houses

**4. Title:** Lawyers; client accounts.

**5. Summary:** The bill repeals the provision prohibiting the Supreme Court of Virginia from adopting a disciplinary rule requiring that lawyers deposit client funds in an interest-bearing account.

The bill also establishes that any rule promulgated by the Supreme Court of Virginia requiring attorney participation in the Interest on Lawyers Trust Accounts (IOLTA) program clearly state that an attorney or law firm has no responsibility to remit interest earned to the IOLTA program. All interest earned on IOLTA accounts must be remitted directly to the IOLTA program by the banks holding such accounts.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Final (see #8)

**8. Fiscal Implications:** According to the Office of the Executive Secretary of the Supreme Court (OES) and the Virginia State Bar (VSB), the proposed bill is not expected to have a material fiscal impact on either agency.

**9. Specific Agency or Political Subdivisions Affected:** Courts, Virginia State Bar

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None