

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 567

An Act to amend and reenact § 54.1-3905 of the Code of Virginia, relating to what constitutes the unauthorized practice of law.

[H 898]

Approved April 9, 1994

Be it enacted by the General Assembly of Virginia:

1. That § 54.1-3905 of the Code of Virginia is amended and reenacted as follows:

§ 54.1-3905. Furnishing advice and services for compensation in connection with certain debt-pooling plans deemed practicing law.

The furnishing of advice or services for compensation to a debtor in connection with a debt-pooling plan pursuant to which the debtor deposits funds for the purpose of distributing them among his creditors, except as authorized for nonprofit agencies pursuant to § 6.1-363.1, shall be deemed to be practicing law. Any person or agency not so authorized or who is not a member of the Virginia State Bar who furnishes or offers to furnish such advice or services for compensation shall be *in violation of this section. However, it shall not constitute the practice of law merely to make or undertake to make payments to creditors on behalf of debtors, provided any person or agency that does so does not also negotiate with creditors, undertake to negotiate with creditors, or hold itself out as undertaking to negotiate with creditors on behalf of one or more debtors. Any person who violates this section shall be* guilty of a Class 1 misdemeanor.