

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

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

4 [H 898]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 54.1-3905 of the Code of Virginia is amended and reenacted as follows:**8 § 54.1-3905. Furnishing advice and services for compensation in connection with certain debt-pooling
9 plans deemed practicing law.

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

ENROLLED

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