

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 54.1-3916 of the Code of Virginia and to amend the Code of Virginia*
3 *by adding a section numbered 54.1-3915.1, relating to Legal Aid Societies; interest on lawyer trust*
4 *accounts.*

5 [H 1970]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**

8 **1. That § 54.1-3916 of the Code of Virginia is amended and reenacted and that the Code of**
9 **Virginia is amended by adding a section numbered 54.1-3915.1 as follows:**

10 *§ 54.1-3915.1. Rules regarding client accounts.*

11 *The Supreme Court shall not promulgate any disciplinary rules, rule or regulation requiring that*
12 *attorneys or law firms deposit client funds in interest-bearing accounts, pooled or otherwise, on which*
13 *the interest is required to be paid to any person or entity other than the client. Any disciplinary rule,*
14 *rule or regulation previously promulgated which is inconsistent with this section is void and of no effect.*

15 *§ 54.1-3916. Legal aid societies.*

16 *A. The Virginia State Bar through its governing body is authorized to promulgate rules and*
17 *regulations governing the function and operation of legal aid societies to further the objective of*
18 *providing legal assistance to persons requiring such assistance but unable to pay for it. To the extent that*
19 *interest is paid by a financial institution on client funds deposited by attorneys or law firms in pooled*
20 *interest bearing accounts established and maintained under circumstances which do not conflict with*
21 *§ 54.1-3915.1, any interest earned on such accounts shall be paid by the financial institution*
22 *periodically, but at least quarterly, to the Legal Services Corporation of Virginia.*

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

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

ENROLLED

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