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HOUSE BILL NO. 561

Offered January 12, 2022

Prefiled January 11, 2022

A BILL to amend and reenact §§ 13.1-312, 13.1-1123, 54.1-2717, 54.1-3902, 56-509, and 56-537 of the Code of Virginia and to repeal § 13.1-542, relating to corporations and regulated business entities; not set out and obsolete sections of the Code of Virginia.

Patron—Scott, D.L.

Referred to Committee on Commerce and Energy

Be it enacted by the General Assembly of Virginia:

1. That §§ 13.1-312, 13.1-1123, 54.1-2717, 54.1-3902, 56-509, and 56-537 of the Code of Virginia are amended and reenacted as follows:

§ 13.1-312. Liberal construction of article.

It is the declared policy of ~~this State~~ *the Commonwealth*, as one means of improving the economic position of agriculture, to encourage the organization of producers of agricultural products into effective ~~non-profit co-operative~~ *nonprofit cooperative* associations under the control of such producers, and to that end this Act ~~should~~ *shall* be liberally construed *to accomplish its purposes*.

§ 13.1-1123. Coordination with other provisions of Virginia Code.

For purposes of all sections of this Code other than sections in Chapter 7 (§ ~~13.1-542~~ *13.1-542.1* et seq.) and in this chapter, whenever the term "professional corporation" is used, that term shall be deemed to include a professional limited liability company, and wherever the terms "shareholder," "employee," "officer" or "agent" are used, those terms shall be deemed to include, as appropriate, the terms member, manager, employee, and agent.

§ 54.1-2717. Practice of dentistry by professional business entities.

A. No corporation shall be formed or foreign corporation domesticated in the Commonwealth for the purpose of practicing dentistry other than a professional corporation as permitted by Chapter 7 (§ ~~13.1-542~~ *13.1-542.1* et seq.) of Title 13.1.

B. No limited liability company shall be organized or foreign limited liability company domesticated in the Commonwealth for the purpose of practicing dentistry other than a professional limited liability company as permitted by Chapter 13 (§ 13.1-1100 et seq.) of Title 13.1.

C. Notwithstanding the provisions of subsections A and B, dentists licensed pursuant to this chapter may practice as employees of the dental clinics operated as specified in subsection A of § 54.1-2715.

§ 54.1-3902. Professional corporations; professional limited liability companies; and registered limited liability partnerships.

A. No professional corporation organized or qualifying under the provisions of Chapter 7 (§ ~~13.1-542~~ *13.1-542.1* et seq.) of Title 13.1, professional limited liability company organized or qualifying under the provisions of Chapter 13 (§ 13.1-1100 et seq.) of Title 13.1, or registered limited liability partnership registered under the provisions of Article 9.1 (§ 50-73.132 et seq.) of Chapter 2.2 of Title 50 shall render the professional services of attorneys in this Commonwealth unless the professional corporation, professional limited liability company, or registered limited liability partnership is registered under this section.

B. A professional corporation organized or qualifying under the provisions of Chapter 7 (§ *13.1-542.1* et seq.) of Title 13.1, a professional limited liability company organized or qualifying under the provisions of Chapter 13 (§ *13.1-1100* et seq.) of Title 13.1, or a registered limited liability partnership registered under the provisions of Article 9.1 (§ 50-73.132 et seq.) of Chapter 2.2 of Title 50 shall be issued a professional corporation, a professional limited liability company, or a registered limited liability partnership registration certificate by the Virginia State Bar upon application and payment of a registration fee of \$100, provided that:

1. Each member, manager, partner, employee, or agent of the professional corporation, the professional limited liability company, or the registered limited liability partnership who will practice law in Virginia is an active member of the Virginia State Bar, or otherwise legally authorized to practice law in Virginia, except that nothing herein shall prohibit a nonlicensed individual from serving as secretary, treasurer, office manager, or business manager of any such corporation, limited liability company, or registered limited liability partnership; and

2. The name of the professional corporation, the professional limited liability company, or the registered limited liability partnership and the conduct of its practice conform with the ethical standards which the shareholders, members, managers, partners, employees, and agents are required to observe in

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59 the practice of law or patent law as defined in § 54.1-3901 in this Commonwealth and that, in the case
60 of a corporation, the corporate name complies with subsection A of § 13.1-630; in the case of a limited
61 liability company, the limited liability company name complies with subsection A of § 13.1-1012; and,
62 in the case of a registered limited liability partnership, the registered limited liability partnership name
63 complies with § 50-73.133.

64 C. Professional corporation, professional limited liability company, and registered limited liability
65 partnership registration certificates shall be renewed biennially for a fee of \$50.

66 **§ 56-509. Uninterrupted functioning and operation of essential public utilities.**

67 The continuous, uninterrupted, and proper functioning and operation of public utilities engaged in the
68 business of furnishing water, light, heat, gas, electric power, transportation ~~or~~, communication, or any
69 one or more of them; to the people of Virginia are hereby declared to be essential to ~~their~~ *the public*
70 welfare, health, and safety. It is contrary to the public policy of the ~~State Commonwealth~~ to permit any
71 substantial impairment or suspension of the operation of any such utility, and it is the duty of the
72 ~~Government of the State Commonwealth~~ to exercise all available means and every power at its
73 command to prevent the same so as to protect its citizens from any dangers, perils, calamities, or
74 catastrophes ~~which that~~ would result therefrom. ~~It is further declared that~~ *Further*, such utilities are
75 ~~clothed with a declared to be of vital public interest, and to protect the same as such,~~ it is necessary
76 that impairment or suspension of the operation of any such utility for any reason be prevented to the
77 extent and by the means ~~hereinafter~~ *hereafter* provided.

78 **§ 56-537. Construction of highways and use of public funds in the public interest.**

79 The General Assembly finds that there is a compelling public need for rapid construction of safe and
80 efficient highways for the purpose of travel within the Commonwealth; and that it is in the public
81 interest to encourage construction of additional, safe, convenient, and economic highway facilities by
82 private parties, provided that adequate safeguards are provided against default in the construction and
83 operation obligations of the operators of roadways. The public interest shall include without limitation
84 the relative speed of the construction of the project and the relative cost efficiency of private
85 construction of the project. The General Assembly further finds that the use of public funds for the
86 purposes set out in this section is in the public interest. ~~Accordingly, the General Assembly finds and~~
87 that this chapter is necessary for the public convenience, safety, and welfare.

88 **2. That § 13.1-542 of the Code of Virginia is repealed.**