

LR__ An Act to Provide a Tax Credit for New Attorneys Practicing Civil and Criminal Law in Underserved Areas

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 4 MRSA §1802, sub-§6, as amended by PL 2023, c. 638, §3, is further amended to read:

6. Underserved area. Counties of the State that fall below the United States average established by the Attorney Access Index of the National Center for Access to Justice.

Sec. 2. 4 MRSA §1804, sub-§3, ¶Q is enacted to read:

Q. Identify those areas of the State that are underserved by attorneys as described in section 1802, subsection 6.

Sec. 3. 36 MRSA §5219-CCC is enacted to read:

§5219-CCC. Legal services credit

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Foundation" means the Maine Justice Foundation. "Court" means the Supreme Judicial Court or its designee.

B. "Eligible attorney" means a person admitted to practice law as an attorney pursuant to Title 4, section 805-A who, after January 1, 2027:

(1) First begins practicing law in the State by joining an existing law practice in an underserved area or establishing a new law practice or purchasing an existing law practice in an underserved area;

(2) Is rostered by the Maine Commission on Public Defense Services to accept court appointments to represent clients in an underserved area; and

(3) Agrees to practice law full time for at least 5 years in an underserved area; and

(4) Agrees to perform pro bono legal services in an underserved area.

C. "Underserved area" means an area of the State that is identified as a legal services shortage area by the commission court pursuant to Title 4, section 1802, subsection 6.

2. Credit. For tax years beginning on or after January 1, 2026, an eligible attorney is allowed a credit for each taxable year, not to exceed \$18,000, against the taxes due under this Part. The credit may be claimed in the first year that the eligible attorney meets the conditions of eligibility for at least 6 months and in each of the 4 subsequent years. The credit is not refundable.

3. Review. By February 15, 2028, and annually thereafter, the Foundation court shall submit to the joint standing committee of the Legislature having jurisdiction over judiciary matters a report that analyzes the effectiveness of the credit provided by this section in attracting attorneys to underserved areas and recommending whether the credit should be retained, repealed or amended. The committee may report out legislation related to the report to the Legislature during the session to which the report was submitted.

4. Rules. The Foundation court may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

SUMMARY

This bill establishes the definition of areas underserved by attorneys. It also establishes a tax credit of up to \$18,000 per year for attorneys who agree to begin practicing law in underserved areas of the State, as determined by the Maine Justice Foundation Supreme Judicial Court, for at least 5 years.