



Franklin County, Maine

Honorable Members of the Joint Standing Committee Honorable Members of the Joint Standing Committee on Housing and Economic Development:

We are writing to express our opposition to LD 2124, "An Act to Support Emergency Shelter Funding Using Revenue from the Real Estate Transfer Tax." While the goal of supporting emergency shelters is important, this bill raises several concerns that warrant careful consideration before moving forward.

First, LD 2124 redirects revenue from the Real Estate Transfer Tax (RETT is a funding source already committed to multiple state obligations. Diverting additional RETT revenue risks destabilizing existing programs that rely on this funding stream, including housing initiatives, municipal reimbursements, and other statutory commitments. Any shift in RETT allocations should be evaluated with a full understanding of the downstream fiscal impacts on counties, municipalities, and taxpayers.

Second, the bill creates a temporary funding mechanism for an area of policy that has historically been addressed through the General Fund, federal programs, or targeted appropriations. Establishing a new, earmark without a clear plan or accountability structure may reduce legislative flexibility and limit the state's ability to respond to changing economic conditions.

Let us add, this bill designates where the money will be spent. Unless protected by the Maine Constitution money cannot be dedicated to certain state endeavors. Thus, although well intended, the money could easily be moved to the general fund.

Third, LD 2124 does not provide sufficient detail regarding oversight, distribution formulas, or performance measures for the shelter funding it offers. Before dedicating a new revenue stream, the Legislature should ensure that funds will be allocated transparently, used efficiently, and tied to measurable outcomes that benefit the communities most affected.

120 County Way, Suite 4, Farmington, Maine 04938. (207) 778-6614

Tom Saviello
District #1

Fen Fowler
District #2

Tom Skolfield
District #3

Bob Carlton
District #4

Jeff Gilbert
District #5

Amy Bernard
County Administrator
abernard@franklincountymaine.gov



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Fourth, counties and municipalities are already facing significant financial pressures, including rising public safety costs, infrastructure needs, and statutory obligations. Any change to RETT allocations should be evaluated in the broader context of local government funding stability.

Shifting revenue away from existing commitments risks creating new burdens at the county and municipal level. In Franklin County this bill could reduce the County revenue by over \$20,000.

For these reasons, I respectfully urge the Committee to vote Ought Not to Pass on LD 2124 or, at minimum, to table the bill until a full fiscal analysis and impact assessment can be completed.

Thank you for your attention and for your service to the people of Maine.

Sincerely,

A handwritten signature in black ink that reads "Bob Carlton" followed by "Chair".

Franklin County Commissioners

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