

COUNTY ADMINISTRATOR LETTER

Maine counties are at a breaking point. For five years, the state has **frozen jail funding at \$20.4 million**, even as the actual costs of mandatory medical care, mental health services, and labor have skyrocketed. Today, this stagnant state allocation covers only **14–15%** of our operational costs, leaving local property taxpayers to shoulder the remaining 85%.

Now, **LD 2124** threatens to worsen this crisis by stripping away a critical non-property tax revenue source. By reducing the share of the **Real Estate Transfer Tax** that counties retain, the state is effectively defunding the **Registry of Deeds**. This revenue currently offsets the tax burden for every homeowner in our municipalities.

Losing this funding in the 2026 budget—potentially totaling **\$4 million statewide**—creates a "double whammy" for our residents. We are being forced to manage multimillion-dollar jail deficits with one hand while the state pulls away the tools we use to stabilize property taxes with the other.

The result is unavoidable: **higher property taxes**. Several counties have already exhausted their reserves just to keep the doors open. We urge the Legislature to **Vote NO on LD 2124** and instead support the \$8 million funding increase necessary to sustain our essential county services.