



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-839

January 06, 2026

Introduced: 11/14/2025

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

a. Approve a resolution amending Article XIII, Section III of the Monterey County Master Fee Resolution, effective January 1, 2026, authorizing a \$1 increase in the Real Estate Fraud Prosecution Trust Fund Recording Fee from \$9 to \$10 per recorded document, on all documents identified in Government Code section 27388, as that section may be amended, for which the Real Estate Fraud Prosecution Trust Fund fee may apply, to support the investigation and prosecution of real estate fraud by the District Attorney's Office.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve a resolution amending Article XIII, Section III of the Monterey County Master Fee Resolution, effective January 1, 2026, authorizing a \$1 increase in the Real Estate Fraud Prosecution Trust Fund Recording Fee from \$9 to \$10 per recorded document, on all documents identified in Government Code section 27388, as that section may be amended, for which the Real Estate Fraud Prosecution Trust Fund fee may apply, to support the investigation and prosecution of real estate fraud by the District Attorney's Office.

SUMMARY:

The District Attorney's Office is requesting a \$1 increase in the real estate fraud recording fee, from \$9 to \$10 per recorded document, pursuant to Government Code section 27388. This adjustment will help to secure needed funding for the dedicated resources that support the investigation and prosecution of real estate fraud, enabling the Office to address the complexity and volume of cases, protect vulnerable homeowners, and mitigate the broader economic and community impacts of fraudulent real estate activity.

DISCUSSION:

Effective January 1, 2013, Senate Bill 1342 amended Government Code section 27388 to authorize county boards of supervisors to impose an increased fee of up to \$10 for recording certain real estate instruments. The purpose of this fee is to fund the Real Estate Fraud Prosecution Trust Fund ("Trust"), which may be used by the District Attorney's Office to deter, investigate, and prosecute real estate fraud. Monterey County established its current fee of \$9 when the Board of Supervisors approved and adopted Resolution No. 13-0806 on August 5, 2013. Given the rising costs associated with enforcement, a \$1 increase is now warranted to ensure adequate funding for the investigation and prosecution of real estate fraud cases.

Under the provisions of Government Code section 27388, 90 percent of the funds in the Trust Fund are distributed to the District Attorney's Office, after the County Recorder deducts a 10 percent administrative fee.

The Real Estate Fraud Program investigates and prosecutes cases involving forged deeds, foreclosure rescue scams, mortgage fraud, and rental scams. These crimes disproportionately affect vulnerable populations, including seniors, military service members, and agricultural workers, and often result in significant financial losses, loss of housing, and neighborhood blight. Between 2014 and the third quarter of 2025, the District Attorney's Office has investigated more than 300 real estate fraud cases, filed charges in 20 cases, and worked in collaboration with state and federal law enforcement agencies to pursue justice for victims.

Fraudulent property transactions can interfere with legitimate ownership records, increase transaction costs, and erode confidence in the real estate market. The Trust provides critical funding for the investigators and prosecutors who handle these complex and resource-intensive cases. Without sufficient funding, the District Attorney's Office must limit investigations, potentially leaving victims without recourse and allowing fraudulent activity to continue unchecked.

The proposed fee increase will maintain and strengthen the County's ability to combat real estate fraud through sustained enforcement, education, and collaboration with partner agencies. Additional details and supporting data are provided in Attachment A, "Memorandum Supporting Request to Collect Increased Fees for Real Estate Instruments Filed with County Recorder's Office."

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

County Counsel has approved the resolution as to legal form. The CAO Budget Office and the Assessor County Clerk Recorder have reviewed the resolution.

FINANCING:

The collection of fees authorized under this Resolution is anticipated to increase the revenue for the District Attorney and County Clerk-Recorder's Budgets, which are County General Fund budgets, but will still not reflect recovery of 100% of the costs associated with the related activities and reflect no more than the actual costs of the services provided. The recommended changes will result in less of a dependence on a General Fund subsidy and are being collected across the board from those who are actually receiving the services. By definition, these charges are not a 'tax' and are exempt from voter approval pursuant to Article XIII C section 1(e)(1)-(2) of the California Constitution (Prop. 26: charge imposed for specific benefit conferred/privilege/service or product provided or granted to the payor).

Under Government Code section 27388, 90 percent of the revenue collected from real estate recording fees is distributed to the District Attorney's Office through the Real Estate Fraud Prosecution Trust Fund, after the County Recorder deducts a 10 percent administrative fee.

Over the past several years, Trust revenues have varied. Last year, Trust revenues did not keep pace with expenditures required to sustain the Real Estate Fraud Program.

In fiscal year 2024-25, the District Attorney's Office incurred expenditures of \$561,782 on real estate fraud cases, and only received fees of \$252,939 along with \$167,837 that remained in the Trust from the prior year. Thus, the County and District Attorney's Office incurred a deficit of \$141,006 in prosecuting these cases. The District Attorney's Office anticipates similar expenditures in fiscal year 2025-26. Increasing the fees will help address that deficit. The result of this fee increase would be an annualized additional funding of approximately \$27,000 to the District Attorney's Office to support the efforts of the Real Estate Fraud Unit.

The proposed \$1 increase, from \$9 to \$10 per recorded document, will strengthen the District Attorney's ability to maintain dedicated staffing and resources for the Real Estate Fraud Program.

Additional revenue and expenditure data are provided in Attachment A.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

Increasing Public Safety through more efficient utilization of resources.

Mark a check to the related Board of Supervisors Strategic Plan Goals:

- ☐ Well-Being and Quality of Life
- ☐ Sustainable Infrastructure for the Present and Future
- ☒ Safe and Resilient Communities
- ☐ Diverse and Thriving Economy
- ☐ Dynamic Organization and Employer of Choice

If does not fall under any of the above Board of Supervisors Strategic Plan Goals (Other):

☐ Administrative

Link to the Strategic Plan:

<https://www.countyofmonterey.gov/home/showdocument?id=139569>

Prepared by: Emily Hickok, Chief Deputy District Attorney, Ext. 7710

Approved by: Jeannine M. Pacioni, District Attorney, Ext. 5470

Attachments:

- a. Attachment A - Memorandum Supporting Request to Collect Increased Fees for Real Estate Instruments Filed with County Recorder's Office
- b. Attachment B - Proposed Article XIII 2026 (clean version)
- c. Attachment C - Proposed Article XIII 2026 (strike-through version)
- d. Attachment D - Board Resolution

