



NATHAN J. HOCHMAN
LOS ANGELES COUNTY DISTRICT ATTORNEY

HALL OF JUSTICE
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April 28, 2026

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPT A RESOLUTION AUTHORIZING A FEE INCREASE FOR RECORDING REAL ESTATE INSTRUMENTS WITHIN THE COUNTY TO FUND THE REAL ESTATE FRAUD INVESTIGATION AND PROSECUTION PROGRAM (ALL DISTRICTS) (3-VOTES)

SUBJECT

Resolution authorizing an increase to the recording fee from five dollars (\$5) to ten dollars (\$10) to fully fund the Real Estate Fraud Investigation and Prosecution Program pursuant to Government Code section 27388.

IT IS RECOMMENDED THAT THE BOARD, AFTER THE PUBLIC HEARING:

Adopt the enclosed resolution to authorize an increase to the fee for recording any real estate instrument, paper, or notice, from five dollars (\$5) to ten dollars (\$10), with the funds to be placed in the Real Estate Fraud Prosecution Trust Fund. These funds shall be used for the exclusive purpose of deterring, investigating, and prosecuting real estate fraud crimes pursuant to section 27388 of the Government Code.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On January 11, 1996, the Board of Supervisors (Board) adopted a resolution to implement a program for the enhanced investigation and prosecution of real estate fraud, especially crimes against low income and unsophisticated victims. Funding for this program, as authorized by Government Code section 27388, was provided by a two-dollar (\$2) fee to be paid at the time any real estate instrument, paper, or notice required or permitted by law, was recorded within Los Angeles County.

On September 27, 2008, Governor Schwarzenegger signed Senate Bill 1396, which increased the allowable fee under Government Code section 27388 to three dollars (\$3) effective January 1, 2009. On March 24, 2009, the Board adopted a resolution authorizing a real estate recording fee increase from two dollars (\$2) to three dollars (\$3) to continue financing the deterrence, investigation, and prosecution of real estate fraud crimes in accordance with Government Code section 27388.

On July 13, 2012, Governor Brown signed Senate Bill 1342, which increases the allowable real estate recording fee under Government Code section 27388 from three dollars (\$3) to ten dollars (\$10), effective January 1, 2013. Upon resolution by the Board, the County could increase the recording fee from three dollars (\$3) to a maximum of ten dollars (\$10) for the recording of real estate instruments as defined by Government Code section 27388.

On November 28, 2017, upon request by the District Attorney's Office, the Board adopted a resolution authorizing a real estate recording fee increase from three dollars (\$3) to five dollars (\$5) to continue financing the deterrence, investigation, and prosecution of real estate fraud crimes in accordance with Government Code section 27388.

Real estate fraud remains a major problem in this country. Since the 2017 increase, the revenues generated by the recording fee have remained relatively stable while the program costs associated with the deterrence, enhanced investigation, and prosecution of real estate fraud have continued to increase. Under the five-dollar (\$5) fee, the prosecution and investigation efforts of the District Attorney, the Sheriff's Department, and other County law enforcement agencies are significantly underfunded.

Increasing the fee from five dollars (\$5) to ten dollars (\$10) will provide sufficient funds to offset the cost of the deterrence, enhanced investigation, and prosecution efforts of the District Attorney's Office, the Sheriff's Department, and other County law enforcement agencies.

The Auditor-Controller has reviewed the proposed fee increase from five dollars (\$5) to ten dollars (\$10) and has determined that the increased fees will not exceed the cost of the District Attorney's program for the enhanced investigation and prosecution of real estate fraud. Additionally, over time, program expenditures, including personnel costs, are anticipated to scale with enforcement activity.

Furthermore, based upon the historic expenditures of the participating law enforcement agencies, the funds generated by the increased fees will not exceed the actual law enforcement costs associated with deterring, investigating, and prosecuting real estate fraud crimes pursuant to Government Code section 27388.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Strategy III.3 - Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability; Objective III.3.1 Maximize Revenue: Implement a process to systematically leverage resources to help fund County initiatives, by providing the necessary funds to prosecute those responsible for crimes involving real estate fraud.

FISCAL IMPACT/FINANCING

The real estate recording fees received by the County are deposited in the Real Estate Fraud Prosecution Trust Fund to finance the deterrence, enhanced investigation, and prosecution of real estate fraud crimes in accordance with Government Code section 27388. The Registrar-Recorder's Office receives 10 percent of the total fees to compensate for administrative costs. The remaining

funds are divided between the District Attorney's Office (60 percent) and various County law enforcement agencies (40 percent), including the Sheriff's Department, the Los Angeles Police Department, and many smaller agencies.

In Fiscal Year 2024-25, the revenues generated by the five-dollar (\$5) fee fell short of fully funding the District Attorney's program by more than \$2,500,000. That year, the deterrent and enhanced investigative efforts of local law enforcement agencies were underfunded by more than \$3,600,000, based upon the requests contained in their annual application for funding. Increasing the fee to ten dollars (\$10) will improve cost recovery for the District Attorney's efforts and provide much needed financial resources to the local law enforcement agencies. The funds generated by the increased fees are not projected to exceed the actual costs of the prosecution or law enforcement efforts to combat real estate fraud.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Prior to adopting an ordinance, resolution, or other legislative enactment adopting a new fee or approving an increase in an existing fee, Government Code section 66018 requires a local agency to hold a public hearing, at which oral or written presentations can be made. The Board of Supervisors' Executive Office, in accordance with Government Code section 6062, subdivision (a), published an official notice of the time and place of said meeting, including a general explanation of the fee to be established or revised. Pursuant to Government Code section 27388, the County may resolve to impose a fee of ten dollars (\$10), to be paid at the time of recording every real estate instrument, paper, or notice required or permitted by law to be recorded within that county, except those expressly exempted from payment or recording fees.

This Board Letter and Resolution have been reviewed and approved by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action does not propose attorney staff augmentation. Therefore, the District Attorney's Office is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Public Defender, and Sheriff's Departments.

CONCLUSION

It is requested that the Executive Officer-Clerk of the Board of Supervisors return two copies of the adopted Board Letter and Resolution to Mr. Godfrey Gozos, Budget and Fiscal Services Division, District Attorney's Office, 211 West Temple Street, Suite 200, Los Angeles, California 90012. Any questions may be directed to Mr. Gozos at (213) 257-2832 or at GodfreyGozos@da.lacounty.gov.

The Honorable Board of Supervisors

4/28/2026

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Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Nathan J. Hochman". The signature is fluid and cursive, with a prominent initial "N".

NATHAN J. HOCHMAN

District Attorney

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Enclosures

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel
Auditor-Controller

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO AUTHORIZE AN INCREASE TO THE FEE FOR RECORDING REAL ESTATE INSTRUMENTS FROM FIVE DOLLARS (\$5) TO TEN DOLLARS (\$10) IN ACCORDANCE WITH GOVERNMENT CODE SECTION 27388 AND FOR THE CONTINUATION OF THE REAL ESTATE FRAUD INVESTIGATION AND PROSECUTION PROGRAM

WHEREAS, Government Code Section 27388 ("§ 27388") provided that counties may, upon resolution, authorize a fee for recording any real estate instrument, paper, or notice required or permitted by law to be recorded within that county, except those expressly exempted from payment of recording fees so as to provide additional funds for the District Attorney and law enforcement to deter, investigate, and prosecute real estate fraud crimes; and

WHEREAS, on January 11, 1996, this Board adopted a resolution authorizing an enhanced real estate fraud investigation and prosecution program to protect unsophisticated victims facing the loss of their homes, funded by a two-dollar (\$2) fee for recording real estate instruments to finance the investigation and prosecution of real estate fraud crimes in accordance with § 27388; and

WHEREAS, § 27388 was amended on September 27, 2008, to allow counties, beginning on January 12, 2009, to increase the fee to three dollars (\$3); and

WHEREAS, on March 24, 2009, this Board adopted a resolution authorizing an increase from a two-dollar (\$2) fee to a three-dollar (\$3) fee for recording real estate instruments to finance the investigation and prosecution of real estate fraud crimes in accordance with § 27388; and

WHEREAS, § 27388 was further amended on July 13, 2012, to allow counties, beginning on January 1, 2013, to increase the fee to ten dollars (\$10); and

WHEREAS, on November 28, 2017, upon request by the District Attorney's Office, this Board adopted a resolution authorizing an increase from a three-dollar (\$3) fee to a five-dollar (\$5) fee for recording real estate instruments to finance the investigation and prosecution of real estate fraud crimes in accordance with § 27388; and

WHEREAS, the County of Los Angeles is in continued need of a program to reduce the victimization of the elderly, poor, and uneducated residents who are unsophisticated in the complexities of property law; and

WHEREAS, the intent of this program is to impact real estate fraud involving the largest number of victims, emphasizing individuals whose residences are in danger of, or are in foreclosure; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles that:

The Registrar-Recorder shall impose a ten-dollar (\$10) fee at the time of the recording of every real estate instrument, paper, or notice recorded in Los Angeles County as defined in § 27388, except those expressly exempted from payment of recording fees. The funds shall continue to be placed in the Real Estate Fraud Prosecution Trust Fund Committee. These funds are to be used for the exclusive purpose of deterring, investigating, and prosecuting real estate fraud crimes. The foregoing resolution was on the ____ day of April 2026, adopted by the Board of Supervisors of the County of Los Angeles.

EDWARD YEN
Executive Officer-Clerk of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM
COUNTY COUNSEL

DAWYN R. HARRISON

By *Don Nghiem*
Don Nghiem
Deputy County Counsel