Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

BOARD OF SUPERVISORS AGENDA LETTER

Department Name:
District Attorney
Department Number:
021
Agenda Date:
August 18, 2026
Placement:
Administrative Agenda

Estimated Time:
<Insert Time>
Continued Item:
No
If Yes, date from:
<Insert Date>
Vote Required:
Majority

TO: Board of Supervisors

FROM: Department Director: John T. Savrnoch, District Attorney

CONTACT: Michael Soderman, Chief Financial & Administrative Officer

SUBJECT: **Real Estate Fraud Prosecution Program Fiscal Year 2025-2026 Annual Report**

Concurrences:

County Counsel Concurrence:
As to form: N/A

Auditor-Controller Concurrence:
As to form: N/A

Other Concurrence:
As to form: N/A

Recommended Actions:
That the Board of Supervisors:

a) Receive and file the Real Estate Fraud Prosecution Program Fiscal Year 2025-2026 Annual Report; and

b) Determine that the above recommended actions are not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4) because they consist of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

This item is before the Board to highlight the success of the District Attorney's Real Estate Fraud (REF) Prosecution Program in Fiscal Year 2025–2026. Pursuant to California Government Code section 27388(d), counties that participate in the Real Estate Fraud Prosecution Trust Fund program are required to submit an annual report to the Board of Supervisors on or before September 1 of each year. This report fulfills that statutory requirement while demonstrating the REF program's continued success in deterring and prosecuting real estate fraud. In addition to program accomplishments, this item includes a summary of the program's financial activity for the fiscal year.

Discussion:

In August 2007, the Board of Supervisors authorized the District Attorney's Office to implement the provisions of California Government Code section 27388, which established a recording fee to fund a REF Prosecution Program to deter, investigate, and prosecute real estate fraud crimes. The goal of the REF program is to reduce the victimization of vulnerable residents who are less knowledgeable about the complexities of real estate transactions. Pursuant to this code, the District Attorney's Office has prepared the Fiscal Year 2025-2026 Annual Report (Attachment A) of the REF program's case activities and statistics.

Background:

In September 2007, the County Clerk-Recorder-Assessor began collecting a Board-approved $2 recording fee when certain real estate instruments, paper, or notices were recorded. The Clerk-Recorder-Assessor retains 10% of the funds collected for administrative costs. The remaining balance is utilized by the District Attorney's Office to fund salary and benefit costs dedicated to the investigation and prosecution of real estate fraud. In 2009, Senate Bill 1396 amended Section 27388 to authorize a fee increase from $2 to $3, and also expanded the definition of "real estate instrument" documents for purposes of fee collection. The Board subsequently approved a fee increase from $2 to $3 in 2010.

In 2012, the California State Legislature determined that the statutory fee allotment of $3 was inadequate. Senate Bill 1342 was approved in 2012 to amend section 27388 to authorize a fee of up to $10 for the recording of real estate instruments, to provide a consistent source of funding for an effective law enforcement response to the real estate fraud epidemic in California. The legislation also further expanded the list of "real estate instruments" that are subject to the fee. In 2013, the Board approved a fee increase from $3 to $10 to expand the investigation and prosecution of real estate fraud crime. The REF program now funds 1.0 FTE Deputy District Attorney and 0.70 FTE of District Attorney Investigator time.

Performance Measure:

In addition to the REF program statistics provided in Attachment A, the District Attorney's REF Unit reported the following metrics for Fiscal Year 2025-2026:

- **Community Outreach/Training**: 8 events
- **Restitution/Recovery**: Over $400,000

Fiscal and Facilities Impacts:

In Fiscal Year 2025-2026, the total cost to administer the District Attorney's REF Prosecution Program was $256,057. This included salaries and benefits for an existing Deputy District Attorney and a portion of existing District Attorney Investigators time, as well as operating expenses for legal reference materials and expert case review.

Revenue to support the REF program is provided by document fees collected throughout the fiscal year. Total document fees collected by the District Attorney's Office during Fiscal Year 2025-2026 totaled $256,057.

The District Attorney's Real Estate Fraud fund balance is $452,322 as of June 30, 2026. Fund balances are designated for use in future years to offset the costs of program staff who will deter, investigate, and prosecute real estate fraud crimes. The District Attorney's Office plans to use available restricted fund balance to help cover costs of the Real Estate Fraud Prosecution Program through Fiscal Year 2027-2028. However, if revenues do not improve by Fiscal Year 2027-2028, then the Office may need to propose service level reductions in Fiscal Year 2028-2029.

Fiscal Analysis:

Funding Source	FY 2025-2026	Total
Prop 172		
State		
Federal		
Fees	$256,057	$256,057
Real Estate Fund Balance		
Total	**$256,057**	**$256,057**

Staffing Impacts:

N/A

Special Instructions:

Please email a copy of the minute order to John DeAlba, DA Department Business Specialist.

Attachments:

Attachment A – Real Estate Fraud Prosecution Program Fiscal Year 2025-26 Annual Report

Contact Information:

John DeAlba
Department Business Specialist
jodealba@countyofsb.org