SENATE BILL 2
Building Homes & Jobs Act

Government Code section 27388.1
Approved by the Governor and Filed with
the Secretary of State September 29, 2017
Effective January 1, 2018
Senate Bill 2
Building Homes & Jobs Act
Government Code section 27388.1

- **Government Code section 27388.1**
- (a) (1) Commencing January 1, 2018, and except as provided in paragraph (2), in addition to any other recording fees specified in this code, a fee of seventy-five dollars ($75) shall be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel of real property. The fee imposed by this section shall not exceed two hundred twenty-five dollars ($225). “Real estate instrument, paper, or notice” means a document relating to real property, including, but not limited to, the following: deed, grant deed, trustee’s deed, deed of trust, reconveyance, quit claim deed, fictitious deed of trust, assignment of deed of trust, request for notice of default, abstract of judgment, subordination agreement, declaration of homestead, abandonment of homestead, notice of default, release or discharge, easement, notice of trustee sale, notice of completion, UCC financing statement, mechanic’s lien, maps, and covenants, conditions, and restrictions.
- (2) The fee described in paragraph (1) shall not be imposed on any real estate instrument, paper, or notice recorded in connection with a transfer subject to the imposition of a documentary transfer tax as defined in Section 11911 of the Revenue and Taxation Code or on any real estate instrument, paper, or notice recorded in connection with a transfer of real property that is a residential dwelling to an owner-occupier.
## Senate Bill 2
### Building Homes & Jobs Act
#### Government Code section 27388.1

<table>
<thead>
<tr>
<th>DOCUMENTS W/ Exemption</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 document w/ 1 title = $0 Housing Fee</td>
<td>All documents which have a self-claimed Housing Fee exemption stated on the face of the document will be accepted as exempt and, NO Housing fee will be assessed; Similarly, NO Housing Fee shall be assessed on statutorily exempt documents.</td>
</tr>
<tr>
<td>No DTT</td>
<td></td>
</tr>
<tr>
<td>TOTAL HOUSING FEE = $0</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>INDIVIDUAL &amp; CONCURRENT DOCUMENTS - DTT PAID</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>1 document w/ 1 title = $0 Housing Fee DTT Paid</td>
<td>Any document with paid DTT is exempt and NO Housing Fee will be assessed.</td>
</tr>
<tr>
<td>TOTAL HOUSING FEE = $0</td>
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<table>
<thead>
<tr>
<th>INDIVIDUAL DOCUMENTS - NO DTT</th>
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<tbody>
<tr>
<td>1 document w/ 1 title = $75 Housing Fee</td>
<td>$75 Housing Fee for each title w/ NO exemption</td>
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<tr>
<td>No DTT</td>
<td></td>
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<tr>
<td>TOTAL HOUSING FEE = $75</td>
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<table>
<thead>
<tr>
<th>INDIVIDUAL DOCUMENTS - NO DTT</th>
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</thead>
<tbody>
<tr>
<td>1 document w/ 2 titles = $150 Housing Fee</td>
<td>$75 Housing Fee for each title w/ NO exemption (75 x 2 = $150)</td>
</tr>
<tr>
<td>No DTT</td>
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<tr>
<td>TOTAL HOUSING FEE = $150</td>
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<table>
<thead>
<tr>
<th>INDIVIDUAL DOCUMENTS - NO DTT</th>
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<tbody>
<tr>
<td>1 document w/ 4 titles = $225</td>
<td>$75 Housing Fee for each title w/ NO exemption (75 x 3 = $225) The Housing Fee cannot be assessed on the remaining title because the statutory cap is reached at $225 [remaining docs/titles must have exemption cap declaration]</td>
</tr>
<tr>
<td>No DTT</td>
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<td>TOTAL HOUSING FEE = $225</td>
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</table>

<table>
<thead>
<tr>
<th>CONCURRENT DOCUMENTS</th>
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</thead>
<tbody>
<tr>
<td>3 documents, 3 titles = $225 Housing Fee</td>
<td>$75 Housing Fee for each title w/NO exemption (75 x 3 = $225)</td>
</tr>
<tr>
<td>No DTT</td>
<td></td>
</tr>
<tr>
<td>TOTAL HOUSING FEE = $225</td>
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</table>

<table>
<thead>
<tr>
<th>CONCURRENT DOCUMENTS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4 documents, 5 titles = $225 Housing Fee</td>
<td>$75 Housing Fee for each title w/ NO exemption (75 x 3 = $225) The Housing Fee cannot be assessed on remaining 2 titles because the statutory cap is reached at 3 tiles [remaining docs/titles must have exemption cap declaration]</td>
</tr>
<tr>
<td>No DTT</td>
<td></td>
</tr>
<tr>
<td>TOTAL HOUSING FEE = $225</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>No CAP – Unrelated Documents</th>
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<tbody>
<tr>
<td>5 documents—1 title each</td>
<td>Because these documents are unrelated, each will be charged the $75 Housing Fee, i.e. 5 lien releases mailed in together with 5 different names (75 x 5 = $375)</td>
</tr>
<tr>
<td>No DTT, non-related, but sent in together</td>
<td></td>
</tr>
<tr>
<td>TOTAL HOUSING FEE = $75.00 x 5 = $375.00</td>
<td></td>
</tr>
</tbody>
</table>
MEMORANDUM

Date: November 27, 2017
To: All Recording Customers
From: Alicia R. Sotelo
Assistant County Clerk/Recorder
Re: Government Code section 27388.1 – Building Homes & Jobs Act Fee (SB-2)
Signed by the Governor and filed with the Secretary of State September 29, 2017,
Effective January 1, 2018

Effective January 1, 2018, in order to fund the State’s Affordable Housing & Jobs Act (SB-2), Government Code section 27388.1 requires that documents accepted for recording at the Monterey County Recorder’s Office be charged an additional seventy-five dollars ($75) fee as follows:

“...a fee of seventy-five dollars ($75) shall be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel of real property. The fee imposed by this section shall not exceed two hundred twenty-five dollars ($225)...”

Only an expressly limited number of statutory exemptions exist regarding the collection of this fee. When an exemption is applicable, a valid declaration of exemption must be placed on the face of each document prior to depositing with the Recorder, otherwise the fee will be assessed and collected. Following are samples of applicable statutory exemptions to be used on the first page of each document:

1. A Documentary Transfer Tax (DTT) Declaration stating that the transfer is subject to payment of the DTT including the amount of DTT due and to be paid at the time of recording; and/or
2. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently “in connection with” a transfer subject to the imposition of DTT; or
3. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently “in connection with” a transfer of real property that is a residential dwelling to an owner-occupier; or
4. Exempt from fee per GC sec 27388.1(a)(1); fee cap of $225 reached, or
5. Exempt from fee per GC sec 27388.1(a)(1); not related to real property

Failure to include a specified statutory exemption reason will result in the imposition of the $75 Building Homes and Jobs Act fee. Fees are collected on behalf of the State and are deposited with the State for funding of the State program. The County Recorder only collects the fee on behalf of the State.
Senate Bill 2
Building Homes & Jobs Act
Government Code section 27388.1

- Frequently Asked Questions Concerning Senate Bill 2 (SB2)
- Building Homes and Jobs Act $75 Recording Fee
- (CLTA) – TITLE INDUSTRY

• Q1: What is the new Affordable Housing Recording Fee?
  • A: The new fee is an additional charge passed by the legislature and signed by the governor to fund Affordable Housing. The fee is assessed at the time documents are recorded into the public record with the county recorder’s office.

• Q2: Does the new Recording Fee replace previous charges for recording?
  • A: No, the new Recording Fee is charged in addition to previous recording charges collected by county recorders.

• Q3: When does the new recording fee become due?
  • A: Effective January 1, 2018, the recording fee becomes due at the time an instrument, paper or notice is recorded with the county recorder’s office that is not otherwise exempt.

• Q4: Is the Affordable Housing Recording Fee charged on all documents presented for recording?
  • A: No, the Affordable Housing Recording Fee is charged on real estate instruments, papers or notices permitted by law to be recorded unless otherwise exempt.

• Q5: What is considered a “real estate instrument, paper or notice”?
  • A: The new legislation defines this as a document relating to real property and includes, but is not limited to the following as examples: deed, grant deed, trustee’s deed, deed of trust, reconveyance, quit claim deed, fictitious deed of trust, assignment of deed of trust, request for notice of default, abstract of judgment, subordination agreement, declaration of homestead, abandonment of homestead, notice of default, release or discharge, easement, notice of trustee sale, notice of completion, UCC financing statement, mechanic’s lien, maps, and covenants conditions and restrictions.
Senate Bill 2
Building Homes & Jobs Act
Government Code section 27388.1

- Q6: What is the amount of the assessment?
  A: The additional fee is $75.00 per instrument, paper or notice per each single transaction per parcel of real property.

- Q7: What is considered a “Single Transaction”?
  A: The Recorders has defined transaction as “A transaction refers to instruments, paper or notice presented together and related to the same parties and property transfer (DRIM).

- Q8: Is there a maximum aggregate housing fee charge per transaction?
  A: Yes. The maximum aggregate housing fee charge for real estate instrument, paper or notice recorded in a single transaction is $225.00.

- Q9: Are any real estate instruments exempt from the Affordable Housing Recording Fee?
  A: Yes. The following real estate instruments, papers or notices are exempt from the additional Recording Fee:
    - Those transfers subject to and paying DTT at the time of recording
    - Those recorded in connection with a transfer subject to a documentary transfer tax; or
    - Those recorded in connection with a transfer of real property that is a residential dwelling to an owner-occupier.
    - Those which are not related to real property

- Q10: What is considered a “Parcel of Real Property”?
  A: A parcel is defined, for the purposes of interpretation of new Government Code Section 27388.1, as “a piece of land of any size that is in one ownership.” Thus, recorders are expected to treat a parcel as a transaction that is if there are 3 parcels in one single document subject to the additional fee, it would be $75, not $225 (1 title document). However, if there were 3 titles in 1 single document the fee would apply per title.
Senator Bill 2
Building Homes & Jobs Act
Government Code section 27388.1

Q11: How will a county recorder determine that the maximum has been paid, such that additional instruments recorded in connection with a single transaction are not charged an additional recording fee?

A: After the maximum Affordable Housing Recording Fee of $225 has been met, the document submitter will need to note the valid exemption reason. Following: Sample exemption list and memo from the Recorders Association is forthcoming.

Q12: What real estate instruments, papers or notices will be considered recorded “in connection with” a transfer subject to the imposition of documentary transfer tax?

A: The instrument with documentary transfer tax stamped and paid on it is self-evident, and requires no additional stamp.

- “In connection with” will be interpreted to mean documents involving the same parties and/or same property that are recorded concurrently. Documents recorded concurrently will have to include an exemption indicating they are part of an exempt transaction. Sample exemption list and memo from the Recorders Association is forthcoming.

Q13: What real estate instruments, papers or notices will be considered recorded “in connection with” a transfer of real property that is a residential dwelling to an owner-occupier?

A: All instruments necessary to transfer ownership, relinquish debt and secure new debt recorded in a single transaction will be considered to be in connection with an exempt transfer, if an exemption is declared and presented with the document.
• Q14: For a real estate instrument paper or notice to be considered recorded "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier, must such document(s) be recorded concurrently with the document transferring a residential dwelling to an owner-occupier?

• A: "In connection with" will be interpreted to mean documents involving the same parties and/or same property that are recorded concurrently. Documents recorded concurrently will an exemption declared, indicating they are part of an exempt transaction. Sample exemption list and memo from the Recorders Association is forthcoming.

• Q15: How are documents with multiple titles going to be charged Affordable Housing Recording Fees?

• A: Documents with multiple titles will be charged per title. (e.g. (1) Substitution of Trustee and Full Reconveyance. The charge would be $75 x 2 titles = $150. (2) Assignment, Substitution of Trustee, Reconveyance Agreement (4 titles) would be charged the maximum $225.)

• Q16: If recording a subdivision map describing multiple lots in a subdivision, is an Affordable Housing Recording Fee due equal to (a) the number of lots in the subdivision times $75, limited by the maximum assessment or (b) the number of lots in the subdivision times $75?

• A: One $75 fee would be charged for a single transaction regardless of the number of parcels.
Senate Bill 2
Building Homes & Jobs Act
Government Code section 27388.1

• Q17: If, in addition to a subdivision map, a person simultaneously presents covenants conditions and restrictions (CCRs) on the same property, is an additional Affordable Housing Recording Fee due equal to the number of lots in the subdivision times $75, limited by the Recording Fee maximum?

• A: An additional $75 Affordable Housing Recording Fee would be due to record the CCRs.

• Q18: Are documents re-recorded for reasons such as correcting a name or attaching a legal description subject to an Affordable Housing Recording Fee charge?

• A: Yes, previously recorded documents being re-recorded to correct a previous omission or error are subject to an Affordable Housing Recording Fee charge. Minor corrections pursuant to 27201 (B) and (C) are exempt.

• Q19: Are reconveyance and release documents recorded to release encumbrances paid prior to January 1st, 2018 subject to the Affordable Housing Recording Fee charge?

• A: Yes, documents recorded after January 1st, 2018 related to transactions closed prior to that date will be charged the $75 Affordable Housing Recording Fee, regardless if the overall transaction was otherwise exempt. The fee applies to all documents submitted on or after January 1, 2018.
Date: November 27, 2017

To: All Recording Customers

From: Alicia R. Sotelo
Assistant County Clerk/Recorder

Re: Government Code section 27388.1 — Building Homes & Jobs Act Fee (SB-2)
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2. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently “in connection with” a transfer subject to the imposition of DTT; or
3. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently “in connection with” a transfer of real property that is a residential dwelling to an owner-occupier; or
4. Exempt from fee per GC sec 27388.1(a)(1); fee cap of $225 reached; or
5. Exempt from fee per GC sec 27388.1(a)(1); not related to real property.

Failure to include a specified statutory exemption reason will result in the imposition of the $75 Building Homes and Jobs Act fee. Fees are collected on behalf of the State and are deposited with the State for funding of the State program. The County Recorder only collects the fee on behalf of the State.
EFFECTIVE JANUARY, 1 2018

MONTEREY COUNTY Recorder Fee Schedule

***NEW FEE ADVISORY***

Pursuant to California Government Code 27388.1, (Senate Bill 2), commencing January 1, 2018 and except as provided in paragraph (2), in addition to any other recording fees specified in this code, a fee of seventy-five dollars ($75) shall be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel of real property. The fee imposed by this section shall not exceed two hundred twenty-five dollars ($225).

* **Documents not paying a Documentary Transfer Tax and NOT exempt from the Housing Fee:**
  - $30.00 for the first page/title and $3.00 for each additional page, if all pages are 8 1/2" x 11".
  - $35.00 for each additional title. If not 8 1/2" x 11" add $3.00 for every page of that document.
  (Govt. Code 27381, 27361.4, 27388.1) (Govt. Code 27388 (a) Resol. 13-0806)

* **Documents paying a Documentary Transfer Tax and exempt from the Housing Fee:**
  - $11.00 for the first page/title and $3.00 for each additional page, if all pages are 8 1/2" x 11".
  - $16.00 for each additional title. If not 8 1/2" x 11" add $3.00 for every page of that document.
  (Govt. Code 27381 and 27361.4, 27388.1) (Govt. Code 27388(a) Resol. 13-0806)

* **Release of Governmental Lien (excludes Federal):** $95.00 per lien released. (Govt. Code 27361.3, 27388.1)

* Some documents may be exempt from the $9 Real Estate Fraud Prosecution Fund Fee. To be exempt from the Real Estate Fraud Prosecution Fee, a document presented for recording must have one of the following statements on the first page of the document:
  1. A Documentary Transfer Tax declaration, stating that the transfer is subject to the tax, and including the amount of tax due (the amount of tax due may be on a separate paper pursuant to Revenue and Taxation Code section 11932); or
  2. When recording additional documents currently in connection with a document subject to documentary transfer tax, the statement: Exempt from fee under GC 27388; recorded concurrently in connection with a transfer subject to the imposition of documentary transfer tax.

Failure to include one of the above statements will result in the imposition of the Real Estate Fraud Prosecution Fee.

* Some documents may be exempt from the $75 Housing Fee. To be exempt from the Housing Fee, a document presented for recording must have one of the following statements on the first page of the document:
  1. A Documentary Transfer Tax (DTT) Declaration stating that the transfer is subject to payment of the DTT including the amount of DTT due and to be paid at the time of recording; and/or
  2. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently “in connection with” a transfer subject to the imposition of DTT; or
  3. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently “in connection with” a transfer of real property that is a residential dwelling to an owner-occupier; or
  4. Exempt from fee per GC sec 27388.1(a)(1); fee cap of $225 reached; or Exempt from fee per GC sec 27388.1(a)(1); not related to real property

Failure to include a specified statutory exemption reason will result in the imposition of the $75 Building Homes and Jobs Act fee.
**Documents Recorded Without Preliminary Change of Ownership Report:** $20.00, in addition to recording fee. (R&T 480.3)

**Notification of Involuntary Lien:** $7.00 per Debtor, in addition to recording fee. (Govt. Code 27364, Resol. 07-135)

**Penalty Print:** More than 9 lines per vertical inch or 22 characters per horizontal inch. $1.00 per page. (Govt. Code 27361)

**Documents Requiring Additional Indexing:** Each additional reference indexed $1.00 (Govt. Code 27361.2)
Document requiring indexing of more than 10 names $1.00 (for each group of 10 names or fractional portion thereof after initial group of 10 names. (Govt. Code 27361.8)

**DOCUMENTARY TRANSFER TAX:** $0.55 per $500.00 of fractional part thereof (R. & T. 11911)

**FINANCING STATEMENTS:** $95.00 for the first page/title and $3.00 for each additional page. If not 8 1/2" x 11" add $3.00 for every page of that document. (Resol. 13-666)

**MAP FILING FEE:** $93.00 first page, $2.00 each additional page (Govt. Code 27372 and 27361.4)

**MAP COPY FEE:** $5.00 each Sheet (Resol. 07-135)

**OFFICIAL RECORD COPIES:** $2.00 each page (Govt. Code 27366) (Resol. 03-151) Certification per document $2.00 (Govt. Code 27364)

**THE TOP RIGHT OF THE FIRST PAGE SHALL RESERVE 2 1/2" BY 4 1/2" FOR RECORDING INFORMATION. IF PAGE DOES NOT COMPLY WITH THESE REQUIREMENTS, ATTACH COVER PAGE WHICH MEETS THESE CRITERIA, ADD $3.00 TO FEE FOR ADDITIONAL PAGE.** (Govt. Code 27361.8)

**VITAL RECORDS FEES:** (CERTIFIED) (H&S Code 103525, 103525.5)

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<thead>
<tr>
<th>Type</th>
<th>Fee</th>
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<tr>
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<tr>
<td>DEATH</td>
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<tr>
<td>FETAL DEATH</td>
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<tr>
<td>MARRIAGE GOVERNMENT AGENCY</td>
<td>$11.00</td>
</tr>
<tr>
<td>BIRTH GOVERNMENT AGENCY</td>
<td>$19.00</td>
</tr>
</tbody>
</table>

A **CERTIFICATE OF SEARCH** is issued when a Vital Record cannot be located. The fee is the same as the certificate copy fee. (Govt. Code 27369; H&S Code 103650)