



Bill Analysis

Author: Hadwick and Bennett Sponsor:

Bill Number: AB 2224

Related Bills: See Legislative
History

Amended: May 7, 2026, and
May 21, 2026

SUBJECT

County Recorders Fee

SUMMARY

Effective January 1, 2027, this bill would amend provisions of the Government Code (GOV) relating to fees for recording and indexing certain documents by a county recorder.

This analysis only addresses the provisions of the bill that would impact the Franchise Tax Board's (FTB) programs or operations.

RECOMMENDATION

No position—The three-member Franchise Tax Board has not formally voted or taken a position on this bill.

SUMMARY OF AMENDMENTS

The May 7, 2026, amendments removed cross-references to GOV sections 27361.2 and 27361.8, which would be repealed by this bill.

The May 21, 2026, amendments **modified the Legislature's findings and declarations** and provided that the release of a lien fee would be equal to twice the recording fee in effect on January 1 of the year the lien was recorded.

As a result of the May amendments, all considerations, **as discussed in FTB's analysis of this bill as introduced February 19, 2026**, were resolved.

REASON FOR THE BILL

The reason for the bill is to improve transparency and efficiency in the recording process by standardizing recording fees, eliminating outdated charges, and requiring statewide electronic recordings to ensure timely and accessible public records.

ANALYSIS

Under current state law, the fee to release a state lien pursuant to GOV section 6103.8, and the fee, under GOV section 27361.3, for the release of liens recorded by the state when the original notice was recorded without payment fee pursuant to GOV section 27383, is equal to two times the fee charged to record the first page of a lien, encumbrance, or notice as prescribed in GOV section 27361(a).

This bill would increase the amount charged under GOV section 27361(a) for recording the first page of a lien from up to \$10 to a flat \$15, which makes the maximum amount that may be charged to the state to release a lien \$30.

In addition, this bill would modify language in GOV section 27361.3 to provide that the lien release fee would be calculated as twice the recording fee in effect when the original lien, encumbrance, or notice was recorded without payment of the recording fee.

Effective/Operative Date

This bill would be effective and operative January 1, 2027.

Federal/State Law

Federal Law

No provision comparable in federal law.

State Law

A state tax lien for unpaid state income taxes arises automatically, and by operation of law, when taxes become due and payable pursuant to Revenue and Taxation Code (RTC) section 19221.

The GOV includes two general provisions that exempt the FTB and other entities from payment of recording fees. First, Section 6103 provides a general exemption for the state from fees for the filing of any paper or document. Second, Section 27383(a) states that no fee shall be charged by the recorder for services rendered to the State, except for making a copy of a paper or record. These provisions allow the FTB to record liens without payment of fees.

Under current state law, the fee to release a state lien (pursuant to GOV section 6103.8), and the fee to release the liens recorded by the state, is equal to two times the fee charged to record the first page of the lien [encumbrance or notice prescribed in GOV section 27361(a)], but only when the original notice was recorded without the payment fee (pursuant to Gov section 27383). The amount charged for recording the first page of a lien [under Gov section 27361(a)] cannot be more than \$10, which makes the maximum amount that may be charged to the state to release a lien \$20.

The exemptions from fees or recording fees under GOV sections 6103 and 27383 provide that no fees shall be charged to a state, municipality, county, city, district or other political subdivision. Both GOV sections 6103.8 and 27361.3 operate as exceptions to those general exemptions. Unless a fee specifically applies to the state, the fee is not applicable under GOV sections 6103 and 27383.

Implementation Considerations

None noted.

Technical Considerations

None noted.

Policy Considerations

None noted.

LEGISLATIVE HISTORY

AB 1430 (Bennett, 2025/2026), similar to this bill, under the GOV, would have revised the statutory fee structure for recording and indexing documents by increasing the maximum fee to \$15 for the first page and \$4 for each additional page. AB 1430 was vetoed by the governor whose veto message stated:

Californians realizing the dream of property ownership rely on recorder offices to handle important documents with care, making these offices critical points of interaction between residents and their government. I appreciate the author's intent to improve the efficiency of California's land title system, for both the public and county recorders, to ensure expeditious processing of real property records. However, raising these fees on Californians will disincentivize efforts to think innovatively about how to deliver recording services at a lower cost, faster, and with better customer service. I encourage the author and counties to consider ways to achieve that goal without solely relying on fee increases.

AB 137 (Assembly Committee on Budget and Fiscal Review, Chapter 77, Statutes of 2021), effective July 16, 2021, aligned the fee for full lien releases issued under GOV sections 6103.8 and 27361.3 to an amount equal to two times the fee charged to record the first page of a lien, resulting in a maximum release fee of \$20, and applied this same fee standard to full releases related to county public aid reimbursement agreements and judgments recorded without payment of a recording fee.

SB 780 (Senate Committee on Governance and Finance, Chapter 329, Statutes of 2019), effective January 1, 2020, under the GOV, increased the fee to release a state tax lien, cumbrance, or notice executed by the state, or any municipality, county, city, district, or other political subdivision from \$8 to a maximum of \$20 (i.e., two times the amount charged to record the first page of a lien).

SB 2 (Atkins, et al., Chapter 364, Statutes of 2017), effective January 1, 2018, under the GOV, established the Building Homes and Jobs Trust Fund (the Trust Fund) and added a required \$75 real estate document transaction fee, after deduction of any actual and necessary administrative costs incurred by the county recorder, to be transferred quarterly to the Department of Housing and Community Development and deposited into the Trust Fund.

PROGRAM BACKGROUND

The FTB records in-state state tax liens against taxpayers pursuant to GOV section 7171. For out-of-state tax liens, the FTB currently pays recording fees for both recording the original lien and to record the lien release pursuant to Section 7171(d). In general, the FTB may release a lien when, 1) there is another lien that will secure the state tax liability, 2) the liability is legally unenforceable, or 3) the liability has been satisfied in whole. When the FTB records the release of the lien, the FTB may be subject to a fee by the recording county.

OTHER STATES' INFORMATION

None noted.

FISCAL IMPACT

FTB's costs to implement this bill have yet to be determined. As the bill moves through the legislative process, costs will be determined.

ECONOMIC IMPACT

Revenue Estimate

This bill, as amended on May 21, 2026, does not impact the way income or franchise tax is calculated under the Revenue and Taxation Code.

This analysis does not account for changes in employment, personal income, or gross state product that could result from this bill or for the net final payment method of accrual.

LEGAL IMPACT

None noted.

EQUITY IMPACT

None noted.

APPOINTMENTS

None noted.

SUPPORT/OPPOSITION

Assembly Floor analysis, dated May 22, 2026

Support

County Recorders Association of California.

Opposition

None on file.

ARGUMENTS

Assembly Floor analysis, dated May 22, 2026

Proponents

As proponents of the bill, County Recorders Association of California, writes:

Legislative statutes govern Recorder office structures and fee authority to ensure stable, cost recovery funding. Currently, Government Code 27361 authorizes County Recorders to charge a fee maximum of \$10 for the first page of a document, and \$3 for every additional page – a fee that was codified in 2009 and implemented 15 years ago in January 2010.

Recorder offices are fee-for-service departments, the Recorder can only charge for the services provided and are not to collect more than the cost of providing those services to the public. AB 2224 modernizes the allowable base recording fee, which will help advance electronic recording and AB 2224 in turn, also eliminates outdated fees that are no longer necessary due to technological advances. The bill continues to require fees collected to be dedicated to, and solely utilized for, the county recorder's office, and the statutory language specifically articulates that the base fee cannot exceed the cost of providing the recording services.

Additionally, AB 2224 will require all 58 counties in California to transition to a modern electronic recording model to ensure our offices are incorporating modern technologies that ensures we are operating efficiently. With this transition, County Recorders are prepared to eliminate the outdated paper-based fees found under GC27361; including the \$3 non-conforming and \$1 penalty print fee (\$4 total), which moves us closer to the industry recommended consistent fee structure across all counties. The ability to relinquish these obsolete fees is directly tied to establishing a sustainable, modernized base recording fee that supports the technology necessary to serve the public effectively.

Opponents

None on file.

LEGISLATIVE CONTACT

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