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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2021 - 2022 Regular Session

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### AB 1466 (McCarty) - Real property: discriminatory restrictions

**Version:** July 12, 2021

**Urgency:** No

**Hearing Date:** August 26, 2021

**Policy Vote:** JUD. 10 - 0, INS. 10 - 0

**Mandate:** Yes

**Consultant:** Shaun Naidu

**Bill Summary:** AB 1466 would establish a task force to coordinate the identification and redaction of unlawfully restrictive covenants in records of county recorder's offices. It would impose a temporary fee on the recording of certain real estate documents, to be deposited into a continuously-appropriated fund, to pay for costs associated with the operation of the task force.

### \*\*\*\*\* ANALYSIS ADDENDUM – SUSPENSE FILE \*\*\*\*\*

The following information is revised to reflect amendments  
adopted by the committee on August 26, 2021

#### Fiscal Impact:

- County recorders: Unknown, potentially-major costs in the aggregate to establish and operate a program to seek and carry out the redaction of unlawfully restrictive covenants. This measure would allow recorders to charge a \$2 recording fee on documents, except as specified, to offset the costs of performing the duties that would be imposed by AB 1466. The fee (and its reauthorization after 2027), however, would need to be authorized by the local board of supervisors. County recorders still would be required to perform the duties assigned under this measure even if their respective board of supervisors does not authorize the fee. In those situations, it is likely that the costs to operate the program would be subject to a reimbursement by the state, the amount of which would be determined by the Commission on State Mandates. (General Fund, local funds)
- Department of Insurance: The department reports costs of approximately \$4,000 in FY 2021-2022 and \$14,000 in FY 2022-2023 to review rate filings. (Special fund)
- University of California: The university indicates minor and absorbable costs.

**Author Amendments:** Require county recorders to establish a program to carry out the redaction of unlawfully restrictive covenants and allow county recorders to charge a \$2 fee for recording documents, except as specified and upon authorization from the board of supervisors, for the purpose of implementing the program.

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