

ASSEMBLY THIRD READING
AB 2553 (Petrie-Norris)
As Amended April 23, 2026
Majority vote

SUMMARY

Specifies that for a person who is granted probation for certain convictions relating to crimes involving real property, probation may be extended for one additional year under specified circumstances.

Major Provisions

- 1) States that, notwithstanding other specified laws, a defendant may get an additional year of probation under defined circumstances for the following offenses:
 - a) Procuring or offering any false or forged instrument to be filed, registered, or recorded in any public office.
 - b) Making a false sworn statement to a notary public.
 - c) Fraudulently removing his or her property or effects out of this state with intent to defraud, hinder or delay his or her creditors of their rights, claims, or demands.
 - d) Theft, embezzlement, forgery, fraud, or identity theft, with respect to the property or personal identifying information of an elder or a dependent adult.
 - e) Intent to defraud by signing the name of another person or of a fictitious person.
 - f) Alters, falsifies, forges, duplicates or in any manner reproduces or counterfeits any driver's license or identification card issued by a governmental agency with the intent that such driver's license or identification card be used to facilitate the commission of any forgery.
 - g) Displays any driver's license or identification card with the intent that the driver's license or identification card be used to facilitate the commission of any forgery.
 - h) Possesses or receives, with the intent to pass or facilitate the passage, any forged, altered, or counterfeit items.
 - i) Grand theft when money, labor, real property, or personal property taken is of a value exceeding \$950.
 - j) Falsely personates another in either his or her private or official capacity.
 - k) Manufactures, sells, offers for sale, or transfers any document purporting to be a government-issued identification card or driver's license.
 - l) Willfully obtains personal identifying information of another person, and uses that information for any unlawful purpose, without the consent of that person.

- m) Fraudulent conveyance of any lands, tenements, or hereditaments, goods or chattels, or any right or interest issuing the same.
 - n) Knowingly executes or procures another to execute any instrument purporting to convey any real property, or any right or interest therein, knowing that such person so executing has no right to or interest in such property.
 - o) Knowingly defrauds any other person of money, labor, or property, whether real or personal, or who causes or procures others to report falsely of his or her wealth or mercantile character.
 - p) Commits mortgage fraud with the intent to defraud.
 - q) Selling, bartering, or disposing of any tract of land or town lot, willfully and with intent to defraud previous or subsequent purchasers, to any other person for a valuable consideration.
 - r) Married or in a registered domestic partnership, who falsely and fraudulently represents himself or herself as competent to sell or mortgage any real estate.
 - s) Gives, offers, or agrees to give to any director, officer, or employee of a financial institution any thing of value for his own personal benefit or of personal advantage, for procuring or endeavoring to procure for any person a loan or extension of credit from such financial institution.
 - t) Negotiates, arranges, or otherwise offers to perform a mortgage loan modification or other form of mortgage loan forbearance for a fee or other compensation paid by the borrower.
- 2) States that if a defendant is on formal probation, the period of probation may be extended if the probation department files a petition to the court and the court makes a finding that additional time is necessary for programming, in which case the court may order the term of probation to continue as necessary for a period not exceeding one additional year and under the conditions as it shall determine.
- 3) States that if a defendant is on informal or summary probation, the period of probation may be extended if the court makes a finding that additional time is necessary for programming, in which case the court may order the term of probation to continue as necessary for a period not exceeding one additional year and under the conditions as it shall determine.
- 4) Establishes that nothing in this law is intended to preclude punishment under any other provision of law, including the white-collar crime enhancement statute.

COMMENTS

According to the Author

"State and Federal officials from the Federal Bureau of Investigation to the California Attorney General have recognized the growing problem of crimes related to real estate fraud. For example,

scammers take advantage of struggling homeowners and take mortgage payments that should be going to the lender. Perpetrators tend to prey on older victims who are facing financial hardship and target their main source of wealth—their home.

"If a scammer is convicted of a crime related to real estate fraud, the maximum allowable probation period of one year for a misdemeanor or two years for a felony is often not enough time for the perpetrator to repay victims. This bill lengthens the maximum allowable probation period to five years for a targeted list of crimes relating to real estate fraud. This increased judicial oversight ensures that victims of real estate fraud get the money they are owed."

Arguments in Support

According to the *California District Attorneys Association*, "Real estate fraud schemes—such as deed fraud, mortgage fraud, and foreclosure scams—often result in significant financial losses to victims, including the loss of homes or life savings. While courts routinely order restitution in these cases, current law limits probation terms to one or two years in most cases, which is often insufficient time for offenders to fully repay victims. As a result, once supervision ends, many perpetrators stop making restitution payments, leaving victims without meaningful recourse.

"AB 2553 provides a targeted and practical solution by extending the maximum probation period for specified real estate fraud offenses to up to five years. This additional time ensures that courts retain jurisdiction long enough to enforce restitution orders and hold offenders accountable for the financial harm they have caused. Importantly, the bill focuses on a defined set of offenses and does not broadly expand probation for unrelated crimes.

"From a public safety and victim protection perspective, this measure is critical. Real estate fraud can devastate individuals and families, and ensuring restitution is a key component of justice. AB 2553 strengthens accountability, reinforces deterrence, and helps restore confidence that those who commit these crimes will be required to repay what they have taken."

Arguments in Opposition

According to the *Sister Warriors Freedom Coalition*, "California has implemented various criminal justice reforms, shifting state resources away from a legacy of over-incarceration and towards prevention, intervention, and treatment. However, efforts to extend probationary periods contain many issues that are antithetical to this recent trend. A few years ago, this legislature passed a historic reform, AB 1950 (Kamlager-Dove), that limited the term of probation to no more than two years for a felony conviction and one year for a misdemeanor conviction, with limited exceptions. AB 2553 seeks to reverse this progress.

"A 2018 Justice Center of the Council of State Governments study found that a large portion of people violate probation and end up incarcerated as a result.¹ The study revealed that 24% of prison admissions in California are the result of supervised violations,² vastly increasing amount of money we spend annually to incarcerate people for these violations. Prior to the AB 1950 reform, 20% of people incarcerated in a California prison were behind bars for supervised probation violations.³ Most violations are 'technical' and minor in nature, such as missing a drug rehab appointment or socializing with a friend who has a criminal record. Probation — originally meant to reduce recidivism — has instead become a pipeline for reentry into the carceral system.

"Supervision revocations, especially for technical violations, are a major driver of costly jail and prison admissions, and even short jail stays can create serious hardships for individuals, including loss of employment, decreased wages, housing insecurity, and family instability.⁴

Prior to the AB 1950 reform, incarceration for supervision revocations cost California taxpayers at least \$2 billion annually.⁵ We encourage the legislature to allow for the recent reform to continue taking effect before we make any further changes."

FISCAL COMMENTS

According to the Assembly Appropriations Committee:

- 1) Workload costs to the trial courts (Trial Court Trust Fund, General Fund) of an unknown but potentially minor to modest amount to hear petitions for formal probation extensions and to make findings for informal or summary probation extensions. Actual costs will depend on the number of petitions filed and the amount of court time needed to resolve each petition. It generally costs approximately \$1,000 to operate a courtroom for one hour. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts from the General Fund. The state budget provides annual General Fund backfills to the Trial Court Trust Fund to offset revenue reductions, totaling approximately \$117.3 million in 2025-26.
- 2) Workload costs to county probation departments (local funds) of an unknown but potentially minor to modest amount to file petitions for formal probation extensions and to supervise probationers during any extension granted. Probation department workload costs are likely manageable within existing supervision structures; the Chief Probation Officers of California, which would be primarily responsible for filing extension petitions for formal probationers, supports the bill. County probation costs are local costs and are not state-mandated local program costs absent a determination by the Commission on State Mandates.

Longer probation terms create additional time during which a probationer may incur a violation, with associated court, probation, and potential confinement costs.

VOTES

ASM PUBLIC SAFETY: 9-0-0

YES: Schultz, Alanis, Mark González, Haney, Harabedian, Lackey, Nguyen, Ramos, Sharp-Collins

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

UPDATED

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