Board of Behavioral Sciences

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Gavin Newsom, Governor, State of California | Business and Consumer Services Agency | Department of Consumer Affairs

MEMORANDUM

DATE	November 12, 2026
TO	Board Members
FROM	Rachael Lanzone, Budget Analyst
SUBJECT	Budget Update

Fund Condition Summary

Board of Behavioral Sciences FY 2026-27 FM 3 Fund Condition Summary*	
Description	Amount
Beginning Reserve Balance	**$15,610**
Projected Fiscal Year-End Totals:	
Revenue	**$13,517**
Personal Services	$7,738
Operating Expenses & Equipment	$6,996
Other Expenses	$1,141
Reimbursements	($50)
Total Expenditures	**$15,825**
Ending Reserve Balance	**$13,302**
Months in Reserve	**9.8**

*Dollars in thousands

Per the 2026 Budget Act, the Board of Behavioral Sciences has an authorized budget of **$14,734,000** and authorized reimbursements of **$50,000** for fiscal year 2026-27.

After transferring an additional loan of $20M to the General Fund in fiscal year 2025-26, the Board began fiscal year 2026-27 with a reserve balance of **$15.6M**. This loan is expected to be repaid in fiscal year 2030-31 and will not affect Board operations.

Due to ongoing fee reductions, the Board projects the collection of **$13.5M** in total revenue by the end of the fiscal year.

Current estimations demonstrate the Board may fully spend its appropriation; however, Board staff have identified some areas for savings. The Board will provide more accurate estimations as data becomes available throughout the fiscal year.

With potential savings, the Board projects total Board expenditures and external costs to equal **$15.8M** by the end of the fiscal year. This will leave the Board at an ending reserve balance of **$13.3M** or **9.8 months** in reserve.

Attachment A: BBS FM 3 Fund Condition Statement

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Attachment A

0773 - Behavioral Science Fund
Analysis of Fund Condition
(Dollars in Thousands)
2026 Budget Act with FM 3 Projections & Shown at Full Appropriation

Prepared 10.20.2026

	Actuals 2025-26	CY 2026-27	BY 2027-28	BY +1 2028-29
BEGINNING BALANCE	$ 26,151	$ 15,610	$ 13,302	$ 10,095
Prior Year Adjustment	$ 102	$ -	$ -	$ -
Adjusted Beginning Balance	$ 26,253	$ 15,610	$ 13,302	$ 10,095
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS				
Revenues				
4121200 - Delinquent fees	$ 177	$ 91	$ 86	$ 86
4127400 - Renewal fees	$ 13,594	$ 7,405	$ 7,249	$ 7,249
4129200 - Other regulatory fees	$ 281	$ 232	$ 241	$ 241
4129400 - Other regulatory licenses and permits	$ 9,161	$ 4,765	$ 5,061	$ 5,061
4163000 - Income from surplus money investments	$ 1,292	$ 989	$ 406	$ 265
4171400 - Escheat of unclaimed checks and warrants	$ 33	$ 31	$ 12	$ 12
4172500 - Miscellaneous revenues	$ 4	$ 4	$ 4	$ 4
Totals, Revenues	$ 24,542	$ 13,517	$ 13,059	$ 12,918
Transfers to Other Funds				
Operating Transfers to BU9991 Fund 0001 per Section 13.40, Ch. 4, Statutes of 2025 EOE 25/26-22	$ -20,000	$ -	$ -	$ -
Totals, Transfers and Other Adjustments	$ -20,000	$ -	$ -	$ -
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	$ 4,542	$ 13,517	$ 13,059	$ 12,918
TOTAL RESOURCES	$ 30,795	$ 29,127	$ 26,361	$ 23,013
Expenditures:				
1111 Department of Consumer Affairs (State Operations)	$ 14,180	$ 14,684	$ 15,125	$ 15,578
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	$ 1,005	$ 1,141	$ 1,141	$ 1,141
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	$ 15,185	$ 15,825	$ 16,266	$ 16,719
FUND BALANCE				
Reserve for economic uncertainties	$ 15,610	$ 13,302	$ 10,095	$ 6,294
Months in Reserve	11.8	9.8	7.2	4.4

NOTES:
1. Assumes workload and revenue projections are realized in BY+1 and ongoing.
2. Expenditure growth projected at 3% beginning BY+1.