



## MEMORANDUM

<b>DATE</b>	April 27, 2026
<b>TO</b>	Board Members
<b>FROM</b>	Rachael Lanzone, Budget Analyst
<b>SUBJECT</b>	Budget Update

### Fund Condition Summary

Board of Behavioral Sciences FY 2025-26 FM 8 Fund Condition Summary*	
Description	Amount
<b>Beginning Reserve Balance</b>	<b>\$26,151</b>
<i>Projected Fiscal Year-End Totals:</i>	
<b>Revenue</b>	<b>\$24,760</b>
Personal Services	\$7,686
Operating Expenses & Equipment	\$6,911
Other Expenses	\$1,005
Reimbursements	(\$454)
<b>Total Expenditures</b>	<b>\$15,148</b>
Ending Reserve Balance	<b>\$35,763</b>
Months in Reserve	<b>27.1</b>

\*Dollars in thousands

Per the 2026-27 Governor’s Budget, the Board of Behavioral Sciences has an authorized budget of **\$14,699,000** and authorized reimbursements of **\$50,000** for fiscal year 2025-26.

The Board began the fiscal year with a reserve balance of \$26.2M.

The Board projects the collection of \$24.8M in total revenue by the end of the fiscal year.

Current estimations demonstrate the Board may fully expend its appropriation; however, Board staff have identified areas for savings to minimize this possibility.

With potential savings, the Board projects total Board expenditures and external costs to equal \$15.1M by the end of the fiscal year.

This will leave the Board at an ending reserve balance of \$35.8M or 27.1 months in reserve.

**Revenue Summary**

Board of Behavioral Sciences FY 2025-26 FM 8 Revenue Report Summary*		
Source	YTD (as of February)	Projected through FY End
Delinquent Fees	\$120	\$191
Other Regulatory Fees	\$186	\$263
Other Regulatory License and Permits	\$5,925	\$9,150
Other Revenue	\$681	\$1,033
Renewal Fees	\$10,933	\$14,123
<b>Revenue</b>	<b>\$17,844</b>	<b>\$24,760</b>

\*Dollars in thousands

Through February 28, 2026, the Board collected approximately \$17.8M in revenue and projects to end the year with \$24.8M in total revenue.

## Impact of Fee Reductions

Board of Behavioral Sciences Temporary Fee Reductions (July 1, 2026 - June 30, 2030)		
<b>Applications</b>	<b>Current Fees</b>	<b>Fees as of July 1, 2026</b>
<b>Application for Associate Registration</b> AMFT, ASW, APCC	\$150	\$75
<b>Application for Licensure</b> LMFT, LCSW, LPCC, LEP	\$250	\$125
<b>Request for Initial License Issuance</b> LMFT, LCSW, LPCC, LEP	\$200	\$100
<b>Exams*</b>	<b>Current Fees</b>	<b>Fees as of July 1, 2026</b>
<b>California Law and Ethics Exam</b> LMFT, LCSW, LPCC	\$150	\$75
<b>LMFT Clinical Exam</b>	\$250	\$125
<b>LEP Written Exam</b>	\$250	\$125
<b>Renewals</b>	<b>Current Fees</b>	<b>Fees as of July 1, 2026</b>
<b>Associate Renewal</b> AMFT, ASW, APCC	\$150	\$75
<b>Active License Renewal</b> LMFT, LCSW, LPCC, LEP	\$200	\$100
<b>Inactive License Renewal</b> LMFT, LCSW, LPCC, LEP	\$100	\$50
<b>Inactive to Active License Renewal</b> LMFT, LCSW, LPCC, LEP	\$100	\$50
<b>Retired to Active Status License Change</b> LMFT, LCSW, LPCC, LEP	\$200	\$100
<b>Delinquent Fees</b>	<b>Current Fees</b>	<b>Fees as of July 1, 2026</b>
<b>Active Delinquent License Renewal</b> LMFT, LCSW, LPCC, LEP	\$100	\$50
<b>Inactive Delinquent License Renewal</b> LMFT, LCSW, LPCC, LEP	\$50	\$25

\*Fee reductions do not apply to non-Board administered exams.

On February 4, 2026, the Board's temporary fee reductions were approved by the Office of Administrative Law to take effect from July 1, 2026, to June 30, 2030.

These reductions were implemented to reduce the Board's reserve fund to comply with the 24-month reserve limitation in BPC Section 128.5(b).

While certain revenue streams will effectively be cut in half for four years, this change is not expected to have any impact on staffing, processing times, or any other existing operations.

**Expenditure Summary**

Board of Behavioral Sciences FY 2025-26 FM 8 Expenditure Report Summary (with Savings)*			
PERSONAL SERVICES			
Description	Budget Allocation	YTD + Encumbrance	Projected Total
Permanent Positions	\$4,823	\$2,991	\$4,554
Temp Positions	\$0	\$131	\$198
Per Diem/OT/Lump Sum	\$15	\$6	\$17
Staff Benefits	\$2,883	\$1,917	\$2,916
<b>Total</b>	<b>\$7,721</b>	<b>\$5,045</b>	<b>\$7,686</b>
OPERATING EXPENSES & EQUIPMENT			
Description	Budget Allocation	YTD + Encumbrance	Projected Total
<b>Total</b>	<b>\$6,978</b>	<b>\$5,444</b>	<b>\$6,911</b>
<b>Reimbursements</b>	<b>(\$50)</b>		<b>(\$50)</b>
<b>Budget and Expenditure</b>	<b>\$14,649</b>	<b>\$10,489</b>	<b>\$14,547</b>

\*Dollars in thousands

Through February 28, 2026, the Board spent or encumbered approximately \$10.5M which accounts for 71.6% of its total budget.

Taking estimated savings into account, the Board projects these expenditures to total \$14.5M or 99.3% of its authorized budget by the end of the fiscal year.

**Attachments**

**Attachment A:** BBS FM 8 without Estimated Savings Fund Condition Statement

**Attachment B:** BBS FM 8 with Estimated Savings Fund Condition Statement

# Attachment A

**0773 - Behavioral Science Fund**  
**Analysis of Fund Condition**  
**(Dollars in Thousands)**  
**2026-27 Governor's Budget w/ FM 8 Projections**

**Prepared 03.20.2026**

	<b>Actuals</b>	<b>CY</b>	<b>BY</b>	<b>BY +1</b>
	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
<b>BEGINNING BALANCE</b>	\$ 16,240	\$ 26,151	\$ 35,510	\$ 34,131
Prior Year Adjustment	\$ -4	\$ -	\$ -	\$ -
Adjusted Beginning Balance	<u>\$ 16,236</u>	<u>\$ 26,151</u>	<u>\$ 35,510</u>	<u>\$ 34,131</u>
 <b>REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>				
Revenues				
4121200 - Delinquent fees	\$ 194	\$ 191	\$ 198	\$ 198
4127400 - Renewal fees	\$ 13,754	\$ 14,123	\$ 7,549	\$ 7,549
4129200 - Other regulatory fees	\$ 238	\$ 263	\$ 272	\$ 272
4129400 - Other regulatory licenses and permits	\$ 8,998	\$ 9,150	\$ 4,973	\$ 4,973
4163000 - Income from surplus money investments	\$ 1,040	\$ 1,007	\$ 1,438	\$ 1,358
4171400 - Escheat of unclaimed checks and warrants	\$ 31	\$ 25	\$ 12	\$ 12
4171500 - Escheat Unclaimed Property	\$ 1	\$ -	\$ -	\$ -
4172500 - Miscellaneous revenues	\$ 4	\$ 1	\$ 4	\$ 4
Totals, Revenues	<u>\$ 24,260</u>	<u>\$ 24,760</u>	<u>\$ 14,446</u>	<u>\$ 14,366</u>
<b>TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>	<u>\$ 24,260</u>	<u>\$ 24,760</u>	<u>\$ 14,446</u>	<u>\$ 14,366</u>
 <b>TOTAL RESOURCES</b>	<u>\$ 40,496</u>	<u>\$ 50,911</u>	<u>\$ 49,956</u>	<u>\$ 48,497</u>
Expenditures:				
1111 Department of Consumer Affairs (State Operations)	\$ 13,457	\$ 14,396	\$ 14,684	\$ 15,125
9892 Supplemental Pension Payments (State Operations)	\$ 57	\$ -	\$ -	\$ -
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 831	\$ 1,005	\$ 1,141	\$ 1,141
<b>TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>	<u>\$ 14,345</u>	<u>\$ 15,401</u>	<u>\$ 15,825</u>	<u>\$ 16,266</u>
 <b>FUND BALANCE</b>				
Reserve for economic uncertainties	<u>\$ 26,151</u>	<u>\$ 35,510</u>	<u>\$ 34,131</u>	<u>\$ 32,231</u>
Months in Reserve	20.4	26.9	25.2	23.1

**NOTES:**

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

## Attachment B

**0773 - Behavioral Science Fund**  
**Analysis of Fund Condition**  
**(Dollars in Thousands)**  
**2026-27 Governor's Budget w/ FM 8 Projections**

Prepared 03.20.2026

	Actuals 2024-25	CY 2025-26	BY 2026-27	BY +1 2027-28
<b>BEGINNING BALANCE</b>	\$ 16,240	\$ 26,151	\$ 35,763	\$ 34,396
Prior Year Adjustment	\$ -4	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 16,236	\$ 26,151	\$ 35,763	\$ 34,396
 <b>REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>				
Revenues				
4121200 - Delinquent fees	\$ 194	\$ 191	\$ 198	\$ 198
4127400 - Renewal fees	\$ 13,754	\$ 14,123	\$ 7,549	\$ 7,549
4129200 - Other regulatory fees	\$ 238	\$ 263	\$ 272	\$ 272
4129400 - Other regulatory licenses and permits	\$ 8,998	\$ 9,150	\$ 4,973	\$ 4,973
4163000 - Income from surplus money investments	\$ 1,040	\$ 1,007	\$ 1,450	\$ 1,370
4171400 - Escheat of unclaimed checks and warrants	\$ 31	\$ 25	\$ 12	\$ 12
4171500 - Escheat Unclaimed Property	\$ 1	\$ -	\$ -	\$ -
4172500 - Miscellaneous revenues	\$ 4	\$ 1	\$ 4	\$ 4
Totals, Revenues	\$ 24,260	\$ 24,760	\$ 14,458	\$ 14,378
<b>TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>	\$ 24,260	\$ 24,760	\$ 14,458	\$ 14,378
 <b>TOTAL RESOURCES</b>	\$ 40,496	\$ 50,911	\$ 50,221	\$ 48,774
Expenditures:				
1111 Department of Consumer Affairs (State Operations)	\$ 13,457	\$ 14,143	\$ 14,684	\$ 15,125
9892 Supplemental Pension Payments (State Operations)	\$ 57	\$ -	\$ -	\$ -
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 831	\$ 1,005	\$ 1,141	\$ 1,141
<b>TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>	\$ 14,345	\$ 15,148	\$ 15,825	\$ 16,266
 <b>FUND BALANCE</b>				
Reserve for economic uncertainties	\$ 26,151	\$ 35,763	\$ 34,396	\$ 32,508
Months in Reserve	20.7	27.1	25.4	23.3

**NOTES:**

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