

Business, Consumer Services and Housing Agency (BCSH) Reorganization

Business and Consumer Services Agency Overview

To enhance focus, accelerate progress, and meet the needs of Californians, the Governor proposes reorganizing the Business, Consumer Services, and Housing Agency (BCSH) into two separate agencies :

- **California Housing and Homelessness Agency (CHHA)** – Oversees housing production, preservation, homelessness solutions, and safeguards civil rights.
- **Business and Consumer Services Agency (BCSA)** – Oversees consumer affairs, licensing, and regulatory enforcement.

The creation of BCSA will enhance focus and leadership on consumer protection.

California leads the nation in consumer protections. It licenses and regulates over four million professionals across diverse industries.

In recent years, the business regulation and consumer protection side of BCSH has grown exponentially. The Department of Cannabis Control was created in 2021 and continues to grow and evolve with a rapidly emerging industry. The Department of Financial Protection and Innovation was reimagined to strengthen consumer safeguards while adding licensing programs for debt collectors and digital financial assets.

The establishment of the Business and Consumer Services Agency (BCSA) will strengthen the state's ability to protect consumers by providing focused leadership and oversight across a wide range of industries. This structure will enhance communication and collaboration within BCSA , fostering a proactive approach to addressing emerging risks and needs. BCSA will also:

- **Enhance consumer protection** through a dedicated, agency-level focus.
- **Improve regulatory efficiency** by ensuring departments can swiftly and nimbly respond to industry shifts and emerging issues.
- **Strengthen oversight** to better align regulatory functions with consumer protections and ensure swift actions.
- **Support economic growth** by providing a more agile regulatory framework that balances protection with opportunity.

The legal entity of BCSA will be created in July 2025, with one year of transition and will become operative on July 1, 2026.

Business and Consumer Services Agency (BCSA)

- Department of Alcoholic Beverage Control (ABC)
- Alcoholic Beverage Control Appeals Board (ABC AB)
- Department of Cannabis Control (DCC)
- Cannabis Control Appeals Panel (CCAP)
- California Horse Racing Board (CHRB)
- Department of Consumer Affairs (DCA)
- Department of Real Estate (DRE)
- Department of Financial Protection and Innovation (DFPI)