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FISCAL YEAR 2026 BUDGET
HOUSE BILL 68 – HOUSE HIGHLIGHTS

HB 68, the Fiscal Year 2026 budget, is set by a revenue estimate of $37.7 billion, an increase of $1.6 billion or 4.4 percent over the FY 2025 original budget. The House Committee Substitute to HB 68 prioritizes continued investment in public safety and education.

Economic Development

- The House version of the FY 2026 budget provides $450,000 to the Department of Agriculture for equipment needed to combat the Highly Pathogenic Avian Influenza (HPAI) and $125,000 for an emergency management specialist position. The House also provides $792,585 for eight positions to expand the Georgia Hemp Program pursuant to SB 494 (2024 Session).
- The FY 2026 budget provides $2.3 million for the Center for Rural Prosperity and Innovation and reflects the transfer of this program from the Board of Regents to the Department of Agriculture.
- The House version of House Bill 68 includes $6 million to improve homelessness initiatives including $4 million to leverage additional federal funding for the State Housing Trust Fund and $2 million to expand the Accountable Housing Initiative. An additional $2.7 million in new funding is provided in the Department of Behavioral Health and Developmental Disabilities (DBHDD) for various programs that address homelessness, including 100 new housing voucher slots, outreach services for those with severe mental illness, and a community action team.
- The House version of the Fiscal Year 2026 budget provides $7 million to the Georgia World Congress Center Authority to prepare for the execution of public safety and infrastructure costs related to the hosting of future major sporting events, including Super Bowl 62 and the 2031 NCAA Men's Final Four.
- The FY 2026 budget provides $200,000 to establish the Georgia Grown Wood Product program in the Georgia Forestry Commission.

Education

- The House budget supports a statewide literacy initiative to improve reading outcomes for students in grades kindergarten through fifth. Research shows that reading proficiently by the end of third grade contributes to future academic achievement and life success. The FY 2026 budget includes $22.7 million, including $10 million in newly appropriated funds, for recommendations by the Georgia Council on Literacy. The FY 2026 House version of the budget includes $18.5 million for 116 Regional Education Service Agencies (RESA)-based literacy coaches to provide individualized teacher support to

ensure structured literacy and the science of reading are implemented with fidelity. Additionally, $2 million is provided for a free universal reading screener for all school systems pursuant to HB 538 (2023 Session). The literacy initiative also contains funds for a state-level coaching coordinator position and competency-based research, training, and measures for literacy coaches and educators.

- The House version of HB 68 includes $25 million for the first-year cost of the statewide School and Student Safety (S3) Database to gather and investigate school-based threats across state and local law enforcement agencies. The funds also provide support for behavioral threat assessment management (BTAM) teams to resolve identified threats, ultimately improving the safety of Georgia's students.
- The House version of the FY 2026 budget includes a new program under the Department of Education called "Student Support Services," providing academic and mental health supports for students in and outside school. The program contains $19.6 million for mental health support grants to school systems. Structured like school security grants, systems will earn $20,000 for each middle and high school (979 statewide) for mental health services, to include contracting with mental health providers, tele-mental health contracts, or hiring staff for in-school counseling. The program also includes $5 million for social work services grants. Additionally, the program includes $10 million for out-of-school care for statewide and community grantees; the federally-funded BOOST program was shown to improve academic outcomes among students following the COVID-19 pandemic and this funding would continue that initiative. Finally, the program includes $28 million to systems for targeted support to economically-disadvantaged students. With this funding, Georgia joins 45 other states in providing additional funds through a "poverty weight" to systems with a high level of these students.
- The Fiscal Year 2026 budget fully funds the Quality Basic Education (QBE) program, totaling $14.7 billion in state funds; a record amount of state funds provided to K-12 education. The QBE funding formula has been fully funded the last seven out of eight years.
- The House version of the FY 2026 budget includes $302.4 million to provide for enrollment growth and training and experience for an additional 1,291 students and 3,413 teachers. The budget also includes $24.7 million for growth in the State Commission Charter School supplements. Charter system grants receive $313,627 in additional funding and local charter schools receive an additional $48,477 in funding. Additionally, the House supports the governor's recommendation of lowering the school psychologist ratio from 1:2,475 to 1:2,420, totaling $871,982.
- The budget includes $10.3 million in additional funding for pupil transportation based on updated buses and mileage. The increase also includes additional funds for operations to reflect the increased cost of fuel, oil, and other operating expenses. The budget includes $158,400 for required federal bus safety training. The total pupil transportation funding is $364.2 million in FY 2026.
- The House maintains current funding and provides a hold harmless for formula reductions for School Nurses, RESAs, and School Nutrition. The budget also recognizes $6.3 million in state funds to continue to provide the cost of breakfast and lunch for reduced-paying students.
- The Non-Quality Basic Education program includes $5.9 million for sparsity grants for 131 qualified schools based on updated survey data. Schools that receive sparsity grants have a student population below the base school size, and do not generate an adequate amount of funds through QBE for proper staffing and operating ratios. The program also includes an additional $150,000 for feminine hygiene products, for a total appropriation of $1.65 million; these grants are targeted to low property tax wealth districts with high concentrations of economically-disadvantaged students. Finally, the House

includes $7.5 million for School Supplies for Educators pursuant to SB 464 (2024 Session). These funds will provide educators with $100 to purchase school supplies.

- In the Agricultural Education program, $100,000 is provided for a new young farmer position in Bibb County. Additionally, HB 68 provides $110,000 for 10 new extended day/year programs. Youth camps receive $399,219 for two education specialist positions and other camp-affiliated staff. In the Technology/Career Education program, the FY 2026 budget includes $1.25 million for a high demand equipment grant for new and expanding career and technical education labs to support high demand careers, to include grants for heavy equipment simulators.
- The budget includes an additional $2.5 million for college preparatory exams based on increased utilization. Currently, the state funds PSAT exams for all tenth grade students and one AP/IB exam for free and reduced-price lunch students and one AP/IB STEM exam for any student. In FY 2025, the state funded 99,960 PSAT exams and 80,000 AP exams for Georgia students.
- The Fiscal Year 2026 budget includes $250,000 for Communities in Schools to support site coordinators, rural expansion, and training and professional development.
- In the Department of Early Care and Learning, HB 68 includes $3.9 million to provide 500 additional state-funded slots in the Childcare and Parent Services (CAPS) program and $1.5 million to annualize the state match provided in the FY 2025 budget to increase reimbursement rates to the 60th percentile.
- The FY 2026 budget provides $14 million in lottery funds for the Georgia Pre-K Program to continue the implementation of the recommendations provided by the House Early Childhood Education Working Group. Funding will provide for year two of a four-year phase in to reduce the class size from 22 to 20 students to improve instructional quality. Year two funding includes the addition of 93 Pre-K classrooms and associated costs.
- HB 68 provides $221,922 to the Professional Standards Commission for two new educator ethics Investigators to help reduce the backlog of cases.

General Government

- The House version of the FY 2026 budget includes an additional $23.25 million for the Employees' Retirement System, for a total appropriation of $50 million, to provide an enhanced annual benefit adjustment for eligible retired state employees. This annual benefit adjustment is in addition to any cost-of-living adjustment granted by the Board of Trustees.
- The House agrees with the governor's recommendation for the Department of Administrative Services to provide over $1.5 million for supplemental payments to first responders with occupational post-traumatic stress disorder (PTSD), as authorized by HB 451 (2024 Session).
- As a continuation of an effort funded in the Amended FY 2025 budget, the House recommends $423,935 for the Department of Banking and Finance for additional examiners to address a workload related to new bank charters.
- The FY 2026 budget provides $567,189 to the Department of Driver Services to improve fraud prevention, address maintenance concerns with 38 self-service kiosks, and account for rising fees assessed by the federal government related to the Systematic Alien Verification for Entitlements (SAVE) system.

- In the FY 2026 budget, the House agrees to the transfer of excess funds from the Insurance Regulation program to the Fire Safety program for 45 positions and related operating expenses. These positions include building inspectors, plan examiners, arson investigators, and fire safety educators.
- The House recommends $595,018 in additional funding for the Department of Labor for five positions, staff training, and operating expenses. Three accountants will help the Department of Labor remain financially compliant while two constituent service representatives will help, among other responsibilities, legislators respond to constituent concerns related to the agency.
- In the Department of Natural Resources, the House restores over $4.3 million in funding for the Georgia Outdoor Stewardship Program, maintains $2 million for beach restoration, and provides $300,000 for the operation of the SAM shortline railroad, which brings visitors to, among other historic locations, President Jimmy Carter's hometown of Plains and childhood home in Archery. Finally, the House provides $200,000 in additional funds for the processing of venison donations and $250,000 to address the spread of chronic wasting disease amongst the state's deer population.

Health

- The House version of HB 68 includes $32 million in reimbursement rate increases for providers treating patients on Medicaid across the state. The services include: $8 million for emergency medical services (EMS) transports to provide payment for the first 10 miles of transportation, air ambulance transfers, and service increases; $1.9 million for an increase for speech therapy; $1.9 million for neonatologists and maternal fetal medicine specialists; $6.3 million for applied behavior analysis; $7.5 million for primary care physicians; $3.1 million for dental code increases; $1.7 million to increase durable medical equipment reimbursements; and $1.5 million to provide coverage for heart and lung transplants. The House adds $1 million to the Department of Community Health to conduct a comprehensive study of all Medicaid provider reimbursement rates and to make recommendations for improvements.
- The House version of HB 68 includes almost $10 million in new funding towards maternal health. The budget includes $5 million to expand and sustain labor and delivery services in rural Georgia. These funds will provide the necessary infrastructure in order to provide high quality care. House Bill 68 funds $1.2 million in the Department of Public Health's Office of Cardiac Care to provide grants to hospitals to achieve higher levels of cardiac care, as cardia complications are a leading factor of maternal mortality. The House agrees with the governor's recommendation of $2.9 million to expand the state's home visiting prográm from 50 to 75 counties throughout the state. $700,000 is included to support quality improvement at birthing facilities by increasing the number of birthing facilities with verified maternal and neonatal levels of care. The House also instructs the Department of Public Health to study the needs of regional emergency transportation in order to evaluate more efficient ways to transport mothers needing additional care.
- The House version of the budget includes $3.1 million to continue the $3 dispensing fee for independent pharmacists for an additional six months, and an additional $1.2 million for drugs dispensed to a covered person in an amount equal to the national average drug acquisition cost.
- The FY 2026 budget provides $8.3 million in new funding for graduate medical education. This includes $2.8 million for 150 new residency slots, $469,654 in new fellowships, and $5 million to establish a grant program to support new and expanding residency programs.
- In an effort to support Georgia's health care workers, the House provides $1.5 million to physician health programs to address career fatigue and wellness.

- In the Board of Dentistry, the FY 2026 budget contains $501,790 for four new positions aimed to help the investigations and compliance responsibilities of the board, the purchase of appropriate protective equipment, increased retention, and funds for software and training. The FY 2026 budget contains $233,137 in funding for the Board of Pharmacy for three new positions to alleviate caseload backlogs.

Higher Education

- House Bill 68 includes $169.5 million in formula funds for the University System of Georgia to reflect a 2.7% increase in enrollment and a .5% increase in square footage.
- HB 68 includes $2 million to increase funds for research grants through the Georgia Research Alliance. The Georgia Research Alliance is a nonprofit, public-private partnership that, among other things, helps recruit Eminent Scholars to Georgia universities.
- In the Agricultural Experiment Station, $450,000 is provided for a peach/citrus breeder technician, a blueberry breeder technician, a turfgrass breeder technician, a turfgrass extension specialist technician, and a soybean/corn/small grains extension specialist technician. Additionally, $450,000 is provided for three positions within the College of Agricultural and Environmental Services to support the University of Georgia's Synthetic Biology Initiative. In the Cooperative Extension Service program, $150,000 is provided for a North Georgia Hay and Forage Extension Specialist. Additionally, $350,000 is provided to the Georgia Tech Research Institute (GTRI) to support post-harvest technology research for the peanut industry.
- HB 68 includes an additional $17 million for the Dual Enrollment program at the Georgia Student Finance Commission. The program served over 63,000 students in FY 2024 and is continuing to grow. These additional funds bring the total appropriation to $108 million.
- The House version of the FY 2026 budget includes $10 million to increase the HOPE Private award amount to match the Zell Private award amount in order to offer parity in HOPE Public and HOPE Private award policies. This addition brings the total appropriation to $88 million for FY 2026, which will support approximately 15,000 students in private institutions throughout the state.
- House Bill 68 directs the Georgia Student Finance Commission to utilize existing funds to increase the Tuition Equalization Grant (TEG) award amount from $1,100 to $1,150 per year.
- The FY 2026 budget includes an additional $33 million in formula funds for the Technical College System of Georgia (TCSG) to reflect a 10.6% increase in enrollment. The budget also includes $15.8 million in additional targeted funding, bringing the total appropriation to TCSG to offset the increased cost of providing high-demand and high-cost programming in aviation, commercial truck driving, and nursing to $31 million.

Human Resources

- The House version of the FY 2026 budget supports the governor's recommendation for 100 NOW/COMP waivers and adds 50 new waivers with a $3.4 million appropriation.
- HB 68 provides $5.8 million to DBHDD to expand the availability of forensic services and adds $185,420 for a jail diversion program. Finally, the House adds $9.4 million for a new behavioral health crisis center in North Fulton.
- The House provides $1 million to fund 400 new non-Medicaid home and community-based slots, which provide critical services such as meals, respite, and home care to keep older adults in their homes.

- The House version of HB 68 provides $19.2 million to address growth in foster care and the increased costs of care; $1.5 million to provide clothing and supplies for foster youth, keep foster children closer to their families, deter child welfare involvement, and support those aging out of care; and $6.1 million for a 2% provider rate increase for Child Caring Institutions, Child Placing Agencies, foster parents, and relative caregivers.
- The Department of Veterans Services receives $3.6 million to support the operation of nursing home beds and bring 40 additional beds online.

Public Safety and the Courts

- The FY 2026 budget provides $16.3 million to implement a new salary structure for Supreme Court justices, and judges of the Court of Appeals, State-wide Business Court, and superior courts, which allows them to be competitive in their respective fields with other states.
- HB 68 provides funds for three new superior court judgeships in the Alapaha, Augusta, and Douglas Judicial Circuits. Additionally, the bill provides funding for an additional assistant district attorney and assistant public defender in each of these circuits, as Georgia Code authorizes these additions for each newly created superior court judgeship.
- The House version of the FY 2026 budget provides $1.6 million to the Council of Accountability Court Judges to increase participation in accountability courts. This funding will allow for an additional 843 Georgians to receive treatment and services for mental health and drug addiction rather than enter the prison system.
- Since FY 2021, the General Assembly has increased correctional officer and juvenile correctional officer salaries by 63.9%, showing a continued investment over the last five years in Georgia's correctional officers. The Fiscal Year 2026 budget includes an additional 4% increase for these officers, totaling $13.5 million for the Department of Corrections and $3.1 million for the Department of Juvenile Justice.
- The House provides the Department of Corrections with a total increase of $250 million over the agency's prior year budget. The budget includes $45 million to add more than 700 correctional officers to improve inmate to staff ratios. The state's aging correctional facilities are in need of critical repairs to keep both correctional officers and inmates safe. In order to renovate facilities, the budget provides funds to move 667 prisoners out of state prison facilities to other housing units. With the addition of four 126-bed prefabricated housing units coming online in FY 2026, a total of 1,171 inmates will be moved from state prisons to empty housing units for widespread renovations.
- HB 68 provides the Department of Corrections with $15 million to address critical capital maintenance and repairs and $19.2 million for additional skilled maintenance staff to repair critical infrastructure needs.
- The House version of the FY 2026 budget includes $9.9 million for county correctional institutions to increase per diem rates by $6 per day to a total of $30. County correctional institutions are valuable partners with the state and house over 4,000 state inmates, while the state contracts with four private prisons to house more than 7,000 state inmates. The FY 2026 budget provides $28.5 million to private prisons for pay parity staff raises, increased bedspace, and a consumer price index contract adjustment.

- House Bill 68 also provides $56.8 million to the department to continue providing inmates with physical, mental, dental, and pharmaceutical services. This appropriation increases mental health services for inmates by providing an additional 42 mental health professionals.
- The House version of the FY 2026 budget provides $3.9 million to GDC to cover increased food costs due to inflation. The cost to feed prisoners has increased 40.4% over the last 5 years.
- The Fiscal Year 2026 budget includes $2.8 million for the department to bring 100 transition center beds online at the Smith Transition Center. These transition center beds will give inmates returning to the southeast Georgia area after release access to numerous resources and programming including employment assistance, social services connections, housing assistance, and family reunification programming.
- The House provides $8.1 million to the Criminal Justice Coordinating Council (CJCC) to offset the loss of federal Victims of Crime Act (VOCA) funding to victim services providers, such as child advocacy centers, domestic violence shelters, and sexual assault centers.
- The Department of Community Supervision is appropriated $9.5 million to hire community supervision officers and other staff. The salaries for community supervision officers have risen from $35,314 in FY 2021 to $55,082 in FY 2025, bringing the staff turnover to the low rate of just 4%. Funding for new positions are allocated in order to continue hiring more supervision officers and bring supervision ratios below one officer to every 100 supervisees.
- The FY 2026 budget includes $1.5 million to bolster Georgia's ability to attract and retain staff attorneys in the Department of Law. These adjustments will bring starting salaries for attorneys between $75,000 to $78,000.

<u>Transportation</u>

- The Capital Construction program budget totals $1.1 billion in state funds; the Capital Maintenance program receives an additional $110 million for resurfacing; the LMIG program increases to $247.6 million; and the Routine maintenance program increases by $33.7 million to keep up with material and contracting costs.
- Airport Aid receives an additional $3.6 million to bring the base to $30 million.
- HB 68 restores the reduction of $4.8 million of the Locomotive Diesel fuel tax in the Rail program.