

Wrapping up Georgia's 2025 Legislative Session



Friday was Sine Die in Georgia, the day by which a bill must pass out of the Georgia General Assembly to become law this year. The largest bill, and the only one that the General Assembly is obligated to pass, is the budget, **House Bill 68**.

To get the budget out of the conference committee and to both chambers for approval, the Governor made an unexpected move by offering to increase the revenue projection by \$50 million to balance the budget. What is unusual about the budget this year is the use of cash, instead of bonds, to fund capital projects. Georgia has historically used bonds to fund these projects to free up cash for other priorities. The Governor initially proposed this switch in his budget, and while the House proposed moving the budget closer to what we have historically done with using more bonds, the Senate then moved the budget back closer to what the Governor originally proposed. The current proposed budget spends \$715.7 million via cash for capital projects, down \$150.9 million from the Governor's original proposal, but a far cry from how we have spent money in the past. There are urgent needs that could be met with that cash, such as opening more **subsidized child care slots** for children as well as investing in Georgia's public health infrastructure, which has experienced **decreased investment** in recent years, with underfunding likely to accelerate due to cuts at the federal level.

The budget impacts the everyday life of Georgians in meaningful ways. For ten years **GBPI has advocated for an opportunity weight**. An

opportunity weight is additional funding for students experiencing poverty in our public K-12 schools, and Georgia was only one of six states without one. Bills that would institute an opportunity weight in Georgia have never made it out of their originating chamber. This year an opportunity weight has been codified in the state budget, with an allocation of \$15 million. When the governor signs this, we will have done it – we will have an opportunity weight! The push for equitable funding will not be over, however. \$15 million is a good start, but it will take more money to ensure that kids living in poverty have access to the same opportunities as their wealthier peers.

The budget is making more meaningful changes for students by adding \$18.6 million for student mental health support grants, \$12.5 million for out-of-school care grants (which help fund community-based organizations operating afterschool programs), and \$2.4 million for social work services. Not all the changes for students will be positive, however. The budget also provided \$141 million to fully fund the Promise Scholarship Program, a voucher program that provides \$6,500 vouchers toward private school tuition for eligible students. This scholarship diverts funds away from our public schools and towards private institutions that not every Georgia child can access.

We see positive changes in the Georgia Budget this year, including:

- Changes addressing pay such as a \$3,000 pay bump for DFCS eligibility and continued efforts for pay parity between pre-k and k-12 workers.
- Changes improving Child Care, such as annualizing the increased reimbursement rate for child care providers and a small increase for the CAPS program – though this increase is not enough to make up for the gap left by the end of federal relief funding.
- Changes addressing housing instability, such as an increase for the State Housing Trust Fund and the Accountable Housing Initiative.
- Changes increasing funding for NOW/COMP waivers, with an increase of over \$1 million above what the Governor had proposed. This increase should provide services to more eligible individuals with a developmental or intellectual disability.

We have some great wins in the budget, but that isn't the only place we see them. Several other bills we support that have made it out of both

chambers include:

- **House Bill 136** creates a non-refundable Child Tax Credit, valued at \$250 per child, and increases the state's existing non-refundable Child and Dependent Care Tax Credit from 30% to 50% of the federal level. While a refundable Credit would do more for Georgia families, GBPI has been advocating for a Child Tax Credit and views this as a success.
- **House Resolutions 847** and **304** create study committees to evaluate funding for public health and the costs of smoking, respectively. These resolutions are the first steps towards gaining funding for the **Department of Public Health** and implementing health measures we have been in support of, such as an **increased tobacco tax**.
- **HB 38** expands the eligibility criteria for a completion grant so that students who finish at least 70% of a four-year degree program or 45% of a two-year degree program can qualify to receive need-based financial aid.
- **SB 148** increases the number of accumulated sick leave from 3 to 5 days that school personnel can use for personal or professional leave.
- **SB 55** phases out the payment of subminimum wages to people with disabilities, allowing them to receive a fairer wage for their work.
- **SB 191** provides for digital notice on Unemployment Insurance (UI) benefit claim decisions and appeals, allowing for faster notice to the claimant. It also revises the claimant's appeal window for digital notices so that the window begins on the date of issuing a digital notice instead of the date that a determination is mailed. These processes are expected to allow quicker and more efficient information flow between the Georgia Department of Labor and UI recipients.

While we celebrate those wins, we also see some bills that have passed this session. This includes **HB 111**, which lowers the state's flat income tax rate from 5.39% to 5.19% at an estimated cost of \$748 million per year, with about 67% of overall tax savings going to those with incomes in the top 20% of Georgia earners.

What's Next

Most of the bills that have passed, including the budget, are still on the

Governor's desk to sign. He can veto any bill, and in the case of the budget, can veto any line item.

While Sine Die wraps up the normal Georgia Legislative Session, there is still plenty of movement in the Federal Government that could impact the state budget. We will continue track these things and advocate for what's best for the everyday Georgian. Certain changes may even spark a "special session" for the Georgia General Assembly, which we would continue to cover.

Our advocacy and tracking during session would not have been possible without the help of donations from Georgians like you. We had some big wins this year – you were part of that. If our publications and newsletters have helped you stay informed this legislative session, **please consider donating today**. By donating, you will receive a copy of our FY 2026 Budget Primer and an invitation to our townhall on July 1st.
