

Overview: 2026 Fiscal Year Budget for the Georgia Department of Human Services

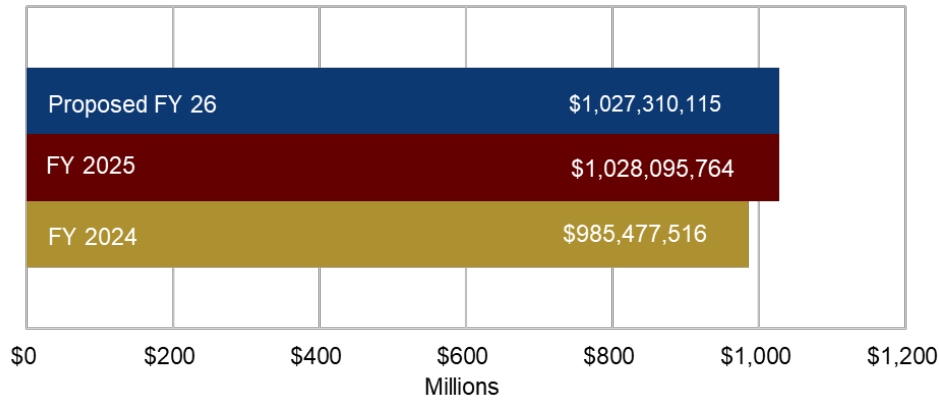
By: Ife Finch Floyd, Director of Economic Justice

Introduction

The Department of Human Services (DHS) oversees various services including foster care, child welfare, support for low-income individuals, aging services and child support.¹ Governor Kemp proposed \$1.04 billion for DHS in the Amended Fiscal Year (AFY) 2025 budget and about \$1.03 billion to the department in Fiscal Year (FY) 2026. The governor's proposed FY 2026 DHS budget is 0.1% less than the FY 2025 budget.

A growing body of research suggests that economic support programs help keep families stable and reduce their involvement with the child welfare system. Legislators should make investments to improve access to these programs and expand benefits. These actions will help keep families together and lower costs for the state's child welfare system.

The Governor Proposes Slightly Less Funding for DHS in FY 2026



Source: The Governor's Budget Reports, Amended Fiscal Year 2025 and Fiscal Year 2026.

Budget Highlights: No Major Investments for DHS

Amended FY 2025 Proposed Changes

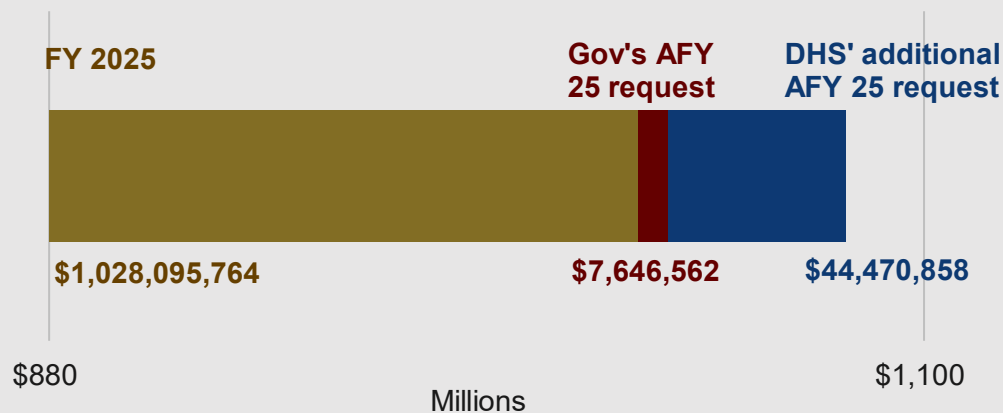
The governor's proposed budget would add about \$7.6 million to the AFY 2025 DHS budget. Most of the proposed AFY 2025 budget would be for technology maintenance and upgrades.

- \$5.8 million for a one-time increase in funding for Child Support to maintain software applications on the Georgia Technology Authority mainframe
- \$1.7 million increase to replace federal funds for Court Appointed Special Advocates²
- \$1.5 million increase to integrate Georgia Pathways to Coverage and Georgia Access into the Georgia Gateway eligibility system³
- A cut of \$1.1 million for the elimination of rental payments for a multi-service building in Coweta County

DHS Commissioner Requests Additional Funding Above the Governor's Initial Recommendation

After the governor issued his budget, DHS Commissioner Broce requested \$44 million in additional resources for foster care. The commissioner noted that an outdated federal funding formula and the growing costs of serving children with complex behavioral and mental health needs have contributed to this widening budget hole. The state cannot use federal funding to close this specific budget gap. The Commissioner explained "After we submitted our projections for [foster care] based on FY 2024 expenditures, we realized a \$44 million deficit in state funds once we received updated fiscal year quarterly projections."^a

DHS' Additional AFY 2025 Request Would Boost Its Budget to About \$1.08 Billion



Source: The Governor's Budget Reports, Amended Fiscal Year 2025 and Fiscal Year 2026 and presentation from DHS Commissioner during the House Human Resources Appropriations hearing on January 28, 2025.

An additional \$44 million would increase DHS' proposed AFY 2025 budget from about \$1.03 billion to about \$1.08 billion. That would mean a total increase of about \$51 million, or about 5%, from the original FY 2025 budget. The agency may need additional funds for FY 2026 as well, but it is unclear at the moment.

On February 5, 2025, the House approved only about \$22 million in additional resources for foster care in its AFY 2025 budget.^b At the time of writing, the Senate was still considering the House version.

^aRemarks from DHS Commissioner Broce in the House Human Resources Appropriations hearing on January 28, 2025.

^b House Budget and Research office. (2025, February, 5). Amended FY 2025 budget track sheet: House version. [https://www.legis.ga.gov/api/document/docs/default-source/house-budget-and-research-office-document-library/2025-fiscal-year/amended-fy-2025-track-sheet-house-version-\(hb-67\).pdf?sfvrsn=62565896_2](https://www.legis.ga.gov/api/document/docs/default-source/house-budget-and-research-office-document-library/2025-fiscal-year/amended-fy-2025-track-sheet-house-version-(hb-67).pdf?sfvrsn=62565896_2).

FY 2026 Proposed Changes

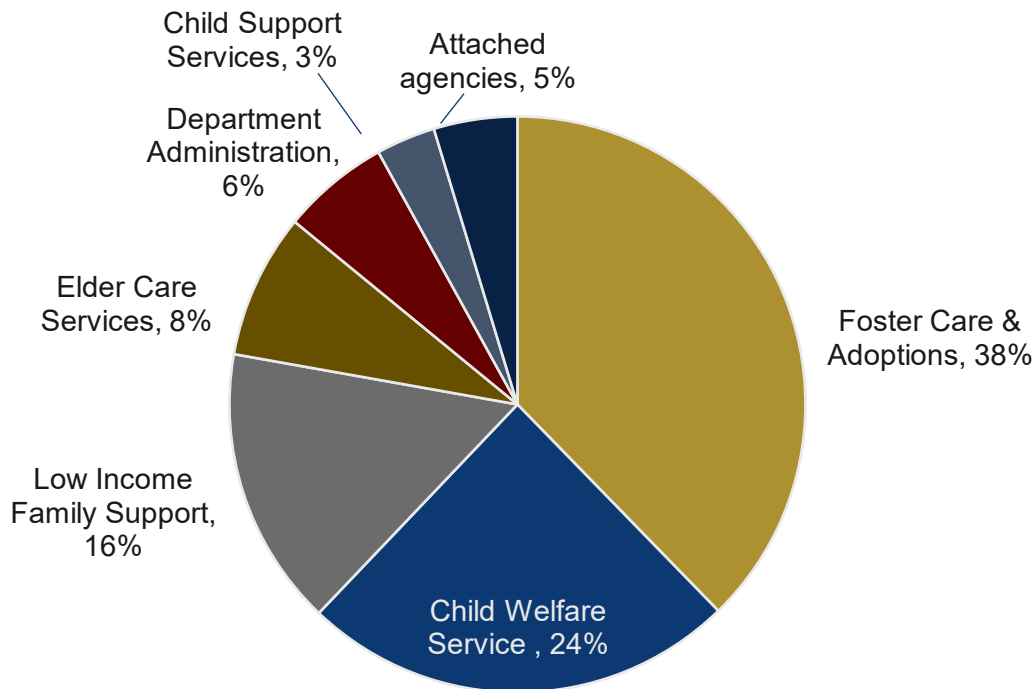
The proposed changes in the Governor's FY 2026 budget would be marginal and would reduce DHS budget slightly. Below are a few examples of how the changes can be categorized:

- Funding adjustments due to actions at the federal level:
 - A cut of \$1.5 million for child welfare services to eliminate matching state funds for the wraparound services pilot, Unite Us, due to the rejection of funding by the US Department of Health and Human Services (HHS)
 - A cut of \$487 thousand in Foster Care and Adoption Services to reflect an adjustment in the federal match⁴
 - A \$1.7 million increase for child welfare services for Court Appointed Special Advocates to replace federal funds deemed ineligible by HHS
- Funding cuts due to lower collections on certain fees and fines:
 - A \$120 thousand reduction in Safe Harbor for Sexually Exploited Children Fund Commission to reflect lower FY 2024 collections of financial penalties for sex trafficking and sexual offenses and adult entertainment establishment assessments
- Transfers:
 - A cut of \$225 thousand in Elder Community Living Services due to a transfer of the brain health awareness campaign funding from the Department of Human Services to the Department of Public Health.

Growing Evidence Suggests that Upstream Investments in Economic Security Programs Reduce Child Welfare Involvement and Costs

Georgia spends more than 60% of its DHS budget on child welfare, foster care and adoption services, while it spends only about 16% on Low Income Family Support programs, which include the administration of programs like cash and nutrition assistance.⁵ However, the state could reduce what it spends on child welfare by focusing on interventions informed by growing evidence that expanded access to economic supports reduces child maltreatment-related costs.⁶ Conversely, the lack of critical economic support can increase the likelihood of child welfare involvement.⁷

Foster Care, Adoptions Services, and Child Welfare Services Make Up 62% of the DHS Budget



Source: The Governor's Budget Reports, Amended Fiscal Year 2025 and Fiscal Year 2026.

This session, legislators should consider this prevention strategy as they build on the Governor's budget and deliberate on bills. For example, for DHS, lawmakers should:

- **Increase the pay of Division of Family and Children Services (DFCS) eligibility workers in the budget to support hiring and retention.** An experienced and stable DFCS eligibility workforce would help families apply for and maintain their benefits. However, the FY 2025 budget left DFCS eligibility workers out of a \$3000 pay increase for other DHS frontline staff. Despite recent hiring, the agency still struggles to keep workers long-term as the pay is low and the caseloads are high.⁸
- **Expand eligibility and increase benefits for Temporary Assistance for Needy Families (TANF), cash assistance for families living in poverty.** Cash assistance is critical to help families meet their basic needs. However, state leaders have largely left TANF largely unchanged since the mid-1990s. The monthly benefit level is still \$280 for a family of three, and there are only around 4,000 families in the program.⁹

Outside of DHS, lawmakers should expand access to child care subsidies (see DECAL budget overview) and bolster housing assistance (see DCA budget overview).

Endnotes

¹ There are four agencies that are attached to the DHS budget for administrative reasons: the Council on Aging, Georgia Vocational Rehabilitation Agency, Family Connect and the Safe Harbor for Sexually Exploited Children Fund Commission.

² Court Appointed Special Advocates are volunteers who speaks to and promotes the best interest of the child in a protective custody case.

³ Pathways offers health care coverage to adults with lower incomes who do not have access to affordable health insurance if they meet certain work obligations.

⁴ \$478,000 cut is the combined reduction in funding due to changes in the federal match for foster care and the federal match in adoption services.

⁵ In this analysis, child welfare services is inclusive of the budget lines for child welfare services, child abuse and neglect prevention, and residential child care licensing. Low income support is inclusive of budget lines for support for needy families-basic assistance, support for needy families – work assistance, refugee assistance, federal eligibility benefit services, energy assistance, community services and out-of-school care. Georgia Access is a platform for residents to shop for and enroll in health insurance

⁶ Puls, H. T., Hall, M., Anderst, J. D., Gurley, T., Perrin, J., & Chung, P. J. (2021). State spending on public benefit programs and child maltreatment. *Pediatrics*, 148(5), e2021050685. <https://doi.org/10.1542/peds.2021-050685>.

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⁷ Ginther, D.K., and Johnson-Motoyama, M. (2022, December). Associations between state TANF policies, child protective services involvement, and foster care placement. *Health Affairs*, 41(12), <https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2022.00743>.

Klevens, J., Barnett, S.B., Florence, C., Moore, D. (2015, February). Exploring policies for the reduction of child physical abuse and neglect. *Child abuse & neglect*, 40, 1–11. <https://doi.org/10.1016/j.chiabu.2014.07.013>.

Cai J. Y. (2022). Economic instability and child maltreatment risk: Evidence from state administrative data. *Child abuse & neglect*, 130(Pt 4), 105213. <https://doi.org/10.1016/j.chiabu.2021.105213>.

⁸ Department of Human Services, Division of Family and Children Services. (2024). *Office of family independence data*. <https://dhs.georgia.gov/division-family-children-services-office-family-independence>.

⁹ Department of Human Services, Division of Family and Children Services. (2024). *Office of family independence data*. <https://dhs.georgia.gov/division-family-children-services-office-family-independence>.