



House Budget and Research Office

COVERDELL LEGISLATIVE OFFICE BUILDING, ROOM 412
ATLANTA, GEORGIA 30334
404-656-5050

MARTHA R. WIGTON
DIRECTOR

FISCAL YEAR 2022 STATE BUDGET HOUSE BILL 81 - HOUSE HIGHLIGHTS

The Fiscal Year 2022 budget is set by a revenue estimate of \$27.2 billion, an increase of \$1.34 billion, or 5.2%, over the FY 2021 original budget. Since the original FY 2021 budget was passed in June of 2020, the state's fiscal position has substantially improved. The governor increased the revenue estimate for FY 2022 by \$7,638,448 on February 22, 2021 to recognize the excise tax on for-hire ground transport authorized by HB 105 (2020 Session). The House has recognized these funds to be utilized for transit projects.

Nearly 90% of the new revenue for FY 2022 is programmed to be spent within education and health and human services agencies. The General Assembly supports the governor's recommendation to restore 60% of the reductions made to K-12 education funding formulas in the FY 2021 budget. The House further improves on the FY 2022 budget by providing an infusion of funds for expanded mental health core and crisis intervention services; rate increases for health and human service providers; access to healthcare; and salary increases for critical positions. Highlights of the House version of HB 81 are below:

Criminal Justice, Public Safety and the Courts

- House Bill 81 provides the Georgia Bureau of Investigation (GBI) with \$1.59 million to annualize the recruitment and retention of medical examiners. The recommended caseload for medical examiners is 250 autopsies per doctor annually. Due to staff vacancies because of low wages, Georgia medical examiners perform nearly 100 more autopsies annually than recommended. Enhancing the medical examiner salary will make Georgia competitive and improve retention and recruitment of these specialized doctors.
- The House supports the governor's recommendation of \$270,320 for the GBI's Gang Task Force to provide legal assistance to local jurisdictions for the prosecution of gang members.
- HB 81 fully restores \$700,000 for domestic violence shelters and sexual assault centers cut from the FY 2021 budget. The House adds an additional \$238,317 to provide a 2% increase in state funding for all domestic violence shelters and \$150,000 to bring two new shelters up to the minimum state funding level. From 2019 to 2020, there was a 46% increase in domestic violence program crisis calls and a 90% increase in sexual assault program crisis calls.
- House Bill 81 annualizes targeted pay raises for the positions with the highest turnover in criminal justice. Juvenile correctional officers receive a targeted 10% pay increase to combat the 97% turnover rate within the Department of Juvenile Justice. In the Georgia Department of Corrections, correctional officers receive a 10% targeted pay raise to combat the 35% turnover rate within the department.

- The House appropriates \$532,874 to the Department of Public Safety to create two additional salary steps for seasoned troopers who stay in the field rather than move to an administrative role. The new pay scale will allow troopers with 12-19 years of experience to receive the title senior trooper and a 2.5% pay increase; troopers with 20 years of experience or more will receive the title master trooper and a 5% pay increase.
- The Fiscal Year 2022 budget includes \$2.4 million to establish the Columbia Judicial Circuit and \$915,564 to fund three new judgeships created in the Cobb, Flint, and Oconee judicial circuits.
- House Bill 81 provides \$2.1 million to restore reductions made throughout the Judicial Branch in the FY 2021 budget; \$1.9 million for the recruitment and retention of assistant district attorneys and assistant public defenders; and \$1.18 million for seven additional assistant district attorney positions and five assistant public defender positions to serve juvenile courts.

Economic Development

- HB 81 includes \$565,827 in the Department of Agriculture's Consumer Protection program to increase base salaries in order to retain critical positions. The House adds \$241,740 for one soil scientist, one compliance specialist, and two vehicles pursuant to HB 1057 (2020 Session). These new positions will be responsible for registering products that change the characteristics of soil, managing complaint-based investigations, and ensuring proper products are being used and distributed throughout the state.
- The House adds \$307,460 to annualize four positions and operating expenses needed for the Georgia Hemp Program and \$333,350 to establish the Farmers and Consumers Market Bulletin as the official regulatory and educational tool for the Georgia Agricultural Tax Exemption (GATE) program.
- \$100,000 is restored to the Georgia Agricultural Exposition Authority in the House version of HB 81. These funds will allow the authority to re-hire employees as they prepare for the return of events at the Georgia National Fairgrounds, including the 2021 Georgia National Fair.
- One new rural waters technical specialist is included in the FY 2022 budget for the State Soil and Water Commission to address an increase in workload related to Georgia's statewide dams.
- Within the Department of Community Affairs, \$168,437 is added for a behavioral health coach to provide client support and clinical consultations to senior adults living in affordable housing communities. This position will be based in Tifton and serve surrounding areas.
- HB 81 includes \$39.5 million for the OneGeorgia Authority to establish a Rural Innovation Fund to assist rural communities in developing targeted solutions for economic, medical, technological, or infrastructure challenges within their regions.
- \$10 million is provided to the OneGeorgia Authority to establish a broadband infrastructure grant program. This add, combined with \$20 million provided in the Amended FY 2021 budget (HB 80, 2020 Session), will assist rural communities in leveraging federal, local, and private resources to target broadband needs in their area. The House provides \$150,000 for a grant administrator as well as map maintenance funds.
- Despite the global pandemic, the Department of Economic Development has seen a surge in businesses looking to relocate to Georgia. To accommodate this growth, the House has included \$85,860 for one new project manager position in the Global Commerce program.
- The House provides \$2.5 million in one-time funds to the Georgia World Congress Center Authority, which has experienced a decline in revenue for operations due to the impact of COVID-19.
- The House budget includes \$146.6 million in bonds dedicated to economic development. These projects improve infrastructure and promote tourism throughout the state. The budget includes \$90 million for the

Savannah International Trade and Convention Center expansion. The convention center is one of the primary economic engines of coastal Georgia hosting more than 160 events and 200,000 visitors annually; supporting 28,000 tourism and hospitality jobs; and generating \$1.3 billion in economic impact in the last 20 years. HB 81 provides \$12 million in bonds to the Georgia World Congress Center Authority (GWCCA) for infrastructure improvements.

- The House budget provides \$9.5 million in bonds for the Lake Lanier Islands Conference Center. The operational impact of this new conference center is 220 permanent jobs with a projected annual economic impact of \$54.5 million.
- The House includes \$2.95 million in bonds for the Jekyll Island Authority for campground expansion. Expansion of the current campground will include approximately 14 acres and 54 camp sites as well as new facilities to service those camp sites. The House funds \$3.5 million in bonds for the Stone Mountain Memorial Association for campground improvements. The campground receives 150,000 unique visits annually.

Education

- K-12 education is the largest single expenditure in the state's budget, totaling \$10.2 billion, or 43.8% of the state general funds budget. The FY 2021 budget included a reduction of \$950 million to the Quality Basic Education formula (QBE) due to a decline in state revenues as a result of the COVID-19 pandemic; HB 81 restores \$567 million, or 60% of that reduction, to QBE formula earnings. The sustained reduction to QBE is now \$383 million, or (4%).
- HB 81 reflects a \$52.4 million net decrease to the QBE formula. Full-time equivalent (FTE) enrollment is down 35,206, or 2%, totaling \$110.6 million. The increase in training and experience and health insurance is \$58.2 million, reflecting 330 new teachers and salary step increases for eligible current teachers. The budget also includes \$35.7 million for growth in charter system grants and State Commission Charter School supplements.
- Equalization grants are increased by \$71.9 million, bringing the total amount of funding to \$798 million. Equalization grants provide additional funds for school systems whose property tax wealth per FTE is below the statewide average.
- HB 81 includes \$8.1 million in restorations to Department of Education (DOE) programs that provide direct instruction or vital educational services. In most programs, the adjustment represents a 60% restoration to the initial FY 2021 reduction. The restorations include Agricultural Education (\$589,272); Communities in Schools (\$85,686); Georgia Network for Educational and Therapeutic Supports (GNETS) (\$3,669,163); Preschool Disabilities Services (\$2,523,306); Regional Education Service Agencies (RESAs) (\$889,508); Technology/Career Education (\$840,924); State Schools (\$300,000); and Tuition for Multiple Disability Students (\$93,117). Lastly, the restorations to Agricultural Education and Technology/Career Education include full restorations to the Extended Day/Year program.
- The Nutrition program receives a \$5 million increase in funding, providing additional funds for the state share of nutrition worker salaries and a supplement for nutrition managers. The additional \$5 million brings the total Nutrition program appropriation to \$29.5 million.
- The FY 2022 budget includes \$179,152 in additional formula funds for pupil transportation. The House version also includes \$2 million in bond funding to incentivize the purchase of alternative fuel school buses; in FY 2021, DOE approved the purchase of 158 propane buses in 13 counties across Georgia. School systems save an estimated \$3,500 in maintenance costs per propane bus.

- In the Agricultural Education program, \$425,000 is provided for five new young farmer positions in Baldwin, Fulton, Pickens, Ware, and Worth counties at \$85,000 each.
- HB 81 fully restores the \$700,000 reduction to feminine hygiene grants taken in the FY 2021 budget and increases the original appropriation by \$250,000 for a total of \$1.25 million in FY 2022. Also, language is added directing the Department of Education to prioritize grants to school systems with low property tax wealth and a high percentage of economically-disadvantaged students.
- The House version of the budget provides a hold-harmless appropriation from a decline in enrollment for residential treatment facilities. The remaining \$268,221 reduction reflects 'CARES Act' funds approved by the State Board of Education for residential treatment facilities.
- The FY 2022 budget includes \$1 million for charter facilities grants in the Charter School program, increasing total funding to \$4.5 million. Facilities grants are provided to local charter schools and state charter schools at a flat amount pursuant to HB 430 (2017 Session).
- The House version of the FY 2022 budget includes \$75,000 for a pilot program to expand access to virtual STEM and Advanced Placement (AP) STEM courses to rural areas of the state. Also included in HB 81 is \$250,000 to expand and supplement the CSforAll Air Force JROTC-Computer Science Initiative, which scales up computer science and cybersecurity education programs by providing AP Computer Science Principles (CSP) courses at school systems that offer no AP CSP courses or no AP courses.
- The House budget includes \$136.9 million in bonds for local school construction, renovations, and additions statewide. These funds support 126 projects in 47 school systems. The bond package also includes \$12.2 million for equipment for career, technical, and agricultural education labs.
- The House budget provides an increase of \$3.5 million to the Department of Early Care and Learning to fund an additional 625 slots in the Childcare and Parent Services (CAPS) program. The CAPS program assists low-income families for the cost of childcare and currently serves more than 50,000 families.
- The House version of HB 81 increases lottery funds for Pre-K classroom operations by \$1.7 million, or 2.5%. This is the first increase in operations since FY 2010.
- The budget provides funds to restore a Pre-K Specialist position eliminated in FY 2021. The position contributes to maintaining the quality of Pre-K programs by working directly with lead and assistant teachers.
- HB 81 includes \$140,720 for personal services in the Professional Standards Commission (PSC) to meet program needs in the Ethics Division and Educator Preparation Division. Also, the FY 2022 budget includes \$197,002 for the Troops to Teachers program, a program that offers a path for military members to become classroom teachers.
- The House version of the budget includes \$100,000 for the Growing Readers program in the Governor's Office of Student Achievement, bringing total program funding to \$1.6 million. This program has 38 certified specialists working with 85 schools in all 16 RESAs with a goal of students reading on grade level by the end of the third-grade. HB 81 restores \$150,000 for the Governor's School Leadership Academy, providing leadership training to aspiring and new principals.
- The FY 2022 budget includes \$1.6 million for a \$0.25 increase, from \$15.50 to \$15.75, to the benefit multiplier for retired members of the Public School Employees Retirement System (PSERS).
- HB 81 includes language urging the Board of Trustees of the Employees' Retirement System (ERS) of Georgia to provide a benefit adjustment for retired state employees.
- Throughout the budget, school systems receive an additional \$58.1 million for Teachers Retirement System (TRS) annual required contribution rate increases. When funding for higher education is included,

the total new state fund investment in TRS for FY 2022 is \$66.5 million. These funds will support 131,820 retired and 226,366 active members.

General Government Services

- The Fiscal Year 2022 budget provides \$650,000 to the Department of Audits and Accounts for auditing expenses related to federal pandemic aid. The budget also restores \$350,000 to the department for software maintenance expenses.
- HB 81 includes \$761,100 for the Government Transparency and Campaign Finance Commission for five positions and expenses related to the new e-filing system.
- The House budget provides \$371,930 to the Department of Banking and Finance to implement a 6% salary adjustment to retain non-director level examination and licensing positions.
- HB 81 includes \$3.2 million for the Department of Driver Services to increase salaries for critical positions with high turnover. These employees ensure only the safest drivers are on Georgia's roads. The budget also provides \$250,000 for a new Voter Identification Outreach program to remove the financial barrier to obtaining a state photo I.D. for voting and other official processes that require one.
- The FY 2022 budget provides nearly \$2.5 million to the Office of the Commissioner of Insurance for 17 positions and operating expenses. These funds will help the department investigate insurance-related fraud cases as well as provide inspectors to ensure the safety of new buildings across the state.
- The budget provides a total of \$20.7 million to the Department of Natural Resources for the second year of the Georgia Outdoor Stewardship Program. This program provides dedicated funding to state agencies, local governments, and certain non-governmental organizations for parks, trails, and conservation efforts statewide.
- The Department of Natural Resources receives \$12.4 million in bonds for construction, renovation, and major improvements needed to maintain existing facilities. Facilities maintained in good condition promote the enjoyment and safety of the 10.9 million annual visitors and encourage return visits to our parks. Georgia state parks have a \$1.1 billion economic impact.
- HB 81 includes over \$1.1 million for the Department of Revenue for 15 positions and three contractors to regulate the distribution and sale of vaping products (HB 375, 2020 Session). The budget also provides an additional \$25 million for the Forestland Protection Grants program, bringing the total budget for the program to \$39 million. The grants help local governments offset lost tax revenue and encourage the conservation of the state's forests.
- The FY 2022 budget contains \$150,000 for the Secretary of State's Professional Licensing Boards division for two analysts and temporary workers. In addition to the \$150,000 provided in the Amended Fiscal Year 2021 budget, these funds will help the agency issue temporary permits to retired nurses for administering COVID-19 vaccines pursuant to Executive Order 01.22.21.07.
- The Fiscal Year 2022 budget provides \$667,642 in additional funding for the Georgia Access to Medical Cannabis Commission for five positions and other overhead expenses. The commission will work to ensure the safe production and processing of medicinal cannabis in the state and is expected to generate \$1.5 million in revenue in its first year of operation.

Health

- The House version of HB 81 redirects \$106.2 million in the Medicaid programs by recognizing the extension of the temporary 6.2% Federal Medical Assistance Percentage (FMAP) increase through

September 30, 2021. These funds are repurposed as provider rate increases and other health enhancements throughout the budget to support healthcare programs and providers that deliver essential services to Georgians.

- The House budget supports Georgia's elderly and functionally-impaired population by providing \$25.3 million for a 10% rate increase for home and community-based services providers, which includes CCSP, SOURCE, and ICWP waiver providers.
- HB 81 includes \$15.4 million for skilled nursing centers to provide a 2% rate increase (\$11.9 million) as well as to update the general and professional liability, property insurance, and property tax pass-through rate components to current costs (\$3.5 million) in order to assist these centers with the large revenue losses and increased staffing costs associated with the COVID-19 pandemic.
- The House budget adds \$7.1 million to increase 18 select primary care and OB/GYN codes to 2020 Medicare levels in order to support providers with the cost of treating patients.
- The House agrees with the governor to provide \$4.86 million to the Department of Community Health's (DCH) Healthcare Facility Regulation program for contractual services to immediately address the nursing home survey backlog. In addition, the House budget adds \$7.5 million to annualize a hiring and retention plan to stabilize the staffing of the nursing home regulatory program. These funds will ensure that the program is brought into, and remains in, compliance with federal requirements.
- HB 81 adds \$500,000 for two Federally Qualified Health Center start-up grants for primary care centers in Jeff-Davis and Marion counties.
- The House budget includes \$5.3 million for the second year of the seven-year plan to fund the Columbus campus of the Mercer School of Medicine. The new medical education program emphasizes rural medicine and will have 240 medical students by FY 2027.
- HB 81 provides \$35 million to DCH to annualize the state match of the Disproportionate Share Hospital (DSH) payments for private deemed and non-deemed hospitals that serve a large number of Medicaid and uninsured individuals.
- The House agrees with the governor to fund \$68.1 million in benefits to begin the implementation of the 'Patients First Act' (SB 106, 2019 Session).
- HB 81 provides \$500,000 in the State Health Benefit Plan for a pilot program for a drug deactivation system that provides a safe disposal of unused prescription and over-the-counter medications.
- The FY 2022 budget supports leadership positions in the state's health agencies by annualizing three positions in the Department of Public Health for a chief medical examiner, deputy commissioner of public health, and chief data officer (\$857,986) as well as funding two senior leadership positions to support the Department of Community Health's increasing workload (\$556,456).
- In the Department of Public Health, \$1.5 million is provided for the ongoing maintenance and operations of the new vaccine management system funded in the Amended FY 2021 budget.
- The House agrees with the governor to provide \$506,000 to support Grady Memorial Hospital's efforts to continue the coordination of emergency room use in the 13-county metro Atlanta area.
- The House budget provides \$100,000 for Georgia Center for Oncology Research and Education (CORE) to replace a portion of the funds cut in the FY 2021 budget. \$240,000 is added in HB 81 for the Sickle Cell Foundation of Georgia to restore a reduction from FY 2021 as well as provide additional funding to increase access to hematology care and the sickle cell mobile clinic.

- HB 81 provides \$200,000 for feminine hygiene products to be available in public health departments in order to meet the needs of women and girls outside of school hours. This funding is in addition to the \$950,000 provided to the Department of Education for feminine hygiene grants for local school systems.

Higher Education

- The House version of the FY 2022 budget includes \$58.9 million for the University System of Georgia (USG), reflecting a 0.8% increase in credit hour growth and a 0.6% increase in square footage. HB 81 also restores \$70.1 million in formula earnings not originally funded in FY 2021.
- The FY 2022 budget includes \$7.78 million for year two of a three-year phase-in for increased medical education funding through the USG formula. The first year of funding was provided in FY 2020.
- The House adds \$500,000 for an eminent scholar for sickle cell research. These funds will be combined with matching research funds from partners at Morehouse School of Medicine, Children's Healthcare of Atlanta, and Emory University.
- To create parity between higher education programs and K-12, HB 81 includes \$8.1 million for University System of Georgia B-Unit programs. These funds restore 60% of the reductions from the initial FY 2021 budget. These programs include: Agricultural Experiment Station (\$2,851,620); Cooperative Extension Service (\$2,652,325); Forestry Cooperative Extension (\$64,122); Forestry Research (\$198,527); Georgia Tech Research Institute (\$359,041); Marine Institute (\$71,707); Marine Resources Extension Center (\$83,486); Medical College of Georgia Hospital/Clinic (\$1,627,793); Georgia Youth Science and Technology Center (\$53,733); and the Veterinary Medicine Experiment Station (\$162,000).
- The FY 2022 budget provides the Georgia Public Library Service with \$559,757 in additional funds to increase the materials grant for public libraries from \$.35 to \$.40 per capita. This is in addition to \$345,800 in enhanced funding due to an increase in population. The House includes \$3.9 million in bonds for expansion projects at four libraries and \$1 million in matching funds for major repair and renovation projects statewide.
- HB 81 includes \$6.1 million for a formula increase for the Technical College System of Georgia (TCSG) and restores formula earnings of \$3.5 million for FY 2021 not originally funded.
- The House budget includes a bond package of \$333.9 million for USG and TCSG institutions, including \$93.9 million for facility major improvements and renovations as well as funding for new construction and renovation projects. In addition, \$5 million is provided to the Georgia Research Alliance (GRA) for equipment and technology infrastructure; \$4.5 million is provided to TCSG for college and career academies.

Human Services

- The House restores \$58.5 million for the Department of Behavioral Health and Developmental Disabilities, which includes an additional \$36.3 million over the governor's recommendation.
- To combat the negative impact of COVID-19 in mental health and addiction, the House adds \$9.2 million for core services to increase the service capacity and promote funding equity of the state's providers. This investment allows the state to serve an additional 7,415 individuals per year.
- Additionally, \$394,289 is added for suicide prevention services, including funds for suicide prevention training in schools and the state's first suicide epidemiologist.
- The House annualizes \$7 million in the Department of Behavioral Health and Developmental Disabilities for a new 16-bed behavioral health crisis center to expand the service capacity of the state's crisis system. This

innovative center will serve individuals who are in crisis and have both a mental health diagnosis and an intellectual or developmental disability.

- The House provides \$12.3 million for a 5% rate increase for providers, contingent on approval by the Centers for Medicare and Medicaid Services. \$4.6 million is also added to fully restore the FY 2021 reduction to non-waiver services in family support.
- The House provides \$2 million to accelerate the expansion of the Georgia Apex Program. Currently, 188 school districts are served.
- \$621,630 is added for six forensic peer mentors to continue the mission of criminal justice reform. These mentors play an essential role in strengthening the workforce by providing valuable transition and re-entry support for citizens released from incarceration.
- In the Department of Human Services, the House restores \$951,700 in Child Welfare Services for contracts for educational services with the Multi-Agency Alliance for Children (MAAC) to allow an additional 431 children to be served.
- The House agrees with the governor to provide \$1.2 million for 17 new positions in elder abuse investigations and prevention. These positions will decrease the caseload ratio for elder abuse caseworkers from 1:33 to 1:23.

Transportation

- HB 81 includes more than \$200 million in increased motor fuel funds in the Georgia Department of Transportation's (GDOT) budget. The House version includes an increase to the Capital Construction program of \$160.7 million; an additional \$21.6 million in Local Maintenance and Improvement Grants; \$35.2 million in Routine Maintenance; and recognizes the use of \$67 million in 'Coronavirus Response and Relief Supplemental Appropriations' (CRRSA) funds to Capital Maintenance.
- The Capital Construction budget also includes directives to utilize state and federal funds to improve freight efficiency and truck safety on Georgia's highways as well as for broadband and rural development initiatives to enhance broadband access in underserved areas and promote safety and innovation on rural roadways.
- The House version of the FY 2022 budget also recognizes \$7.6 million in collected ride share fees provided for by HB 105 (2020 Session). After receiving a revised revenue estimate from the governor, the House uses these funds to: boost the Intermodal program by \$638,448 for transit programs across the state; add \$1 million in funding for Athens-Clarke Transit; and fund \$6 million to the Metropolitan Atlanta Rapid Transit Authority (MARTA). MARTA will use the funds to complete improvements at its Bankhead Station in order to improve accessibility near the newly announced Microsoft campus.
- HB 81 moves the Atlanta-Region Transit Authority (ATL) to the Department of Transportation from the Department of Community Affairs pursuant to HB 511 (2020 Session).
- Payments to State Road and Tollway Authority (SRTA) recognizes \$38.8 million in a Guaranteed Revenue Bond Debt Service Reserve in order to establish the Financing Strategy for Tolling Resilience (FSTR). This new program will allow SRTA to restructure debt obligations, leverage favorable interest rates, and provide flexibility for future projects. The Authority anticipates more than \$400 million in savings to the state over the 30-year term.
- The bond package includes \$10 million to upgrade state-owned short line railroads to Class II standards to help reduce truck traffic on state highways. The budget includes \$100 million for capital road projects and bridge replacements across the state to continue infrastructure investment.