

Restoring State Funding for Classified School Employee Health Insurance

In 2012, the State of Georgia significantly altered its support for public education by ceasing its contribution towards health insurance for non-certified school employees. Despite withdrawing funding, the state continues to set ever-increasing rates for these benefits, thereby shifting the entire financial burden onto local school districts and property taxpayers. This policy forces communities to fully cover the rising costs for vital staff, such as bus drivers, custodians, paraprofessionals, nutrition staff, and front office teams, for services the state once helped sustain.

The Problem

In 2012, Georgia ended its contribution for non-certified school employees, pushing the entire employer cost onto local districts. The SHBP employer rate has climbed to **\$1,885 per employee per month for FY 2026** — that's **\$22,620 per year**.

The Impact

Districts face impossible tradeoffs: unfilled support positions, larger class sizes, fewer paraprofessionals, cuts to student services, and higher local property taxes just to balance budgets.

The Solution

Restore state funding for the employer health insurance contribution for non-certified K–12 school employees at a cost of roughly **\$1.8–\$2.0 billion per year** — aligned with GaDOE's own 2026 priorities.

State Capacity

Georgia holds roughly **\$11–\$11.5 billion in undesignated surplus** on top of its rainy day fund, with a total state budget of about \$36 billion. The state has the capacity to fix a problem it created.

GaDOE Priority

The Georgia Department of Education's 2026 legislative priorities explicitly call for building a competitive state salary system for classified employees that includes health insurance and retirement benefits.

What Georgia Gets in Return

01

Stronger Educator Workforce

Less pressure to outsource or cut essential support roles just to manage health costs.

Competitive benefits help recruit and retain the people who make teaching and learning possible.

02

Relief for Local Taxpayers

Local property owners are currently paying for a state-managed benefit. Restoring state funding would reduce pressure on millage rates, especially in rural and lower-wealth communities.

03

Long-Term Economic Gains

Better schools lead to a stronger workforce and more attractive environment for businesses. Investment in education pays off in higher earnings, lower incarceration, and stronger local economies over time.

What We're Asking Lawmakers to Do

1. Acknowledge the 2012 cost shift and its ongoing impact on local districts and taxpayers
2. Affirm support for GaDOE's 2026 priority to build a competitive compensation system for classified staff, including health insurance
3. Support legislation that restores state funding for SHBP employer contributions for non-certified school employees, or at minimum, fully funds recent SHBP rate increases and sets a clear path to full restoration



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If Georgia is serious about supporting students, strengthening the educator workforce, and respecting local taxpayers, then restoring state funding for classified employee health insurance isn't optional, ***it's overdue.***