

SUBCOMMITTEE RECOMMENDATION

Item 8: Department of Human Services Fall 2025 Rebalance

To: Ways and Means Full Committee
From: Human Services Subcommittee
Carrier: Senator Campos

The Human Services Subcommittee heard a report from the Department of Human Services on its fall 2025 budget rebalance request.

The budget rebalance report identifies several issues affecting the Department of Human Services' budget, including changes in caseload levels, cost per case, and federal Medicaid matching. Also included in the report are requested budgetary adjustments for personal service costs associated with a 2024 class study and a federal Supplemental Nutrition Assistance Program penalty from federal fiscal year 2023. In addition, the report identifies a need for 15 positions (12.58 FTE) related to caseload growth and the cumulative workload from recently enacted bills. The net impact of the requested changes outlined in the report include increases of \$91.5 million General Fund, \$40.6 million Other Funds, and \$208.8 million Federal Funds.

The Human Services Subcommittee recommends that the Joint Interim Committee on Ways and Means acknowledge receipt of the Department of Human Services' budget rebalance report, with the understanding the Legislative Fiscal Office will develop recommendations for budgetary changes to be included in a budget reconciliation bill during the 2026 legislative session.