

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

ENGROSSED

Committee Substitute

for

Committee Substitute

for

House Bill 5453

By Delegates Ellington, Statler, Toney, Hornby, Willis,
Shamblin, Bell, Pritt, Campbell, Dean, and Hanshaw
(Mr. Speaker)

[Originating on February 27, 2026, in the Committee
on Finance]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section, designated §18-9A-27, relating to establishing a revised method of school aid funding; clarifying the base fund and establishing a supplemental fund; setting forth categories within the supplemental fund; providing for reporting; and providing for oversight.

Be it enacted by the Legislature of West Virginia:

ARTICLE 9A. PUBLIC SCHOOL SUPPORT.

§18-9A-27. Revised method of school aid funding; base fund; creation and implementation of supplemental school aid fund; additional supplemental funding; reporting; oversight.

(a) Base funding. –

(1) The current school funding aid formula shall be utilized for the school year 2026-2027, for the school year 2027-2028 and for the school year 2028-2029: *Provided*, That the foundation allowance for any fiscal year may not be less than the foundation allowance for the immediate preceding fiscal year.

(2) Public charter schools shall remain funded consistent with their funding through the current school aid funding formula and as otherwise provided in §18-5G-1 *et seq.* of this code.

(3) Effective for the school year 2029-2030, all county boards of education in this state shall be funded by a block grant in the amount of \$6,100 per enrolled student. For purposes of the base funding amount, county boards of education that have less than 1,200 enrolled pupils per county shall be funded at the minimum level of 1,200 pupils in that county.

(4) Public charter schools are not subject to the 1,200 minimum level provided for in subdivision (3) of this subsection.

(5) Funding for public charter schools for the 2029-2030 school year and continuing thereafter shall be at the amount of \$8,600 per student.

(b) Supplemental funding for special needs students. – Effective for the school year 2029-2030, all school districts in this state shall receive additional funding through a fund hereby created

18 and known as the "Supplemental School Aid Fund." This fund shall be appropriated by the
19 Legislature, based upon the number of Tier II and Tier III special needs students the school district
20 has. The funding shall be based on a per pupil allotment of \$3,050 per Tier II, and \$6,100 per Tier
21 III special needs students. The primary purpose for this supplemental fund shall be for the benefit
22 of Tier II and Tier III special needs students, but may additionally be utilized as otherwise set forth
23 in subsection (c) of this section. After all funding has been provided for Tier II and Tier III special
24 needs students, any additional funding may be provided for needs set forth in subsection (c) of this
25 section.

26 (c) Additional supplemental funding. – Effective for the school year 2029-2030, all school
27 districts in this state may request funding for special cases through the Supplemental School Aid
28 Fund created in subsection (b) of this section, which may include but is not limited to the following
29 extraordinary expenses related to:

30 (1) Transportation;

31 (2) Vocational and technical education centers;

32 (3) Alternative learning centers; and

33 (4) Pilot programs.

34 (d) Discretion. – The funds available through subsection (c) of this section may be
35 distributed as funds are available and at the discretion of the State Department of Education,
36 unless otherwise directed by the Legislature.

37 (e) Classification. – School districts shall provide a written request to the State Department
38 of Education to explain what additional funding they request based upon the items listed in
39 subsection (c) of this section. The State Department of Education may distribute the money based
40 upon the needs demonstrated per school district for the classifications set forth in subsection (c) of
41 this section.

42 (f) Reporting. – The distribution of funds provided in this section shall be reviewed by the
43 Legislative Oversight Commission on Education Accountability ("LOCEA") at least yearly. The
44 State Department of Education shall prepare this report.

45 (g) Oversight. – The funds provided and distributed through this section shall be utilized at
46 the discretion of the school district: *Provided*, That the Legislature shall maintain oversight in the
47 event of maladministration by a school district and reserves the right to restrict funds to school
48 districts that engage in maladministration.

49 (1) For purposes of this section, "maladministration" means the occurrence of one or more
50 of the following actions or failures to act, as documented by financial records, audit findings, or
51 statutory noncompliance, within the preceding 12 months:

52 (A) Failure to maintain reserve balances at or above levels required by statute or State
53 Board of Education rule for two consecutive reporting periods without submission of a corrective
54 action plan.

55 (B) Failure to submit required financial reports, audits, or WVEIS data by statutory
56 deadlines or with material inaccuracies including, but not limited to, approval of expenditures that
57 exceed gross revenue for more than one fiscal year.