

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 754

**FISCAL
NOTE**

By Senator Garcia

[Introduced February 5, 2026; referred
to the Committee on Health and Human Resources;
and then to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section,
2 designated §49-2-131, relating to foster care facilities and services; creating the Foster
3 Care Facilities Improvement Fund; providing for funding; authorizing Secretary of
4 Department of Human Services to administer fund; creating Foster Care Facilities
5 Improvement Advisory Committee; authorizing secretary to appoint committee members;
6 providing for committee recommendations to secretary for use of funds; authorizing
7 disbursements; providing that priority for disbursements shall be given to certain nonprofit
8 organizations providing foster care services; providing for other disbursements to foster
9 care facilities and programs; and providing for rulemaking.

Be it enacted by the Legislature of West Virginia:—

ARTICLE 2. STATE RESPONSIBILITIES FOR CHILDREN.

§49-2-131. Foster Care Facilities Improvement Fund; funding; advisory committee; disbursements; rulemaking.

1 (a) There is hereby created in the State Treasury a special revenue fund which shall be
2 designated and known as the "Foster Care Facilities Improvement Fund", to be administered by
3 the Secretary of the Department of Human Services for purposes of improving the availability of
4 residential childcare and treatment facilities and placements within the state. The fund shall
5 consist of the following:
6 (1) Any appropriations made by the Legislature;
7 (2) Any grants, gifts, donations, contributions, or revenues received from any source and
8 received in any form, including cash, property, or other resources;
9 (3) All income earned on moneys, properties, and assets held in the fund, or from any
10 investments; and
11 (4) Any funds generated through a revolving fund structure. The secretary shall reinvest
12 savings from decreased numbers of out-of-state foster care placements directly into the fund for
13 continued expansion of high-quality child welfare treatment facilities and services.

14 (b) Any balances remaining in the fund at the end of any state fiscal year shall not revert to
15 the General Revenue Fund but shall remain in the fund and shall be used solely in a manner
16 consistent with this section.

17 (c) *Foster Care Facilities Improvement Advisory Committee.* – There is created a Foster
18 Care Facilities Improvement Advisory Committee within the office of the secretary to recommend
19 to the secretary appropriate disbursements from the fund based on identified gaps in the state's
20 foster care system and needed improvements to childcare and treatment facilities.

21 (1) The secretary shall appoint to the advisory committee no fewer than five and no greater
22 than 10 members, each of whom shall be either a qualified foster care service provider or parent
23 advocate. Each member's term shall last two years, and members may serve an unlimited number
24 of terms. When a vacancy occurs on the advisory committee by reason of the expiration of a term
25 or otherwise, the secretary shall appoint a successor of like qualifications.

26 (2) The advisory committee shall, on a quarterly basis and subject to funding availability,
27 meet and make written recommendations to the secretary for disbursements from the fund
28 suitable to improve statewide access to high-quality residential childcare and treatment facilities,
29 including those providing acute psychiatric, neurodevelopmental, and trauma services, and which
30 disbursements would, in the judgment of the advisory committee, serve the purposes set forth in
31 subsection (d).

32 (d) The secretary may, at any time subject to his or her discretion, disburse moneys from
33 the fund in a manner consistent with the most recent recommendations provided by the Foster
34 Care Facilities Improvement Advisory Committee pursuant to subsection (c), as follows:

35 (1) Priority for disbursements shall be given to grant funding paid from the fund to qualified
36 West Virginia nonprofit organizations providing foster care services and operating residential
37 childcare facilities, treatment facilities, and emergency child shelters within the state, to be
38 awarded for purposes of renovation, construction, maintenance, and stability of new and existing
39 facilities. Such organizations may apply annually to the secretary and the advisory committee for

40 grant funding by specifying the organization's financial needs for improving its facilities and
41 services. The secretary shall prescribe a grant application process for purposes of this subdivision
42 in legislative rules promulgated pursuant to subsection (e). At any time the secretary concludes
43 that grant funding has been awarded to all qualifying West Virginia nonprofit applicants and other
44 organizations recommended by the advisory committee in its most recent round of funding
45 recommendations, the secretary may make additional disbursements from the fund to:

46 (2) Existing state properties for purposes of renovations to provide high-acuity psychiatric,
47 neurodevelopmental, and trauma services;

48 (3) Develop treatment programs, offered by the department or by qualifying nonprofit
49 organizations, including in-patient programs and aftercare programs that match clinical profiles of
50 youth historically placed out-of-state;

51 (4) Expand the child welfare provider network in West Virginia and build a foundation for
52 high-quality, specialty care; or

53 (5) Operate, or cause to be operated, an in-state in-patient childcare facility that is owned
54 by the state.

55 (e) The secretary shall promulgate legislative rules, emergency legislative rules, and
56 procedural rules necessary to implement this section pursuant to §29A-3-1 et seq. of this code.

NOTE: The purpose of this bill is to create the Foster Care Facilities Improvement Fund, to be used for the improvement and maintenance of foster care facilities and services within the state. The bill grants the Secretary of Human Services authority to make certain disbursements from the fund, pursuant to recommendations made by an advisory committee appointed by the secretary, with priority to be given to grant awards given to nonprofit organizations providing foster care services in the state for purposes of renovation, construction, and maintenance of foster care facilities.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.