

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Committee Substitute

for

House Bill 4021

By Delegates Hanshaw (Mr. Speaker) and

Hornbuckle

[By Request Of the Executive]

[Originating in the House Committee on Health and
Human Resources; Reported on January 20, 2026]

1 A BILL to amend and reenact 49-2-125 of the Code of West Virginia, 1931, as amended, relating to
2 child welfare; providing legislative findings; creating a fund; establishing guidelines to
3 disburse moneys from the fund; and requiring reporting.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2. STATE RESPONSIBILITIES FOR CHILD WELFARE.

§49-2-125. Commission to Study Residential Placement of Children; findings; requirements; reports; recommendations; fund.

1 (a) (1) The Legislature finds that the state's current system of serving children and families
2 in need of or at risk of needing social, emotional and behavioral health services is fragmented. The
3 existing categorical structure of government programs and their funding streams discourages
4 collaboration, resulting in duplication of efforts and a waste of limited resources. Children are
5 usually involved in multiple child-serving systems, including child welfare, juvenile justice and
6 special education. More than ten percent of children presently in care are presently in out-of-state
7 placements. Earlier efforts at reform have focused on quick fixes for individual components of the
8 system at the expense of the whole. It is the purpose of this section to establish a mechanism to
9 achieve systemic reform by which all of the state's child-serving agencies involved in the
10 residential placement of at-risk youth jointly and continually study and improve upon this system
11 and make recommendations to their respective agencies and to the Legislature regarding funding
12 and statutory, regulatory and policy changes. It is further the Legislature's intent to build upon
13 these recommendations to establish an integrated system of care for at-risk youth and families
14 that makes prudent and cost-effective use of limited state resources by drawing upon the
15 experience of successful models and best practices in this and other jurisdictions, which focuses
16 on delivering services in the least restrictive setting appropriate to the needs of the child, and
17 which produces better outcomes for children, families and the state.

18 (2) When a child is in need of in-patient placement for acute psychiatric,
19 neurodevelopmental, or trauma services, that child should be able to receive adequate services

20 within their home state. Not only does an out-of-state placement in a residential treatment facility
21 bear a significantly higher cost than a similar in-state placement, but the distance may make it
22 more difficult for the department to have meaningful engagement with the child and their treatment
23 team. Most importantly, an out-of-state placement means that a child already in a crisis may lose
24 any family support they may have. Therefore, it is the finding of the Legislature that there is a
25 valuable public need to create more quality in-state placement facilities able to provide necessary
26 residential treatment to the children who need it most.

27 (b) There is ~~created~~ continued within the Department of Human Services the Commission
28 to Study the Residential Placement of Children. The commission consists of the Secretary of the
29 Department of Human Services, the Commissioner of the Bureau for Children and Families, the
30 Commissioner for the Bureau for Behavioral Health and Health Facilities, the Commissioner for
31 the Bureau for Medical Services, the State Superintendent of Schools, a representative of local
32 educational agencies, the Director of the Office of Institutional Educational Programs, the Director
33 of the Office of Special Education Programs and Assurance, the Director of the Division of
34 Juvenile Services and the Executive Director of the Prosecuting Attorney's Institute. At the
35 discretion of the West Virginia Supreme Court of Appeals, circuit and family court judges and other
36 court personnel, including the Administrator of the Supreme Court of Appeals and the Director of
37 the Juvenile Probation Services Division, may serve on the commission. These statutory
38 members may further designate additional persons in their respective offices who may attend the
39 meetings of the commission if they are the administrative head of the office or division whose
40 functions necessitate their inclusion in this process. In its deliberations, the commission shall also
41 consult and solicit input from families and service providers.

42 (c) The Secretary of the Department of Human Services shall serve as chair of the
43 commission, which shall meet on a quarterly basis at the call of the chair.

44 (d) At a minimum, the commission shall study:

45 (1) The current practices of placing children out-of-home and into in-residential

46 placements, with special emphasis on out-of-state placements;

47 (2) The adequacy, capacity, availability and utilization of existing in-state facilities to serve
48 the needs of children requiring residential placements;

49 (3) Strategies and methods to reduce the number of children who must be placed in out-of-
50 state facilities and to return children from existing out-of-state placements, initially targeting older
51 youth who have been adjudicated delinquent;

52 (4) Staffing, facilitation and oversight of multidisciplinary treatment planning teams;

53 (5) The availability of and investment in community-based, less restrictive and less costly
54 alternatives to residential placements;

55 (6) Ways in which up-to-date information about in-state placement availability may be
56 made readily accessible to state agency and court personnel, including an interactive secure web
57 site;

58 (7) Strategies and methods to promote and sustain cooperation and collaboration between
59 the courts, state and local agencies, families and service providers, including the use of inter-
60 agency memoranda of understanding, pooled funding arrangements and sharing of information
61 and staff resources;

62 (8) The advisability of including no-refusal clauses in contracts with in-state providers for
63 placement of children whose treatment needs match the level of licensure held by the provider;

64 (9) Identification of in-state service gaps and the feasibility of developing services to fill
65 those gaps, including funding;

66 (10) Identification of fiscal, statutory and regulatory barriers to developing needed services
67 in-state in a timely and responsive way;

68 (11) Ways to promote and protect the rights and participation of parents, foster parents and
69 children involved in out-of-home care;

70 (12) Ways to certify out-of-state providers to ensure that children who must be placed out-
71 of-state receive high quality services consistent with this state's standards of licensure and rules of

operation; and

(13) Any other ancillary issue relative to foster care placement.

(e) The commission shall report annually to the Legislative Oversight Commission on Health and Human Resources Accountability its conclusions and recommendations, including an implementation plan whereby:

(1) Out-of-state placements shall be reduced by at least ten percent per year and by at least fifty percent within three years;

(2) Child-serving agencies shall develop joint operating and funding proposals to serve the needs of children and families that cross their jurisdictional boundaries in a more seamless way;

(3) Steps shall be taken to obtain all necessary federal plan waivers or amendments in order for agencies to work collaboratively while maximizing the availability of federal funds;

(4) Agencies shall enter into memoranda of understanding to assume joint responsibilities;

(5) System of care components and cooperative relationships shall be incrementally established at the local, state and regional levels, with links to existing resources, such as family resource networks and regional summits, wherever possible; and

(6) Recommendations for changes in fiscal, statutory and regulatory provisions are included for legislative action.

(f) There is created a special account which shall be designated and known as the "Bring Them Home Fund", to be administered by the Secretary of the Department of Human Services. Expenditures from the fund shall be for the purposes set forth in this section, and are not authorized from collections but are to be made only in accordance with appropriation by the Legislature and in accordance with the provisions of §12-3-1 et seq. of this code and upon fulfillment of the provisions of §11B-2-1 et seq. of this code. The fund shall consist of the following:

(1) Any appropriations made by the Legislature;

(2) Any grants, gifts, donations, contributions or revenues, received from any source, and received in any form, including cash, property, or other resources;

10 (3) All income earned on moneys, properties, and assets held in the fund, or from any
11 investments; and

12 (4) Any funds generated through a revolving funding structure. The Secretary shall
13 reinvest savings from decreased numbers of out-of-state placements directly into the fund for
14 continued expansion of high-quality child welfare treatment facilities and services.

15 (5) The Bring Them Home Fund shall be treated by the Auditor and Treasurer as a special
16 revenue fund and not as part of the general revenues of the state. Any funds remaining in the
17 Bring Them Home Fund at the end of the fiscal year shall not revert to the General Revenue Fund.

18 (6) The Secretary of the Department of Human Services is authorized to disburse funds
19 from the Bring Them Home Fund, at his or her discretion, for any of the following purposes:

20 (A) To renovate existing state properties to expand high-acuity psychiatric,
21 neurodevelopmental, and trauma services for children residing in West Virginia;

22 (B) To develop treatment programs, including in-patient programs and aftercare programs,
23 that match clinical profiles of youth historically placed out-of-state;

24 (C) To expand the child welfare provider network in West Virginia and build a foundation for
25 high quality, specialty care;

26 (D) To cause to be operated by a nonstate government entity an in-state in-patient facility
27 that is on property owned by the state; or

28 (E) To renovate existing private facilities to provide a psychiatric residential treatment level
29 of care for children currently being treated out of state.

30 (g) The Secretary of the Department of Human Services is not limited to using state
31 properties which are already within the possession of the Department of Human Services.
32 Instead, the Secretary is authorized to coordinate with other state agencies and the State Board of
33 Education to determine what existing state properties could be used for a facility. Recognizing the
34 social and economic value of placing children at in-state facilities, other state agencies should act
35 collaboratively with the Department of Human Services to identify what state properties can serve

36 a better public need through repurposing in accordance with this article.

37 (h) The Secretary of the Department of Human Services may enter into operating or
38 management agreements with private entities to effectuate the purposes of this section, and may
39 disburse funds to do so.

40 (1) An operating or management agreement may include a lease agreement for the
41 property. The Department may collaborate with a contracted operator or manager, or a
42 prospective operator or manager, during the rehabilitation phase.

43 (2) A third party contractually authorized to operate or manage an in-state facility at a
44 property owned by the state may not accept the placement of out-of-state children, unless the
45 Department affirms, in writing, that the placement needs for in-state children is presently satisfied.
46 The Department may require the private operator or manager to leave one or more beds
47 unassigned in the event that the need for placement of in-state children arises.

48 (i) The Secretary shall report to the Legislative Oversight Commission on Health and
49 Resources Accountability by December 1 of each year concerning the reinvestment of the savings
50 from decreased numbers of out-of-state placements.

51 (j) The provisions of this section expire on July 1, 2030.

NOTE: The purpose of this bill is to provide for the renovation and repair of state-owned properties and buildings to expand high-acuity psychiatric, neurodevelopmental, and trauma services for children in West Virginia.

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