

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4815

**FISCAL
NOTE**

By Delegates Cooper, Clay, Roop, Toney, and
Canterbury

[Introduced January 26, 2026; referred to the
Committee on Health and Human Resources]

1 A BILL to amend and reenact §8-32-4 of the Code of West Virginia, 1931, as amended, relating to
2 permitting a political subdivision-based community health center to pay bonuses and
3 incentives under certain conditions.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 32. INTERGOVERNMENTAL RELATIONS - CONTRIBUTIONS TO OR
INVOLVEMENT WITH NONSTOCK, NONPROFIT CORPORATIONS OR
HEALTH INSTITUTIONS FOR PUBLIC PURPOSES.**

PART IV. HEALTH INSTITUTIONS.

**§8-32-4. Legislative findings; authority of municipalities and county commissions to make
appropriations; limitations and restrictions.**

1 (a) (1) The Legislature hereby finds that the support of public or nonprofit health institutions
2 dedicated to making available to the general public health and mental health services is for the
3 general welfare of the public and is a public purpose for which funds of a municipality or county
4 commission may be lawfully expended. This section is enacted in view of this finding and shall be
5 liberally construed in the light thereof. As used in this section, the term "health institution" means a
6 hospital, health or mental health clinic, regional or community health or mental health center,
7 mental retardation facility, extended care facility, nursing home, or other health or mental health
8 institution, which is open to the general public.

9 (2) The Legislature further finds that certain community health centers serving rural and
10 underserved communities in West Virginia function as political subdivisions and rely on federal
11 and self-generated funding. To recruit and retain qualified health care professionals in these
12 challenging environments, it is necessary to authorize limited flexibility to provide financial
13 incentives consistent with federal compliance and community board oversight.

14 (b) Notwithstanding any statutory or charter provision to the contrary, municipalities and
15 county commissions are hereby empowered and authorized to appropriate funds, subject to the

conditions and limitations set forth in this section, for the establishment, cost, operation, maintenance and projects of any health institution, whether such health institution be situate within or without the confines of any such municipality or county. Funds may not be appropriated by a municipality or county commission for the benefit and use of any health institution unless such health institution is either owned and operated by a unit of government, or is owned and operated by a nonstock, nonprofit corporation chartered under the laws of or licensed to do business in this state which provides in its charter that no member trustee or member of the board of directors (by whatever name the same may be called) shall receive any compensation, gain or profit from such corporation and which is operated in compliance with such charter provisions. Any such appropriation shall be made from the General Funds of such municipality or county commission not otherwise appropriated or from federal revenue sharing funds received by such municipality or county commission.

(c) The recipient of any funds appropriated under the provisions of this section shall upon demand at any time make a full and complete accounting of all such funds to the governing body of the municipality or county commission which made such appropriation and shall in every event without demand make to such governing body an annual accounting thereof.

(d) Under no circumstances whatever shall any action taken by any municipality or county commission under the authority of this section give rise to or create any indebtedness on the part of the municipality, the county, the governing body of such municipality, the county commission, any member of such governing body or county commission or any municipal or county official or employee.

(e) No provision within this article prohibits the ability of a county or municipal hospital to borrow money and to perform such actions and do those things which are reasonably necessary to effectuate the purposes of this section, including, but not limited to, obtaining credit to further the mission of such hospital and acceptance of a loan for working capital requirements, as that term is generally defined: *Provided*, That the hospital complies with the provisions of subsection (d) of this

section so that any indebtedness created is at no time an obligation of any municipality, the county commission, any member of such governing body or county commission or any municipal or county official or employee.

(f) Notwithstanding any provision of this code to the contrary, a community health center that is designated as a political subdivision under the laws of this state may establish and implement policies to provide performance-based bonuses or recruitment and retention incentives to its employees, subject to the following conditions:

(1) The community health center receives the majority of its operational funding from non-state sources, including, but not limited to, federal grants, third-party reimbursements, and program income;

(2) Any such bonuses or incentives are provided using non-state appropriated funds and are in compliance with applicable federal rules governing Federally Qualified Health Centers (FQHCs);

(3) The bonus or incentive policy is adopted by formal action of the community health center's governing board and incorporated into its official personnel policies; and

(4) The bonus or incentive does not exceed 10 percent of the employee's annual base salary unless otherwise authorized by a two-thirds vote of the full governing board and documented in writing with justification.

(g) For the purposes of this section, "community health center" means an organization that:

(1) Has been designated as a political subdivision of the state;

(2) Operates in accordance with Section 330 of the Public Health Service Act as a Federally Qualified Health Center; and

(3) Is governed by a community-based board of directors or trustees with fiduciary responsibility over operations and personnel policy.

(h) Subsections (f) and (g) are intended to apply solely to those community health centers that qualify as political subdivisions and are not intended to alter the classification of hospitals or

68 other entities excluded from political subdivision status under §29-12A-3 of this code.

NOTE: The purpose of this bill is to authorize bonus and incentive programs at political subdivision-based community health centers.

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