

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4817

**FISCAL
NOTE**

By Delegate Crouse

[Introduced January 26, 2026; referred to the

Committee on Education then Finance]

1 A BILL to amend and reenact §18-5G-17 of the Code of West Virginia, 1931, as amended, relating
2 to modifying the Charter Schools Startup Fund; changing the name of the fund; requiring
3 submission of application to the West Virginia Professional Charter School Board in order
4 to receive funds from the Charter Schools Startup Fund; requiring notice to potential
5 applicants; requiring certain contents be included in application; expanding the uses for the
6 funds; requiring distribution of money to qualifying charter school applicants and charter
7 schools, subject to availability of funding; allowing the West Virginia Professional Charter
8 School Board to establish competitive process when the number of applicants exceed
9 funding; eliminating criteria an applicant must demonstrate as a condition of receiving
10 funds; modifying time frame for distribution of funds; requiring repayment in certain
11 circumstances; and specifying manner of distribution.

Be it enacted by the Legislature of West Virginia:

| ARTICLE | 5G. | PUBLIC | CHARTER | SCHOOLS. |
|-------------------|---|----------------|-----------------|-----------------------|
| §18-5G-17. | Charter | Schools | Stimulus | <u>Startup</u> |
| 1 | (a) There is hereby created in the State Treasury a special revenue fund designated and 2 known as the Charter Schools Stimulus Fund. The fund is established for the purpose of providing 3 financial support to charter school applicants and charter schools that may not otherwise have the 4 resources for start-up costs such as costs associated with renovating or remodeling existing 5 buildings and structures and costs for the purchase of school buses. The fund consists of money 6 appropriated by the Legislature, grants, gifts, devises, and donations from any public or private 7 source. All interest and other returns derived from the deposit and investment of money in the 8 Charter Schools Stimulus Fund shall be credited to the fund. Any balance, including accrued 9 interest and other returns, remaining in the fund at the end of each fiscal year shall not revert to the 10 General Revenue Fund, but shall remain in the fund and be expended as provided in this section. 11 The West Virginia Professional Charter School Board shall administer the fund. | | | Fund. |

12 (b) On or before June 1, 2023, the state board shall promulgate legislative rules pursuant
13 to §29A-3B-1 *et seq.* of this code to implement the provisions of this section. If necessary to meet
14 the June 1, 2023, deadline, the state board shall promulgate an emergency rule. The rules shall
15 include application requirements, requirements for the West Virginia Professional Charter School
16 Board to notify potential applicants, and a requirement for the applicant to attest to or demonstrate
17 that it:

18 (1) Would not otherwise have the financial capacity without money from the Charter
19 Schools Stimulus Fund to:

20 (A) Successfully apply to an authorizer; or

21 (B) Start a public charter school; and

22 (2) Is not working with or financed by any organization that has started or financed other
23 charter schools to the degree that facilitating and starting charter schools is a significant portion of
24 the organization's purpose.

25 (c) Subject to the availability of funding, the West Virginia Professional Charter School
26 Board shall distribute money from the Charter Schools Stimulus Fund to qualifying charter school
27 applicants and charter schools in the following manner:

28 (1) Each qualifying charter school applicant or charter school shall be awarded an initial
29 grant of up to \$300,000 during or before the first two years of the charter school's operation. If an
30 applicant for a charter school receives an initial grant pursuant to this paragraph and fails to begin
31 operating a charter school within the next 30 months, the applicant shall reimburse the West
32 Virginia Professional Charter School Board for the initial grant plus interest calculated at a
33 prorated rate of 10 percent a year: *Provided*, That the West Virginia Professional Charter School
34 Board may lengthen this 30 month time period in extenuating circumstances; and

35 (2) Applicants for charter schools and charter schools that received initial grants pursuant
36 to subdivision (1) of this subsection may apply to the West Virginia Professional Charter School
37 Board for an additional grant of up to \$100,000. If an applicant for a charter school receives an

38 additional grant pursuant to this paragraph and fails to begin operating a charter school within the
39 next 30 months, the applicant shall reimburse the West Virginia Professional Charter School
40 Board for the additional grant plus interest calculated at a prorated rate of 10 percent a year:
41 *Provided*, That the West Virginia Professional Charter School Board may lengthen this 30-month
42 time period in extenuating circumstances. A reimbursement required by this subdivision is in
43 addition to any reimbursement required by subdivision (1) of this subsection.

44 (a) There is hereby created in the State Treasury a special revenue fund designated and
45 known as the Charter Schools Startup Fund. The fund is established for the purpose of providing
46 financial support to charter school applicants and charter schools that may not otherwise have the
47 resources for start-up or emergency costs such as costs associated with personnel, instructional
48 materials and supplies such as books and computers, educational equipment and furniture such
49 as chairs and desks, internet and phone installation, security systems, renovating or remodeling
50 existing buildings and structures, and the purchase of school buses. The fund consists of money
51 appropriated by the Legislature, grants, gifts, devises, and donations from any public or private
52 source. All interest and other returns derived from the deposit and investment of money in the
53 Charter Schools Startup Fund shall be credited to the fund. Any balance, including accrued
54 interest and other returns, remaining in the fund at the end of each fiscal year shall not revert to the
55 General Revenue Fund, but shall remain in the fund and be expended as provided in this section.
56 The West Virginia Professional Charter School Board shall administer the fund.

57 (b) In order to receive any funds from the Charter Schools Startup Fund, a charter school
58 applicant shall submit a separate application for that purpose to the West Virginia Professional
59 Charter School Board in a form and with information prescribed by that board. The West Virginia
60 Professional Charter School Board shall notify all potential applicants of the availability of the
61 funds to all eligible applicants. In the event there are more applicants than funds available, the
62 West Virginia Professional Charter School Board shall establish a competitive preference system
63 which prioritizes (i) the age of the applicant school, (ii) schools located or proposed to be located in

64 rural counties, and (iii) applicants or schools who are not working with an education service
65 provider.

66 (1) For the purposes of this preference, "rural" shall be defined as (a) non-metropolitan
67 counties or (b) outlying metropolitan counties with no population from an urban area of 50,000 or
68 more people.

69 (2) The West Virginia Professional Charter School Board may, in its sole discretion,
70 establish criteria and conditions for charter schools to apply for and receive a grant pursuant to this
71 subsection beyond their third year of operation.

72 (c) Subject to the availability of funding, the West Virginia Professional Charter School
73 Board shall distribute money from the Charter Schools Startup Fund to qualifying charter school
74 applicants and charter schools in the following manner:

75 (1) Each qualifying charter school applicant or charter school shall be awarded an initial
76 grant of up to \$300,000 which may be awarded as soon as the school enters into a valid contract
77 under §18-5G-9 of this code and as late as the end of a school's third year of operation. If an
78 applicant for a charter school receives an initial grant pursuant to this paragraph and fails to begin
79 operating a charter school within the next 30 months, the applicant shall reimburse the West
80 Virginia Professional Charter School Board for the initial grant plus interest calculated at a
81 prorated rate of 10 percent a year: *Provided, That the West Virginia Professional Charter School*
82 *Board may lengthen this 30-month time period in extenuating circumstances; and*

83 (2) Applicants for charter schools and charter schools that received initial grants pursuant
84 to subdivision (1) of this subsection may apply to the West Virginia Professional Charter School
85 Board for an additional grant of up to \$100,000. If an applicant for a charter school receives an
86 additional grant pursuant to this paragraph and fails to begin operating a charter school within the
87 next 30 months, the applicant shall reimburse the West Virginia Professional Charter School
88 Board for the additional grant plus interest calculated at a prorated rate of 10 percent a year:
89 *Provided, That the West Virginia Professional Charter School Board may lengthen this 30-month*

90 time period in extenuating circumstances. Reimbursement required by this subdivision is in

91 addition to any reimbursement required by subdivision (1) of this subsection.

NOTE: The purpose of this bill is to modify the Charter Schools Startup Fund; change the name of the fund; require submission of application to the West Virginia Professional Charter School Board in order to receive funds from the Charter Schools Startup Fund; require notice to potential applicants; require certain contents be included in application; expand the uses for the funds; require distribution of money to qualifying charter school applicants and charter schools, subject to availability of funding; allow the West Virginia Professional Charter School Board to establish competitive process when the number of applicants exceed funding; eliminate criteria an applicant must demonstrate as a condition of receiving funds; modify time frame for distribution of funds; require repayment in certain circumstances; and specify the manner of distribution.

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