

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Committee Substitute

for

Senate Bill 547

BY SENATORS RUCKER AND HELTON

[Reported March 14, 2025, from the Committee on
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
6 the funds; requiring distribution of money to qualifying charter school applicants and
7 charter schools, subject to availability of funding; allowing the West Virginia Professional
8 Charter School Board to establish competitive process when the number of applicants
9 exceed funding; eliminating criteria an applicant must demonstrate as a condition of
10 receiving funds; modifying time frame for distribution of funds; requiring repayment in
11 certain 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~~ Startup Fund.

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~~
4 ~~the 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~~
10 ~~the General Revenue Fund, but shall remain in the fund and be expended as provided in this~~
11 ~~section. The West Virginia Professional Charter School Board shall administer the 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~~
24 ~~of 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.~~

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

15 (b) In order to receive any funds from the Charter Schools Startup Fund, a charter school
16 applicant shall submit a separate application for that purpose to the West Virginia Professional
17 Charter School Board in a form and with information prescribed by that board. The West Virginia
18 Professional Charter School Board shall notify all potential applicants of the availability of the
19 funds to successful applicants. In the event there are more applicants than funds available, the

20 West Virginia Professional Charter School Board shall establish a competitive preference of
21 applicants who are not working with an education service provider.

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

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

33 (2) Applicants for charter schools and charter schools that received initial grants pursuant
34 to subdivision (1) of this subsection may apply to the West Virginia Professional Charter School
35 Board for an additional grant of up to \$100,000. If an applicant for a charter school receives an
36 additional grant pursuant to this paragraph and fails to begin operating a charter school within the
37 next 30 months, the applicant shall reimburse the West Virginia Professional Charter School
38 Board for the additional grant plus interest calculated at a prorated rate of 10 percent a year:
39 *Provided*, That the West Virginia Professional Charter School Board may lengthen this 30-month
40 time period in extenuating circumstances. A reimbursement required by this subdivision is in
41 addition to any reimbursement required by subdivision (1) of this subsection.