

LAWS OF NEW YORK, 1997

CHAPTER 436

AN ACT to amend the education law, in relation to the calculation and payment of state aid to school districts and boards of cooperative educational services, school district budgets, school district meetings, school district elections, the operations of boards of cooperative educational services, teacher resource and computer training centers, energy performance contracts, the comprehensive school bus driver safety training program, rate-making for private blind and deaf schools, and class size restrictions, and repealing certain provisions of such law relating thereto; to amend the energy law, in relation to energy performance contracts; to amend the state finance law, in relation to the education archives account, the education library account, the summer institute account, the teacher certification program account, the high school equivalency account, the indirect cost recovery account, the Rome school for the deaf account, the Batavia school for the blind account, the vocational rehabilitation account, the archives record management account, the office of the professions account, the education museum account, and the automation and printing chargeback account; to amend the tax law, in relation to the school district income verification process; to amend chapter 642 of the laws of 1996, relating to certain provisions which impact upon the expenditures of certain appropriations made by chapter 53 of the laws of 1996 enacting the education, labor and social services budget, in relation to the expenditures of certain appropriations; to amend chapter 562 of the laws of 1996, constituting the facility alterations for schools to expedite replacement act, in relation to the short title thereof; to amend chapter 474 of the laws of 1996, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of local government, in relation to making technical corrections thereto; to repeal section 33 of chapter 301 of the laws of 1996, amending the executive law and certain other laws relating to career education, relating to career education; to amend chapter 82 of the laws of 1995 amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of government, in relation to Medicaid reimbursements and special education class size; to amend chapter 169 of the laws of 1994, relating to certain provisions related to the 1994-95 state operations, aid to localities, capital projects and debt service budgets, in relation to the expenditures of state aid appropriations; to amend chapter 756 of the laws of 1992, relating to funding a program for workforce education conducted by the consortium for worker education in New York city, in relation to the consortium for workforce education; and to enact provisions relating to the administration of transportation of homeless students, the administration of medicaid funds, the provision of state aid advances to school districts, library funding, public television funding, the Sullivan Diagnostic Treatment Center, special education corrective action plans, a study of services provided by boards of cooperative educational services, a summer food service program, the Batavia medicaid income account, providing for the

EXPLANATION--Matter in italics is new; matter in brackets [-] is old law to be omitted.

adjustment of the assessment of taxable real property for state aid purposes for the city school district of the city of Fulton; and provide for the repeal of certain provisions thereof upon expiration; to amend the social services law, chapter 81 of the laws of 1995, amending the social services law and other laws relating to medical assistance reimbursement and welfare reform, the business corporation law, the county law, the domestic relations law, the insurance law, the judiciary law, the family court act, the local finance law, the mental hygiene law, the military law, the public authorities law, the public health law, the tax law and the civil practice law and rules, in relation to enacting "The Welfare Reform Act of 1997"; and repealing certain provisions of the social services law relating thereto; and providing for the repeal of certain provisions upon expiration thereof

Became a law August 20, 1997, with the approval of the Governor. Passed on message of necessity pursuant to Article III, section 14 of the Constitution by a majority vote, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. This act enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 1997-98 state fiscal year. Each component is wholly contained within a Part identified as Parts A and B. The effective date for each particular provision contained within such Part is set forth in the last section of such part. Section three of this act sets forth only the general effective date of this act.

PART A

Section 1. Section 305 of the education law is amended by adding a new subdivision 27 to read as follows:

27. The commissioner shall promulgate regulations in consultation with the New York state energy research and development authority concerning the development and approval of energy performance contracts for school districts and boards of cooperative educational services in accordance with subdivision eight of section 9-103 of the energy law.

§ 2. Subdivisions 6 and 7 of section 701 of the education law, as amended by chapter 474 of the laws of 1996, are amended to read as follows:

6. The commissioner, in addition to the annual apportionment of public monies pursuant to other articles of this chapter, shall apportion to each school district an amount equal to the cost of the text-books purchased and loaned by the district pursuant to this section in the base year, but in no case shall the aid apportioned to the district exceed ~~[an average of twenty-one dollars]~~ **the product of the textbook factor** plus a minimum lottery grant, determined pursuant to subdivision four of section ninety-two-c of the state finance law, ~~[per pupil residing in the district]~~ and ~~[enrolled]~~ **the sum of the enrollments** in grades kindergarten through twelve in the base year **calculated pursuant to subparagraphs four, five, and six of paragraph n of subdivision one of section thirty-six hundred two of this chapter.** **Aid payable pursuant to this section shall be deemed final and not subject to change after April thirtieth of the school year for which payment was due.**

For aid payable in the nineteen hundred ninety-seven--ninety-eight school year, the textbook factor shall equal twenty-five dollars. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the textbook factor shall equal twenty-five dollars and ninety cents. For aid payable in the nineteen hundred ninety-nine--two thousand school year, the textbook factor shall equal thirty-one dollars and eighty-seven cents. For aid payable in the two thousand--two thousand one school year, the textbook factor shall equal forty-two dollars and thirty cents. For aid payable in the two thousand one--two thousand two school year and thereafter, the textbook factor shall equal sixty-three dollars and eighteen cents.

7. The apportionment provided for in this section shall be paid, at such times as may be determined by the commissioner and approved by the director of the budget, during the school year in which the expenditures are ~~[made to the extent that such expenditures have been made and]~~ reported to the department prior to such apportionment. Expenditures by a school district in excess of ~~[twenty-one dollars]~~ the product of the textbook factor plus a minimum lottery grant determined pursuant to subdivision four of section ninety-two-c of the state finance law ~~[per pupil]~~ and the sum of the enrollments in grades kindergarten through twelve in the base year calculated pursuant to subparagraphs four, five, and six of paragraph n of subdivision one of section thirty-six hundred two of this chapter in any school year shall be deemed approved operating expense of the district for the purpose of computation of state aid pursuant to section thirty-six hundred two of this chapter, but expenditures up to such ~~[average of twenty-one dollars plus a minimum lottery grant determined pursuant to subdivision four of section ninety-two-c of the state finance law above mentioned]~~ product shall not be deemed approved operating expenses for such purpose.

§ 3. Subdivision 3 and paragraph a of subdivision 4 of section 711 of the education law, subdivision 3 as amended by chapter 170 of the laws of 1994, and paragraph a of subdivision 4 as added by chapter 82 of the laws of 1995, are amended to read as follows:

3. No school district shall be required to purchase or otherwise acquire school library materials, the cost of which shall exceed an amount equal to four dollars multiplied by the sum of the public school district enrollment and the nonpublic school enrollment ~~[of nonpublic schools within the school district]~~ in the base year ~~[. Enrollment shall be]~~ as defined in subparagraphs two and three of paragraph n of subdivision one of section thirty-six hundred two of this chapter.

a. Commencing July first, nineteen hundred ninety-five, the commissioner, in addition to the annual apportionment of public monies pursuant to other articles of this chapter, shall apportion to each school district an amount equal to the cost of the school library materials purchased by the district pursuant to this section in the base year, but in no case shall the aid apportioned to the district exceed ~~[an average]~~ the product of four dollars ~~[per pupil]~~ and the sum of public school district enrollment, nonpublic school enrollment, and additional public enrollment as defined in subparagraphs two, three, and six of paragraph n of subdivision [three] one of [this] section thirty-six hundred two of this chapter. ~~[For aid payable in the nineteen hundred ninety-five--ninety-six school year, such aid shall not exceed the aid paid pursuant to this section in the base year.]~~ The apportionment provided for in this section shall be paid at such times as may be determined by the director of the budget. Aid payable pursuant to this section shall be deemed

final and not subject to change after April thirtieth of the school year for which payment was due.

§ 4. Subdivisions 3 and 4 of section 751 of the education law, as amended by chapter 474 of the laws of 1996, are amended to read as follows:

3. No school district shall be required to purchase or otherwise acquire software programs, the cost of which shall exceed an amount equal to [~~four dollars~~] the software factor multiplied by the sum of the public school district enrollment and the nonpublic school enrollment [~~of nonpublic schools within the school district~~] in the base year [~~Enrollment shall be~~] as defined in subparagraphs two and three of paragraph n of subdivision one of section thirty-six hundred two of this chapter.

4. The commissioner, in addition to the annual apportionment of public monies pursuant to other articles of this chapter, shall apportion to each school district an amount equal to the cost of the software programs purchased by the district pursuant to this section in the base year, but in no case shall the aid apportioned to the district exceed [~~an average of four dollars per pupil~~] the product of the software factor and the sum of public school district enrollment, nonpublic school enrollment, and additional public enrollment as defined in subparagraphs two, three, and six of paragraph n of subdivision [~~three~~] one of [~~this~~] section thirty-six hundred two of this chapter. [~~For aid payable in the nineteen hundred ninety-five--ninety-six school year, such aid shall not exceed the aid paid pursuant to this section in the base year.~~]

For aid payable in the nineteen hundred ninety-seven--ninety-eight and nineteen hundred ninety-eight--ninety-nine school years, the software factor shall equal four dollars and fifty-eight cents. For aid payable in the nineteen hundred ninety-nine--two thousand school year, the software factor shall equal seven dollars and fifty-five cents. For aid payable in the two thousand--two thousand one school year, the software factor shall equal fourteen dollars and ninety-eight cents. For aid payable in the two thousand one--two thousand two school year and thereafter, the software factor shall equal twenty-three dollars and ninety cents. The apportionment provided for in this section shall be paid at such times as may be determined by the commissioner and approved by the director of the budget. Aid payable pursuant to this section shall be deemed final and not subject to change after April thirtieth of the school year for which payment was due.

§ 5. Section 1608 of the education law, as amended by section 111 of chapter 474 of the laws of 1996 and the closing paragraph as added by section 157 of chapter 474 of the laws of 1996, is amended to read as follows:

§ 1608. Estimated expenses for ensuing year. 1. It shall be the duty of the trustees of each common school district to present at the annual [~~meeting~~] budget hearing a detailed statement in writing of the amount of money which will be required for the ensuing year for school purposes, specifying the several purposes and the amount for each. The amount for each purpose estimated necessary for payments to boards of cooperative educational services shall be shown in full, with no deduction of estimated state aid. The amount of state aid provided and its percentage relationship to the total expenditures shall also be shown. This section shall not be construed to prevent the trustees from presenting such statement at a budget hearing held not less than seven nor more than fourteen days prior to a special meeting called for the

purpose, nor from presenting a supplementary and amended statement or estimate at any time.

2. Such statement shall be completed at least [~~fourteen~~] seven days before the [~~annual or special meeting~~] budget hearing at which it is to be presented and copies thereof shall be prepared and made available, upon request, to [~~taxpayers~~] residents within the district during the period of fourteen days immediately preceding [~~such~~] the annual meeting and election or special district meeting at which the budget vote will occur and at such meeting or hearing. The board shall also as a part of the notice required by section two thousand three of this chapter give notice of the date, time and place of the budget hearing and that a copy of such statement may be obtained by any [~~taxpayer~~] resident in the district at each schoolhouse in the district in which school is maintained during certain designated hours on each day other than a Saturday, Sunday or holiday during the fourteen days immediately preceding such meeting. The board shall include notice of the availability of such statement at least once during the school year in any district-wide mailing distributed.

3. Commencing with the proposed budget for the nineteen hundred ninety-seven--ninety-eight school year, such proposed budget shall be in plain language and shall be consistent with regulations promulgated by the commissioner pursuant to subdivision twenty-six of section three hundred five of this chapter. Categorization of and format for revenue, including payments in lieu of taxes, property tax refunds from certiorari proceedings, expenditure, transfer, and fund balance information and changes in such data from the prior year and, in the case of a resubmitted or amended budget, changes in such information from the prior year's submitted budget, shall be complete and accurate and set forth in such a manner as to best promote public comprehension and readability.

4. Commencing with the proposed budget for the nineteen hundred ninety-eight--ninety-nine school year, such proposed budget shall be presented in three components: a program component, a capital component and an administrative component which shall be separately delineated in accordance with regulations of the commissioner after consultation with local school district officials. The administrative component shall include, but need not be limited to, office and central administrative expenses, traveling expenses and salaries and benefits of all certified school administrators and supervisors who spend a majority of their time performing administrative or supervisory duties, any and all expenditures associated with the operation of the office of trustee or board of trustees, the office of the superintendent of schools, general administration, the school business office, consulting costs not directly related to direct student services and programs, planning and all other administrative activities. The program component shall include, but need not be limited to, all program expenditures of the school district, including the salaries and benefits of teachers and any school administrators or supervisors who spend a majority of their time performing teaching duties, and all transportation operating expenses. The capital component shall include, but need not be limited to, all transportation capital, debt service, and lease expenditures; costs resulting from judgments in tax certiorari proceedings or the payment of awards from court judgments, administrative orders or settled or compromised claims; and all facilities costs of the school district, including facilities lease expenditures, the annual debt service and total debt for all facilities financed by bonds and notes of the school district, and the costs of construction, acquisition, reconstruction, rehabilitation or

improvement of school buildings, provided that such budget shall include a rental, operations and maintenance section that includes base rent costs, total rent costs, operation and maintenance charges, cost per square foot for each facility leased by the school district, and any and all expenditures associated with custodial salaries and benefits, service contracts, supplies, utilities, and maintenance and repairs of school facilities. For the purposes of the development of a budget for the nineteen hundred ninety-eight--ninety-nine school year, the trustee or board of trustees shall separate the district's program, capital and administrative costs for the nineteen hundred ninety-seven--ninety-eight school year in the manner as if the budget for such year had been presented in three components.

5. The trustee or board of trustees shall append to the statement of estimated expenditures a detailed statement of the total compensation to be paid to the superintendent of schools, and any assistant or associate superintendents of schools in the ensuing school year, including a delineation of the salary, annualized cost of benefits and any in-kind or other form of remuneration. The trustees shall also append a list of all other school administrators and supervisors, if any, whose annual salary will be eighty-five thousand dollars or more in the ensuing school year, with the title of their positions and annual salary identified; provided however, that the commissioner may adjust such salary level to reflect increases in administrative salaries after June thirtieth, nineteen hundred ninety-eight. The trustees shall submit a copy of such list and statement, in a form prescribed by the commissioner, of compensation to the commissioner within five days after their preparation. The commissioner shall compile such data, together with the data submitted pursuant to subdivision three of section seventeen hundred sixteen of this chapter, into a single statewide compilation, which shall be made available to the governor, the legislature, and other interested parties upon request.

6. Each year, the board of education shall prepare a school district report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include measures of the academic performance of the school district, on a school by school basis, and measures of the fiscal performance of the district, as prescribed by the commissioner. Pursuant to regulations of the commissioner, the report card shall also compare these measures to statewide averages for all public schools, and statewide averages for public schools of comparable wealth and need, developed by the commissioner. Such report card shall include, at a minimum, any information on the school district regarding pupil performance and expenditure per pupil required to be included in the annual report by the regents to the governor and the legislature pursuant to section two hundred fifteen-a of this chapter; and any other information required by the commissioner. School districts (i) identified as having fifteen percent or more of their students in special education, or (ii) which have fifty percent or more of their students with disabilities in special education programs or services sixty percent or more of the school day in a general education building, or (iii) which have eight percent or more of their students with disabilities in special education programs in public or private separate educational settings shall indicate on their school district report card

their respective percentages as defined in this subparagraph and subparagraphs (i) and (ii) of this paragraph as compared to the statewide average.

§ 6. Section 1707 of the education law, as amended by chapter 428 of the laws of 1971, is amended to read as follows:

§ 1707. Annual organizational meetings of boards of education. 1. The annual organizational meeting of the board of education of every union free school district shall be held on the first Tuesday in July of each year, unless said day shall be a legal holiday, in which event it shall fall on the first Wednesday in July [~~; except in districts in which the annual meeting is held on the second Tuesday in July, in which case the annual meeting of the board of education of such district shall be held on the third Tuesday in July~~].

2. The board of education may, however, by resolution, determine that the annual meeting be held at any time during the first fifteen days in the month of July [~~; except in districts in which the annual meeting is held on the second Tuesday in July, in which case the annual meeting may, by resolution of the board of education, be fixed at any time during the last fifteen days of July~~].

§ 7. Section 1716 of the education law, as amended by section 112 of chapter 474 of the laws of 1996 and the closing paragraph as added by section 158 of chapter 474 of the laws of 1996, is amended to read as follows:

§ 1716. Estimated expenses for ensuing year. 1. It shall be the duty of the board of education of each district to present at the annual [~~meeting~~] budget hearing a detailed statement in writing of the amount of money which will be required for the ensuing year for school purposes, specifying the several purposes and the amount for each. The amount for each purpose estimated necessary for payments to boards of cooperative educational services shall be shown in full, with no deduction of estimated state aid. The amount of state aid provided and its percentage relationship to the total expenditures shall also be shown. This section shall not be construed to prevent the board from presenting such statement at a budget hearing held not less than seven nor more than fourteen days prior to a special meeting called for the purpose, nor from presenting a supplementary and amended statement or estimate at any time.

2. Such statement shall be completed at least [~~fourteen~~] seven days before the [~~annual or special meeting~~] budget hearing at which it is to be presented and copies thereof shall be prepared and made available, upon request, to [~~taxpayers~~] residents within the district during the period of fourteen days immediately preceding [~~such~~] the annual meeting and election or special district meeting at which the budget vote will occur and at such meeting or hearing. The board shall also as a part of the notice required by section two thousand [~~three~~] four of this chapter give notice of the date, time and place of the budget hearing and that a copy of such statement may be obtained by any [~~taxpayer~~] resident in the district at each schoolhouse in the district in which school is maintained during certain designated hours on each day other than a Saturday, Sunday or holiday during the fourteen days immediately preceding such meeting. The board shall include notice of the availability of such statement at least once during the school year in any district-wide mailing distributed.

3. Commencing with the proposed budget for the nineteen hundred ninety-seven--ninety-eight school year, such proposed budget shall be in plain language and shall be consistent with regulations promulgated by

the commissioner pursuant to subdivision twenty-six of section [~~three-hundred~~] three hundred five of this chapter. Categorization of and format for revenue, including payments in lieu of taxes, property tax refunds from certiorari proceedings, expenditure, transfer, and fund balance information and changes in such data from the prior year and, in the case of a resubmitted or amended budget, changes in such information from the prior year submitted budget, shall be complete and accurate and set forth in such a manner as to best promote public comprehension and readability.

4. Commencing with the proposed budget for the nineteen hundred ninety-eight--ninety-nine school year, such proposed budget shall be presented in three components: a program component, a capital component and an administrative component which shall be separately delineated in accordance with regulations of the commissioner after consultation with local school district officials. The administrative component shall include, but need not be limited to, office and central administrative expenses, traveling expenses and salaries and benefits of all certified school administrators and supervisors who spend a majority of their time performing administrative or supervisory duties, any and all expenditures associated with the operation of the board of education, the office of the superintendent of schools, general administration, the school business office, consulting costs not directly related to direct student services and programs, planning and all other administrative activities. The program component shall include, but need not be limited to, all program expenditures of the school district, including the salaries and benefits of teachers and any school administrators or supervisors who spend a majority of their time performing teaching duties, and all transportation operating expenses. The capital component shall include, but need not be limited to, all transportation capital, debt service, and lease expenditures; costs resulting from judgments in tax certiorari proceedings or the payment of awards from court judgments, administrative orders or settled or compromised claims; and all facilities costs of the school district, including facilities lease expenditures, the annual debt service and total debt for all facilities financed by bonds and notes of the school district, and the costs of construction, acquisition, reconstruction, rehabilitation or improvement of school buildings, provided that such budget shall include a rental, operations and maintenance section that includes base rent costs, total rent costs, operation and maintenance charges, cost per square foot for each facility leased by the school district, and any and all expenditures associated with custodial salaries and benefits, service contracts, supplies, utilities, and maintenance and repairs of school facilities. For the purposes of the development of a budget for the nineteen hundred ninety-eight--ninety-nine school year, the board of education shall separate the district's program, capital and administrative costs for the nineteen hundred ninety-seven--ninety-eight school year in the manner as if the budget for such year had been presented in three components.

5. The board of education shall append to the statement of estimated expenditures a detailed statement of the total compensation to be paid to the superintendent of schools, and any assistant or associate superintendents of schools in the ensuing school year, including a delineation of the salary, annualized cost of benefits and any in-kind or other form of remuneration. The board shall also append a list of all other school administrators and supervisors, if any, whose annual salary will be eighty-five thousand dollars or more in the ensuing school year,

with the title of their positions and annual salary identified; provided however, that the commissioner may adjust such salary level to reflect increases in administrative salaries after June thirtieth, nineteen hundred ninety-eight. The board of education shall submit a copy of such list and statement, in a form prescribed by the commissioner, of compensation to the commissioner within five days after their preparation. The commissioner shall compile such data, together with the data submitted pursuant to subdivision four of section sixteen hundred eight of this chapter, into a single statewide compilation, which shall be made available to the governor, the legislature, and other interested parties upon request.

6. Each year, the board of education shall prepare a school district report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include measures of the academic performance of the school district, on a school by school basis, and measures of the fiscal performance of the district, as prescribed by the commissioner. Pursuant to regulations of the commissioner, the report card shall also compare these measures to statewide averages for all public schools, and statewide averages for public schools of comparable wealth and need, developed by the commissioner. Such report card shall include, at a minimum, any information of the school district regarding pupil performance and expenditure per pupil required to be included in the annual report by the regents to the governor and the legislature pursuant to section two hundred fifteen-a of this chapter; and any other information required by the commissioner. School districts (i) identified as having fifteen percent or more of their students in special education, or (ii) which have fifty percent or more of their students with disabilities in special education programs or services sixty percent or more of the school day in a general education building, or (iii) which have eight percent or more of their students with disabilities in special education programs in public or private separate educational settings shall indicate on their school district report card their respective percentages as defined in this ~~[subparagraph]~~ paragraph and ~~[subparagraphs]~~ paragraphs (i) and (ii) of this ~~[paragraph]~~ subdivision as compared to the statewide average.

§ 8. Subdivision 4 of section 1804 of the education law, as amended by chapter 535 of the laws of 1973, is amended to read as follows:

4. The annual meeting and election in each central school district shall be held on ~~[such]~~ the third Tuesday ~~[as may be determined in accordance with the provisions of section two thousand two of this chapter, and the same]~~ of May provided, however that such annual meeting and election shall be held on the second Tuesday in May if the commissioner at the request of a local school board certifies no later than March first that such election would conflict with religious observances. Such annual meeting shall be conducted and the election of members of the board shall be held in the same manner as in union free school districts organized and operating under the provisions of this chapter. The board of education of each central school district shall hold a budget hearing not less than seven nor more than fourteen days prior to the annual or special district meeting at which a school budget vote will occur, and shall prepare and present to the voters at such budget hearing a proposed school district budget for the ensuing school year.

§ 9. Section 1904 of the education law is amended to read as follows:

§ 1904. Annual organizational meeting of board of education in the county of Nassau. The annual organizational meeting of the board of education of every central high school district in the county of Nassau shall be held on the second Tuesday in July of each year.

§ 10. Subdivision 1, paragraph a of subdivision 4 and paragraph b of subdivision 5 of section 1906 of the education law, subdivision 1 as amended by chapter 641 of the laws of 1974, paragraph a of subdivision 4 as added by chapter 851 of the laws of 1956 and paragraph b of subdivision 5 as amended by chapter 457 of the laws of 1989, are amended to read as follows:

1. The annual meeting and election of a central high school district shall be held on the [~~first~~] third Tuesday in [~~June~~] May, provided, however, that [~~the board of education may by resolution duly adopted and entered upon its minutes determine that the annual meeting of such central high school district shall be held on a date to be determined by the board which shall be at least ten days prior to the date of the annual meeting of any component district, provided, however, that such meeting shall not be held on a Saturday or a Sunday or on a religious or legal holiday~~] such annual meeting and election shall be held on the second Tuesday in May if the commissioner at the request of a local school board certifies no later than March first that such election would conflict with religious observances. The board of education of every central high school district shall hold a budget hearing prior to each annual meeting and election or special district meeting at which a school budget vote will occur, and shall prepare and present to the voters at such budget hearing a proposed school district budget for the ensuing school year. Special meetings may be called in the same manner and for the same purposes as special meetings in union free school districts. Such meetings shall be held for the same purposes and in the same manner, and be subject to the same provisions of law, except as may be provided otherwise in subdivision two of this section, as like meetings in union free school districts, and all persons who are qualified electors of the school districts included in such central high school district may vote at such meetings.

a. Whenever the board of education of a central high school district in the county of Nassau [~~in which the annual meeting is held on the last Tuesday in April~~] shall have provided for the personal registration of voters at school meetings or elections in such district, such board of education shall fix the day or days for registration by resolution adopted not later than the fortieth day preceding each annual or special meeting or election in such district. The last day for such registration shall not be more than eleven nor less than three days preceding each annual or special meeting or election. Such board shall forthwith notify the clerk of each component union free school district providing for personal registration, of such registration day or days for each annual meeting. Such board shall also notify each such clerk of every special meeting or election in such central high school district at least ten days prior thereto. The board of registration of the central high school district shall meet on the day or days fixed by such board of education for the purpose of preparing a register, complementary to the register or registers of any component union free school district providing for personal registration, for the personal registration of qualified voters within any component union free school district providing for personal registration, which voters have not registered for the annual or any subsequent special meeting or election in such union free

school district, and for the personal registration of qualified voters of any component union free school district not providing for personal registration.

b. Where the board of education shall have so divided the central high school district into election districts pursuant to the provisions of this subdivision, notwithstanding the provisions of subdivisions one and three of this section, the vote upon the appropriation of the necessary funds to meet the estimated expenditures of the central high school district and upon any propositions involving the expenditure of money by the central high school district or upon any other matter which may properly be brought before the annual meeting or election of the central high school district, shall be held at the same time as the annual meetings or elections of the component union free school districts. [~~Such vote of the central high school district shall thereafter, and until such resolution of the board of education of the central high school district shall be rescinded by such board, or by the qualified voters of the central high school district, be held at the same time or times and at the same places as the vote at the annual meetings or elections of the component union free school districts therein, provided, however, that the annual meeting of the central high school district shall in such case nevertheless be held on the last Tuesday of April in each year. If such last Tuesday is a religious holiday, such annual meeting shall be held on the Tuesday next succeeding such day.~~] The clerk of the central high school district shall give the notices required by subdivision one of section two thousand four of this chapter, in relation to such annual meeting.

§ 11. Subparagraph 2 of paragraph a of subdivision 4 of section 1950 of the education law, as amended by chapter 602 of the laws of 1994, is amended to read as follows:

(2) Notwithstanding any inconsistent provision of law in no event shall the total salary including amounts paid pursuant to section twenty-two hundred nine of this chapter for district superintendents exceed ninety-eight percent of that earned by the commissioner for state fiscal year nineteen hundred ninety-two--ninety-three, and in no event shall any district superintendent be permitted to accumulate vacation or sick leave credits in excess of the vacation and sick leave credits managerial/confidential employees of the state are permitted to accumulate pursuant to regulations promulgated by the state civil service commission, nor may any district superintendent at the time of separation from service be compensated for accrued and unused vacation credits or sick leave, or use accrued and unused sick leave for retirement service credit or to pay for health insurance in retirement, at a rate in excess of the rate permitted to managerial/confidential employees of the state pursuant to regulations of the state civil service commission. In addition to the payment of supplementary salary, a board of cooperative educational services may provide for the payment of all or a portion of the cost of insurance benefits for the district superintendent of schools, including but not limited to health insurance, disability insurance, life insurance or any other form of insurance benefit made available to managerial/confidential employees of the state; provided that any such payments for whole life, split dollar or other life insurance policies having a cash value shall be included in the total salary of the district superintendent for purposes of this subparagraph, and provided further that any payments for the employee contribution, co-pay or uncovered medical expenses under a health insurance plan also shall be included in the total salary of the district super-

intendent. Notwithstanding any other provision of law, payments for such insurance benefits may be based on the district superintendent's total salary or the amount of his or her supplementary salary only. Any payments for transportation or travel expenses in excess of actual, documented expenses incurred in the performance of duties for the board of cooperative educational services or the state, and any other lump sum payment not specifically excluded from total salary pursuant to this subparagraph, shall be included in the total salary of the district superintendent for purposes of this subparagraph. Nothing herein shall prohibit a district superintendent from waiving any rights provided for in an existing contract or agreement as hereafter prohibited in favor of revised compensation or benefit provisions as permitted herein. In no event shall the terms of the district superintendent's contract, including any provisions relating to an increase in salary, compensation or other benefits, be contingent upon the terms of any contract or collective bargaining agreement between the board of cooperative educational services and its teachers or other employees. The commissioner may adopt regulations for the purpose of implementing the provisions of this paragraph.

§ 12. The opening paragraph of subparagraph 7 of paragraph b of subdivision 4 of section 1950 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

Each component school district shall transmit the resolution either approving or disapproving the board of cooperative educational services' tentative administrative budget no later than one business day after the adoption of such resolution. The board of cooperative educational services shall, no later than the fifteenth day of May, adopt the final program, capital and administrative budgets for the ensuing year. Except as provided in paragraph d of this subdivision, subparagraph (a) of paragraph p of this subdivision, and subdivision one of section nineteen hundred fifty-one of this article, such administrative and capital budgets, when so adopted, after deducting state aid applicable thereto, shall be a charge against all of the component school districts in the supervisory district and each component school district's proportionate share shall be determined by the board of cooperative educational services according to weighted average daily attendance or according to true valuation or according to resident public school district enrollment as defined in paragraph n of subdivision one of section thirty-six hundred two of this chapter except that [~~the three methods cannot~~] only one method shall be applied [~~simultaneously~~] among the component districts of a board of cooperative educational services [~~, except in a merged supervisory district in the county of Suffolk~~] in any year, unless otherwise provided by law. In a merged supervisory district in the county of Suffolk each component school district's proportionate share of such administrative and capital budgets may be determined according to weighted average daily attendance, according to true valuation, or according to using the weighted average daily attendance for a certain percentage of the cost and true valuation for a certain percentage of administrative and capital costs. Such costs, in a merged supervisory district in the county of Suffolk, apportioned by using weighted average daily attendance and true valuation shall be subject to adjustment by the board of cooperative educational services in a manner that will minimize the annual change in costs for the greatest number of component districts. Such percentages shall be established by the board of cooperative educational services upon the approval of the component districts subject to the final approval of the commissioner. It is

further provided that such administrative budget approved by the board shall be subject to review by the commissioner to determine: (i) the level of administrative savings achieved by the merger and (ii) if such administrative savings equals or exceeds the level identified by the merger planning task force appointed by the district superintendent. If the board of cooperative educational services determines to change the method of apportioning administrative costs and capital expenses from that followed in the previous year, such determination may be made only if the board of cooperative educational services has conducted a hearing at a regular or special meeting of such board which all members of boards of education and school trustees have been invited to attend, such hearing to be held at least thirty days prior to the annual meeting of members of boards of education and school trustees.

§ 13. Subdivision 4 of section 1950 of the education law is amended by adding a new paragraph kk to read as follows:

kk. For the nineteen hundred ninety-seven--ninety-eight school year and thereafter, the board of cooperative educational services (BOCES) shall prepare a BOCES report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed administrative budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include measures of the academic performance of the board of cooperative educational services, on a school by school or program by program basis, and measures of the fiscal performance of the supervisory district, as prescribed by the commissioner. Pursuant to regulations of the commissioner, the report card shall also compare these measures to statewide averages for all boards of cooperative educational services. Such report card shall include, at a minimum, any information of the board of cooperative educational services regarding pupil performance and expenditure per pupil required to be included in the annual report by the regents to the governor and the legislature pursuant to section two hundred fifteen-a of this chapter; and any other information required by the commissioner.

§ 14. Section 1950 of the education law is amended by adding a new subdivision 8-c to read as follows:

8-c. Notwithstanding any other provision of this section, any school district not a component of the board of cooperative educational services of the supervisory district serving its geographic area, including a city school district in a city having a population in excess of one hundred twenty-five thousand inhabitants, upon consent of the board of cooperative educational services and with the approval of the commissioner, may be treated in the same manner as a component school district of the board of cooperative educational services of the supervisory district serving its geographic area, or an adjoining board of cooperative educational services in the case of a city school district in a city having one million inhabitants or more, for the sole purpose of purchasing instructional support services, as defined by the commissioner. Each such school district shall add an amount to its budget and shall levy, collect and pay the costs of such program to such board of cooperative educational services to defray its portion of the expenses of such program, including a charge for administration not to exceed the restricted indirect cost rate, provided that the board of cooperative educational services shall not charge any portion of the administrative costs incurred pursuant to this subdivision to its component school

districts. Such school districts shall not be liable for payment of administrative expenses as provided for in paragraph b of subdivision four of this section and subdivision one of section nineteen hundred fifty-one of this article. In the case of city school districts in a city with a population in excess of one hundred twenty-five thousand inhabitants, such participation shall be in addition to the participation authorized by subdivisions eight-a and eight-b of this section. In the case of a city school district in a city with a population of one hundred twenty-five thousand inhabitants or more, in lieu of participation as a component district of an adjoining board of cooperative educational services, the city school district may opt to provide such support services as shared services directly or in collaboration with one or more institutions of higher education. The approved costs of such services shall be eligible for state aid in accordance with the provisions of subdivision twenty of section thirty-six hundred two of this chapter, and shall not be eligible for aid pursuant to subdivision five of this section.

§ 15. Section 1951 of the education law is amended by adding a new subdivision 3 to read as follows:

3. a. For the nineteen hundred ninety-seven--ninety-eight school year and thereafter, the commissioner shall prescribe, in consultation with the comptroller of the state of New York and within the general taxonomy of accounts established by the comptroller pursuant to section thirty-six of the general municipal law, a uniform and specific taxonomy for service programs and activities of boards of cooperative educational services. In developing such prescribed taxonomy, the commissioner shall consider the recommendations of an advisory panel of district superintendents of schools or their representatives as appointed by the commissioner for such purpose.

b. In developing and adopting a budget for the nineteen hundred ninety-seven--ninety-eight school year pursuant to this article, each board of cooperative educational services may use the same locally selected specific taxonomy for service programs and activities as used for the nineteen hundred ninety-six--ninety-seven school year within the general taxonomy of accounts established by the comptroller pursuant to section thirty-six of the general municipal law, provided that all such accounts shall be converted to the uniform and specific taxonomy prescribed by the commissioner pursuant to paragraph a of this subdivision by October first, nineteen hundred ninety-seven and provided that copies of the approved program, capital and administrative budgets as converted to such uniform and specific taxonomy shall be submitted to the commissioner on or before October first, nineteen hundred ninety-seven.

c. In developing and adopting a budget pursuant to this article for the nineteen hundred ninety-eight--ninety-nine school year and thereafter, each board of cooperative educational services shall use the uniform and specific taxonomy for service programs and activities prescribed by the commissioner pursuant to paragraph a of this subdivision.

§ 16. Subdivision 1 of section 2002 of the education law, as amended by chapter 801 of the laws of 1953, is amended to read as follows:

1. [~~Except as hereinafter provided the~~] The annual meeting and election of each school district shall be held on the [~~first~~] third Tuesday of May in each year, [~~and, unless~~] provided, however that such annual meeting and election shall be held on the second Tuesday in May if the commissioner at the request of a local school board certifies no later than March first that such election would conflict with religious observances. Unless the hour and place thereof shall have been fixed by

a vote of a previous district meeting, the same shall be held in the schoolhouse at seven-thirty o'clock in the evening. If a district possesses more than one schoolhouse, it shall be held in the one usually employed for that purpose, unless the trustees designate another. If the district possesses no schoolhouse, or if the schoolhouse shall not be accessible or adequate, then the annual meeting shall be held at such place as a trustee, or if there be no trustee, the clerk, shall designate in the notice.

§ 17. Subdivision 2 of section 2002 and subdivisions 3 and 4 of section 2004 of the education law are REPEALED.

§ 18. Paragraph b of subdivision 6 of section 2004 of the education law, as added by chapter 801 of the laws of 1953 and such subdivision as renumbered by chapter 571 of the laws of 1958, is amended to read as follows:

b. the place in each election district where the meeting or election shall be held~~[, except where, pursuant to subdivision three of section two thousand seventeen of this chapter, the annual meeting for the presentation of the statement of estimated expenses for the ensuing year and the vote thereon is to be held at one place then such notice shall state such fact and the time and place where such meeting shall be held],~~

§ 19. Subdivision 3 of section 2006 of the education law is REPEALED.

§ 20. Section 2013 of the education law is REPEALED.

§ 21. Subdivisions 3, 4, 5 and 6 of section 2017 of the education law are REPEALED.

§ 22. Subdivision c of section 2018 of the education law, as added by chapter 475 of the laws of 1979, is amended to read as follows:

c. In all common school districts ~~[which have elected to vote for trustees at a time or place separate from the annual meeting],~~ candidates for the office of member of the board of trustees shall be nominated by petition. Such petition shall not describe any specific vacancy on the board of trustees. Each petition shall be directed to the clerk of the school district and shall be signed by at least twenty-five qualified voters of the district or two percent of the voters who voted in the previous annual election of the members of the board of trustees, whichever is greater. Such a petition shall state the residence of each signer, and shall contain the name and residence of the candidate.

§ 23. Section 2022 of the education law, as amended by chapter 571 of the laws of 1958, is amended to read as follows:

§ 2022. Vote ~~[upon school taxes and on propositions to expend money]~~ on school district budgets and on the election of school district trustees and board of education members. 1. ~~[After the presentation of the statement or estimate required by section sixteen hundred eight or section seventeen hundred sixteen of this chapter, a vote shall be taken upon the appropriation of the necessary funds to meet the estimated expenditures, except where the vote upon the appropriation of the necessary funds to meet the estimated expenditures, or on propositions involving the expenditure of money, or authorizing the levy of taxes, shall be held on the Wednesday next following the day on which the annual meeting of the district is held or separately on the same day as the annual meeting is held pursuant to section two thousand thirteen of this chapter.~~

2. ~~Except where the meeting is being held in separate election districts established pursuant to section two thousand seventeen of this chapter, or except where the vote upon the appropriation of the necessary funds to meet the estimated expenditures, or on propositions involving the expenditure of money, or authorizing the levy of taxes,~~

~~takes place on the Wednesday next following the day on which the annual meeting of the district is held or separately on the same day as the annual meeting is held pursuant to section two thousand thirteen of this chapter]~~ Notwithstanding any law, rule or regulation to the contrary, the election of trustees or members of the board of education, and the vote upon the appropriation of the necessary funds to meet the estimated expenditures, in any common school district, union free school district, central school district or central high school district shall be held at the annual meeting and election on the third Tuesday in May, provided, however, that such election shall be held on the second Tuesday in May if the commissioner at the request of a local school board certifies no later than March first that such election would conflict with religious observances. When such election or vote is taken by voice or hand vote, a majority of the qualified voters present and voting [by a hand or voice vote,] may determine to take up the question of voting the necessary funds to meet the estimated expenditures for a specific item separately, and the qualified voters present and voting may increase the amount of any estimated expenditures or reduce the same, except for teachers' salaries, and the ordinary contingent expenses of the schools. The sole trustee, board of trustees or board of education of every common, union free, central or central high school district and every city school district to which this article applies shall hold a budget hearing not less than seven nor more than fourteen days prior to the annual meeting and election or special district meeting at which a school budget vote will occur, and shall prepare and present to the voters at such budget hearing a proposed school district budget for the ensuing school year.

2. Except as provided in subdivision four of this section, nothing in this section shall preclude the trustees or board of education, in their discretion, from submitting additional items of expenditure to the voters for approval as separate propositions or the voters from submitting propositions pursuant to section two thousand eight and two thousand thirty-five of this article.

3. In all [propositions arising at said district meetings,] elections for trustees or members of boards of education or votes involving the expenditure of money, or authorizing the levy of taxes, the vote thereon shall be by ballot, or ascertained by taking and recording the ayes and noes of such qualified voters attending and voting at such district meetings.

4. In the event that the original proposed budget is not approved by the voters, the sole trustee, trustees or board of education may adopt a final budget pursuant to subdivision five of this section or resubmit to the voters the original or a revised budget. Upon one defeat of such resubmitted budget, the sole trustee, trustees or board of education shall adopt a final budget pursuant to subdivision five of this section. Notwithstanding any other provision of law to the contrary, the school district budget for any school year, or any part of such budget or any propositions involving the expenditure of money for such school year shall not be submitted for a vote of the qualified voters more than twice.

5. If the qualified voters fail to approve the proposed school district budget upon resubmission or upon a determination not to resubmit for a second vote pursuant to subdivision four of this section, the sole trustee, trustees or board of education, after applying thereto the public school moneys and other moneys received or to be received for that purpose, shall levy a tax for the sum necessary for teachers' sala-

ries and other ordinary contingent expenses in accordance with the provisions of this subdivision and section two thousand twenty-three of this article.

§ 24. Section 2023 of the education law, as amended by chapter 489 of the laws of 1994, is amended to read as follows:

§ 2023. Levy of tax for certain purposes without vote; contingency budget. 1. If the qualified voters shall neglect or refuse to vote the sum estimated necessary for teachers' salaries, after applying thereto the public school moneys, and other moneys received or to be received for that purpose, or if they shall neglect or refuse to vote the sum estimated necessary for ordinary contingent expenses, including the purchase of library books and other instructional materials associated with a library and expenses incurred for interschool athletics, field trips and other extracurricular activities, the sole trustee, board of trustees, or board of education [~~may~~] shall adopt a contingency budget including such expenses and shall levy a tax for the same, in like manner as if the same had been voted by the qualified voters, subject to the limitations contained in subdivisions three and four of this section.

2. Notwithstanding the defeat of a school budget, school districts shall continue to transport students to and from the regular school program in accordance with the mileage limitations previously adopted by the qualified voters of the school district. Such mileage limits shall change only when amended by a special proposition passed by a majority of the qualified voters of the school district. In cases where the school budget is defeated by such qualified voters of the school district, appropriations for transportation costs for purposes other than for transportation to and from the regular school program, and transportation that would constitute an ordinary contingent expense pursuant to subdivision one of this section, shall be authorized in the budget only after approval by the qualified voters of the district.

3. The administrative component of a contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of (1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or (2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.

4. a. The contingency budget shall not result in a percentage increase in total spending over the district's total spending under the school district budget for the prior school year that exceeds the lesser of: (i) the result obtained when one hundred twenty percent is multiplied by the percentage increase in the consumer price index, with the result rounded to two decimal places; or (ii) four percent.

b. The following types of expenditures shall be disregarded in determining total spending:

(i) expenditures resulting from a tax certiorari proceeding;

(ii) expenditures resulting from a court order or judgment against the school district;

(iii) emergency expenditures that are certified by the commissioner as necessary as a result of damage to, or destruction of, a school building or school equipment;

(iv) capital expenditures resulting from the construction, acquisition, reconstruction, rehabilitation or improvement of school facilities, including debt service and lease expenditures, subject to the approval of the qualified voters where required by law;

(v) expenditures in the contingency budget attributable to projected increases in public school enrollment, which, for the purpose of this subdivision, may include increases attributable to the enrollment of students attending a pre-kindergarten program established in accordance with section thirty-six hundred two-e of this chapter, to be computed based upon an increase in enrollment from the year prior to the base year for which the budget is being adopted to the base year for which the budget is being adopted, provided that where the trustees or board of education have documented evidence that a further increase in enrollment will occur during the school year for which the contingency budget is prepared because of new construction, inception of a pre-kindergarten program, growth or similar factors, the expenditures attributable to such additional enrollment may also be disregarded; and

(vi) non-recurring expenditures in the prior year's school district budget.

c. The resolution of the trustee, board of trustees, or board of education adopting a contingency budget shall incorporate by reference a statement specifying the projected percentage increase or decrease in total spending for the school year, and explaining the reasons for disregarding any portion of an increase in spending in formulating the contingency budget.

d. Notwithstanding any other provision of law to the contrary, the trustees or board of education shall not be authorized to amend or revise a final contingency budget where such amendment or revision would result in total spending in excess of the spending limitation in paragraph (a) of this subdivision; provided that the trustees or board of education shall be authorized to add appropriations for:

(i) the categories of expenditures excluded from the spending limitations set forth in paragraph (b) of this subdivision, subject to approval of the qualified voters where required by law;

(ii) expenditures resulting from an actual increase in enrollment over the projected enrollment used to develop the contingency budget, provided that where such actual enrollment is less than such projected enrollment, it shall be the duty of the trustees or board of education to use such excess funds to reduce taxes; and

(iii) the expenditure of gifts, grants in aid for specific purposes or for general use or insurance proceeds authorized pursuant to subdivision two of subdivision seventeen hundred eighteen of this chapter in addition to that which has been previously budgeted.

e. For the purposes of this subdivision:

(i) "Base school year" shall mean the school year immediately preceding the school year for which the contingency budget is prepared.

(ii) "Consumer price index" shall mean the percentage that represents the average of the national consumer price indexes determined by the United States department of labor, for the twelve month period preceding January first of the current year.

(iii) "Current year" shall mean the calendar year in which the school district budget is submitted for a vote of the qualified voters.

(iv) "Resident public school district enrollment shall mean the resident public school enrollment of the school district as defined in paragraph n of subdivision one of section thirty-six hundred two of this chapter.

(v) "Total spending" shall mean the total amount appropriated under the school district budget for the school year.

§ 25. Section 2022-a of the education law is REPEALED.

§ 26. Paragraph b of subdivision 7 of section 2034 of the education law is REPEALED and paragraphs c and d are relettered paragraphs b and c.

§ 27. Subdivision 3 of section 2116-a of the education law, as amended by chapter 1192 of the laws of 1971, is amended to read as follows:

3. The school authorities of each school district, except those employing fewer than eight teachers, but including the city school districts of the cities of Buffalo and Rochester, shall obtain an annual audit of its records by an independent certified public accountant or an independent public accountant. The board of education of the city school district of the city of New York, districts of such city shall obtain an annual audit by the comptroller of the city of New York, or by an independent certified public accountant or an independent public accountant. The boards of education of the community districts of such city school district shall obtain an annual audit by the bureau of audit of the board of education of the city school district of the city of New York or by an independent certified public accountant or an independent public accountant. A copy of the audit report in form prescribed by the commissioner and certified by the accountant, or, in the city school district of the city of New York or the community districts therein, by the accountant, or the comptroller or bureau of audit, as the case may be, shall be furnished to the commissioner on or before October first following the end of the fiscal year audited, except that such report shall be furnished to the commissioner on or before January first following the end of the fiscal year audited for the city school districts of the cities of Buffalo, Rochester, Syracuse, Yonkers, and New York and for the community school districts of the city of New York.

§ 28. Subdivisions 2, 3 and 4 of section 2601-a of the education law, as added by chapter 171 of the laws of 1996, are amended to read as follows:

2. The board of education shall conduct all annual and special school district meetings for the purpose of adopting a school district budget in the same manner as a union free school district in accordance with the provisions of article forty-one of this chapter, except as otherwise provided by this section. [~~Notwithstanding any other provision of law to the contrary, the board may conduct the budget vote separately on the same day designated by law for holding the annual meeting, or the following Wednesday, consistent with sections two thousand four, two thousand thirteen and two thousand twenty-two-a of this chapter~~] The annual meeting and election of each such city school district shall be held on the third Tuesday of May in each year, provided, however that such annual meeting and election shall be held on the second Tuesday in May if the commissioner at the request of a local school board certifies no later than March first that such election would conflict with religious observances. The provisions of this article, and where applicable subdivisions nine and nine-a of section twenty-five hundred two of this chapter, governing the qualification and registration of voters, and procedures for the nomination and election of members of the board of education shall continue to apply, and shall govern the qualification and registration of voters and voting procedures with respect to the adoption of a school district budget.

3. The board of education shall prepare a proposed school district budget for the ensuing year in accordance with the provisions of section seventeen hundred sixteen of this chapter. No board of education shall incur a school district liability except as authorized by the provisions

of section seventeen hundred eighteen of this chapter. Such proposed budget shall be presented in three components: a program component, a capital component and an administrative component which shall be separately delineated in accordance with regulations of the commissioner after consultation with local school district officials. The administrative component shall include, but need not be limited to, office and central administrative expenses, traveling expenses and salaries and benefits of all certified school administrators and supervisors who spend a majority of their time performing administrative or supervisory duties, any and all expenditures associated with the operation of the board of education, the office of the superintendent of schools, general administration, the school business office, consulting costs not directly related to direct student services and programs, planning and all other administrative activities. The program component shall include, but need not be limited to, all program expenditures of the school district, including the salaries and benefits of teachers and any school administrators or supervisors who spend a majority of their time performing teaching duties, and all transportation operating expenses. The capital component shall include, but need not be limited to, all transportation capital, debt service, and lease expenditures; costs resulting from judgments in tax certiorari proceedings or the payment of awards from court judgments, administrative orders or settled or compromised claims; and all facilities costs of the school district, including facilities lease expenditures, the annual debt service and total debt for all facilities financed by bonds and notes of the school district, and the costs of construction, acquisition, reconstruction, rehabilitation or improvement of school buildings, provided that such budget shall include a rental, operations and maintenance section that includes base rent costs, total rent costs, operation and maintenance charges, cost per square foot for each facility leased by the school district, and any and all expenditures associated with custodial salaries and benefits, service contracts, supplies, utilities, and maintenance and repairs of school facilities. For the purposes of the development of a budget for the nineteen hundred ninety-seven--ninety-eight school year, the board of education shall separate its program, capital and administrative costs for the nineteen hundred ninety-six--ninety-seven school year in the manner as if the budget for such year had been presented in three components. Except as provided in subdivision four of this section, nothing in this section [7] shall preclude the board, in its discretion, from submitting additional items of expenditure to the voters for approval as separate propositions or the voters from submitting propositions pursuant to [section] sections two thousand eight and two thousand thirty-five of this chapter.

4. In the event the qualified voters of the district reject the budget proposed pursuant to subdivision three of this section, the board may propose to the voters a revised budget or may adopt a contingency budget pursuant to subdivision five of this section and subdivision five of section two thousand twenty-two of this chapter. The school district budget for any school year, or any part of such budget or any propositions involving the expenditure of money for such school year shall not be submitted for a vote of the qualified voters more than twice. In the event the qualified voters reject the resubmitted budget, the board shall adopt a contingency budget in accordance with subdivision five of this section and subdivision five of such section two thousand twenty-two of this chapter.

§ 29. Subdivision 5 of section 2601-a of the education law, as added by chapter 171 of the laws of 1996, is amended to read as follows:

5. If the qualified voters fail or refuse to vote the sum estimated to be necessary for teachers' salaries and other ordinary contingent expenses, the board shall adopt a contingency budget in accordance with this subdivision and shall levy a tax for that portion of such sum remaining after applying thereto the moneys received or to be received from state, federal or other sources, in the same manner as if the budget had been approved by the qualified voters; subject to the limitations imposed in subdivision four of section two thousand twenty-three of this chapter and this subdivision. The administrative component shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of (1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or (2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component. Such contingency budget shall include the sum determined by the board to be necessary for:

(a) teachers' salaries, including the salaries of all members of the teaching and supervising staff;

(b) items of expense specifically authorized by statute to be incurred by the board of education, including, but not limited to, expenditures for transportation to and from regular school programs included as ordinary contingent expenses in subdivision twelve of section twenty-five hundred three of this chapter, expenditures for textbooks, required services for non-public school students, school health services, special education services, kindergarten and nursery school programs, and the district's share of the administrative costs and costs of services provided by a board of cooperative educational services;

(c) items of expense for legal obligations of the district, including, but not limited to, contractual obligations, debt service, court orders or judgments, orders of administrative bodies or officers, and standards and requirements of the board of regents and the commissioner that have the force and effect of law;

(d) the purchase of library books and other instructional materials associated with a library;

(e) items of expense necessary to maintain the educational programs of the district, preserve the property of the district or protect the health and safety of students and staff, including, but not limited to, support services, pupil personnel services, the necessary salaries for the necessary number of non-teaching employees, necessary legal expenses, water and utility charges, instructional supplies for teachers' use, emergency repairs, temporary rental of essential classroom facilities, and expenditures necessary to advise school district voters concerning school matters; and

(f) expenses incurred for interschool athletics, field trips and other extracurricular activities; and

(g) any other item of expense determined by the commissioner to be an ordinary contingent expense in any school district.

§ 30. Section 3601 of the education law, as amended by chapter 82 of the laws of 1995, is amended to read as follows:

§ 3601. When apportioned and how applied. The amount annually appropriated by the legislature for general support for public schools, net of disallowances, refunds, reimbursements and credits, shall be apportioned by the commissioner each year prior to the dates of the respective final payments provided by law and all moneys so apportioned shall

be applied exclusively to school purposes authorized by law. General state aid claims, on forms prescribed by the commissioner, shall be submitted to the commissioner by September second of each school year, except that the audit report required by subdivision three of section twenty-one hundred sixteen-a of this chapter shall be submitted to the commissioner by October first following the close of the school year audited for all districts other than the city school districts of the cities of Buffalo, Rochester, Syracuse, Yonkers and New York and by January first following the close of the school year audited for such city school districts, and except that aid claims on forms prescribed by the commissioner for aids apportioned pursuant to subdivision six or fourteen of section thirty-six hundred two of this article for current year approved expenditures for debt service for school building purposes related to bond anticipation notes and for bonds and capital notes issued during the current year shall be submitted to the commissioner by March first of the current year. No aid shall be paid to a school district or board of cooperative educational services prior to the submission of claims as required by the commissioner, except that no aids shall be withheld due to the failure of a school district to submit the audit report required by subdivision three of section twenty-one hundred sixteen-a of this chapter until the thirtieth day following the due date specified in this section for such report, and provided that no aid shall be paid to a school district prior to September first following the end of the current school year for aid claims submitted after March first of the current year for aids apportioned pursuant to subdivision six or fourteen of section thirty-six hundred two of this article for current year approved expenditures for debt service for school building purposes related to bond anticipation notes and for bonds and capital notes issued during the current year.

§ 31. Paragraph g of subdivision 1 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

g. [~~(i) For aid payable in the nineteen hundred ninety-six--ninety-seven and prior school years, "summer~~] "Summer session pupils" shall mean those pupils attending approved programs of instruction operated by the district during the months of July and August [~~of the base year~~] in accordance with the regulations promulgated by the commissioner.

§ 32. Paragraph j of subdivision 1 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

j. "Comprehensive operating aids base" for the purposes of this section (i) for aid payable in the nineteen hundred ninety-three--ninety-four school year, shall mean: the net total amount a district was eligible to receive during the base year under the provisions of subdivisions twelve, thirteen, fifteen, sixteen, twenty-two, twenty-three, twenty-six, and thirty-two of this section and the adjustment in aid due to the selection made pursuant to subdivision eighteen of this section, except that for aid payable in the nineteen hundred ninety-three--ninety-four school year, such term shall mean the sum of the aids payable in the nineteen hundred ninety-two--ninety-three school year pursuant to (1) the following subdivisions of section thirty-six hundred one-a: twelve or fifteen, whichever applies, and thirteen, or, in the alternative, eighteen; sixteen; twenty; twenty-two; twenty-three; twenty-five; twenty-six; twenty-nine; thirty; thirty-two; thirty-three; and thirty-four; (2) an amount equal to the product of transportation expense approved for aid in the nineteen hundred ninety-two--ninety-three school

year in accordance with subdivision seven of section thirty-six hundred one-a of this article multiplied by the remainder of nine-tenths minus the building aid ratio computed for aid payable in the nineteen hundred ninety-two--ninety-three school year pursuant to subdivision three of section thirty-six hundred one-a of this article; and (3) any other adjustments pursuant to paragraphs k, l and m of subdivision one of section thirty-six hundred nine of this article, and except that the comprehensive operating aids base for aid payable in the nineteen hundred ninety-three--ninety-four school year, and for aid calculations for subsequent school years based on aid payable in such school year, shall be deemed final and not subject to change on or after July first, nineteen hundred ninety-six; whereas:

(ii) for aid payable in the nineteen hundred ninety-four--ninety-five and nineteen hundred ninety-five--ninety-six school years, such term shall mean the net total amount a district was eligible to receive during the base year under the provisions of subdivisions twelve, fifteen, sixteen, twenty-two, twenty-three, twenty-six, and thirty-two of this section and the adjustment in aid due to the selection made pursuant to subdivision eighteen of this section, except that: (A) the comprehensive operating aids base for aid payable in the nineteen hundred ninety-four--ninety-five school year, and for aid calculations for subsequent school years based on aid payable in such school year, shall be deemed final and not subject to change on or after July first, nineteen hundred ninety-eight, and (B) the comprehensive operating aids base for aid payable in the nineteen hundred ninety-five--ninety-six school year, and for aid calculations for subsequent school years based on aid payable in such school year, shall be deemed final and not subject to change on or after July first, nineteen hundred ninety-nine;

(iii) for aid payable in the nineteen hundred ninety-six--ninety-seven ~~[and nineteen hundred ninety-seven--ninety-eight]~~ school ~~[years]~~ year, such term shall mean the net total amount a district was eligible to receive during the base year under the provisions of clause (i) of paragraph a of subdivision twelve, and subdivisions fifteen, sixteen, twenty-two, twenty-three and twenty-six of this section and the adjustment in aid due to the selection made pursuant to subdivision eighteen of this section, except that in a city school district in a city with a population of more than one million, for aid payable in the nineteen hundred ninety-six--ninety-seven school year, the comprehensive operating aids base shall be increased by the amount by which growth aid for aid payable in the nineteen hundred ninety-four--ninety-five school year calculated pursuant to subdivision thirteen of this section notwithstanding section five hundred thirty-eight of chapter one hundred seventy of the laws of nineteen hundred ninety-four exceeds growth aid calculated for such school year, and except that the comprehensive operating aids base for aid payable in the nineteen hundred ninety-six--ninety-seven ~~[and nineteen hundred ninety-seven--ninety-eight]~~ school ~~[years]~~ year, and for aid calculations for subsequent school years based on aid payable in the such school ~~[years]~~ year, shall be deemed final and not subject to change on or after July first, two thousand; ~~[and]~~

(iv) for aid payable in the nineteen hundred ninety-seven--ninety-eight school year, such term shall mean the net total amount a district was eligible to receive during the base year under the provisions of clause (i) of paragraph a of subdivision twelve, and subdivisions fifteen, sixteen, twenty-two, and twenty-three of this section and the adjustment in aid due to the selection made pursuant to subdivision eighteen of this section, except that the comprehensive operating aids

base for aid payable in the nineteen hundred ninety-seven--ninety-eight school year, and for aid calculations for subsequent school years based on aid payable in the such school year, shall be deemed final and not subject to change on or after July first, two thousand; and

(v) for aid payable in the nineteen hundred ninety-eight--ninety-nine school year and thereafter, such term shall mean the net total amount a district was eligible to receive during the base year under the provisions of clause (i) of paragraph a of subdivision twelve, and subdivisions fifteen, sixteen, twenty-two, and twenty-three [~~and twenty-six~~] of this section and the adjustment in aid due to the selection made pursuant to subdivision eighteen of this section, except that the comprehensive operating aids base for aid payable in the nineteen hundred ninety-eight--ninety-nine school year and thereafter, and for aid calculations for subsequent school years based on aid payable in such school years, shall be deemed final and not subject to change on or after July first of the school year following the last school year in which the commissioner may last accept and certify for payment any additional claim for such school year pursuant to paragraph a of subdivision five of section thirty-six hundred four of this article.

§ 33. Subparagraph 2 of paragraph k of subdivision 1 of section 3602 of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

(2) For aid payable in the nineteen hundred ninety-seven--ninety-eight school year and thereafter, "alternate pupil wealth ratio" shall mean the number computed to three decimals without rounding obtained when the adjusted gross income of a school district for the calendar year two years prior to the calendar year in which the base year began divided by the total wealth pupil units of such district is divided by the statewide adjusted gross income per total wealth pupil unit. Such statewide average gross income per pupil shall be established each year by the commissioner and shall be transmitted to school districts. For the purposes of this paragraph, the income data shall be computed in accordance with regulations adopted by the commissioner of taxation and finance based upon personal income tax returns for the calendar year three years prior to the calendar year in which the current school year commences, as reported to the commissioner [~~in~~ by] September of the [~~year prior to the~~] base year, including the results of the temporary school district address review validation and correction process or, commencing with aid payable in the nineteen hundred ninety-four--ninety-five school year, the results of the permanent computerized statewide school district address match and income verification system. The income of the city school district of the city of New York shall be the sum of the income of the boroughs of the city. Such statewide average shall be rounded to the nearest hundred and shall include the adjusted gross income and total wealth pupil units of all school districts eligible for aid pursuant to this section except central high school districts. For the purposes of calculating such statewide average the data for the city school district of the city of New York shall be citywide data. The adjusted gross income of a central high school district shall equal the sum of the adjusted gross income of each of its component school districts.

§ 34. Paragraph n of subdivision 1 of section 3602 of the education law is amended by adding two new subparagraphs 5 and 6 to read as follows:

(5) "Resident nonpublic school district enrollment" shall be the nonpublic school district enrollment less the nonpublic school district

enrollment of nonresident pupils attending nonpublic schools in the district, plus the nonpublic school district enrollment of pupils resident in the district but attending nonpublic schools in another district or state.

(6) "Additional public school enrollment" shall mean resident students with disabilities placed by public school districts in approved private schools, the New York state school for the blind at Batavia, or the New York state school for the deaf at Rome and resident students placed in schools subject to the provisions of chapter five hundred sixty-three of the laws of nineteen hundred eighty as amended.

§ 35. Paragraph v of subdivision 1 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

v. "Concentration factor" shall be computed by adding to one the quotient of (i) the positive remainder resulting when seven hundred ~~[eighty-six]~~ forty-five thousandths is subtracted from the quotient of the extraordinary needs count divided by the district's base year public school enrollment divided by (ii) ~~[seven]~~ five hundred ~~[forty-three]~~ thousandths; provided, however, that such factor shall not be less than one.

§ 36. Subparagraphs 1 and 2 of paragraph a of subdivision 6 of section 3602 of the education law, as added by chapter 57 of the laws of 1993, subparagraph 1 as amended by chapter 170 of the laws of 1994, are amended to read as follows:

(1) For new construction and the purchase of existing structures, the cost allowances shall be based upon the rated capacity of the building or addition and a basic per pupil allowance of up to six thousand three hundred seventy-five dollars adjusted monthly by a statewide index reflecting changes in the cost of labor and materials since July first, nineteen hundred ninety-two, established by the commissioner of labor, modified by a county or multi-county labor market composite wage rate, established by the commissioner of labor in consultation with the commissioner, for July first of the base year, commencing July first, nineteen hundred ninety-seven for general construction contracts approved on or after July first, nineteen hundred ninety-eight, indexed to the median of such county or multi-county rates, but not less than one. Such base allowance shall apply to a building or an addition housing grades prekindergarten through six and shall be adjusted for a building or an addition housing grades seven through nine by a factor of one and four-tenths, for a building or an addition housing grades seven through twelve by a factor of one and five-tenths, for a building or addition housing special education programs by a factor of two, except that where such building or addition is connected to, or such space is located within, a public school facility housing programs for nonhandicapped pupils, as approved by the commissioner, a factor of three shall be used. Rated capacity of a building or an addition shall be determined by the commissioner based on space standards and other requirements for building construction specified by the commissioner. Such assigned capacity ratings shall include, in addition to those spaces used for the instruction of pupils, those spaces which are used for elementary and secondary school libraries, cafeterias, prekindergarten instructional rooms, teachers' conference rooms, gymnasiums and auditoriums. If the commissioner of labor resets the statewide index reflecting changes in the costs of labor and materials since July first, nineteen hundred ninety-two, the commissioner shall adopt regulations to supersede the basic per pupil allowance of up to six thousand three

hundred seventy-five dollars to the imputed allowance in effect at that time.

(2) Where a school district has expenditures for site purchase, grading or improvement of the site, original furnishings, equipment, machinery or apparatus, or professional fees, or other incidental costs, the cost allowances for new construction and the purchase of existing structures may be increased by the actual expenditures for such purposes but by not more than the product of the applicable county or multi-county index of labor market composite wage rates established pursuant to subparagraph one of this paragraph and twenty per centum for school buildings or additions housing grades prekindergarten through six and by not more than the product of such index and twenty-five per centum for school buildings or additions housing grades seven through twelve and by not more than the product of such index and twenty-five per centum for school buildings or additions housing special education programs as approved by the commissioner.

§ 37. Paragraph b of subdivision 6 of section 3602 of the education law, as amended by chapter 82 of the laws of 1995, is amended to read as follows:

b. (1) The apportionment for school building purposes to any district shall be determined by adding the amount of its base year approved expenditures for capital outlays for school building purposes from its general fund, capital fund or from a reserve fund to the amount of its current year approved expenditures for debt service for such purposes and multiplying the sum by its aid ratio[~~; provided, however, that the approved expenditures eligible for an apportionment on account of projects authorized and approved under the provisions of this subdivision for which a general contract has been awarded on or after July first, nineteen hundred ninety-five, and payable prior to the filing of final cost reports on such projects shall be limited to the product of such approved expenditures and ninety-five one-hundredths until actual approved expenditures for the project have been determined by the commissioner upon review and approval of such final cost reports~~]. Expenditures made for computer equipment, including original purchase and installation of hardware, conduit, wiring, and powering of hardware installations in computer classrooms, or for building or campuswide local area network systems and in-building elements of other wide area networks, including the original purchase and installation of conduit, wiring, and powering of hardware installations, may be included in approved expenditures for building aid pursuant to this paragraph on the approval of the commissioner regardless of any minimum cost requirement that may be applied to other approved expenditures pursuant to this section. Such equipment expenses claimed for aid under this subdivision shall not be claimed for aid under any other provisions of this chapter.

(2) Additional apportionment for certain school building projects. (i) Eligibility. All school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, for projects approved on or after July first, nineteen hundred ninety-eight, shall be eligible for an additional apportionment pursuant to this subparagraph to the extent that expenditures for such projects are otherwise aidable pursuant to this subdivision.

(ii) Apportionment. The apportionment pursuant to this subparagraph shall equal the product of such eligible approved expenses determined in

accordance with the provisions of clause (i) of this subparagraph and this section and the incentive decimal computed for use in the year in which the project was approved. The incentive decimal shall equal the positive remainder resulting when the district's building aid ratio selected pursuant to paragraph c of this subdivision is subtracted from the enhanced building aid ratio. The enhanced building aid ratio shall equal the sum of the building aid ratio selected for use in the current year pursuant to paragraph c of this subdivision and one-tenth, computed to three decimals without rounding, but not more than ninety-five hundredths, nor less than one-tenth.

§ 38. Subparagraph 2 of paragraph c of subdivision 6 of section 3602 of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

(2) For aid payable in the school years nineteen hundred ninety-four-ninety-five [~~-, nineteen hundred ninety-five--ninety-six and~~] through nineteen hundred [~~ninety-six--ninety-seven school years~~] ninety-seven--ninety-eight, any school district may compute aid under the provisions of this subdivision using the building aid ratio computed for use in the current year or the aid ratio computed for use in any year commencing with the nineteen hundred eighty-one--eighty-two school year as such earlier aid ratios are computed by the commissioner based on data on file with the education department on or before July first of the third school year following the school year in which aid is first payable; provided that, school districts who are eligible for aid under paragraph f of subdivision fourteen of this section may compute aid under the provisions of this subdivision using the aid ratio so computed for the reorganized district or the highest of the aid ratios so computed for any of the individual school districts which existed prior to the date of the reorganized school district.

§ 39. Section 3602 of the education law is amended by adding a new subdivision 6-d to read as follows:

6-d. Minor maintenance and repair. a. (1) Moneys appropriated to the department for the extraordinary school capital needs program for New York city shall be used in accordance with the provisions of this subdivision. In addition to apportionments otherwise provided by this section, for aid payable in the school years nineteen hundred ninety-eight--ninety-nine through two thousand--two thousand one, the commissioner may annually approve an application from the board of education of the city school district of the city of New York for funds in an amount not to exceed thirty-three million three hundred thirty thousand dollars, and for aid payable in the two thousand one--two thousand two school year, the commissioner may approve an application from the board of education of the city school district of the city of New York for funds in an amount not to exceed fifty-three million three hundred twenty-eight thousand dollars, to repair public instructional school facilities based on priorities set by each community school district superintendent and, in the case of high schools and special education buildings, the chancellor, in New York city.

(2) Allowable expenses for repairs shall be defined by the commissioner and shall include expenses for minor repair and improvement activities performed to remedy existing minor maintenance and repair deficiencies of instructional school facilities or to mitigate the need for extensive capital renovation and rehabilitation for such buildings in the future. Allowable expenses pursuant to this subdivision shall not include any expenses eligible for aid under provisions of subdivision six of this section. Expenses reimbursed pursuant to this subdivision

shall be excluded from the approved operating expenses of the district and shall be recorded in the district's special aid fund.

(3) All funding provided under this subdivision shall be used to increase apportionments provided in the nineteen hundred ninety-eight--ninety-nine through the two thousand-two thousand one city fiscal years at the community school district, high school and special education building level to address maintenance and repair projects. No funding provided pursuant to this subdivision shall be used for administrative costs of the central board of education. In order to be eligible for such aid, the city school district shall submit to the commissioner a report by October first of each school year, from nineteen hundred ninety-eight to two thousand one, signed by the chancellor outlining how the funds would be spent, including, but not limited to:

(i) the establishment and use of school-based survey teams, consisting of principals, custodians, teachers selected by the authorized collective bargaining unit, the school district superintendent, parents and other interested parties to assess the conditions of schools semi-annually and to designate priority minor maintenance projects in each school building; where appropriate, in designating such priorities, the team shall consider other repairs that have been identified for action by the board of education or by the school construction authority;

(ii) the expected time frame for achieving a state of good repair in each school building; and

(iii) the local funds allocated to individual community school districts, high schools and special education buildings for the current city fiscal year as well as the funds expended by them in the base city fiscal year.

(4) The school-based survey team shall annually submit a list of minor maintenance priorities to the district superintendent, or the chancellor, as the case may be, for review and approval. The district superintendent or the chancellor shall select the minor maintenance and repair projects which will best enhance the safety and quality of life for teachers and students within the facilities.

(5) The chancellor shall annually provide an allocation to every community school district, high school district and group of special education buildings. Allocations shall be based on the total square footage, adjusted by a rating system that measures minor maintenance and repair needs and current facility conditions, for all schools in each community school district and for the high school districts and citywide special education programs.

(6) It is further provided that the city school district of the city of New York must expend at least as much in local funds on maintenance and repair projects in each of the nineteen hundred ninety-eight--ninety-nine through the two thousand one-two thousand two city fiscal years as it did in the nineteen hundred ninety-seven--ninety-eight city fiscal year. If the city school district spends less in local funds than in the nineteen hundred ninety-seven--ninety-eight city fiscal year for repair programs, as defined in regulation by the commissioner, then the city school district shall have its apportionment under this subdivision reduced in an aggregate amount equal to the total of such deficiencies.

(7) Notwithstanding any other provision of law to the contrary, the commissioner is authorized to pay up to seventy percent of the moneys appropriated for such maintenance and repair expenses, to the extent moneys have been expended by February first of each school year, and reported in a manner satisfactory to the commissioner by March first,

prior to April first of such school year, with the remainder payable on or after such date.

b. (1) Moneys appropriated to the department for the extraordinary school capital needs program for school districts outside of New York city shall be used in accordance with the provisions of this subdivision. In addition to apportionments otherwise provided by this section, for aid payable in the school years nineteen hundred ninety-eight--ninety-nine through two thousand--two thousand one, the commissioner may annually approve an application from each school district in the state, except for the city school district of the city of New York, for an apportionment of aid for repair of public instructional school facilities under this subdivision, the sum of which shall not exceed sixteen million six hundred seventy thousand dollars for any school year, and for aid payable in the school year two thousand one--two thousand two, the commissioner may approve an application from each school district in the state, except for the city school district of the city of New York, for an apportionment of aid for repair of public instructional school facilities under this subdivision, the sum of which shall not exceed twenty-six million six hundred seventy-two thousand dollars. Notwithstanding any provision of this subdivision to the contrary, the commissioner shall develop an expedited application process for school districts with apportionments of aid for repair of less than twenty-five thousand dollars.

(2) (i) Computation of formula for repair. The apportionment to any school district shall be the greater of (A) an amount computed by (1) multiplying the district's enrollment by the district's age of facility index established pursuant to this subdivision, (2) multiplying the result by the district's long-term growth index established pursuant to this subdivision, (3) dividing such result for each school district by the sum of such results for all school districts, excluding the city school district of the city of New York, and (4) multiplying such result by the amount appropriated for the purposes of this subdivision for school districts outside of the city of New York available after payment of any minimum apportionment, or (B) two thousand dollars.

(ii) Computation of age facility index. This index shall be computed by dividing an average age of buildings owned by the school district and used for instruction by the statewide average age of all such buildings, except for those in the city school district of the city of New York. The average age shall be computed by multiplying the age of each facility in the nineteen hundred ninety-four calendar year by the square footage of such facility and adding the results for each district based upon data on file with the commissioner on April first, nineteen hundred ninety-three. This sum shall be divided by the total square footage of all buildings in the district to compute the average age.

(iii) Computation of the long-term growth index. The index shall be computed by dividing the district's nineteen hundred ninety-three--ninety-four public school enrollment by the district's nineteen hundred eighty-nine--ninety public school enrollment, provided, however, that the index shall not be less than one.

(iv) Enrollment, for the purposes of this subdivision, shall mean the count of children on a regular enrollment register of a public school in a district.

(3) Allowable expenses for repairs shall be defined by the commissioner and shall include expenses for minor repair and improvement activities performed to remedy existing minor maintenance deficiencies or to mitigate the need for extensive capital renovation and rehabilitation in

the future. Allowable expenses pursuant to this subparagraph shall not include any expenses eligible for aid under provisions of subdivision six of this section. Expenses reimbursed under this subdivision shall be excluded from the approved operating expenses of the district and shall be recorded in the district's special aid fund.

(4) If a school district spends any of the apportionment provided pursuant to this subdivision to supplant local funds as approved in the district's nineteen hundred ninety-seven--ninety-eight budget for repair programs, as defined in regulations of the commissioner, then it shall have its apportionment under this section reduced in an amount equal to such substitution.

(5) Notwithstanding any other provisions of this subdivision to the contrary, the commissioner is authorized to pay, up to seventy percent of the moneys appropriated for such repair programs, to the extent such moneys have been expended by February first of each school year and reported in a manner satisfactory to such commissioner by March first, prior to April first of such school year, with the remainder payable on or after such date.

(6) Any contract in excess of twenty-five thousand dollars entered into by a school district receiving an apportionment pursuant to this section in excess of one hundred thirty thousand dollars for repairs to be funded pursuant to this subdivision shall be deemed to be a state contract within the meaning of that term as set forth in article fifteen-A of the executive law, and the school district shall be deemed, for purposes of this section, a contracting agency as that term is used in article fifteen-A of the executive law.

c. In the event the appropriation for purposes of this subdivision in any year is insufficient to pay all claims received pursuant to this subdivision, the commissioner shall pay such claims on a prorated basis among all districts filing such claims until the appropriation is exhausted. For aid payable in the nineteen hundred ninety-eight--ninety-nine through the two-thousand--two thousand one school years, the aid payable pursuant to this subdivision shall not exceed fifty million dollars (\$50,000,000), and for the two thousand one--two thousand two school year and thereafter the aid payable pursuant to this subdivision shall not exceed eighty million dollars (\$80,000,000).

§ 40. Paragraph i of subdivision 6 of section 3602 of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

i. Approved expenditures for debt service. (1) Bond anticipation notes. ~~[For]~~ Except as otherwise provided in subparagraph four of this paragraph, for purposes of the apportionment payable pursuant to this subdivision in the nineteen hundred ninety-six--ninety-seven school year and thereafter to a school district other than to the city school district of the city of New York, approved expenditures for debt service on bond anticipation notes relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building, including but not limited to the balance of principal outstanding as of July first, nineteen hundred ninety-six which was funded during the nineteen hundred ninety-five--ninety-six school year from proceeds of the sale of bond anticipation notes by a school district, shall mean actual approved expenditures for principal and interest related to the financing of a school construction project through bond anticipation notes; except that:

(i) such expenditures shall not include expenditures for principal on such notes during the first twenty-three months following the original issuance of such notes; and

(ii) such expenditures shall not include expenditures for principal or interest on bond anticipation notes issued or reissued after the issuance of a certificate of substantial completion for such project ~~and~~

~~(iii) in any year the allowable principal expenditures on bond anticipation notes included in debt service for building aid purposes shall not exceed~~, or expenditures for principal made during the school year in excess of the minimum principal payment required under the local finance law.

(2) Bonds and capital notes. (i) For purposes of the apportionment payable pursuant to this subdivision in the nineteen hundred ninety-six-ninety-seven school year and thereafter to a school district other than to the city school district of the city of New York, approved expenditures for debt service on bonds, capital notes and any other long-term local obligations relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building, shall mean actual approved expenditures for principal and interest related to the financing of a school construction project through such local obligations except as provided pursuant to clause (ii) of this subparagraph or subparagraph four of this paragraph; provided that, to be eligible for aid on debt service pursuant to this subdivision, such bonds, capital notes or other local obligations issued on or after August first, nineteen hundred ninety-six, or, in the case of a small city school district, on or after ~~the latest date upon which such a local obligation can be issued without voter approval~~ November fifteenth, nineteen hundred ninety-six, but before July first, nineteen hundred ninety-seven, shall provide for substantially level debt service or principal as defined in paragraph d of section 21.00 of the local finance law; and

~~[(i)]~~ (A) be amortized for a period of not less than fifteen years, including any period of amortization on related bond anticipation notes, in the case of local obligations issued to finance new construction and the purchase of existing structures; or

(B) be amortized for a period of not less than ten years, including any period of amortization on related bond anticipation notes, in the case of local obligations issued to finance the reconstruction, rehabilitation or improvement of existing school buildings ~~[or]~~.

(ii) notwithstanding any inconsistent provisions of this clause, any actual principal or interest expenditures related to the issuance of a local obligation to finance new construction for a term of less than fifteen years or reconstruction for a term of less than ten years, as specified in clause (i) of this subparagraph, shall not be used in the calculation of the apportionment payable pursuant to this subdivision, provided, however, that aidable approved expenditures for debt service shall be calculated pursuant to the provisions of this clause, as follows:

(A) for new construction and the purchase of existing structures, current year approved expenditures for debt service shall mean expenditures for principal and interest expense that would be incurred during the current year based on an assumed amortization for a period of fifteen years, or the actual term of the obligation issued by the school district, whichever is greater, of any outstanding principal and/or principal payments not previously aided at the time of issue of the

obligation that represents costs approved by the commissioner including any period of amortization on related bond anticipation notes~~[, and]~~. Such assumed amortization shall commence with the date of the award of a general contract by the school district for such new construction or purchase, the date the district was placed on assumed amortization by the commissioner, or the date upon which the district selected an assumed amortization pursuant to subparagraph four of this paragraph, whichever shall last occur, and shall be based on an assumed rate of annual interest applied to such amortization, as determined by the commissioner pursuant to subparagraph three of this paragraph for the month in which ~~[the certificate of substantial completion is issued]~~ a general contract is awarded for such project; ~~or~~ and

(B) for reconstruction, rehabilitation or improvement of existing school buildings, current year approved expenditures for debt service shall mean expenditures for principal and interest expense that would be incurred during the current year based on an assumed amortization for a period of ten years, or the actual term of the obligation issued by the school district, whichever is greater, of any outstanding principal and/or principal payments not previously aided that represents costs approved by the commissioner including any period of amortization on related bond anticipation notes~~[, and]~~. Such assumed amortization shall commence with the date of the award of a general contract by the school district for such new construction or purchase, the date the district was placed on actual amortization by the commissioner, or the date upon which the district selected an assumed amortization pursuant to subparagraph four of this paragraph, whichever shall last occur, and shall be based on an assumed rate of annual interest applied to such amortization, as determined by the commissioner pursuant to subparagraph three of this paragraph for the month in which ~~[the certificate of substantial completion is issued]~~ a general contract is awarded for such project.

(3) By the fifteenth day of each month, beginning on August fifteenth, nineteen hundred ninety-six, the commissioner shall determine the prevailing interest rate for the preceding month based on a nationally recognized and accepted index of municipal bond yields reported for such preceding month, in accordance with a methodology prescribed by the commissioner and approved by the director of the budget.

(4) Notwithstanding any other provision of this paragraph to the contrary, in the case of projects eligible for an apportionment pursuant to subparagraph one of this paragraph during the nineteen hundred ninety-six--ninety-seven school year, and projects of small city school districts whether or not eligible for such an apportionment during such school year, for the purpose of the apportionment payable pursuant to this subdivision or subdivision six-b of this section during the nineteen hundred ninety-six--ninety-seven school year and thereafter to a school district other than to the city school district of the city of New York, for the construction, acquisition, reconstruction, rehabilitation or improvement of a school building, such school district shall have the option of selecting to receive aid based on actual expenditures pursuant to subparagraph one or clause (i) of subparagraph two of this paragraph; or based on an assumed amortization pursuant to clause (ii) of subparagraph two of such paragraph. Such selection shall be made on or before the time of submission of a project to the commissioner for final approval or November fifteenth, nineteen hundred ninety-seven, whichever shall occur later. Provided, however, any such school district selecting to receive aid based on actual expenditures pursuant to subparagraph one or clause (i) of subparagraph two of this paragraph,

but not meeting all requirements of such provisions, shall have their aid for debt service computed under an assumed amortization pursuant to clause (ii) of subparagraph two of this paragraph, and provided further that any adjustments resulting from a required computation under clause (ii) of subparagraph two of this paragraph shall apply to the next payment due for such project.

(5) Notwithstanding any inconsistent provisions of this paragraph, for the purpose of calculating an apportionment pursuant to this subdivision:

(i) current approved expenditures for debt service for energy performance contracts authorized pursuant to section 9-102 of the energy law shall mean approved debt service incurred by a school district under such contract during the current school year related to the financing of such construction, acquisition, reconstruction, rehabilitation or improvement of any school building, provided that as a condition of eligibility for aid:

A. The amortization period shall not exceed the term of the energy performance contract.

(ii) current year approved expenditures for debt service for the purchase of computer equipment shall mean expenditures for principal and interest expense incurred by a school district during the current year for financing of the purchase of computer equipment eligible for aid pursuant to paragraph b of this subdivision, provided that the payment of aid shall be based on an assumed period of amortization which shall equal the period of probable usefulness applicable to the acquisition of such equipment under section 11.00 of the local finance law and on an assumed rate of annual interest determined pursuant to subparagraph three of this paragraph for the month in which the purchase contract was executed; and

(iii) current year approved expenditures for debt service for any other expenditures that are aidable pursuant to this subdivision and involve an object or purpose for which the period of probable usefulness under section 11.00 of the local finance law is less than ten years shall mean expenditures for principal and interest expense incurred by a school district during the current year for the contracting of indebtedness for such object or purpose, provided that the payment of aid shall be based on an assumed period of amortization equal to such period of probable usefulness and on an assumed rate of annual interest determined pursuant to subparagraph three of this paragraph for the month in which the financing agreement was executed.

§ 41. Clause (i) of subparagraph 5 of paragraph i of subdivision 6 of section 3602 of the education law, as added by section forty of this act, is amended by adding two new subclauses B and C to read as follows:

B. Any state building aid attributable to such project shall be excluded in determining the cost savings under the energy performance contract.

C. The energy performance contractor shall guarantee recovery of contract costs from energy savings realized by the school district during the term of the energy performance contract, which shall not exceed eighteen years.

§ 42. Intentionally omitted.

§ 43. Section 3602 of the education law is amended by adding a new subdivision 12-a to read as follows:

12-a. Aid for conversion to full day kindergarten. School districts may make available full day kindergarten programs for all children wishing to attend such programs. For aid payable in the nineteen hundred

ninety-eight--ninety-nine school year and thereafter, school districts which provided any half-day kindergarten programs or school districts which had no kindergarten programs in the nineteen hundred ninety-six--ninety-seven school year and in the base year shall be eligible for aid payable in June of the current year, notwithstanding section thirty-six hundred nine of this article, equal to the product of the district's selected operating aid per pupil multiplied by the positive difference resulting when the full day kindergarten enrollment of children attending programs in the district in the base year is subtracted from such enrollment in the current year. Selected operating aid per pupil shall mean the greater of the per pupil amount calculated pursuant to paragraph b or c of subdivision twelve of this section, before such amounts are multiplied by the district's total aidable pupil units. Enrollment shall be determined in accordance with the reporting of such data pursuant to paragraph n of subdivision one of this section.

§ 44. Section 3602 of the education law is amended by adding a new subdivision 20 to read as follows:

20. Shared services aid for school districts which are not components of a board of cooperative educational services supervisory district, including large city school districts. Commencing with aid payable in the nineteen hundred ninety-eight--ninety-nine school year, school districts which are not components of a board of cooperative educational services supervisory district, including city school districts of those cities having populations in excess of one hundred twenty-five thousand inhabitants that participate in, or provide, shared services for the purpose of instructional support service as authorized by subdivision eight-c of section nineteen hundred fifty of this chapter shall be eligible for an additional apportionment in accordance with the provisions of this paragraph. Within the amount appropriated for such purpose, such districts shall be entitled to an additional apportionment for their expenses incurred in the base year from their participation in or provision of such shared services, in an amount equal to the amount that would be payable for such expenses if the services were aidable shared services under subdivision five of section nineteen hundred fifty of this chapter; provided that in computing such aid for such city school districts the tax rate shall be determined in the manner prescribed in subparagraph seven of paragraph a of subdivision thirty-one-a of this section. Such apportionment shall be paid in accordance with section thirty-six hundred nine-a of this chapter. In the event the appropriation for purposes of this subdivision in any year is insufficient to pay all claims received pursuant to this subdivision, the commissioner shall pay such claims on a prorated basis among all districts filing such claims until the appropriation is exhausted. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the aid payable pursuant to this subdivision shall not exceed three million, five hundred thousand dollars (\$3,500,000); for the nineteen hundred ninety-nine--two thousand school year the aid payable pursuant to this subdivision shall not exceed ten million dollars (\$10,000,000); for the two thousand--two thousand one school year the aid payable pursuant to this subdivision shall not exceed fifteen million dollars (\$15,000,000); and for the two thousand one--two thousand two school year and thereafter the aid payable pursuant to this subdivision shall not exceed twenty-five million dollars (\$25,000,000).

§ 45. Paragraph e of subdivision 12 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

e. Extraordinary needs aid. In addition to any other apportionment pursuant to this chapter, a school district shall be eligible for an apportionment for extraordinary needs equal to the product of the formula operating aid ceiling defined in this subdivision, the extraordinary needs aid ratio defined in subdivision three of this section, the extraordinary needs count, the concentration factor and the extraordinary needs factor all as defined in subdivision one of this section. For aid payable in the school year nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight, any school district may receive the aid computed under this paragraph in the current year or the extraordinary needs aid base.

§ 46. Subparagraph 6 of paragraph f of subdivision 12 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

(6) A school district which spends less in local funds during the current year than in the base year for the purposes of conducting programs to improve student attendance and student retention, as defined by regulation of the commissioner, shall have its apportionment under this section reduced in an amount equal to such deficiency in the current year or the succeeding school year. In addition, a district which spends any part of its total annual set aside attributable to such purposes in an unauthorized manner in the base year shall have its current year apportionment under this section reduced in an amount equal to the amount of such unauthorized expenditures. In no event shall the reductions assessed pursuant to this clause on the current year apportionment under this section, be deducted from the set asides required pursuant to this subdivision. For the nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight school year, it is further provided that any city school district in a city having a population of more than one million shall allocate at least one-third of any increase from base year levels in funds set aside pursuant to the requirements of this paragraph to community-based organizations. Any increase required pursuant to this subparagraph to community-based organizations must be in addition to allocations provided to community-based organizations in the base year.

§ 47. Paragraph d of subdivision 15 of section 3602 of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

d. Notwithstanding any inconsistent provisions of this article, if such city school district elected to receive operating aid payable in the nineteen hundred ~~[ninety-five--ninety-six]~~ ninety-six--ninety-seven school year under the provisions of this subdivision, approved transportation expense for public service transportation for transportation aid payable in the nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight school year shall not include any expenditures to the New York City Metropolitan Transportation Authority for public service transportation during the nineteen hundred ~~[ninety-five--ninety-six]~~ ninety-six--ninety-seven school year nor shall such expense be included in approved operating expense.

§ 48. Paragraphs b and c of subdivision 17 of section 3602 of the education law, paragraph b as amended by chapter 301 of the laws of 1996 and paragraph c as amended by chapter 474 of the laws of 1996, are amended to read as follows:

b. Aid for career education. There shall be apportioned to such city school districts for pupils in grades ten through twelve in attendance in career education programs as such programs are defined by the commis-

sioner, subject for the purposes of this paragraph to the approval of the director of the budget, an amount for each such pupil to be computed by multiplying the career education aid ratio by [~~eighty-seven percent of the fixed operating aid ceiling rounded to the nearest five~~] three thousand seven hundred twenty dollars. Such aid will be payable for weighted pupils attending career education programs operated by the school district and for weighted pupils for whom such school district contracts with boards of cooperative educational services to attend career education programs operated by a board of cooperative educational services. Weighted pupils for the purposes of this paragraph shall mean the sum of the attendance of students in grades ten through twelve in career education sequences in trade, industrial, technical, agricultural or health programs plus the product of sixteen hundredths multiplied by the attendance of students in grades ten through twelve in career education sequences in business and marketing as defined by the commissioner in regulations. The career education aid ratio shall be computed by subtracting from one the product obtained by multiplying fifty-nine percent by the combined wealth ratio. This aid ratio shall be expressed as a decimal carried to three places without rounding, but not less than thirty-six percent.

A board of education which spends less than its local funds as defined by regulations of the commissioner for career education in the base year during the current year shall have its apportionment under this subdivision reduced in an amount equal to such deficiency in the current or a succeeding school year.

c. Computer administration aid for large city school districts. The city school districts of those cities having populations in excess of one hundred twenty-five thousand inhabitants shall be eligible for an apportionment in accordance with the provisions of this subdivision. Such districts shall be entitled to an additional apportionment computed by multiplying the lesser of (1) expenses for approved computer services in the base year or (2) the maximum allowable expense equal to the product of [~~fifty-seven~~] sixty-two dollars and [~~ten~~] thirty cents and the enrollment of pupils attending the public schools of such district in the base year, by the computer expenses aid ratio. The computer expenses aid ratio shall be computed by subtracting from one the product obtained by multiplying fifty-one per centum by the combined wealth ratio. This aid ratio shall be expressed as a decimal carried to three places without rounding, but shall not be less than thirty per centum. Expenses for approved computer services in the base year up to the maximum allowable expense shall not be used to claim aid pursuant to any other provisions of this section.

§ 49. Paragraph a of subdivision 18 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

a. Limit on apportionment. For aid payable in the school year nineteen hundred [~~ninety-six--ninety-seven~~] ninety-seven--ninety-eight, a district may elect to receive the higher of (1) the current year aids for limiting: the apportionments computed under clause (i) of paragraph a of subdivision twelve, operating aid and subdivisions fifteen, borough aid; sixteen, tax adjustment aids; eighteen, transition adjustment; twenty-two, limited English proficiency aid; twenty-three, and gifted and talented aid, [~~and twenty-six, instructional computer hardware and technology equipment apportionment,~~] of this section or (2) the comprehensive operating aids base, provided, however, that such current year aids for limiting shall not exceed, the greater of (1) one hundred [~~one~~]

four and [~~forty-two~~] fifty hundredths percent of such comprehensive operating aids base or (2) the sum of the comprehensive operating aids base and [~~ten~~] seventeen and [~~nine-tenths~~] six tenths percent of the positive difference remaining when the comprehensive operating aids base is subtracted from such current year aids for limiting.

§ 50. Paragraph 6 of subdivision 19 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

6. For aid payable in the school year nineteen hundred [~~ninety-six--ninety-seven~~] ninety-seven--ninety-eight, any school district may receive the aid computed under paragraphs four, five and seven of this subdivision in the current year or the public excess cost aid base.

§ 51. Subparagraph b of paragraph 7 of subdivision 19 of section 3602 of the education law, as added by chapter 57 of the laws of 1993, is amended to read as follows:

b. In addition to any other apportionment under this section, school districts shall be eligible for a declassification support services apportionment in accordance with the provisions of this paragraph. The declassification support services apportionment shall be equal to [~~thirteen~~] fifty percent of the excess cost aid per pupil multiplied by the number of such pupils in the base year.

§ 51-a. Section 3602 of the education law is amended by adding a new subdivision 21 to read as follows:

§ 21. Tax freeze and limitation aid.

a. Definitions. (1) "Current tax levy" shall mean a school district's total revenues from real property and non-property taxes for the current year levied for school purposes, provided that such term shall not include taxes levied for:

(A) public or free association library purposes;

(B) debt service on bonds or notes of the district, payments to the dormitory authority, and other facilities expenses included in the capital component of the budget for projects for which voter approval was previously obtained as required by law;

(C) emergency expenditures that are certified by the commissioner as necessary as a result of damage to, or destruction of, a school building or school equipment;

(D) a tax certiorari proceeding;

(E) a court order or judgment against the school district;

(F) expenses attributable to increases in student enrollment over the student enrollment for the prior school year;

(G) expenses attributable to the expansion or maintenance of a universal prekindergarten program in accordance with section thirty-six hundred two-e of this chapter; and

(H) revenues attributable to unanticipated rate increase in non-property taxes.

(2) "Base tax levy" shall mean a school district's tax levy as defined in this paragraph for the base year.

(3) "Tax levy increase decimal" where the current tax levy is greater than the base tax levy, the tax levy increase decimal shall equal the result obtained when the difference between the current tax levy and the base tax levy is divided by the base tax levy, with the result carried to four decimals without rounding. Where the current tax levy is less than or equal to the base tax levy, the tax levy increase decimal shall equal zero.

(4) "County spending ratio" shall mean the county average approved operating expense per total aidable pupil unit for the base year divided

by the school district approved operating expense per total aidable pupil for the base year, the result carried to three decimals without rounding.

(5) "Tax freeze and limitation factor" shall mean any positive remainder obtained when the tax levy increase decimal is subtracted from three hundredths times county spending ratio.

b. For aid payable in the nineteen hundred ninety-nine--two thousand school year and thereafter, fiscally independent school districts shall receive an apportionment pursuant to this subdivision equal to the product of the tax freeze and limitation factor and the district's operating aid calculated pursuant to subparagraph (i) of paragraph a of subdivision twelve of this section.

c. Based on data on file with the commissioner on January fifteenth of each school year, tax freeze and limitation aid shall be adjusted so that each eligible district will receive the same percent of the statewide appropriation as its tax limitation aid calculated pursuant to paragraph b of this subdivision bears to the statewide calculated total. Such prorated amounts shall be deemed final and shall be paid on or before March fifteenth of such school year.

d. Limitations on apportionment. Total apportionments paid pursuant to this subdivision shall not exceed twenty-five million dollars in any school years. If state aid claims exceed such amount the tax freeze and limitation aid shall be so adjusted so that each eligible district will receive the same percent of the statewide appropriation as its tax freeze and limitation aid calculated pursuant to paragraph b of this subdivision bears to the statewide calculated total. Such prorated amounts shall be deemed final and shall be paid on or before March fifteenth of such school year.

e. The commissioner is hereby authorized to promulgate regulations to effectuate the purposes of this section.

§ 52. Subdivision 26 of section 3602 of the education law, as added by chapter 57 of the laws of 1993, paragraph a as amended by chapter 82 of the laws of 1995, is amended to read as follows:

26. Instructional computer hardware and technology equipment apportionment. a. In addition to any other apportionment under this section, a school district shall be eligible for an apportionment under the provisions of this subdivision for approved expenses for (i) the purchase or lease of micro and/or mini computer equipment or terminals for instructional purposes or (ii) technology equipment, as defined in paragraph b of this subdivision, used for instructional purposes pursuant to a plan developed by the district which demonstrates to the satisfaction of the commissioner that the instructional computer hardware needs of the district's students have been adequately met, or (iii) for the repair of such equipment as provided hereinafter. The apportionment shall equal the lesser of such approved expense [~~times the building aid ratio but not more than the maximum allowable expense times the building aid ratio provided, however, that for aid payable in the nineteen hundred ninety-three--ninety-four through nineteen hundred ninety-six--ninety-seven school years such apportionment shall equal such approved expense but not more than the maximum allowable expense times~~] or, the product of (i) the technology factor, (ii) the total aidable pupil units for operating aid, and (iii) the building aid ratio. [~~The maximum allowable expense~~] For aid payable in the nineteen hundred ninety-seven--ninety-eight and nineteen hundred ninety-eight--ninety-nine school years, the technology factor shall [~~mean an amount equal to the product of eight~~] be ten dollars [~~times the district's total aidable pupil units~~

~~for operating aid payable in the current year. Expenses used or which would have been used to compute aid under the provisions of this subdivision cannot be used to compute aid under any other provisions of this chapter and expenses eligible for aid under any other provisions of this chapter shall not be claimed under this subdivision]~~ and sixty-one cents; for aid payable in the nineteen hundred ninety-nine--two thousand school year, the technology factor shall be twelve dollars and seventy cents; for aid payable in the two thousand--two thousand one school year, the technology factor shall be nineteen dollars and twenty-five cents; for aid payable in the two thousand one--two thousand two school year and thereafter, the technology factor shall be thirty-two dollars and thirty-five cents. A school district may use up to twenty percent of the ~~[maximum allowable expense]~~ its apportionment pursuant to this section for the repair of instructional computer hardware and technology equipment or for training and staff development for instructional purposes pursuant to a plan submitted to the commissioner.

b. "Technology equipment", for the purposes of this article, shall mean equipment with a useful life used in conjunction with or in support of educational programs including but not limited to video, solar energy, robotic, satellite, laser and such other equipment as the commissioner shall approve provided that expenses for the purchase or lease of such equipment shall not be eligible for aid under any other provisions of this chapter.

§ 53. Section 3602 of the education law is amended by adding a new subdivision 26-a to read as follows:

26-a. Aid for instructional computer technology expenses. a. Commencing with aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the commissioner is hereby authorized to apportion to any school district aid pursuant to this subdivision for its approved expenditures, in excess of base year aid received pursuant to subdivision twenty-six of this section, for the purchase, lease-purchase and/or installation of instructional computer technology equipment, including original purchase, lease-purchase and/or installation of hardware and vendor-installed software for deployment in classrooms or school libraries; or for the costs of an extended maintenance contract for instructional computer technology equipment or network systems for a term not to exceed the applicable period of probable usefulness, to the extent such costs would be allowable under a state contract; provided, however, no expenses eligible for aid pursuant to subdivision six of this section shall be aidable pursuant to this subdivision, and provided further, no expenses aided pursuant to this subdivision shall be eligible for aid pursuant to subdivision twenty-six of this section or section nineteen hundred fifty of this chapter.

b. Aid pursuant to this subdivision shall be computed in the manner prescribed herein using the district's instructional computer technology aid ratio and approved base year expenditures for capital outlays and/or current year expenditures for debt service and/or current year expenditures for lease purchase for acquisition and installation of instructional computer technology equipment. Notwithstanding any other provision of law to the contrary, debt service expenses or obligations due under a lease-purchase agreement executed in a prior year for instructional computer technology equipment pursuant to this subdivision shall be ordinary contingent expenses.

c. The district's instructional computer technology aid ratio shall be the greater of (i) the district's building aid ratio selected for use in the current year pursuant to paragraph c of subdivision six of this

section; or (ii) the district's millage ratio equal to one minus the quotient expressed as a decimal to three places without rounding of eight mills divided by the tax rate of the local district computed upon the actual valuation of taxable property, as determined pursuant to subdivision one of this section, expressed in mills to the nearest tenth as determined by the commissioner, provided, however, that for a school district which is included within a central high school district or for a central high school district, such millage ratio shall equal one minus the quotient expressed as a decimal to three places without rounding of three mills divided by the tax rates, expressed in mills to the nearest tenth, of such districts, as determined by the commissioner; or (iii) the component school district's board of cooperative educational services aid ratio for the current year, which shall not be less than thirty-six hundredths nor more than nine-tenths. For the purposes of this clause, the tax rate for the central high school district shall be the amount of tax raised by the common and union free school districts included within the central high school district for the support of the central high school district divided by the actual valuation of the central high school district. The tax rate for each common or union free school district shall be the amount raised for the support of such common or union free school district, exclusive of the amount raised for the central high school district, divided by such actual valuation of such common or union free school district.

d. To be eligible for aid pursuant to this subdivision, school districts shall develop and maintain a plan for the use of the instructional computer technology equipment funded pursuant this section, which shall be in a form prescribed by the commissioner and shall include but shall not be limited to provision for maintenance and repair of equipment and the provision of staff development in the use of such technology. In addition, such plan may provide for the district's participation in the universal service discount program pursuant to the federal telecommunications act of nineteen hundred ninety-six, and the district's participation in the federal technology literacy challenge program, where such federal technology programs are available. In prescribing the format for such plans, the commissioner shall assure that to the extent possible, districts will be able to develop a single plan that meets the requirements of this subdivision and such federal technology programs. In addition, funds apportioned pursuant to this subdivision shall be used in a manner consistent with the district's long-range facilities plan and building-level, district-wide, and where applicable, regional instructional and technology plans.

e. Expenses for instructional computer technology equipment and software provided through a board of cooperative educational services pursuant to a multi-year contract entered pursuant to section nineteen hundred fifty of this chapter shall continue to be aided under subdivision five of section nineteen hundred fifty of this chapter for the duration of such contract, and shall be paid in accordance with applicable provisions of section nineteen hundred fifty of this chapter and section thirty-six hundred nine-d of this article.

f. In the event the appropriation for purposes of this subdivision in any year is insufficient to pay all claims received pursuant to this subdivision, the commissioner shall pay such claims on a prorated basis among all districts filing such claims until the appropriation is exhausted. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the aid payable pursuant to this subdivision shall not exceed nine million dollars (\$9,000,000); for the nineteen hundred

ninety-nine--two thousand school year the aid payable pursuant to this subdivision shall not exceed twenty-five million dollars (\$25,000,000); for the two thousand--two thousand one school year the aid payable pursuant to this subdivision shall not exceed fifty-seven million dollars (\$57,000,000); and for the two thousand one--two thousand two school year and thereafter the aid payable pursuant to this subdivision shall not exceed ninety-one million dollars (\$91,000,000).

§ 54. Paragraph g of subdivision 31-a of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

g. Notwithstanding any inconsistent provisions of this subdivision, in a school year in which the maximum increase in the aids subject to transition pursuant to subdivision eighteen of this section is equal to zero and for aid payable in the nineteen hundred ninety-six--ninety-seven school year, the number of years on save harmless shall not increase and aid payable in the current year shall equal aid payable in the base year. Notwithstanding the provisions of this section, for aid payable during the nineteen hundred ninety-seven--ninety-eight school year, aid payable pursuant to this section shall equal that payable pursuant to this section in the base year.

§ 55. Paragraphs 1 and 4 of subdivision 32 of section 3602 of the education law, paragraph 1 as amended by chapter 474 of the laws of 1996, and paragraph 4 as amended by chapter 82 of the laws of 1995, are amended to read as follows:

1. Eligible pupils are those pupils as defined by the commissioner who may benefit from instruction in a regular education program with appropriate support services, including those (a) who are experiencing difficulty in maintaining their placement in a program of regular education as reflected by such pupil's educational performance; (b) who are under suspension for more than one day pursuant to section thirty-two hundred fourteen of this chapter or are transferring to the school from a division for youth facility, who with the provision of services would be able to maintain their placement in a program of regular education [~~and those pupils~~]; (c) with speech impairments of a severity that does not adversely affect the student's educational performance but does present a barrier to communication, as defined in regulations of the commissioner [~~, and those pupils~~]; and (d) who are qualified handicapped persons as defined in the federal rehabilitation act of nineteen hundred seventy-three, as amended, or who are students with disabilities as defined in section forty-four hundred one of this chapter, and whose attendance in the public schools of the district does not generate excess cost aid pursuant to subdivision nineteen of this section. Such pupils may receive educationally related support services in accordance with the provisions of section forty-four hundred one-a of this chapter or upon the referral of the building administrator, in consultation with appropriate personnel, or, in the case of a student with a disability, in accordance with the recommendations of the committee on special education, or, in the case of a qualified handicapped person not identified as a student with a disability, upon recommendation of a group of persons, including persons knowledgeable about the child, the meaning of the evaluation data and the placement options. Such educationally related support services shall be provided on a regular basis [~~for a period of time~~] and shall be limited to psychological, social work, speech and language improvement services, curriculum and instructional modification, direct student support team services and non-career counseling services and special instruction, either in speech or in other

special programs and services, including related services but excluding transportation and transition services, for which the attendance of the pupil does not generate excess cost aid pursuant to subparagraph one, two, or three of paragraph b of subdivision nineteen of this section, provided by qualified professional personnel as defined in regulations. ~~[The school district shall periodically review the progress of each pupil receiving such service, in accordance with regulations of the commissioner. The commissioner shall promulgate regulations governing the provision of educationally related support services.]~~ School districts shall, as much as possible, provide linkages to other school communities and local human service providers, if available, in order to provide services for students who are receiving educationally related support services and who would otherwise be eligible to continue to receive such services on the last day school is in session.

4. By February first of the current year, the commissioner shall cause to be prepared a report on the utilization and effectiveness of educationally related support services in school districts receiving aid under this subdivision which shall include but not be limited to a section on the utilization and effectiveness of ~~[speech and language improvement services]~~ all ERSSA services provided pursuant to this subdivision and the effects on the special education referral and classification process and shall submit such report along with appropriate recommendations to the legislature.

§ 56. Subparagraph a of paragraph 3 of subdivision 32 of section 3602 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

a. Maximum apportionment shall be the sum of (i) the product of three hundred thirty-one dollars and fifty-two cents, the state sharing ratio for comprehensive operating aid, but not less than twenty-five hundredths and eight percent of the total aidable pupil units for calculation of operating aid in the current school year and (ii) the product of ~~[three]~~ four hundred ~~[thirty-one]~~ fifty dollars ~~[and fifty-two cents]~~, the excess cost aid ratio defined in paragraph two of subdivision nineteen of this section, and the extraordinary needs adjusted pupil count. The extraordinary needs adjusted pupil count shall be the product of (i) ~~[seven]~~ twelve percent of the total aidable pupil units for calculation of operating aid in the current school year and (ii) the amount by which the quotient of the extraordinary needs count divided by the base year public school enrollment exceeds sixty percent. In the city school district of the city of New York, all computations shall be on a city-wide basis.

§ 57. Section 3602 of the education law is amended by adding a new subdivision 37 to read as follows:

37. Grants for early grade class size reduction. Commencing with aid payable in the nineteen hundred ninety-nine--two thousand school year, school districts shall be eligible for class size reduction grants payable pursuant to this section for the purpose of reducing class size in grades kindergarten, one, two and three pursuant to the provisions of this section and in accordance with regulations adopted by the commissioner for such purpose.

a. Definitions. As used in this subdivision:

(i) "Eligible school district" means a school district eligible for aid pursuant to this section which had an average class size greater than twenty in kindergarten and common branch classes for the nineteen hundred ninety-three--ninety-four school year, as reported by the commissioner in the school district fiscal profile report released in

May, nineteen hundred ninety-six, and meets the threshold need criterion for a grant allowance in the current year.

(ii) "Extraordinary needs percent" means the quotient of the extraordinary needs count divided by the school district's base year enrollment.

(iii) "Meets the threshold need criterion for a grant allowance" means exceeding the minimum extraordinary needs percent and is less than the maximum combined wealth ratio required for a grant for new classrooms in the current grant year. For grants for the nineteen hundred ninety-nine--two thousand school year and thereafter, the minimum extraordinary needs percent shall be forty percent and the maximum combined wealth ratio shall be one and one-half; for grants for the two thousand--two thousand one school year and thereafter, the minimum extraordinary needs percent shall be twenty-four and eight-tenths percent and the maximum combined wealth ratio shall be two; for grants for the two thousand one--two thousand two school year and thereafter, the minimum extraordinary needs percent shall be nine and four-tenths percent and the maximum combined wealth ratio shall be two and one-half.

b. District plan. The trustees or board of education of an eligible school district seeking to receive funding pursuant to this section for early grade class reduction shall adopt and submit a written plan to the department on or before February first, nineteen hundred ninety-eight which:

(i) details how such district will reduce class size in common branch classrooms in grades kindergarten, one, two and three to an average of not more than twenty students per class, to the extent the funds available pursuant to this subdivision are sufficient to meet such goal;

(ii) is school-specific;

(iii) is grade-specific;

(iv) specifies the number of new classrooms to be added and the number of new classroom teachers to be hired;

(v) gives priority within the plan to schools within the school district with the greatest need, based on average class size and academic performance;

(vi) details how such district's plan will not adversely impact the class size of other grades including any proposed use of grant funds, not to exceed ten percent of the total grant, to ensure reasonable class size in grades four and above;

(vii) provides a detailed timetable for achieving full compliance with the district plan for reduced class size; and

(viii) indicates the manner in which the district will use grant monies received under this section to achieve such class size reductions. In the case of the city school district of the city of New York, such district plan shall be submitted on a city-wide basis.

c. Grant awards. Except as otherwise provided in this paragraph, commencing with aid payable in the nineteen hundred ninety-nine--two thousand school year, the commissioner shall award grants to eligible school districts with approved district plans in an amount equal to the sum of the district's new classroom grant award computed in accordance with paragraph e of this subdivision plus the district's continuing classroom grant award pursuant to paragraph f of this subdivision adjusted as required by paragraph g of this subdivision. In the event the amount appropriated for purposes of this subdivision exceeds the amount to be awarded, the commissioner shall promulgate regulations for the allocation of the remaining apportionment.

d. The basic grant per classroom shall mean the product of: (i) the median salary of a teacher in the district with five years of experience in the nineteen hundred ninety-four--ninety-five school year based on data on file with the commissioner on February first, nineteen hundred ninety-seven, or thirty-four thousand eighty-nine dollars for any district without such data on file, and (ii) one and six hundred and nine ten-thousandths, and (iii) the sum of one plus the district's computed rate of fringe benefits for the nineteen hundred ninety-four--ninety-five school year, as determined by the commissioner based on data on file on February first, nineteen hundred ninety-seven, with the result rounded to the nearest dollar.

e. New additional classrooms to be funded. (i) For the nineteen hundred ninety-nine--two thousand school year, the maximum number of new additional classrooms to be funded for an eligible school district pursuant to this subdivision shall equal eighteen and seven-tenths percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of one million or more; thirty-three and three-tenths percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of twenty thousand or more and less than one million; and forty percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of less than twenty thousand. For the two thousand--two thousand one school year, the maximum number of new additional classrooms to be funded for an eligible school district pursuant to this subdivision shall equal thirty-four and eight-tenths percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of one million or more; sixty-six and seven tenths percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of twenty thousand or more and less than one million; and forty percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of less than twenty thousand. For the two thousand one--two thousand two school year and thereafter, the maximum number of new additional classrooms to be funded for an eligible school district pursuant to this subdivision shall equal fifty-five and eight-tenths percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of one million or more; one hundred percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of twenty thousand or more and less than one million; and forty percent of the total of such classrooms needed for school districts with a total public school enrollment in the base year of less than twenty thousand.

(ii) The total of such classrooms needed shall be based on the public school enrollment of students attending kindergarten through grade three in the schools of the district in the fall of nineteen hundred ninety-five and average class size data respectively for kindergarten and for common branch classes for the nineteen hundred ninety-three--ninety-four school year, as reported by the commissioner in the school district fiscal profile report released in May, nineteen hundred ninety-six. Such total shall equal the sum of: (1) the positive remainder of the quotient of the kindergarten enrollment divided by twenty minus the quotient of such enrollment divided by the average class size for kindergarten rounded to the nearest whole number; and (2) the positive remainder of the quotient of the grade one through three enrollment divided by twenty minus the quotient of such enrollment divided by the

average class size for common branch rounded to the nearest whole number.

f. New classroom grant amount. Annually, the commissioner shall determine the new classroom grant amount for an eligible school district equal to the product of the enhanced first year grant award per classroom and the lesser of (i) the aggregate number of additional classrooms to be operating in the current year pursuant to the school district's plan submitted in accordance with paragraph a of this subdivision, minus the number of additional classrooms funded pursuant to this subdivision in the base year or (ii) the new additional classrooms determined for the current year pursuant to paragraph d of this subdivision or (iii) the number of new additional classrooms the district guarantees to open on the first day of session of the current year. The enhanced first year grant award per classroom shall equal the sum of the basic grant per classroom and a one time start-up award of ten thousand dollars for each new classroom.

g. Continuing classroom grant amount. Commencing with the two thousand--two thousand one school year, and for each school year thereafter, a school district shall be eligible for a continuing classroom grant amount in the current year equal to the amount of the grant received in the base year, exclusive of any start-up funds provided for such additional classrooms first funded in the base year.

h. Notwithstanding the provisions of paragraphs f and g of this subdivision, a school district which spends less in local funds during the current year than in the base year for the salaries and benefits of teachers in grades kindergarten through three, or which has fewer classrooms for grades kindergarten through three in the current year than in the base year, or spends funds apportioned under this subdivision in an unauthorized manner, shall have its apportionment reduced in an amount equal to such deficiency in the current year or in the succeeding school year, as determined by the commissioner. Local costs incurred in implementing a district plan pursuant to this subdivision other than facility costs shall be ordinary contingent expenses.

i. Grant funds awarded pursuant to this subdivision shall be used for the allowable costs of the district in reducing class size or maintaining reduced class size, as defined by the commissioner, which shall include but need not be limited to, salaries and benefits of additional teachers, costs of supplies and materials, and certain facilities costs; provided that up to ten percent of the total grant in any year may be used to ensure reasonable class size in grades four and above.

j. The commissioner shall promulgate rules and regulations as may be deemed necessary for the implementation of this section setting forth the process by which districts may receive initial funding as well as continued funding pursuant to this section including but not limited to a transitional process by which a district may achieve a reduction in class size and compliance in their implementation pursuant to this section.

k. A school district receiving grant monies under this paragraph shall file an annual report with the commissioner by October fifteenth, two thousand and annually thereafter in a form prescribed by the commissioner. By March first, two thousand one, and each year thereafter the commissioner shall prepare an annual assessment and review of the participating districts to determine the effectiveness of the programs operated by such districts in reducing class size in the early childhood grades and shall submit such report with recommendations to the legislature.

§ 58. The education law is amended by adding a new section 3602-e to read as follows:

§ 3602-e. Universal prekindergarten program. 1. Definitions. For the purposes of this section, the following terms shall have the following meanings:

a. "School district" shall mean all public school districts eligible for aid pursuant to section three thousand six hundred two of this article, such term shall not include boards of cooperative educational services.

b. "Eligible agencies" shall mean a provider of child care and early education, a day care provider, early childhood program or center, or community-based organization, including but not limited to approved pre-school special education programs, head start, and nursery schools so long as the standards and qualifications set forth pursuant to subdivision twelve of this section have been met.

c. "Eligible children" shall mean resident children who are four years of age on or before December first of the year in which they are enrolled or who will otherwise be first eligible to enter public school kindergarten commencing with the following school year.

d. "Pre-kindergarten program plan" shall mean a plan submitted by the prekindergarten policy advisory board to the board of education or community school board that is designed to effectively serve eligible children through collaborative efforts between the school district and an eligible agency or agencies.

e. "Session" shall mean one universal prekindergarten program class operating pursuant to time, staff ratio and other regulatory requirements as set forth by the board of regents and the commissioner for such purpose.

2. Within amounts appropriated therefor, the commissioner is hereby authorized and directed to award grants for the establishment and implementation of a prekindergarten program to serve eligible children.

3. a. During the nineteen hundred ninety-seven--ninety-eight school year each school district shall form a prekindergarten policy advisory board (herein referred to as advisory board) appointed by the superintendent which shall include but not be limited to members of the board of education, teachers employed by the school district as selected by the collective bargaining unit, parents of children who attend such district, community leaders and child care and early education providers. In the city school district of the city of New York, there shall be an advisory board appointed by the community school district superintendent in each community school district which shall be composed of at least the following individuals: members of the community school board, teachers employed by the school district as selected by the collective bargaining unit, parents of children which attend such district, community leaders, child care and early education providers and the community school district superintendent or the superintendent's designee.

b. Each advisory board shall hold at least one public hearing during the nineteen hundred ninety-seven--ninety-eight school year that provides for the participation of parents, school personnel, child care providers and other interested members of the community prior to determining what recommendation it will make to the board of education or, in the city school district in the city of New York, to the community school board. The recommendation by the advisory board as to the implementation of a prekindergarten program shall be based on the consideration of at least the following factors:

(i) the projected number of children that are currently eligible to participate in a prekindergarten program as well as the estimated number that will be eligible for the prekindergarten program during each of the following four years;

(ii) the short and long term benefits to eligible children who would be participating in such program;

(iii) the needs of the parents of the eligible children, including but not limited to the number of children who require full day programs because the person or persons in parental relation work;

(iv) the ease of utilization and accessibility of the program to parents in order to ensure the greatest number of children are served;

(v) the availability and existing facility capacity of existing eligible agencies;

(vi) the most appropriate and effective manner in which to provide prekindergarten programs which most efficiently utilize the resources of the school district and the community, including eligible agencies.

c. If the advisory board determines that it will recommend the implementation of a prekindergarten program, it shall develop a prekindergarten program plan, with recommendations for the effective implementation of such plan. The prekindergarten program plan shall reflect consideration of the factors delineated in paragraph b of this subdivision and of the comments and testimony received at the hearing or hearings held by the advisory board. Such plan shall be submitted to the board of education or the community school board for consideration prior to a date determined by the commissioner.

d. If the advisory board determines that it will not recommend the adoption of a prekindergarten program, it shall submit its written recommendation to the school board or community school board.

4. Upon the consideration of the recommendation and, when applicable, the prekindergarten program plan, submitted by the advisory board, the board of education or community school board, within thirty days of receipt, may adopt, modify or reject such recommendation and/or plan.

a. If the board of education or community school board is considering modifying or rejecting such recommendation and/or plan, it shall hold a public meeting with the advisory board to discuss aspects of the recommendation and/or plan that has been modified or rejected.

b. In the event the board of education or the community school board chooses to implement a prekindergarten program regardless of a negative recommendation from the advisory board, it shall develop a plan as required by paragraph c of subdivision three of this section.

5. In any school district, other than the city school district of the city of New York, that has adopted a plan for the implementation of a prekindergarten program, the school district shall develop and submit an application pursuant to the rules and regulations adopted by the board of regents and the commissioner for such purpose. Such application shall be submitted by a date and in a form prescribed by the commissioner pursuant to subdivision eight of this section, including the program elements as provided for in subdivision seven of this section and shall be consistent with the plan adopted by the district.

a. If the school district chooses to coordinate proposals for prekindergarten program services, it shall conduct a competitive process in accordance with procedures set forth by the commissioner and with the requirements and regulations set forth in, and pursuant to, subdivisions seven, eight and twelve of this section.

b. An application developed by coordinating proposals submitted by eligible agencies pursuant to a competitive process shall ensure deliv-

ery of prekindergarten program services in an effective, efficient and non-duplicative manner.

c. The results of the competitive process for prekindergarten program services shall be made public at a regular meeting of the board of education. An eligible agency may request a written statement from the board of education stating why the application was not accepted.

d. Notwithstanding any other provision of law, the school districts shall be authorized to enter any contractual or other arrangements necessary to implement the district's prekindergarten plan.

e. Not less than ten percent of the total grant award to the school district shall be set aside for collaborative efforts with eligible agencies, provided that the commissioner may waive such set aside requirement based upon documented evidence that the school district was unable to use the set aside to make a collaborative arrangement that would meet all requirements of this subdivision because of unavailability of eligible agencies willing to collaborate or other factors beyond the control of the school district.

6. In the city school district of the city of New York, if a community school board has adopted a plan for the implementation of a prekindergarten program, the community school board shall submit such plan to the city board for adoption or rejection.

a. If the city board adopts such plan, it shall submit such plan to the chancellor who shall submit an application in accordance with subdivision five of this section except that prior to the submission of such application the chancellor shall ensure the community school district superintendent of the district in which the prekindergarten program is located has reviewed such application for consistency with local laws, rules and regulations. All functions performed by the school district pursuant to subdivision five of this section shall be performed by the chancellor.

b. If the city board rejects such plan, it shall notify the community school board in writing and shall state the reasons for such rejection.

The community school board may modify and resubmit its application to the city board for adoption.

7. In order to receive approval from the commissioner to implement a prekindergarten program, applications and proposals shall demonstrate that the program to be implemented contains, at a minimum, the following components:

a. provides for an age and developmentally appropriate curriculum and activities which are learner-centered;

b. provides for the development of language, cognitive and social skills;

c. ensures continuity in the program with instruction in the early elementary grades;

d. encourages children to be self-assured and independent;

e. encourages the co-location and integration of children with special needs;

f. utilizes staff who meet the qualifications set forth pursuant to the rules of the board of regents;

g. provides for strong parental partnerships and involvement in the implementation of and participation in the plan; and

h. provides staff development and teacher training; and

i. establishes a method for selection of eligible children to receive prekindergarten program services where there are more eligible children than can be served in a given school year.

8. Each application for a prekindergarten program pursuant to this section shall be on a form prescribed by the commissioner and shall include, but not be limited to:

a. a detailed plan identifying specific goals, including how the district will expand its program to assure that all eligible children may be served by the school year two thousand two--two thousand three, and a proposed timetable for the implementation and achievement of such goals;

b. a proposed budget and a description of the proposed use of the grant funds including the mechanism for the distribution of such funds;

c. the local share to be used, as defined by the commissioner, which may include resources which may be available from the community;

d. the participation and contribution of each of the collaborative partners; and

e. a description of any costs associated with the administration of the program.

9. The board of regents and the commissioner shall develop criteria for awarding all grants pursuant to this section. The commissioner shall give preference to those applications which demonstrate innovative methods for serving eligible children, are strong collaborative arrangements which maximize, to the extent possible, the utilization of existing resources of the school district, eligible agencies and the community, have an immediate capacity for providing services, and which can most effectively address the prekindergarten needs of each of the eligible children.

10. Prekindergarten aid. a. Definitions. (1) Aid per prekindergarten pupil shall equal the sum of two hundred sixty dollars and the product of four thousand dollars and the adjusted sharing ratio, provided however that the aid per prekindergarten pupil is not less than two thousand.

(2) The adjusted sharing ratio shall be the product of the district's state sharing ratio for comprehensive operating aid calculated pursuant to paragraph b of subdivision three of section three thousand six hundred two of this article and the adjustment factor.

(3) The adjustment factor shall be computed by adding to one the quotient of (i) the positive remainder resulting when ninety-four hundredths is subtracted from the quotient of the extraordinary needs count divided by the district's base year public school enrollment, divided by (ii) forty-seven thousandths, provided however that such factor shall not be less than one.

(4) Unserved prekindergarten pupils shall mean the number of resident children who attain the age of four before December first of the school year, but who will not be served during such school year by a state-funded prekindergarten program.

(5) Phase-in factor. For a school district in a city with a population in excess of one million inhabitants, the phase-in factor shall be sixteen hundredths (.16) for aid payable in the nineteen hundred ninety-eight--ninety-nine school year, two hundred ninety-nine thousandths (.299) for aid payable in the nineteen hundred ninety-nine--two thousand school year, sixty-six hundredths (.66) for aid payable in the two thousand--two thousand one school year, and one for aid payable in the two thousand one--two thousand two school year and thereafter. For school districts not in a city with a population in excess of one million inhabitants, the phase-in factor shall be two hundred ninety-five thousandths (.295) for aid payable in the nineteen hundred ninety-eight--ninety-nine school year, five hundred twenty-five thousandths (.525) for aid payable in the nineteen hundred ninety-nine--two thousand

school year, and one for aid payable in the two thousand--two thousand one school year and thereafter.

(6) Aidable prekindergarten pupils. For a school district in a city with a population in excess of one million inhabitants, aidable prekindergarten pupils shall equal the product of (i) the applicable phase-in factor and (ii) unserved prekindergarten pupils. For a school district not in a city with a population in excess of one million inhabitants, aidable prekindergarten pupils shall equal the product of (i) the applicable phase-in factor, (ii) unserved prekindergarten pupils, and (iii) for aid payable in the school years nineteen hundred ninety-eight--ninety-nine through two thousand--two thousand one, the percent of eligible applicants for the free and reduced price lunch program as defined in subdivision one of section three thousand six hundred two of this article.

b. Commencing with aid payable in the nineteen hundred ninety-eight--ninety-nine school year, for districts for which aidable prekindergarten pupils is greater than or equal to twenty, grants payable pursuant to this section shall equal the product of aid per prekindergarten pupil and aidable prekindergarten pupils. For aid payable in the two thousand one--two thousand two school year and thereafter, grants payable pursuant to this section shall equal the product of aid per prekindergarten pupil and aidable prekindergarten pupils. Aid calculated pursuant to this section for programs operated in the city school district of the city of New York shall be calculated on a citywide basis.

11. Notwithstanding the provisions of subdivision ten of this section, where less in local funds is expended during the current year than in the base year for prekindergarten services to eligible children, the school district shall have its apportionment reduced in an amount equal to such deficiency in the current year or in the succeeding school year, as determined by the commissioner. Expenses incurred by the school district in implementing a pre-kindergarten program plan pursuant to this subdivision shall be deemed ordinary contingent expenses.

12. The board of regents and the commissioner shall be authorized to adopt regulations to implement the provisions of this section. In developing such regulations, the board of regents and the commissioner shall consider and seek to coordinate any regulations which may currently be applicable to any existing programs or eligible agencies. In addition, the regents when developing regulations shall consider and recognize the diversity of settings and models available for the delivery of prekindergarten programs. Such regulations shall include but not be limited to:

- a. qualifications for the staff of a prekindergarten program;
- b. transitional guidelines and rules which allow a program to meet the required staff qualifications by the start of school year two thousand one--two thousand two;
- c. transitional guidelines and rules which allow a prekindergarten program to meet any other requirements set forth pursuant to this section and regulations adopted by the board of regents and the commissioner;
- d. health and safety standards;
- e. time requirements which reflect the needs of the individual school districts for flexibility, but meeting a minimum weekly time requirement;
- f. the staff/child ratio;
- g. reasonable grounds and basis for the non-acceptance of a proposal submitted to the school district when the proposal otherwise meets, to

the extent applicable, all the regulations of the commissioner and the requirements set forth in this subdivision, as well as subdivisions seven and eight this section;

h. any other program components, such as health, nutrition or support services, which the regents deem appropriate and necessary for the appropriate and effective implementation of a prekindergarten program;

i. a process by which a school district must submit an application; and

j. a definition of the approved expenditures for which grant funds may be used, which shall include but not be limited to transportation services and lease expense or other appropriate facilities expenses.

13. Each school district that has implemented a prekindergarten program shall on an annual basis report to the board of regents, the commissioner, parents, teachers and the public on the status of such program.

14. On February fifteenth, two thousand, and annually thereafter, the commissioner and the board of regents shall include in its annual report to the legislature, information on school districts receiving grants under this section; the amount of each grant; a description of the program that each grant supports and an assessment by the commissioner of the extent to which the program meets measurable outcomes required by the grant program or regulations of such commissioner; and any other relevant information. Such report shall also contain any recommendations to improve or otherwise change the program.

15. The commissioner shall also provide for an independent evaluation and assessment, by an evaluator not affiliated with the department or any school district, of the prekindergarten programs which have been implemented to determine the short and long-term success, outcomes and effects of the programs based on relevant and measurable performance standards.

§ 59. Paragraph b of subdivision 5 of section 3604 of the education law, as added by chapter 82 of the laws of 1995, is amended to read as follows:

b. Claims resulting from court orders or judgments. Any payment which would be due as the result of a court order or judgment shall not be barred, provided that, commencing January first, nineteen hundred ninety-six, such court order or judgment and any other data required shall be filed with the comptroller within one year from the date of the court order or judgment, and provided further that the commissioner shall certify no payment to a school district for a specific school year that is based on a claim that results from a court order or judgement so filed with the comptroller unless the total value of such claim, as determined by the commissioner, is greater than one percent of the school district's total revenues from state sources as previously recorded in the general fund and reported to the comptroller in the annual financial report of the school district for such school year.

§ 60. Intentionally omitted.

§ 61. Subdivision 8 of section 3604 of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

8. No school shall be in session on a Saturday or a legal holiday, except general election day, Washington's birthday and Lincoln's birthday, and except that driver education classes may be conducted on a Saturday. A deficiency not exceeding three days during any school year caused by teachers' attendance upon conferences held by superintendents of schools of city school districts or other school districts employing superintendents of schools shall be excused by the commissioner,

provided however, notwithstanding any other provision of law, that during the nineteen hundred ninety-two--ninety-three through [~~ninety-six--ninety-seven~~] ninety-seven--ninety-eight school years, the commissioner shall excuse a deficiency not exceeding four days during such school year caused by teachers' attendance upon conferences held by such superintendents, provided that at least two such conference days during such school year shall be dedicated to staff attendance upon conferences providing staff development related to implementation of the provisions of the compact for learning, as adopted by the board of regents.

§ 61-a. Section 3609 of the education law is REPEALED and a new section 3609 is added to read as follows:

§ 3609. Moneys apportioned, when and how payable commencing July first, nineteen hundred ninety-eight. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year and thereafter, "moneys apportioned" shall mean the lesser of (i) the sum of one hundred percent of the respective amount set forth for each school district as payable pursuant to this section in the school aid computer listing for the current year produced by the commissioner in support of the budget which includes the appropriation for the general support for public schools for the prescribed payments and individualized payments due prior to April first for the current year plus the miscellaneous general aid apportionments which shall include: apportionments payable during the current school year pursuant to paragraph g of subdivision two, subdivision five and subdivision thirty-six of section thirty-six hundred two of this article minus any reductions to current year aids pursuant to subdivision seven of section thirty-six hundred four of this article or any deduction from apportionment payable pursuant to this chapter for collection of a school district basic contribution as defined in subdivision eight of section forty-four hundred one of this chapter, plus the amount of any current year school property tax exemptions granted in accordance with applicable provisions of the real property tax law or (ii) the apportionment calculated by the commissioner based on data on file at the time the payment is processed provided however, that for the purposes of any payments made pursuant to this section prior to the first business day of June of the current year, moneys apportioned shall not include any aids payable pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this article as current year aid for debt service on bond anticipation notes and/or bonds first issued in the current year or any aids payable as growth aid for the current year pursuant to subdivision thirteen of section thirty-six hundred two of this article. The definitions of "base year" and "current year" as set forth in subdivision one of section thirty-six hundred two of this article shall apply to this section. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year, reference to such "school aid computer listing for the current year" shall mean the printouts entitled "SA9899".

1. General support for public schools (GSPS) appropriation. The GSPS appropriation shall be used to support payments made pursuant to this section, exclusive of subdivision four plus apportionments made pursuant to section seven hundred one, seven hundred eleven, seven hundred fifty-one, thirty-two hundred two, thirty-six hundred nine-b, thirty-six hundred nine-c, thirty-six hundred forty-one and forty-four hundred five of this chapter, aid payable pursuant to subdivision three of section thirteen hundred six-a of the real property tax law, any other applicable allocations made pursuant to this chapter, but not paid pursuant to the schedule prescribed by this section or sections thirty-six hundred

nine-b, thirty-six hundred nine-c, or thirty-six hundred nine-d of this article; plus any unconsolidated law provisions which apply to programs funded from such appropriation; plus any sums paid out upon audit of the state comptroller as final adjustments of apportionments originally claimed and payable pursuant to this subdivision in prior school years; plus sums paid out as prior year adjustments, to the extent an allowance was included in such appropriation for such purpose. Any apportionments provided by this chapter shall be paid in accordance with this section unless specifically exempted.

a. Prescribed payments. (1) District payments to the teachers' retirement system. Of the moneys apportioned by the commissioner to school districts for the current year, after the payment of lottery apportionments in accordance with subparagraph two of this paragraph, an amount not to exceed one-third of the amount owed by such school district to the New York state teachers' retirement system for salaries paid in the base year or for other obligations pursuant to section five hundred twenty-one of this chapter shall be payable to such teachers' retirement system on behalf of the school district on or before the fifteenth day of each of the months of September, October and November, except that special payments due such teachers' retirement system shall be payable on or before the fifteenth day of October. Any underpayment resulting from data changes shall be payable from spring payments. Any portion of the payments due such teachers' retirement system that exceed the remainder of the moneys to be apportioned to the school district shall be made directly by the school district to the system.

(2) Lottery apportionment. Of the estimated moneys to be apportioned by the commissioner to school districts for the current year, that portion payable pursuant to section thirty-six hundred nine of this article, exclusive of the supplemental textbook apportionment provided for the purchase of textbooks pursuant to such section, shall be payable on or before the first day of September.

(3) Supplemental textbook apportionment. The supplemental textbook apportionment provided for the purchase of textbooks pursuant to section thirty-six hundred nine of this article, shall be payable on or before the first day of September.

(4) Fixed fall payments. Of the moneys apportioned remaining to be paid to school districts for the current year after deductions are made for the purpose of subparagraph one of this paragraph, districts shall be eligible to receive payments determined as follows: (i) on or before October fifteenth, an estimated twelve and one-half percent of such remaining amount minus the amount paid pursuant to subparagraph two of this paragraph; (ii) on or before November fifteenth, an estimated eighteen and seventy-five one hundredths percent of such remaining amount minus the sum of the amounts paid pursuant to clause (i) of this subparagraph and subparagraph two of this paragraph; and (iii) on or before December fifteenth, an estimated twenty-five percent of such remaining amount minus the sum of the amounts paid pursuant to clauses (i) and (ii) of this subparagraph and subparagraph two of this paragraph. Such amounts shall be payable only to the extent that reports due the commissioner have been filed.

(5) Remaining apportionment. The remaining moneys apportioned for the current year after deductions are made for the purposes of subparagraphs one and two of this paragraph, shall be payable pursuant to paragraph b of this subdivision to the extent that reports due the commissioner have been filed.

b. Individualized payments. (1) District expenditure need. To determine the payments a district shall be eligible to receive under this paragraph, a district expenditure need shall be computed, based on estimated data on file with the commissioner as of December first, which shall equal the general fund expenditures for the base year (i) minus the sum of base year aids and grants recorded as revenue to such general fund but not payable pursuant to this section; (ii) minus the district's base year general fund expenditures to the New York state teachers' retirement system; (iii) minus that portion of the district's base year general fund expenditures for debt service eligible for an apportionment pursuant to subdivision six of section thirty-six hundred two of this chapter plus such general fund expenditures for debt service for the current year; and (iv) minus current year aid pursuant to subparagraph two of paragraph a of this subdivision.

(2) Payment amounts. For remaining aid payments due prior to July, moneys apportioned shall be determined based on preliminary aid data on file with the commissioner on December first, provided that such commissioner may elect to recompute such amounts for one or more districts to avoid any substantial overpayment. (i) January amount. If such aid, minus any aid payable pursuant to the preceding clauses of this subparagraph exceeds fifty percent of such expenditure need, then such excess amount shall be designated for the month of January. (ii) February amount. If such aid, minus any aid payable pursuant to the preceding clauses of this subparagraph, exceeds forty percent of such expenditure need, then such excess amount shall be designated for the month of February. (iii) March amount. If such aid, minus any aid payable pursuant to the preceding clauses of this subparagraph, exceeds thirty percent of such expenditure need, then such excess amount shall be designated for the month of March. (iv) April amount. If such aid, minus any aid payable pursuant to the preceding clauses of this subparagraph, exceeds twenty percent of the expenditure need of the district, then such excess amount shall be designated for the month of April. (v) May amount. If such aid, minus any aid payable pursuant to clauses (i), (ii), (iii) and (iv) of this subparagraph, exceeds ten percent of such expenditure need, then such excess amount shall be designated for the month of May. (vi) June amount. Any moneys apportioned not designated pursuant to preceding clauses of this subparagraph shall be designated for the month of June.

(3) Payments. (i) Winter payments. The amounts designated for January, February and March pursuant to clauses (i), (ii) and (iii) of subparagraph two of this paragraph shall be paid on the first state business day of such months.

(ii) Sustaining advance payments. In order to sustain all advance payments made in previous school years pursuant to subparagraph five of this paragraph or the comparable provisions of former section thirty-six hundred nine of this article, the commissioner shall establish a schedule to distribute the sustaining advance payment amount among school districts. Such sustaining advance payments due to school districts shall be, first, in the same proportion as such school district's share bears to the total moneys designated for payment in the month of April, second, as a share of the total moneys designated for May and last, if applicable, as a share of the total moneys designated for June to all such school districts pursuant to clauses (iv), (v) and (vi) of subparagraph two of this paragraph. The sustaining advance payment due shall be deducted first from a school district's designated amount for April, then from a school district's designated amount for May and finally from

any moneys due in June. The commissioner shall transmit a schedule to the comptroller, the director of the budget and the chairs of the legislative fiscal committees displaying for each district, the sustaining advance payment due, the portion of such amount to be withheld pursuant to subparagraph four of this paragraph and the remainder, if any, to be paid to the school district on or before March thirty-first.

(iii) Determining final payment for the state fiscal year. Prior to transmitting the March payment to the state comptroller, based on current year, base year and prior school year state aid payments made or scheduled to be made from the general support for public schools appropriations for the state fiscal year ending March thirty-first, the commissioner shall determine the extent to which the amount designated for June pursuant to clause (vi) of subparagraph two of this paragraph, as adjusted in accordance with clause (ii) of this subparagraph, net of any disallowances, would need to be advanced and paid on or before March thirty-first in order to use the remainder of such appropriations, on or before March thirty-first, or to the extent to which the amount designated for March would need to be proportionally reduced so as not to exceed such state fiscal year appropriations. The commissioner shall report the amount of money which could be advanced or would need to be deferred and the percent it represents of the June or March amounts, as the case may be, to the director of the budget, the chairperson of the senate finance committee and the chairperson of the assembly ways and means committee. To the extent that moneys are advanced or deferred pursuant to this paragraph, they shall be in the same proportion as each school district's share bears to the total of such June or March amount. Upon approval of the director of the budget, the commissioner shall transmit the schedule of any such reduced March payments to the state comptroller. At the request of the director of the budget, the commissioner shall transmit the schedule of any partial June prepayments to the state comptroller. Any portion of the March payment deferred shall be added to the June payment; any portion of the June payment advanced shall be paid on or before March thirty-first.

(iv) April and May payments. Any amount designated for and remaining to be paid in April or May pursuant to clauses (iv) and (v) of subparagraph two of this paragraph minus any portion of such amounts advanced pursuant to clause (ii) of this subparagraph shall be paid on the first state business day of such months.

(v) June payment. The moneys apportioned to school districts and designated for June pursuant to clause (vi) of subparagraph two of this paragraph shall be paid on the first state business day of such month, to the extent that moneys are owed to school districts pursuant to this section for the current year, including claims for current year aid for debt service on bond anticipation notes and/or bonds first issued in the current year pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this article and claims for current year growth aid pursuant to subdivision thirteen of section thirty-six hundred two of this article, after taking into account any adjustments made in accordance with clauses (ii) and (iii) of this subparagraph, net of any disallowances.

(vi) Deferred September payments. Any amounts payable to a school district pursuant to this section which exceeded one hundred percent of the respective amount set forth for such district as payable pursuant to this section in the school aid computer listing for the current school year shall be designated for payment for the month of September next following the close of the current school year. Such payments shall be

made on the first state business day of the month of September, based on data on file as of August first, and shall include any deferrals made pursuant to clause (v) of this subparagraph.

(4) State share of medicaid reimbursements. For the purposes of this subparagraph, there shall be two reporting periods: the first reporting period shall run from May first of the base year through January thirty-first of the current year, and the second reporting period shall run from February first of the current year through April thirtieth of the current year. Notwithstanding any inconsistent provisions of law to the contrary, the sustaining advance payment due any school district pursuant to clause (ii) of subparagraph three of this paragraph in March shall be reduced by fifty percent of any federal participation during the first reporting period pursuant to title XIX of the social security act, on account of school supportive health services provided to students with disabilities in special education programs pursuant to article eighty-nine of this chapter and to those pupils who are qualified handicapped persons as defined in the federal rehabilitation act of nineteen hundred seventy-three, as amended; the June payment due any school district pursuant to clause (v) of subparagraph three of this paragraph shall be reduced by fifty percent of any federal participation during the second reporting period. Not later than ten days after the end of a reporting period, the commissioner of social services, as the authorized fiscal agent of the state education department, shall certify to the commissioner and the director of the budget the total amount of such federal moneys paid to a school district for such services during such reporting period. Following each cycle payment, the commissioner of social services shall report to the commissioner the aggregate amount of such federal medicaid payments to each school district. The commissioner shall recoup such amounts first, to the extent possible, from the specified payment, then by withholding any other moneys due the school district and finally by direct billing to any school district still owing moneys to the state. All moneys withheld or paid to the state on account of this paragraph shall be credited by the comptroller to the local assistance account for general support for public schools.

(5) Advance payments. To the extent that any moneys payable pursuant to clauses (iv) and (v) of subparagraph two of this paragraph, are paid in advance of April first, such moneys shall be paid in accordance with chapter two hundred twenty of the laws of nineteen hundred ninety, as amended, and in the same proportion as such school district's share bears to the total moneys, payable to all such school districts pursuant to such clauses (iv) and (v) provided however, that any moneys so advanced shall be deducted first from a school district's payment due in April, then from any moneys due in May and finally from any remaining moneys due in June. Any advance to be paid prior to April first, nineteen hundred ninety-four, shall be based on a plan submitted by the commissioner and approved by the director of the budget and shall be filed with the chair of the senate finance committee and the chair of the assembly ways and means committee. The amount of payments so accelerated shall not exceed the amount available from the proceeds of bonds sold by the local government assistance corporation in the period from April first, nineteen hundred ninety-three through March thirty-first, nineteen hundred ninety-four.

(6) Apportionments to the city school district of the city of New York under the provisions of this paragraph shall be computed and paid on a city-wide basis.

2. a. Such moneys shall be payable to the treasurer of each city school district, and the treasurer of each union free school district and of each central school district and of each other school district, if there be a treasurer, otherwise to the collector or other disbursing officer of such district, who shall apply for and receive the same as soon as payable.

b. In the case of city school districts of cities with one hundred twenty-five thousand inhabitants or more, any payment which pursuant to this section is required to be made to the treasurer of the city school district, shall be made to the city treasurer or chamberlain.

3. Any payment to a school district pursuant to this section shall be general receipts of the district and may be used for any lawful purpose of the district provided, however that any payments for debt service for school building purposes on debt which has been excluded in ascertaining the power of the school district to contract indebtedness shall be used solely for the purpose of payment of the interest on and amortization of or payment of such indebtedness.

§ 62. The opening paragraph of section 3609-a of the education law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

For aid payable in the nineteen hundred ninety-six--ninety-seven school year and thereafter, "moneys apportioned" shall mean the lesser of (i) the sum of one hundred percent of the respective amount set forth for each school district as payable pursuant to this section in the school aid computer listing for the current year produced by the commissioner in support of the budget which includes the appropriation for the general support for public schools for the prescribed payments and individualized payments due prior to April first for the current year plus the miscellaneous general aid apportionments which shall include: apportionments payable during the current school year pursuant to paragraph g of subdivision two, subdivision five [~~paragraph f of subdivision six~~] and subdivision thirty-six of section thirty-six hundred two of this article [~~and related aids pursuant to paragraph c of subdivision fourteen of such section~~] minus any reductions to current year aids pursuant to subdivision seven of section thirty-six hundred four of this article or any deduction from apportionment payable pursuant to this chapter for collection of a school district basic contribution as defined in subdivision eight of section forty-four hundred one of this chapter, or (ii) the apportionment calculated by the commissioner based on data on file at the time the payment is processed provided however, that for the purposes of any payments made pursuant to this section prior to the first business day of June of the current year, moneys apportioned shall not include any aids payable pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this article as current year aid for debt service on bond anticipation notes and/or bonds first issued in the current year or any aids payable as growth aid for the current year pursuant to subdivision thirteen of section thirty-six hundred two of this article. The definitions of "base year" and "current year" as set forth in subdivision one of section thirty-six hundred two of this article shall apply to this section. For aid payable in the nineteen hundred [~~ninety-six--ninety-seven~~] ninety-seven--ninety-eight school year, reference to such "school aid computer listing for the current year" shall mean the printouts [~~dated July, nineteen hundred ninety-six and~~] entitled [~~"SA9697"~~] "SA9798".

§ 63. Intentionally omitted.

§ 64. Clause (v) of subparagraph 3 of paragraph b of subdivision 1 of section 3609-a of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

(v) June payment. The moneys apportioned to school districts and designated for June pursuant to clause (vi) of subparagraph two of this paragraph shall be paid on the first state business day of such month, to the extent that moneys are owed to school districts pursuant to this section for the current year, including claims for current year aid for debt service on bond anticipation notes and/or bonds first issued in the current year pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this article and claims for current year growth aid pursuant to subdivision thirteen of section thirty-six hundred two of this article, after taking into account any adjustments made in accordance with clauses (ii) and (iii) of this subparagraph, net of any disallowances, provided, however, that any [~~current year~~] aid for debt service on bond anticipation notes payable for the nineteen hundred ninety-six--ninety-seven school year in excess of the [~~amount allocated therefore and any growth aid in excess of the~~] appropriation provided [~~therefore~~] therefor shall be proportionally deferred to September nineteen hundred ninety-seven, and provided further, any such deferral shall be in the same proportion as a school district's share bears to the total moneys available respectively for such building aid [~~or growth aid~~] for the nineteen hundred ninety-six--ninety-seven school year.

§ 65. Paragraph a of subdivision 1 of section 3609-b of the education law, as amended by chapter 170 of the laws of 1994, is amended to read as follows:

a. Any moneys to be apportioned by the commissioner to school districts during the school year pursuant to this section shall, in the first instance, be designated as the state share of moneys due a school district pursuant to title XIX of the social security act, on account of school supportive health services provided to students with disabilities in special education programs pursuant to article eighty-nine of this chapter and to those pupils who are qualified handicapped persons as defined in the federal rehabilitation act of nineteen hundred seventy-three, as amended. Some or all of such state share may be assigned on behalf of school districts to the department of social services, as provided herein; any remaining state share moneys shall be paid to school districts in an amount equal to and on the same schedule as the federal share of such title XIX payments and shall be based on the monthly report of the commissioner of social services to the commissioner; and any remaining moneys to be apportioned to a school district pursuant to this section shall be paid in accordance with the provisions of subdivision two of this section. The amount to be assigned to the department of social services, as determined by the commissioner of social services, for any school district shall not exceed the federal share of any moneys due such school district pursuant to title XIX. Moneys designated as state share moneys shall be paid to such school districts based on the submission and approval of claims related to such school supportive health services, in the manner provided by law.

§ 66. The opening paragraph of section 3609-d of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

Notwithstanding the provisions of section thirty-six hundred nine-a of this article, apportionments payable pursuant to section nineteen hundred fifty of this chapter shall be paid pursuant to this section. For aid payable in the nineteen hundred ninety-six--ninety-seven school

year and thereafter, "moneys apportioned" shall mean the lesser of (i) one hundred percent of the respective amount set forth for each school district as payable pursuant to this section in the school aid computer listing produced by the commissioner in support of the budget including the appropriation for support of boards of cooperative educational services for payments due prior to April first for the current year, or (ii) the apportionment calculated by the commissioner based on data on file at the time the payment is processed. For districts subject to chapter five hundred sixty-three of the laws of nineteen hundred eighty, thirty-six hundred two-b, or two thousand forty of this chapter, for aid payable in the nineteen hundred ninety-seven--ninety-eight school year and thereafter, "moneys apportioned" shall mean the apportionment calculated by the commissioner based on data on file at the time the payment is processed. The "school aid computer listing for the current year" shall be as defined in the opening paragraph of section thirty-six hundred nine-a of this article. The definitions "base year" and "current year" as set forth in subdivision one of section thirty-six hundred two of this article shall apply to this section.

§ 67. Subdivision 5 of section 3622-a of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

5. Transportation of pupils during the school day to and from programs at a board of cooperative educational services or to or from approved shared programs at other school districts, which programs may lead to a diploma or a high school equivalency diploma or to or from [~~occupational~~] career education programs operated within the district.

§ 68. Paragraph e of subdivision 2 of section 3623-a of the education law, as added by chapter 474 of the laws of 1996, is amended to read as follows:

e. [~~The~~] Any approved cost of construction, reconstruction, lease or purchase of a transportation storage facility or site in the amount of ten thousand dollars or more shall be aidable in accordance with subdivision six of section thirty-six hundred two of this article and shall not be aidable as transportation expense.

§ 69. Paragraphs d and f of subdivision 1-a of section 3641 of the education law, as amended by chapter 474 of the laws of 1996, are amended to read as follows:

d. For a city school district in a city with a population in excess of one million inhabitants, the student information system plan shall include the designation of, and proposed contract with, a private consulting firm to oversee and report monthly to such school district and to the commissioner on the implementation of the student information system. In the event that a report indicates nonconformity with approved plan, the commissioner shall within thirty days notify such district of his intention to withhold any student information system grant funds payable to such city school district until such school district demonstrates that the provisions of the approved plan are being met. Of the grant received by such city school district for the nineteen hundred ninety--ninety-one through [~~ninety-six--ninety-seven~~] ninety-seven--ninety-eight school years, up to two million five hundred thousand dollars may be used for system maintenance and up to two million five hundred thousand dollars shall be used for development of student information system software consistent with the standards established by the commissioner; such city school district may enter into an agreement with the state education department to coordinate such software development activity.

f. Student information system grants. In addition to apportionments otherwise provided by this subdivision, for aid payable in the school year nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight, there shall be paid to the city school district of the city of New York, seven million four hundred thousand dollars; to the Buffalo city school district seven hundred fifty thousand dollars; to the Rochester city school district three hundred twenty-five thousand dollars; to the Syracuse city school district two hundred seventy-five thousand dollars and to the Yonkers city school district two hundred fifty thousand dollars for student information system grants.

§ 70. Subdivisions 5, 6, 7 and 8 of section 3641 of the education law, as amended by chapter 474 of the laws of 1996, are amended to read as follows:

5. Magnet school grants. a. In addition to apportionments otherwise provided by section thirty-six hundred two of this article, for aid payable in the school year nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight, the amounts specified in paragraph b of this subdivision shall be paid for the purposes of the development, maintenance or expansion of magnet schools and magnet school programs provided, however that any school district in a city of one million or more inhabitants which an additional apportionment is provided in the nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight school year which spends less in local funds during the current year than in the base year for magnet schools or magnet school programs shall have its apportionment reduced in an amount equal to such deficiency in the current year or in the succeeding school year. It is provided further that no apportionment provided pursuant to this section shall be used for any costs associated with the administration of this program by the board of education of the city of New York.

b. To the city school district of the city of New York there shall be paid forty-eight million one hundred seventy-five thousand dollars (\$48,175,000) including five hundred thousand dollars (\$500,000) for the Andrew Jackson High School; to the Buffalo city school district, seventeen million twenty-five thousand dollars (\$17,025,000); to the Rochester city school district, eleven million dollars (\$11,000,000); to the Syracuse city school district, ~~[nine]~~ eleven million ~~[five hundred thirty thousand]~~ dollars ~~[-(\$9,530,000)]~~ (\$11,000,000); to the Yonkers city school district, twenty-nine million five hundred thousand dollars (\$29,500,000); to the Newburgh city school district, four million six hundred forty-five thousand dollars (\$4,645,000); to the Poughkeepsie city school district, one million ~~[two]~~ seven hundred seventy-five thousand dollars ~~[-(\$1,275,000)]~~ (\$1,775,000); to the Mount Vernon city school district, two million dollars (\$2,000,000); to the New Rochelle city school district, one million two hundred thousand dollars (\$1,200,000); to the Schenectady city school district, one million six hundred thousand dollars (\$1,600,000); to the Port Chester city school district, one million one hundred fifty thousand dollars (\$1,150,000); to the White Plains city school district, nine hundred thousand dollars (\$900,000); to the Niagara Falls city school district, six hundred thousand dollars (\$600,000); to the Albany city school district, two million fifty thousand dollars (\$2,050,000); to the Utica city school district, eight hundred thousand dollars (\$800,000); to the Beacon city school district, ~~[one]~~ two hundred ~~[fifty]~~ thousand dollars ~~[-(\$100,000)]~~ (\$250,000); to the Middletown city school district, ~~[three]~~ four hundred thousand dollars ~~[-(\$300,000)]~~ (\$400,000); to the Freeport union free

school district, four hundred thousand dollars (\$400,000); and to the Peekskill city school district, two hundred thousand dollars (\$200,000).

6. Special reading and academic programs. a. In addition to apportionments otherwise provided by section thirty-six hundred two of this article, for aid payable in the nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight school year the amounts specified in paragraph b of this subdivision shall be paid for the purpose of improving reading and academic performance.

b. To the city school district of the city of New York, twenty-nine million nine hundred fifty thousand dollars (\$29,950,000); to the Buffalo city school district, seventeen million five hundred thousand dollars (\$17,500,000) to be used in accordance with a plan approved by the commissioner; to the Rochester city school district, five million five hundred thousand dollars (\$5,500,000); to the Yonkers city school district, five million dollars (\$5,000,000); and to the Syracuse city school district, six million dollars (\$6,000,000). Of the moneys so allocated, each school district shall make payments to schools for instruction, instructional supplies, materials and equipment for the purposes of this subdivision.

7. Grants for improving pupil performance. a. In addition to apportionments otherwise provided by section thirty-six hundred two of this article, for aid payable in the nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight school year the amounts specified in paragraph b of this subdivision shall be paid for programs for improving pupil performance pursuant to regulations of the commissioner.

b. To the city school district of the city of New York, thirty-six million two hundred thousand dollars (\$36,200,000); to the Buffalo city school district, ten million five hundred thousand dollars (\$10,500,000); to the Rochester city school district, six million nine hundred fifty thousand dollars (\$6,950,000); to the Yonkers city school district, nine million one hundred thousand dollars (\$9,100,000); and to the Syracuse city school district, three million six hundred thousand dollars (\$3,600,000).

8. Attendance improvement/dropout prevention grants. a. In addition to apportionments otherwise provided by section thirty-six hundred two of this article for aid payable in the nineteen hundred ~~[ninety-six--ninety-seven]~~ ninety-seven--ninety-eight school year the amounts specified in paragraph b of this subdivision shall be paid for programs for attendance improvement/dropout prevention.

b. To the Binghamton city school district, two hundred eighty-nine thousand two hundred dollars (\$289,200); to the Ithaca city school district, two hundred eighty-nine thousand two hundred dollars (\$289,200); to the Jamestown city school district, forty-eight thousand six hundred dollars (\$48,600); to the Fredonia city school district, ninety-six thousand four hundred dollars (\$96,400); to the Newark Valley school district, thirty-three thousand seven hundred dollars (\$33,700); to the Tompkins-Seneca-Tioga board of cooperative educational services, ninety-six thousand four hundred dollars (\$96,400); and to the Orange-Ulster board of cooperative educational services, ninety-six thousand four hundred dollars (\$96,400).

§ 71. Article 73 of the education law is amended by adding a new part V to read as follows:

PART V

COMPREHENSIVE SCHOOL BUS DRIVER SAFETY TRAINING PROGRAM

Section 3650. Comprehensive school bus driver safety training program.

3650-a. State comprehensive school bus driver safety training

council.3650-b. Drivers and instructors; training and safety.3650-c. Accident report data base.

§ 3650. Comprehensive school bus driver safety training program. The commissioner, in consultation with the state comprehensive school bus driver safety training council and subject to appropriation by the legislature, shall:

1. Develop a uniform and comprehensive school bus driver safety training program for school bus drivers transporting students to and from school by school bus including instruction to such school bus drivers concerning the latest safety techniques using the latest instructional materials.

2. Include within the safety training program the development of curriculum and training materials including a school bus driver safety training manual.

3. Develop and conduct professional development school bus driver safety training seminars statewide.

4. Establish and maintain a data base containing data relative to school bus accidents and fatalities reported within the state.

5. Engage the services of consultants on a contract basis for rendering professional and tactical assistance.

§ 3650-a. State comprehensive school bus driver safety training council. 1. There is hereby created and established in the department of education a council, to be known as the state comprehensive school bus driver safety training council. The council shall advise and assist the commissioner in the development and updating of the school bus driver safety training program and such other related matters as the council and commissioner shall deem appropriate. Such council shall consist of the commissioner of education as chair, the superintendent of state police, the commissioner of transportation and the commissioner of motor vehicles and eight other members to be appointed by the governor including the following:

a. Two members to be appointed upon the recommendation of the speaker of the assembly.

b. Two members to be appointed upon the recommendation of the temporary president of the senate.

c. One member to be appointed upon the recommendation of the minority leader of the assembly.

d. One member to be appointed upon the recommendation of the minority leader of the senate.

2. The members of the council, other than the ex officio members, shall serve for terms of two years. Such terms shall coincide with the election of the members of the state legislature and shall commence on the fifteenth day of January. Vacancies shall be filled for unexpired terms in the same manner as the original appointments.

3. The council shall meet at least semi-annually at the call of the chair. Additional meetings may be called upon at least five days notice by the chair or by petition of five members of the council.

4. No member of the council shall be disqualified from holding any other public office, nor shall employment be forfeited by reason of the member's appointment hereunder, notwithstanding the provisions of any general, special or local law, ordinance, county or city charter.

5. Each member of the council shall receive reimbursement for actual and necessary expenses incurred in the performance of their duties.

6. The council shall, during its first year, consider and may make recommendations on the following issues:

- a. inclement weather procedures;
- b. emergency school bus evacuation techniques;
- c. safety equipment training;
- d. promotion of public safety;
- e. unauthorized boarding of buses; and
- f. services for students with disabilities.

7. The council shall make, on or before January first of each year, an annual report of its activities and such recommendations as it may deem appropriate to the board of regents concerning school bus driver safety training programs.

§ 3650-b. Drivers and instructors; training and safety. 1. The commissioner shall establish training and safety technique requirements for school bus drivers and school bus safety training instructors and shall make rules and regulations implementing such requirements on a statewide basis.

2. The commissioner shall prepare and distribute school bus driver safety training manuals to each school district. Such manual shall be periodically updated and shall provide the framework for continuing school bus safety education programs for school districts.

3. Every school district shall certify to the commissioner that its school bus drivers have successfully completed the school bus driver safety training program established pursuant to the provisions of this article and shall make an annual report to the commissioner on the implementation and effectiveness of the program. Each school district shall have the option of having its employees certified as school bus driver safety training instructors or contracting with certified instructors to provide such training to the district.

4. The commissioner, in consultation with the commissioner of motor vehicles, shall establish a certification program for school bus driver safety training instructors.

§ 3650-c. Accident report data base. The commissioner, in consultation with the commissioner of motor vehicles, shall establish an electronic data file containing accident reports relating to school buses.

§ 72. School bus driver training. In addition to apportionments otherwise provided by section 3602 of the education law, for aid payable in the 1997-98 school year, the commissioner of education shall allocate school bus driver training grants to school districts and boards of cooperative educational services pursuant to sections 3650-a, 3650-b and 3650-c of the education law. Such payments shall not exceed four hundred thousand dollars (\$400,000).

§ 73. Section 3651 of the education law is amended by adding a new subdivision 1-b to read as follows:

1-b. Notwithstanding the provisions of subdivision one of this section, where the city or county is not required to pay to the treasurer of a city school district unpaid taxes during the fiscal year for which such real property taxes are levied, the board of education of such city school district may establish a reserve for uncollected taxes without approval of the qualified voters of the school district, provided that the ratio of the amount of such reserve to the total principal amount of the district's tax levy for such fiscal year shall not be less than the ratio of the principal amount of the school district taxes as levied by the school district for the last completed fiscal year but not received by the district before the end of such fiscal year to the total principal amount of the tax levy for such last completed fiscal year. If the city or county is not required to pay to the treasurer of a city school district unpaid taxes pursuant to section thirteen

hundred thirty-two of the real property tax law, the board of education of the city school district shall establish a reserve pursuant to this subdivision, provided that such reserve shall not be less than the amount of taxes for the fiscal year for which such budget is being prepared which are estimated to be unpaid during such fiscal year under the aforesaid provisions of the real property tax law.

§§ 74 - 75. Intentionally omitted.

§ 76. Subdivision 6 of section 4402 of the education law, as added by chapter 82 of the laws of 1995, is amended to read as follows:

6. Notwithstanding any other law, rule or regulation to the contrary, the board of education of a city school district with a population of one hundred twenty-five thousand or more inhabitants shall be permitted to establish maximum class sizes for special classes for certain students with disabilities in accordance with the provisions of this subdivision. For the purpose of obtaining relief from any adverse fiscal impact from under-utilization of special education resources due to low student attendance in special education classes at the middle and secondary level as determined by the commissioner, such boards of education shall, during the nineteen hundred ninety-five--ninety-six [~~and~~], and nineteen hundred ninety-seven--ninety-eight school years, be authorized to increase class sizes in special classes containing students with disabilities whose age ranges are equivalent to those of students in middle and secondary schools as defined by the commissioner for purposes of this section by up to but not to exceed one and two tenths times the applicable maximum class size specified in regulations of the commissioner rounded up to the nearest whole number, provided that the projected average class size shall not exceed the maximum specified in the applicable regulation. Such authorization shall be granted upon filing of a notice by such a board of education with the commissioner stating the board's intention to increase such class sizes and a certification that the board will conduct a study of attendance problems at the secondary level and will implement a corrective action plan to increase the rate of attendance of students in such classes to at least the rate for students attending regular education classes in secondary schools of the district. Such corrective action plan shall be submitted for approval by the commissioner by a date during the school year in which such board increases class sizes as provided pursuant to this subdivision to be prescribed by the commissioner. Upon at least thirty days notice to the board of education, after conclusion of the school year in which such board increases class sizes as provided pursuant to this subdivision, the commissioner shall be authorized to terminate such authorization upon a finding that the board has failed to develop or implement an approved corrective action plan. On or before May first, nineteen hundred ninety-seven, the board of education of any city school district utilizing the authorization provided by this subdivision shall submit a report to the governor, the legislature and the commissioner of education on the use of the authorization and the effectiveness of the corrective action plan in improving attendance in special classes at the secondary level. Such report shall include but not be limited to attendance and enrollment data and the educational impact of such increase in maximum class size for students with disabilities for each half year attendance period starting with the fall of the nineteen hundred ninety-five-ninety-six school year and including the fall of the nineteen hundred ninety-six-ninety-seven school year.

§ 77. Section 21 of the labor law is amended by adding a new subdivision 13 to read as follows:

13. Shall adopt regulations prescribing the methodology for establishing an ongoing monthly statewide cost of labor index and an annual county or appropriate multi-county labor market composite wage rate, in consultation with the commissioner of education, for the purpose of computation of building aid to school districts, as required by subparagraph one of paragraph a of subdivision six of section thirty-six hundred two of the education law.

§ 78. Section 9-103 of the energy law is amended by adding a new subdivision 8 to read as follows:

8. In the case of a school district or a board of cooperative educational services, an energy performance contract shall be developed and approved pursuant to the requirements of this section and pursuant to regulations promulgated by the commissioner of education in consultation with the New York state energy research and development authority. Such regulations shall include, but shall not be limited to: a list of the appropriate type of projects that qualify as energy performance contracts; an approval process that includes review of the type and nature of the proposed project, the scope and nature of the work to be performed, and a detailed breakdown of the energy savings to be derived each year and for the duration of the energy performance contract; and a process for ensuring that districts have obtained financing at the lowest cost possible. Such regulations shall require that all energy performance contracts which contain maintenance and monitoring charges as part of the energy performance contract price state such maintenance and monitoring charges separately in the contract in a clear and conspicuous manner. Such regulations shall not apply to energy performance contracts entered into prior to the effective date of such regulations, nor shall they apply to energy performance contracts for which a request for proposals was issued prior to such effective date.

§ 79. Intentionally omitted.

§ 80. The state finance law is amended by adding a new section 97-ddd to read as follows:

§ 97-ddd. Education archives account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the education archives account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the education archives account, fees, including charge backs to other agencies and department units for research and reference services; revenue resulting from donations and the sale of publications; charges for duplication of information in any format including, but not limited to electrostatic and photographic copies, photocopies, microform, or data discs; and public or private funds received as payment in lieu of honorarium for services rendered by state education department employees which are related to such employees' official duties or responsibilities.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses of the state archives and records administration.

§ 81. The state finance law is amended by adding a new section 97-eee to read as follows:

§ 97-eee. Education library account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the education library account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the education library account, fees, including charge backs to other state agencies and department units; fees charged to public or private entities or individuals for services including licenses or certificates; fines for overdue or lost materials; charges for services and data interpretation; donations; sales of excess library properties; sales of photocopies, microform, data discs, publications or other printed or electronic information, including copies of electronic information purchases from public or private sources for resale to other public or private entities or individuals; and public or private funds received as payment in lieu of honorarium for services rendered by state education department employees which are related to such employees' official duties or responsibilities.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses of the state library.

§ 82. The state finance law is amended by adding a new section 97-fff to read as follows:

§ 97-fff. Summer institute for science, mathematics and the arts account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the summer institute for science, mathematics and the arts account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the summer institute for science, mathematics and the arts account, tuition, fees and charge backs to other state agencies and school districts for services and programs of the summer institute for science, mathematics and the arts.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses of the summer institute for science, mathematics and the arts.

§ 83. The state finance law is amended by adding a new section 97-ggg to read as follows:

§ 97-ggg. Teacher certification program account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the teacher certification program account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the teacher certification account, fees related to responsibilities of the education department pursuant to section three thousand six of the education law including workload pursuant to chapter six hundred fifty of the laws of nineteen hundred ninety including all fees for teaching certificates, temporary licenses, including temporary coaching licenses, temporary certificates and continuing and duplicate certificates.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services

and expenses related to the administration of the teacher certification program.

§ 84. The state finance law is amended by adding a new section 97-hhh to read as follows:

§ 97-hhh. High school equivalency account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the high school equivalency account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the high school equivalency account, fees established by the commissioner of education and approved by the director of the budget to supplement administration of the general educational development tests for the high school equivalency diploma.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses related to the administration of the general educational development tests for the high school equivalency diploma.

§ 85. The state finance law is amended by adding a new section 97-iii to read as follows:

§ 97-iii. Indirect cost recovery account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the indirect cost recovery account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the indirect cost recovery account, charge backs to the general fund - state purposes account, to special revenue fund - other, to special revenue funds - federal, and to internal services funds; moneys recovered from the sale of department publications, fees for technical assistance services, fees for printing services provided to other department units, other state agencies, governmental bodies and other entities; and fees collected from outside use of department of education facilities.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for policy, legal and administrative services provided to other department units, other state agencies, governmental bodies and other entities.

§ 86. The state finance law is amended by adding a new section 97-jjj to read as follows:

§ 97-jjj. Rome school for the deaf account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the Rome school for the deaf account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the Rome school for the deaf account, revenues received pursuant to section forty three hundred fifty-seven of the education law and fees from school districts, BOCES, other entities and individuals for other appropriate education-related services.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses related to the operation of the Rome school for the deaf.

§ 87. The state finance law is amended by adding a new section 97-kkk to read as follows:

§ 97-kkk. Batavia school for the blind account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the Batavia school for the blind account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the Batavia school for the blind account, revenues received pursuant to section forty three hundred thirteen of the education law and fees from school districts, BOCES, other entities and individuals for other appropriate education-related services.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses related to the operation of the Batavia school for the blind.

§ 88. The state finance law is amended by adding a new section 97-lll to read as follows:

§ 97-lll. Vocational rehabilitation fund. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance a special revenue fund to be known as the vocational rehabilitation fund.

2. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance two accounts of the vocational rehabilitation fund to be known as:

(a) the workers' compensation death benefit accounts. Expenditures from this account shall support services and expenses of the special workers' compensation program. Notwithstanding any other law, rule or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of this account all moneys collected pursuant to subdivision nine of section fifteen of the workers' compensation law; and

(b) the workers' compensation evaluation fees account. Expenditures from this account shall support rehabilitation services for injured workers. Notwithstanding any other law, rule or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of this account fees charged to insurance carriers in accordance with a fee schedule adopted by the board of regents.

3. Moneys of the accounts established in subdivision two of this section, following appropriation by the legislature, shall be available to the state education department for services and expenses of the special workers' compensation program.

§ 89. The state finance law is amended by adding a new section 97-mmm to read as follows:

§ 97-mmm. Archives records management account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous internal service fund to be known as the archives records management account.

2. Notwithstanding any other law, rule or regulation to the contrary, expenditures from the archives records management account shall support records management activities pursuant to section 57.05 of the arts and cultural affairs law. This account shall consist of fees charged to

state, local and miscellaneous agencies, in accordance with section 57.05 of the arts and cultural affairs law.

3. Notwithstanding any other law, rule or regulation to the contrary, the comptroller is hereby authorized and directed to transfer to the archives records management account, within forty-five days of enactment of the state budget, fees for records management activities from various state, local and miscellaneous agencies, and deposit in the archives records management account such amounts as determined by a schedule of fees developed by the commissioner of education and approved by the director of the budget, pursuant to section 57.05 of the arts and cultural affairs law.

4. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses of archives records management.

§ 90. The state finance law is amended by adding a new section 97-nnn to read as follows:

§ 97-nnn. Office of the professions account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of taxation and finance an account of the miscellaneous special revenue fund to be known as the office of the professions account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the office of the professions account, payments relating to the responsibilities of the education department pursuant to title VIII of the education law, including fees for professional licenses and registration, penalties for professional misconduct, charges for test administration, verification and certification of credentials, and restoration of revoked and annulled licenses and fees related to foreign and out-of-state medical school evaluations and any other related fees and charges as established by commissioner's regulations pursuant to such title.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses of the office of the professions.

§ 91. The state finance law is amended by adding a new section 97-ppp to read as follows:

§ 97-ppp. Education museum account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous special revenue fund to be known as the education museum account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the education museum account, fees, including charge backs to other state agencies and department units; fees charged for the use of museum facilities or for services including licenses or certificates; charges for services and data interpretation; donations; sales of photocopies, microform, data discs, publications or other materials, including the sale of excess museum properties; public or private funds received for research activities managed by the state museum; and from public or private funds received as payment in lieu of honorarium for services rendered by state education department employees which are related to such employees official duties or responsibilities.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses of the state museum.

§ 92. The state finance law is amended by adding a new section 97-qqq to read as follows:

§ 97-qqq. Automation and printing chargeback account. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of the department of taxation and finance an account of the miscellaneous internal service fund to be known as the automation and printing chargeback account.

2. Notwithstanding any other law, rule or regulation to the contrary, the state comptroller is hereby authorized and directed to receive for deposit to the credit of the automation and printing chargeback account chargebacks to the general fund - state purposes account, to special revenue fund - other, to special revenue funds - federal and to internal services funds for centralized information technology and printing services and moneys recovered from the sale of department publications, fees for technical assistance services, fees for printing services provided to other department units, other state agencies, governmental bodies and other entities.

3. Moneys of this account, following appropriation by the legislature, shall be available to the state education department for services and expenses related to the administration of the automation and printing chargeback account.

§ 93. Paragraph a of subdivision twenty-fifth of section 171 of the tax law, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

a. With respect to the income to be used in the computation of school aid payable in the school year nineteen hundred ninety-four--ninety-five and thereafter, be required to design, develop and implement a permanent computerized statewide school district address match and income verification system in regard to each school district's valuation of total New York adjusted gross income as determined by the department, for use in determining state aid to education. The department shall promulgate rules and regulations to effect the provisions of this paragraph within ninety days of the enactment of the chapter of the laws of nineteen hundred ninety-four amending this paragraph. ~~[The~~ Commencing September first, nineteen hundred ninety-seven, the commissioner, the commissioner of education, and the executive director of the office of real property services, subject to the approval of the director of the budget shall be required to enter into a cooperative agreement~~[, commencing with the nineteen hundred ninety-five state fiscal year, within thirty days of the enactment of the state operations budget, with respect to]~~ by September first of each year, which will govern the validation and correction and completion of the total New York adjusted gross income of school districts~~[, except that in the nineteen hundred ninety-four state fiscal year, such agreement shall be concluded no later than June thirtieth, nineteen hundred ninety-four]~~ until September first of the following year. Such agreement shall include, but not be limited to: (i) procedures to improve the accuracy of school district income data, in a manner which gives appropriate recognition to computerized processing capabilities, administrative feasibility of manual processes and confidentiality implications; (ii) procedures to verify the school district codes reported by taxpayers; (iii) procedures to correct identified inaccuracies; (iv) procedures to assign school district codes based on the permanent residence addresses of taxpayers who failed to complete the school district code; (v) the schedule for the transmittal of electronic data between the agencies, as necessary, to implement such system; and (vi) beginning in the nineteen hundred ninety-six state

fiscal year, procedures for the review process provided for in paragraph c of this subdivision. All state departments and agencies, and school districts and other local governments and agencies, shall cooperate with the parties to such agreement in its implementation.

§ 94. The opening paragraph of section 16 of chapter 642 of the laws of 1996, relating to certain provisions which impact upon the expenditures of certain appropriations made by chapter 53 of the laws of 1996 enacting the education, labor and social services budget, is amended to read as follows:

Moneys appropriated in section 1 of the chapter of the laws of 1996 which enacted the education, labor and social services budget to the education department from the general fund/aid to localities, local assistance account-001 shall be for payment of financial assistance, as scheduled, net of disallowances, refunds, reimbursements and credits; moneys so appropriated under the elementary, middle, secondary and continuing education program:

§ 95. Subdivisions b and c of section 123 of chapter 474 of the laws of 1996, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of local government, are amended to read as follows:

b. The claim for an apportionment to be paid to a school district pursuant to subdivision a of this section shall be submitted to the commissioner of education on a form prescribed for such purpose, and shall be payable upon determination by such commissioner that the form has been submitted as prescribed. Such approved amounts shall be payable on the same day in September, 1997, as funds provided pursuant to subparagraph 3 of paragraph b of subdivision 4 of section 92-c of the state finance law, on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of education in the manner prescribed by law from moneys in the state lottery fund and from the general fund to the extent that the amount paid to a school district pursuant to subdivision c of this section exceeds the amount, if any, due such school district pursuant to subparagraph 3 of paragraph a of subdivision 1 of section 3609-a of the education law in the ~~[1997-99]~~ 1997-98 school year.

c. Notwithstanding the provisions of section 3609-a of the education law, an amount equal to the amount paid to a school district pursuant to subdivisions a and b of this section shall first be deducted from payments due during the 1997-98 school year pursuant to the subparagraphs of paragraph a of subdivision 1 of such section 3609-a of the education law in the following order: subparagraph ~~[(3)]~~ (2) followed by subparagraphs ~~[(2)]~~ (1) and ~~[(5)]~~ (4), and any remainder to be deducted from payments due the district pursuant to paragraph b of such subdivision shall be deducted on a chronological basis starting with the earliest payment due the district.

§ 96. Subdivision 6 of section 268 of chapter 474 of the laws of 1996, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of local government, is amended to read as follows:

(6) sections twenty-seven, twenty-eight, ~~[and]~~ sixty and one hundred one of this act shall be deemed to have been in full force and effect on and after July 1, 1995;

§ 97. Section 33 of chapter 301 of the laws of 1996, amending the executive law and certain other laws relating to career education, is REPEALED.

§ 98. Section 64 of chapter 82 of the laws of 1995, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of government, as amended by chapter 474 of the laws of 1996, is amended to read as follows:

§ 64. Notwithstanding any inconsistent provisions of any state law, rule or regulation, the expenditure savings due to increased federal financial participation in special education programs included in ~~[section 1 of]~~ a chapter [53] of [the] laws [of 1995] enacting the aid to localities budget for the elementary, middle and secondary education program of the state education department shall, for ~~[the period beginning]~~ each state fiscal year, commencing April 1, 1995, include increased federal financial participation for eligible children served pursuant to the education and mental hygiene laws, including but not limited to children educated in, and receiving care in or residing in or discharged from, intermediate care facilities for the mentally retarded; provided further, the director of the budget is hereby authorized to make transfers from the moneys appropriated ~~[in section 1 of chapter 53 of the laws of 1995]~~ by such chapters to the education department from the general fund--local assistance account under the elementary, middle, and secondary education program for general support of public schools, to the department of social services medical assistance program, or comparable program of a successor agency, for the purposes of making the state share payment for the education of such eligible children. The offices of mental health and mental retardation and developmental disabilities, the department of social services and the state education department, or any successor agencies charged with such responsibilities are authorized to establish through regulation and/or memoranda of understanding, basic contribution, and rates of payment or claims necessary to access such federal financial participation.

§ 99. Subdivisions 22 and 24 of section 140 of chapter 82 of the laws of 1995, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of government, subdivision 24 as amended by chapter 474 of the laws of 1996, are amended to read as follows:

(22) sections one hundred twelve, one hundred thirteen, one hundred fourteen, one hundred fifteen and one hundred sixteen of this act shall take effect on July 1, 1995; provided, however, that section one hundred thirteen of this act shall remain in full force and effect until ~~[June 30, 1997]~~ July 1, 1998 at which time it shall be deemed repealed;

(24) sections one hundred eighteen through one hundred thirty of this act shall be deemed to have been in full force and effect on and after July 1, 1995; provided further, however, that the amendments made pursuant to section one hundred nineteen of this act shall be deemed to be repealed on and after July 1, ~~[1997]~~ 1998;

§ 100. Intentionally omitted.

§ 101. Subdivision 1 of section 167 of chapter 169 of the laws of 1994 relating to certain provisions related to the 1994-95 state operations, aid to localities, capital projects and debt service budgets, as separately amended by chapters 309 and 474 of the laws of 1996, is amended to read as follows:

1. Sections one through seventy of this act shall be deemed to have been in full force and effect as of April 1, 1994 provided, however, that sections one through three, fifteen, seventeen and twenty-two through twenty-five of this act and twenty-seven through seventy of this act shall expire and be deemed repealed on March 31, ~~[1998]~~ 1999;

provided, however, that section twenty of this act shall apply only to hearings commenced prior to September 1, 1994, and provided further that section twenty-six of this act shall expire and be deemed repealed on March 31, ~~[1996]~~ 1997; and provided further that sections four through fourteen, sixteen, and eighteen, through twenty-one-a of this act shall expire and be deemed repealed on March 31, nineteen hundred ninety-seven.

§ 102. Subdivision b of section 2 and sections 4 and 6 of chapter 756 of the laws of 1992, relating to funding a program for workforce education conducted by the consortium for worker education in New York city, as amended by chapter 474 of the laws of 1996, are amended to read as follows:

b. Reimbursement for programs approved in accordance with subdivision a of this section for the 1992-93 school year shall not exceed 61.4 percent of the lesser of such approvable costs per contact hour or five dollars and sixty cents per contact hour, reimbursement for the 1993-94 school year shall not exceed 65.1 percent of the lesser of such approvable costs per contact hour or five dollars and fifty cents per contact hour, reimbursement for the 1994-95 school year shall not exceed 58 percent of the lesser of such approvable costs per contact hour or five dollars and seventy-five cents per contact hour, reimbursement for the 1995-96 school year shall not exceed 61.2 percent of the lesser of such approvable costs per contact hour or five dollars and eighty cents per contact hour, ~~[and]~~ reimbursement for the 1996-97 school year shall not exceed 61.7 percent of the lesser of such approvable costs per contact hour or five dollars and ninety cents per contact hour, and reimbursement for the 1997-98 school year shall not exceed 63.2 percent of the lesser of such approvable costs per contact hour or six dollars and ten cents per contact hour where a contact hour represents sixty minutes of instruction services provided to an eligible adult. Notwithstanding any other provision of law to the contrary, for the 1992-1993 school year the apportionment calculated for the city school district of the city of New York pursuant to subdivision 24 of section 3602 of the education law shall be computed as if such contact hours provided by the consortium for worker education, not to exceed six hundred thousand hours (600,000), were eligible for aid in accordance with the provisions of such subdivision 24 of section 3602 of the education law, whereas, for the 1993-94 school year such contact hours shall not exceed five hundred seventy-six thousand one hundred eighty-seven hours (576,187); whereas, for the 1994-95 school year such contact hours shall not exceed six hundred nineteen thousand five hundred thirty-one hours (619,531); whereas, for the 1995-96 school year such contact hours shall not exceed five hundred eighty-one thousand one hundred thirty-eight hours (581,138); whereas, for the 1996-97 school year such contact hours shall not exceed one million ninety-eight thousand nine hundred one hours (1,098,901); whereas, for the 1997-98 school year such contact hours shall not exceed one million five hundred fifty-eight thousand four hundred forty-one (1,558,441) hours.

§ 4. a. The provisions of this subdivision shall not apply after the completion of payments for the 1994-95 school year. Notwithstanding any inconsistent provisions of law, the commissioner of education shall withhold a portion of employment preparation education aid due to the city school district of the city of New York to support a portion of the costs of the work force education program. Such moneys shall be credited to the elementary and secondary education general fund - local assist-

ance account and shall not exceed two million sixty-three thousand forty dollars (\$2,063,040) for school year 1994-95.

b. The provisions of this subdivision shall apply after the completion of payments for the 1994-95 school year. Notwithstanding any inconsistent provisions of law, the commissioner of education shall withhold a portion of employment preparation education aid due to the city school district of the city of New York to support a portion of the costs of the work force education program. Such moneys shall be credited to the elementary and secondary education general fund - local assistance account and shall not exceed two million sixty-three thousand dollars (\$2,063,000) for school year 1995-96 ~~and~~, shall not exceed four million dollars (\$4,000,000) for the 1996-97 school year.

c. The provisions of this subdivision shall not apply after the completion of payments for the 1997-98 school year. Notwithstanding any inconsistent provisions of law, the commissioner of education shall withhold a portion of employment preparation education aid due to the city school district of the city of New York to support a portion of the costs of the work force education program. Such moneys shall be credited to the elementary and secondary education fund - local assistance account and shall not exceed four million dollars (\$4,000,000). In addition, the commissioner of education shall withhold a portion of employment preparation education aid due to the city school district of the city of New York not to exceed two million dollars (\$2,000,000) to support the costs of a work force education plan, subject to the approval of the commissioner of education.

§ 6. This act shall take effect July 1, 1992, and shall be deemed repealed on June 30, ~~1997~~ 1998.

§ 103. Fort Drum school district grants. In addition to apportionments otherwise provided by section 3602 of the education law, for aid payable in the 1997-98 school year, school districts which received an apportionment in the base year for operating expenses on account of an increase in student enrollment in prior years as a result of the expansion of Fort Drum, shall be eligible for a share of two million six hundred twenty-five thousand dollars (\$2,625,000) in the same proportion as each school district's share was of the Fort Drum school district grants distributed in the base year for the operating expenses of such school districts.

§ 104. Learning technology grants. In addition to apportionments otherwise provided by section 3602 of the education law, for aid payable in the school year 1997-98, the commissioner of education may approve school district and board of cooperative educational services applications for funding of approved learning technology programs, including services benefiting nonpublic school students, pursuant to regulations promulgated by the commissioner of education and approved by the director of the budget, provided, however, that the sum of such grants awarded shall not exceed three million two hundred eighty-five thousand dollars (\$3,285,000). Notwithstanding section 3609-a of the education law, the commissioner of education is authorized to pay from the general support for public schools appropriations, up to seventy percent of such sum, for such purposes, prior to April first of the school year for which such moneys are available, with the remainder payable on or after such date.

§ 105. a. Notwithstanding any other provisions of law to the contrary, of the moneys appropriated to the state education department in chapter 53 of the laws of 1997, elementary, middle, and secondary education program, general fund account for general support for public

schools for the 1997-98 school year for programs for homeless children and youth shall include (i) expenditures for the transportation of homeless children pursuant to paragraph b of subdivision 4 of section 3209 of the education law, up to the amount of the approved costs of the most cost-effective mode of transportation, in accordance with a plan prepared by the commissioner of education as approved by the director of the budget and (ii) the sum of \$30,000 to the credit of the state purposes account of the state education department to carry out the purposes of this section relating to reimbursement of division for youth shelters transporting such pupils.

§ 106. Notwithstanding any inconsistent provision of law, any amount received by the state in the 1997-98 state fiscal year as the state share of federal financial participation under medicaid for school age and preschool special education programs and services that is in excess of \$157.3 million may be made available, subject to the appropriation of such excess, in the same proportion as such funds attributable respectively to preschool and school age programs and services bear to such \$157.3 million, for payment of prior year claims for preschool services under section 4410 of the education law and the payment of prior year adjustments of state aid claims for school age students.

§ 107. Special apportionment for salary expenses. a. Notwithstanding any other provision of law, upon application to the commissioner of education, not sooner than June 14, 1998 and not later than June 24, 1998, a school district eligible for an apportionment pursuant to section 3602 of the education law shall be eligible to receive an apportionment pursuant to this section, for the school year ending June 30, 1998, for salary expenses incurred between April 1 and June 30, 1998, and such apportionment shall not exceed the deficit reduction assessment of 1990-91 as determined by the commissioner of education, pursuant to paragraph f of subdivision 1 of section 3609 of the education law, as in effect through June 30, 1993, plus seventy-three percent of such amount for a city school district in a city with a population in excess of one million inhabitants, and shall not exceed such salary expenses. Such application shall be made by a school district, after the board of education or trustees have adopted a resolution to do so and in the case of a city school district in a city with a population in excess of one hundred twenty-five thousand inhabitants, with the approval of the mayor of such city.

b. The claim for an apportionment to be paid to a school district pursuant to subdivision a of this section shall be submitted to the commissioner of education on a form prescribed for such purpose, and shall be payable upon determination by such commissioner that the form has been submitted as prescribed. Such approved amounts shall be payable on the same day on or before September, 1998, as funds provided pursuant to subparagraph 3 of paragraph b of subdivision 4 of section 92-c of the state finance law, on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of education in the manner prescribed by law from moneys in the state lottery fund and from the general fund to the extent that the amount paid to a school district pursuant to subdivision c of this section exceeds the amount, if any, due such school district pursuant to subparagraph 3 of paragraph a of subdivision 1 of section 3609-a of the education law in the 1998-99 school year.

c. Notwithstanding the provisions of section 3609-a of the education law, an amount equal to the amount paid to a school district pursuant to subdivisions a and b of this section shall first be deducted from

payments due during the 1998-99 school year pursuant to the subparagraphs of paragraph a of subdivision 1 of such section 3609-a of the education law in the following order: subparagraph 2 followed by subparagraphs 1 and 4, and any remainder to be deducted from payments due the district pursuant to paragraph b of such subdivision shall be deducted on a chronological basis starting with the earliest payment due the district.

§ 108. Bilingual education grants. In addition to apportionments otherwise provided by section 3602 of the education law, for aid payable in the 1997-98 school year, the commissioner of education may approve school district and board of cooperative educational services applications for funding of approved bilingual education programs, provided, however, that the sum of such grants awarded shall not exceed eleven million two hundred thousand dollars (\$11,200,000).

§ 109. Grants for teacher support. In addition to apportionments otherwise provided by section 3602 of the education law, for aid payable in the 1997-98 school year for teacher support, payments in two installments shall be made as follows: to the city school district of the city of New York, thirty-one million four hundred sixteen thousand dollars (\$31,416,000) and thirty-one million two hundred ninety-one thousand dollars (\$31,291,000); to the Buffalo city school district, one million two hundred fifty thousand dollars (\$1,250,000) and four hundred ninety-one thousand dollars (\$491,000); to the Rochester city school district, seven hundred ninety thousand dollars (\$790,000) and two hundred eighty-six thousand dollars (\$286,000); to the Yonkers city school district, two hundred seventy thousand dollars (\$270,000) and eight hundred seventy-seven thousand dollars (\$877,000); and to the Syracuse city school district, six hundred thousand dollars (\$600,000) and two hundred nine thousand dollars (\$209,000). All funds made available to a school district pursuant to this section shall be distributed among teachers including pre-kindergarten teachers and teachers of adult vocational and academic subjects in accordance with this section shall be in addition to salaries heretofore or hereafter negotiated or made available; provided however that all funds distributed pursuant to this section for the current year shall be deemed to incorporate all funds distributed pursuant to former subdivision 27 of section 3602 of the education law for prior years. In school districts where the teachers are represented by certified or recognized employee organizations, all salary increases funded pursuant to this section shall be determined by separate collective negotiations conducted pursuant to the provisions and procedures of article 14 of the civil service law, notwithstanding the existence of a negotiated agreement between a school district and a certified or recognized employee organization.

§ 110. Comprehensive instructional management system grants. In addition to apportionments otherwise provided by section 3602 of the education law, for aid payable in the 1997-98 school year, the sum of two million five hundred thousand dollars (\$2,500,000) shall be awarded by the commissioner of education for comprehensive instructional management system programs for grants for partnerships with school districts, boards of cooperative educational services or consortia to support acquisition, development, and dissemination, with priority given to technology based dissemination, of new curriculum, assessments, and instructional materials which raise standards for all students, provided, however, that fifty percent of such amount shall be available to the city school districts of the cities of New York, Buffalo, Roches-

ter, Syracuse and Yonkers with the remaining fifty percent available for others.

§ 111. Expenditures of the education department. Notwithstanding any other law, rule or regulation to the contrary, 1997-98 state fiscal year state operations appropriations made from the general fund and/or special revenue-other funds to the education department shall be available for the payment of prior years' liabilities in such fund or funds for fringe benefits, indirect costs, telecommunications expenses and expenses for other centralized services. Payments for prior years' liabilities in such fund or funds for expenses other than those indicated above may not exceed a total of \$500,000.

§ 111-a. a. Notwithstanding any other law, rule or regulation to the contrary, any moneys appropriated to the state education department may be suballocated to other state departments or agencies, as needed, to accomplish the intent of the specific appropriations contained therein.

b. Notwithstanding any other law, rule or regulation to the contrary, moneys appropriated to the education department from the general fund/aid to localities local assistance account-001 shall be for payment of financial assistance, as scheduled, net of disallowances, refunds, reimbursement and credits.

c. Notwithstanding any other law, rule or regulation to the contrary, all moneys appropriated to the education department for aid to localities shall be available for payment of aid heretofore or hereafter to accrue and may be suballocated to other departments and agencies to accomplish the intent of the specific appropriations contained therein.

§ 112. The moneys appropriated for the support of public libraries by a chapter of the laws of 1997 enacting the aid to localities budget shall be apportioned for 1997-98 in accordance with the provisions of chapter 917 of the laws of 1990, as otherwise amended by chapter 625 of the laws of 1991 and chapter 260 of the laws of 1993 taking into account the provisions of section 483 of chapter 170 of the laws of 1994, section 2 of chapter 82 of the laws of 1995 and the provisions of this section, provided that no member library shall receive less local services aid than it received in local library incentive aid in 1991 and provided further, that no system or program, as defined by the commissioner of education, shall receive less than the highest total system or program aid it received for any of the years 1990-91, 1991-92 or 1992-93, after taking into account any reduction adjustments, and provided further, that such selections shall apply with respect to the moneys due in accordance with the provisions of paragraphs g and i of subdivision 1 of section 273 of the education law.

§ 113. Moneys appropriated in the chapter of the laws of 1997 enacting the education, labor and social services budget to the education department from the general fund -- local assistance account for the purpose of implementing extended day programs and/or school violence prevention programs shall be made available to the education department for the award of grants on a competitive basis for collaborative projects between not-for-profit educational organizations, community based organizations, other agencies approved by the commissioner of education, and public elementary or secondary schools, and, where applicable, school districts, that have submitted a joint application for a comprehensive, school-based intervention model. Such joint application may be initiated by the not-for-profit educational organization, community based organization, other agencies approved by the commissioner, or by the school or school district. However, a not-for-profit or community based organization may initiate such joint application for only that

portion of the amount appropriated herein which is equal to twenty percent greater than the 1996-97 allocation. Such programs may also occur during the summer, pursuant to regulations promulgated by the commissioner. The commissioner of education shall develop criteria for awarding grants on a competitive basis in order to give preference to those applications from collaborative projects for schools that have a high rate of referrals of youth to family court; youth under the supervision of the courts; suspensions of students from schools, and impoverished school districts to be measured by the concentration of extraordinary needs students. The education department is authorized to provide or cause to be provided such technical assistance as may be necessary for the implementation and evaluation of such programs. The commissioner of education shall complete the process of issuing requests for proposals and selecting and announcing grantees no later than 120 days after this section shall have become a law.

In the event the appropriation for purposes of this paragraph in any year is insufficient to pay all claims received pursuant to this paragraph, the commissioner shall pay such claims on a prorated basis among all districts filing such claims until the appropriation is exhausted. For aid payable in the 1998--99 school year, the aid payable pursuant to this paragraph shall not exceed ten million dollars (\$10,000,000); for the 1999--2000 school year the aid payable pursuant to this paragraph shall not exceed fifteen million dollars (\$15,000,000); for the 2000--2001 school year the aid payable pursuant to this paragraph shall not exceed twenty-five million dollars (\$25,000,000); and for the 2001--2002 school year and thereafter the aid payable pursuant to this paragraph shall not exceed fifty million dollars (\$50,000,000).

§ 114. Notwithstanding any other law, rule or regulation to the contrary, grants to individual television stations awarded pursuant to a chapter of the laws of 1997 relating to state aid for public broadcasting shall be the lesser of the following amounts: (i) pro-rated grant awards calculated pursuant to section 236 of the education law; or (ii) forty-four percent of the total funding level allotted for public television. Distribution of state aid for public broadcasting shall be pursuant to a plan prepared by the commissioner of education and approved by the director of the budget.

§ 115. Subject to the approval of the director of the budget, the commissioner of education is authorized to transfer funds appropriated for the purposes of subdivision 5 of section 3202 of the education law to the office of mental retardation and developmental disabilities for the purpose of reimbursement of operational costs for the Intermediate Care Facility for the Developmentally Disabled at the Sullivan Diagnostic Treatment Center serving students who are blind and have multiple disabilities.

§ 116. The commissioner of education shall identify districts with rates of referral to special education significantly higher than the statewide average, over-reliance on restrictive placements, or significant documented problems and shall notify such districts of the specific problems identified. Such districts shall submit a response to the issues identified and offer an explanation for each identified issue. The commissioner, in consultation with the Commissioners Advisory Panel for Special Education and others, shall by December 1, 1998 make recommendations to the governor and the legislature concerning ways to reduce inappropriate placements to special education.

§ 117. The commissioner of education shall conduct a study of the categories of shared services currently provided by boards of cooper-

ative educational services which may be approved by such commissioner as aidable shared services and their relationship to the core mission of boards of cooperative educational services. On or before November 15, 1997, such commissioner shall submit a report on the results of such study to the governor, the speaker of the assembly and the temporary president of the senate, which shall include recommendations on how the process for approval of aidable shared services may be redesigned to refocus boards of cooperative educational services on their core mission, to ensure that school districts receive an equitable allocation of state aid for all educational, administrative, and technical services regardless of how or where such services are provided, and to promote the cost-effective delivery of services that enhance educational opportunities for students.

§ 117-a. Notwithstanding any other provision of law to the contrary, prior year state aid claims due and payable for the 1995-96 school year shall be paid during June of the 1997-98 school year within the limits of funds appropriated for such purpose; provided that the sum of such payments made during the 1997-98 school year shall not exceed eighteen million dollars (\$18,000,000); provided further that each eligible claim shall be payable in the order that it has been approved for payment by the commissioner of education but in no case shall a single claim draw down more than forty percent of the appropriation so designated for a single year, and; provided further that no claim shall be set aside for insufficiency of funds to make a complete payment, but shall be eligible for a partial payment in one year and shall retain its priority date status for appropriations designated for such purposes in future years.

§ 117-b. Subdivisions 2, 4 and 5 of section 3033 of the education law, subdivision 2 as amended by chapter 53 of the laws of 1990, subdivision 4 as amended by chapter 748 of the laws of 1987 and subdivision 5 as amended by chapter 886 of the laws of 1986, are amended to read as follows:

2. Each board of education or board of cooperative educational services which applies for funds under this section shall prepare a plan for implementation of a mentor teacher-internship program consistent with article fourteen of the civil service law. The plan shall be developed in accordance with this section and regulations of the commissioner. The board of education or board of cooperative educational services shall submit an application and plan by May first of the current year for approval by the commissioner; provided however for the nineteen hundred ~~[eighty-six--eighty-seven]~~ ninety-seven--ninety-eight school year, such plan may be submitted by ~~[August]~~ November first, nineteen hundred ~~[eighty-six]~~ ninety-seven.

4. Each board of education and board of cooperative educational services which determines to participate in the mentor teacher-internship program shall require those first or second year eligible teachers which it chooses to include in the program to perform their duties under the guidance of a mentor teacher, and shall ensure that such teacher intern and mentor carry no more than ~~[an-eighty]~~ a ninety percent classroom instruction assignment in order to allow such teacher intern time to receive special assistance from a mentor teacher. In order to participate as a teacher intern in a mentor teacher-internship program, a first or second year teacher shall hold a provisional or permanent teaching certificate, temporary emergency license, regular license, or temporary per diem certificate for a field in which no licensed person is available to teach and shall not have participated in such program in the previous year.

5. A school district or board of cooperative educational services participating in an approved mentor teacher-internship program in the current year shall be eligible for aid including but not limited to costs related to release time of the intern and mentor teacher up to ten percent of the mentor teacher's salary and up to ~~twenty~~ ten percent of the teacher intern's salary respectively in accordance with the provisions of this subdivision. To receive such assistance, a school district or board of cooperative educational services must file a claim with the commissioner by October first of the current school year in a form prescribed by the commissioner which shall include the actual salary of each program participant as of September fifteenth of such year. The commissioner shall pay one-half of the amount of such assistance by January fifteenth of each year and shall pay the remaining amount based upon a final report filed by the school district by August fifteenth of each year.

§ 117-c. Subdivision 8 of section 316 of the education law, as amended by chapter 170 of the laws of 1994, is amended to read as follows:

8. Funds provided each school year to school districts and boards of cooperative educational services by the commissioner to plan, establish and operate teacher resource and computer training centers shall not exceed two million dollars per center, except that for the city school district for the city of New York such center shall not exceed ~~six~~ seven million five hundred thousand dollars; and provided further that each approved center shall receive not less than twenty thousand dollars.

§ 117-d. For the summer food service program. Funds for the summer food service program shall be expended subject to the limitation of funds available and may be used to reimburse sponsors of non-profit summer feeding programs based upon the number of federally reimbursable breakfasts, lunches, suppers and snacks served to children under such program agreements entered into by the United States Department of Agriculture and such sponsors, in accordance with an act of Congress entitled the "Child Nutrition Act of 1966," P.L. 89-642, as amended. Sponsors that applied for but did not receive federal reimbursement for snacks because the snacks were served as a fourth meal may receive state reimbursement for those meals but the number of snacks claimed by a sponsor may not exceed the number of suppers claimed.

§ 117-e. Section 3641 of the education law is amended by adding a new subdivision 9 to read as follows:

9. Targeted instructional staff development grants. a. In the nineteen hundred ninety-seven--ninety-eight school year and thereafter, within the amount appropriated for such purpose, the commissioner shall provide grants pursuant to this subdivision to: (1) school districts, and (2) school districts working in collaboration with institutions of higher education and/or teacher resource and computer resource centers, and (3) providers of pre-kindergarten services which are receiving funding pursuant to section three thousand six hundred two-e of this article, for services and expenses related to targeted instructional staff development grants.

b. School districts and providers of pre-kindergarten services seeking a grant pursuant to this subdivision shall submit a plan for approval of the commissioner that details how the school district will use the grant funds to provide effective and grade-level appropriate staff development programs that are targeted on one or more of the instructional areas specified in paragraph c of this subdivision. Such plan shall be in a

form prescribed by the commissioner and shall include, but not be limited to, a proposed budget, and a description of:

(1) the program, including, but not limited to, its purpose and target population;

(2) how the new program shall be integrated with, and will supplement, the district's existing in-service staff development program;

(3) when the staff development program shall be offered to teachers and the arrangements made by the school district to assure that teachers are able to attend, including, but not limited to, arrangements for substitute teachers;

(4) the local funds, if any, that will be made available to support the new staff development program; and

(5) a plan for evaluation of the effectiveness of the program, which shall include, but need not be limited to, a survey of all participating teachers.

c. Staff development programs funded pursuant to this subdivision shall be targeted for specialized in-service training in one or more of the following areas:

(i) understanding and implementing the new higher standards and assessments as promulgated by the board of regents and the commissioner;

(ii) effective use of technology in instruction;

(iii) instruction of children who are participating in pre-kindergarten programs approved pursuant to section three thousand six hundred two-e of this article;

(iv) instruction of children with disabilities within a regular education setting;

(v) instruction of nondisabled children who demonstrate the need for increased academic attention; and

(vi) other areas of need demonstrated by the district that relate directly to student instruction and are approved by the commissioner.

d. Grants shall be awarded on a competitive basis in accordance with criteria established by the commissioner. Grant funds may be used for the approved expenses of the staff development program as defined by the commissioner, provided that such approved expenses shall include, but need not be limited to, reasonable travel costs for instructors, reasonable costs for the use of technology to provide staff development programs at a distance, and the actual cost to the district of employing substitute teachers for teachers participating in the program exclusive of any state aid payable for such costs.

e. The commissioner shall be authorized to adopt regulations to implement the provisions of this subdivision.

f. In the event the appropriation for purposes of this paragraph in any year is insufficient to pay all claims received pursuant to this paragraph, the commissioner shall pay such claims on a prorated basis among all districts filing such claims until the appropriation is exhausted. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the aid payable pursuant to this paragraph shall not exceed one million five hundred thousand dollars (\$1,500,000); for the nineteen hundred ninety-nine--two thousand school year the aid payable pursuant to this paragraph shall not exceed five million dollars (\$5,000,000); and for the two thousand--two thousand one school year and thereafter the aid payable pursuant to this paragraph shall not exceed ten million dollars (\$10,000,000).

§ 117-f. Notwithstanding any other law, rule or regulation to the contrary, expenditures from the Batavia medicaid income account shall be recovered from revenues derived from medicaid reimbursements. Moneys of

this account, following appropriation by the legislature, shall be available to the state education department for services and expenses related to the operation of the Batavia intermediate care facility.

§ 117-g. Adjusted valuation for school aid. 1. Definitions. For the purposes of this act:

a. "Eligible assessment reduction" means a reduction on an assessment roll of at least twelve and one-half percent in the taxable assessed valuation of a parcel or group of parcels in a school district resulting from a court order or judgement, as verified by the state comptroller provided that:

(i) such parcels or group of parcels are used for industrial purposes;

(ii) the lost actual valuation, as defined herein, represents at least five percent, as determined by the state comptroller, of the actual valuation of taxable real property within the school district as defined in section 3602 of the education law.

b. "Parcel or parcels used for industrial purposes" means and includes all parcels used for industrial purposes including any parcels used therewith in conjunction with such industrial operations, provided that each such parcel or group of parcels is owned by single owners or by wholly-owned subsidiaries of such single owners.

c. "Lost actual valuation" means the value that shall be computed by the state comptroller by dividing the amount of the eligible assessment reduction by the equalization rate applicable to the assessment roll so reduced.

d. "Actual valuation adjustment for aids payable in the 1997--98 school year" means the sum of any lost actual valuation as defined in subdivision c of this section for the assessment rolls completed in 1995 and 1996.

e. "Actual valuation adjustment for aids payable in the 1998--99 school year" means any lost actual valuation as defined in subdivision c of this section for the assessment roll completed in 1996.

f. "Adjusted actual valuation for aids payable in 1997--98" means the difference of the actual valuation, as defined in section 3602 of the education law for aids payable in such year, minus the actual valuation adjustment for aids payable in the 1997--98 school year as defined in subdivision d of this section.

g. "Adjusted actual valuation for aids payable in the 1998--99 school year" means the difference of the actual valuation, as defined in section 3602 of the education law for aids payable in such year, minus the actual valuation adjustment for aids payable in the 1998--99 school year as defined in subdivision e of this section.

h. "School district" means the city school district of the city of Fulton in Oswego county.

2. Any other provision of any other law to the contrary notwithstanding, the commissioner of education shall use adjusted actual valuation for aids payable in the 1997--98 school year for the computation of school aid payable for the 1997--98 school year, and shall use adjusted actual valuation for aids payable in the 1998--99 school year for the computation of school aid payable in the 1998--99 school year.

3. The state board of real property services, the state comptroller and the commissioner of education may adopt regulations for the purpose of carrying out the provisions of this act.

§ 117-h. School district cash flow study commission. (a) There is hereby established a school district cash flow study commission to conduct a study of the revenue and expenditure patterns of schools districts and of the state, and the impact thereon of state school aid

payments including grants in aid, lottery and the school tax relief (STAR) exemption. The commission shall be comprised of the state education commissioner, the state comptroller, the director of the division of the budget, the executive director of the state board of real property tax services and one member, to be appointed by the governor, who shall be representative of members of school boards in New York state. The commissioner of education shall serve as the chair of the commission.

(b) Functions of the commission. The commission shall advise the governor, the temporary president of the senate and the speaker of the assembly with respect to potential modifications and improvements in the means by which state aid and STAR is provided to school districts pursuant to section thirty-six hundred nine of the education law and section thirteen hundred six-a of the real property tax law. The commission shall, at the discretion of the chair, solicit public comment and report such comment as part of the final report. Such study shall address but not be limited to the following issues related to: the relative adequacy of the current methods of distributing state aid periodically throughout the school year in meeting the cash flow needs of school districts; the potential impact on school district interest earnings, if any, resulting from state school aid payments pursuant to existing statutory provisions; the potential that changes in state/local cash flow patterns will create a need for local short-term borrowing and the cost, if any, thereof; and the need for alternative mechanisms to minimize any potential effects.

(c) Study report. On or before March 31, 1998, the commission shall complete and submit to the governor, the temporary president of the senate and the speaker of the assembly a final report which details its findings with respect to the issues and the interrelationship addressed in the study of STAR and school district cash flow addressed in the study of school district cash flow.

§ 118. Severability. The provisions of this act shall be severable, and if the application of any clause, sentence, paragraph, subdivision, section or part of this act to any person or circumstance shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not necessarily affect, impair or invalidate the application of any such clause, sentence, paragraph, subdivision, section, part of this act or remainder thereof, as the case may be, to any other person or circumstance, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

§ 119. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after July 1, 1997, except that:

(1) sections one and seventy-eight of this act shall take effect immediately, and the commissioner of education is authorized and directed to promulgate the regulations necessary to implement the provisions of such sections within 180 days of such effective date;

(2) sections five through ten, sixteen through twenty-six, twenty-eight and twenty-nine of this act shall take effect immediately, and shall first apply to annual school district meetings and elections held on and after April 1, 1998 and to school district budgets for the 1998-99 school year and thereafter;

(3) section twelve of this act shall be deemed to have been in full force and effect on and after the effective date of section 18 of chapter 474 of the laws of 1996;

(4) section thirty-three of this act shall be deemed to have been in full force and effect on and after the effective date of section 31 of chapter 474 of the laws of 1996;

(5) section forty of this act shall take effect immediately and shall be deemed to have been in full force and effect on and after the effective date of section 41 of chapter 474 of the laws of 1996;

(6) section forty-one of this act shall take effect immediately;

(7) section fifty-seven of this act shall take effect on the first day of July next succeeding the date on which it shall have become a law, provided, however, that the provisions of this act shall not apply to any payments scheduled after the effective date of this act for the school year immediately preceding such effective date;

(8) sections sixty-four and sixty-five of this act shall be deemed to have been in full force and effect on and after July 1, 1996;

(9) sections sixty-seven and sixty-eight of this act shall be deemed to have been in full force and effect on and after the effective date of section 86 of chapter 474 of the laws of 1996;

(10) section seventy-three of this act shall be deemed to have been in full force and effect on and after September 1, 1996;

(11) sections eighty through ninety-two, one hundred eleven, one hundred eleven-a, one hundred twelve through one hundred fifteen, and one hundred seventeen shall be deemed to have been in full force and effect on and after April 1, 1997, provided that sections one hundred eleven-a and one hundred seventeen-f of this act shall be deemed to be repealed on and after March 31, 1999;

(12) section ninety-four-a of this act shall be deemed to have been in full force and effect on and after sections 1 and 5 of chapter 562 of the laws of 1996;

(13) section seventy-nine of this act shall take effect on July 1, 1998;

(14) section ninety-four of this act shall be deemed to have been in full force and effect on and after the effective date of section 16 of chapter 642 of the laws of 1996;

(15) section ninety-five of this act shall be deemed to have been in full force and effect on and after the effective date of section 123 of chapter 474 of the laws of 1996;

(16) section ninety-six of this act shall be deemed to have been in full force and effect on and after the effective date of subdivision 6 of section 268 of chapter 474 of the laws of 1996;

(17) section ninety-seven of this act shall be deemed to have been in full force and effect on and after the effective date of section 33 of chapter 301 of the laws of 1996;

(18) section ninety-eight of this act shall be deemed to have been in full force and effect on and after the effective date of section 116 of chapter 474 of the laws of 1996;

(19) section ninety-nine of this act shall be deemed to have been in full force and effect on and after the effective date of section 140 of chapter 82 of the laws of 1995; and

(20) provided, however, that nothing contained herein shall be deemed to affect the application, qualification, expiration, reversion or repeal of any provision of law amended by any section of this act and the provisions of this act shall be applied or qualified or shall expire

or revert or be deemed repealed in the same manner, to the same extent and on the same date as the case may be as otherwise provided by law.

 REPEAL NOTE.-- 1. Subdivision 2 of section 2002 of the education law, proposed to be repealed by section seventeen of this act, relates to the date of the annual meeting in certain school districts.

2. Subdivisions 3 and 4 of section 2004 of the education law, proposed to be repealed by section seventeen of this act, relate to the notice of the annual meeting in certain school districts.

3. Subdivision 3 of section 2006 of the education law, proposed to be repealed by section nineteen of this act, relates to propositions to hold elections and budget votes separately from the annual meeting in common school districts.

4. Section 2013 of the education law, proposed to be repealed by section twenty of this act, relates to holding elections and budget votes separately from the annual meeting in union free school districts.

5. Subdivisions 3, 4, 5 and 6 of section 2017 of the education law, proposed to be repealed by section twenty-one of this act, relates to holding elections and budget votes separately from the annual meeting in union free school districts divided into election districts.

6. Section 2022-a of the education law, proposed to be repealed by section twenty-five of this act, relates to a uniform voting date for school districts in certain counties.

7. Paragraph b of subdivision 7 of section 2034 of the education law, proposed to be repealed by section twenty-six of this act, relates to the counting of ballots in school districts holding elections separately from the annual meeting.

8. Section 3609 of the education law, as proposed to be repealed by section sixty-one-a of this act, relates to moneys apportioned to school districts and payments of such moneys prior to June 30, 1993;

9. Section 33 of chapter 301 of the laws of 1996, proposed to be repealed by section ninety-seven of this act, relates to aid for transportation of students to and from career education programs and was separately amended by section 84 of Chapter 474, Laws of 1996.

PART B

Section 1. Short title. This act shall be known and may be cited as "The Welform Reform Act of 1997".

§ 2. Subdivision 18 of section 2 of the social services law, as amended by chapter 1080 of the laws of 1974 and as renumbered by chapter 601 of the laws of 1981, is amended to read as follows:

18. Public assistance and care includes [~~home relief, veteran assistance, aid to dependent children~~] family assistance, safety net assistance, veteran assistance, medical assistance for needy persons, institutional care for adults and child care granted at public expense pursuant to this chapter.

§ 3. Section 2 of the social services law is amended by adding a new subdivision 19 to read as follows:

19. Public assistance refers to family assistance, safety net assistance and veteran assistance.

§ 4. The social services law is amended by adding a new section 36-b to read as follows:

§ 36-b. Local flexibility incentive pilot program. 1. The department, in cooperation with the department of labor, is authorized to establish the local flexibility incentive pilot program to enable social services districts or groups of social services districts, at local

option, to demonstrate innovations and efficiencies to aid public assistance recipients in attaining self-sufficiency.

2. Upon application of a social services district, the department, in cooperation with the department of labor, is authorized to approve funding for pilot programs subject to the approval of the director of the budget, separate from state aid that said social services district or social services districts would otherwise be eligible to receive, and to waive state regulations that would impede the successful completion of a project, provided that the demonstration project is consistent with applicable state and federal statutes and will not impair the general health or welfare of the people receiving services under such project or others receiving services in the applying social services district. The department is authorized, in consultation with the department of labor where appropriate to impose appropriate alternative standards in place of any waived requirements.

3. Applications for pilot project approval shall include, but not be limited to, the name of the applying social services district or group of social services districts, the population, size of its welfare-related programs including medical assistance, family assistance, safety net assistance, emergency assistance to families or its successor programs; size of the population to be subject to the pilot project, the project proposed, with quantified cost savings and an explanation of how such project, if approved, would result in cost containment of the amounts described in the application or improvements in the delivery of services and benefits; the start date and completion date of the project; whether, if successful, the project would require funding in future years; and identification, as necessary, of any rules, regulations or statutory requirements that could impede the successful completion of the project.

4. If a project is approved, then, notwithstanding any inconsistent provision of law, the department shall provide funding of the project within amounts available by appropriation therefor, provided that no social services district or group of social services districts shall receive more than twenty-five percent of the funds available in any single year. No payment will be made until thirty days after the agreement has been executed. An approved applicant that shall achieve its cost-savings goal shall receive full reimbursement for the costs of such project as such amount shall have been approved by the department in cooperation with the department of labor. In no case shall the state or any of its agencies require remission or repayment of funds saved by any applicant. Reimbursement for successful applicants pursuant to the provisions of this section shall not take place until the department shall have been satisfied as to the savings levels actually achieved.

5. Each social services district or group of social services districts implementing a pilot project under this section shall establish an on-going program evaluation and assessment program employing objective measurements and systematic analysis to determine the manner and extent to which the project is achieving the intended primary objective of the project. Each evaluation and assessment program shall include an annual performance plan with goals which establish target levels of performance expressed as tangible, measurable objectives against which actual achievement can be compared, including a goal expressed as a qualitative standard, value or rate. Each participating social services district or group of social services districts shall submit an annual program performance report for the prior fiscal year to the department, the department of labor and to the governor, the speaker of the assembly and the majority leader of the senate documenting the

performance achieved compared with the performance goals established for the pilot project, improvements in the quality of services provided and any cost savings; an explanation if a performance goal was not met and an assessment of the effectiveness in achieving performance goals.

6. Notwithstanding any provision of law to the contrary, state reimbursement for expenditures made by a social services district for administration of any project, including expenditures made in connection with the development, if performed by a county employee or employees, implementation and operation thereof, shall not be subject to any limitations on administrative expenditures, ceilings or caps which otherwise would apply to the reimbursement of such administrative expenditures.

§ 5. Section 39 of the social services law is amended by adding a new subdivision 8 to read as follows:

8. The department may enter into an agreement, contract or compact with an Indian tribe or intertribal consortium for the provision of welfare related services by social services districts or by any tribe or tribes in connection with a tribal plan for direct tribal funding and administration of federal temporary assistance to needy families block grant monies.

§ 6. Paragraph (d) of subdivision 3 of section 131-a of the social services law is REPEALED and section 117 of the social services law is amended by adding a new subdivision 3 to read as follows:

3. (a) Notwithstanding any other provision of law, no public assistance benefits shall be paid to or for any person who is not a resident of the state as provided in this article, except that assistance shall be provided to a person who is otherwise eligible during the first twelve months in the state at a rate not exceeding the higher of fifty percent of the amount otherwise payable or the standard of need applicable to the person under the laws of the state, if any, in which he or she resided immediately prior to arrival in this state, but under no circumstances may such allowances exceed the amounts payable to a resident under this chapter; and no assistance shall be provided for any alien who is not a resident of the state, as provided in this article, except as set forth in paragraph (b) of this section and except persons domiciled in the state on the effective date of this section. For purposes of this section, the standard of payment applicable in another state shall refer to a schedule of comparative grants to be promulgated biennially, setting forth the amount of that state's maximum standard of payment with respect to each such program, if any, for each household size for any state which financially participates in or mandates a program under title IV-A of the federal social security act or a general assistance or disability assistance program.

(b) This subdivision shall not apply to any person entitled to federally funded refugee cash assistance under Title IV of the Immigration and Nationality Act or to any person participating in a project authorized under section 412(e) of the Immigration and Nationality Act.

§ 7. The social services law is amended by adding a new section 122 to read as follows:

§ 122. Aliens. 1. Notwithstanding any law to the contrary, no person except a citizen or an alien who has been duly naturalized as a citizen shall be eligible to participate in the federal food stamp program, additional state payments for aged, blind and disabled persons, family assistance, safety net assistance, services funded under title XX of the federal social security act, or medical assistance, subject to the following exceptions:

(a) The following persons shall, if otherwise eligible, receive benefits under any such programs:

(i) a refugee who entered the United States within the previous five years, or such other period or periods as may be provided with respect to such person under federal laws governing eligibility for federal food stamps, supplemental security income, benefits under the temporary assistance to needy families block grant program and services funded under title XX of the social security act;

(ii) an asylee who was granted asylum within the previous five years, or such other period or periods as may be provided with respect to such person under federal laws governing eligibility for federal food stamps, supplemental security income, benefits under the temporary assistance to needy families block grant program and services funded under title XX of the social security act;

(iii) a person for whom deportation was withheld within the previous five years, or such other period or periods as may be provided with respect to such person under federal laws governing eligibility for federal food stamps, supplemental security income, benefits under the temporary assistance to needy families block grant program and services funded under title XX of the social security act;

(iv) a person lawfully admitted for permanent residence who has worked for forty quarters as defined under title II of the federal Social Security Act, exclusive of any quarter after the thirty-first day of December, nineteen hundred ninety-six in which such person received any federal means tested assistance;

(v) any alien lawfully residing in the state who is on active duty in the armed forces or who has received an honorable discharge from the armed forces or the spouse or unmarried dependent child of any such alien.

(b) The following persons, not described in paragraph (a) of this subdivision, shall, if otherwise eligible, be eligible for family assistance, medical assistance, safety net assistance and services pursuant to title XX of the federal social security act and shall be eligible for additional state payments for aged, blind and disabled persons under the social services law only to the extent that such persons are not ineligible for federal SSI benefits due to their alien status, but shall be ineligible to participate in the federal food stamp program:

(i) an alien who is a qualified alien as defined in section 431 of the federal personal responsibility and work opportunity reconciliation act of 1996 (8 U.S. Code 1641), as amended, who was a lawful resident of the United States before the twenty-second day of August, nineteen hundred ninety-six.

(ii) a qualified alien who entered the United States five years or more earlier with a status within the meaning of the term "qualified alien" as defined in section 431 of the federal personal responsibility and work opportunity reconciliation act of 1996 (8 U.S. Code 1641), as amended, if such entry occurred on or after the twenty-second day of August, nineteen hundred ninety-six.

(c) The following persons shall, if otherwise eligible, be eligible for safety net assistance and medical assistance, except that medical assistance shall be limited to care and services (not including care and services related to an organ transplant procedure) necessary for the treatment of an emergency medical condition as that term is defined in section 1903 of the federal social security act unless and until federal financial participation is available for the costs of providing medical

assistance provided, however, that any such person who, on the fourth day of August, nineteen hundred ninety-seven was residing in a residential health care facility licensed by the department of health or in a residential facility licensed, operated or funded by the office of mental health or the office of mental retardation and developmental disabilities, and was in receipt of a medical assistance authorization based on a finding that he or she was a person permanently residing in the United States under color of law shall, if otherwise eligible, be eligible for medical assistance:

(i) a qualified alien who entered the United States less than five years earlier with a status within the meaning of the term "qualified alien" as defined in section 431 of the federal personal responsibility and work opportunity reconciliation act of 1996 (8 U.S. Code 1641), as amended, if such entry occurred on or after the twenty-second day of August, nineteen hundred ninety-six;

(ii) an alien whose status is not within the meaning of the term "qualified alien" as defined in section 431 of the federal personal responsibility and work opportunity reconciliation act of 1996 (8 U.S. Code 1641), as amended, but who is otherwise permanently residing in the United States under color of law.

(d) A person paroled into the United States for a period of less than one year shall, if otherwise eligible, be eligible to receive any state or local non-federal assistance provided under this chapter on the same terms as such programs are available to persons who are qualified aliens as defined in section 431 of the federal personal responsibility and work opportunity reconciliation act of 1996 (8 U.S. Code 1641), as amended.

(e) Nothing herein shall preclude the receipt by any alien of community based non-cash assistance in accordance with the directions of the United States attorney general or the receipt of medical assistance for care and services (not including care and services related to an organ transplant procedure) necessary to treat an emergency medical condition as that term is defined in section 1903 of the federal social security act.

2. Any alien, including an alien who is not a qualified alien as defined in section 431 of the federal personal responsibility and work opportunity reconciliation act of 1996 (8 U.S. Code 1641), as amended, is eligible for adult protective services and services and assistance relating to child protection to the extent that such person is otherwise eligible pursuant to this chapter and the regulations of the department.

3. Each social services district shall report to the department, in accordance with regulations of the department, the name and address and other identifying information known to it with respect to any alien known to be unlawfully in the United States.

4. To the extent permitted by federal law and regulation, the income and resources of a sponsor of an alien, who has signed an affidavit of support pursuant to section 213A of the immigration and naturalization act, and the income and resources of such sponsor's spouse, shall be deemed available to such alien for purposes of determining the eligibility of such alien for family assistance and medical assistance.

5. If and to the extent that the family assistance, safety net assistance, state additional payments in the supplemental security income program, emergency assistance to aged, blind or disabled adults or medical assistance is paid to or on behalf of an alien for whom an affidavit of support pursuant to section 213A of the immigration and naturalization act has been signed, the social services district shall

request reimbursement by the sponsor in the amount of such assistance, and, if the sponsor does not within forty-five days of such request indicate a willingness to commence payments, such social services district may commence an action against the sponsor pursuant to the affidavit. Remedies available to enforce an affidavit of support include all of the remedies described in sections 3201, 3202, 3204 and 3205 of title 28 of the United States Code, as well as an order for specific performance and payment of legal fees and other costs of collection, and include corresponding remedies available under state law; provided, however, that no action shall be brought more than ten years after assistance was last given.

6. Nothing in this section shall be interpreted as affecting the eligibility for pre-natal care benefits for persons otherwise eligible for such benefits pursuant to Lewis v. Grinker (CV79-1740).

§ 8. Intentionally omitted.

§ 9. Intentionally omitted.

§ 10. Subdivision 6 of section 131 of the social services law, as added by chapter 81 of the laws of 1995, is amended to read as follows:

6. No individual who is under the age of eighteen and ~~[has never]~~ is not married, who resides with and provides care for his or her dependent child or is pregnant and otherwise entitled to ~~[aid to dependent children]~~ family assistance shall receive ~~[aid to dependent children]~~ family assistance for himself~~[,]~~ or herself ~~[or such dependent child,]~~ unless the individual, individual and child or pregnant woman resides in a place of residence maintained as a home by the individual's parent, legal guardian or other adult relative or ~~[resides]~~ in an adult-supervised supportive living arrangement. Where possible, any such benefits to be paid on behalf of such individual, individual and child or pregnant woman shall be provided by the social services district to the parent, legal guardian or other adult relative with whom such individual, individual and child or pregnant woman resides. ~~[This subdivision]~~ The requirement to reside with a parent, guardian or adult relative shall not apply if (a) the individual has no living parent ~~[or]~~ legal guardian or other appropriate adult relative who is living or whose whereabouts are known or (b) no living parent or legal guardian of such individual allows the individual to live in his or her home or (c) ~~[the individual has lived apart from his or her parent or legal guardian for at least one year prior to the birth of any such dependent child or prior to applying for assistance or (d) the physical or the emotional health or safety of such individual or dependent child would be jeopardized]~~ the individual or minor child is being or has been subjected to serious physical or emotional harm, sexual abuse or exploitation in the residence of the parent or guardian or (d) substantial evidence exists of imminent or serious harm if such individual or dependent child ~~[lived]~~ were to live in the same residence with the individual's parent or legal guardian or (e) ~~[there is other good cause for waiving the applicability of this subdivision]~~ it is in the minor child's best interests to waive such requirement with respect to the individual or minor child, as determined in accordance with department regulations, consistent with federal law and regulations. Unless the individual's current living arrangement is appropriate, an individual and his or her minor child who are not required hereunder to reside with a parent, guardian or adult relative shall be required as a condition of assistance to reside in an adult supervised supportive living arrangement approved by the district in accordance with standards set by the department and taking into account the needs and concerns of the individual,

including but not limited to a second chance home or maternity home. A "second chance home" is a facility which provides teen parents with a supportive and supervised living arrangement in which they are required to learn parenting skills, including child development, family budgeting, health and nutrition and other skills to promote long-term economic independence and the well-being of their children. Social services districts shall provide adult supervised supportive living arrangements or assist individuals in locating them. If a child subject to the [provisions] requirements of this subdivision alleges facts which, if true, would render [~~this subdivision~~] the requirement to live with a parent, guardian or other adult relative inapplicable by reason of paragraph (c) or (d) of this subdivision, a social services district shall take no action to deny assistance under the authority of this subdivision unless it has duly investigated in accordance with section four hundred twenty-four of this chapter and made a contrary finding. If a social services district denies assistance after a child alleges facts which, if true, would render this subdivision inapplicable by reason of paragraph (c) or (d) of this subdivision, the applicant shall be entitled to a fair hearing pursuant to section twenty-two of this chapter held within thirty days of the request, if the request is timely made.

§ 11. Subdivisions 5 and 12 of section 131 of the social services law are REPEALED and five new subdivisions 5, 12, 14, 15 and 18 are added to read as follows:

5. No public assistance shall be given to an applicant for or recipient of public assistance who has failed to comply with the requirements of this chapter, or has refused to accept employment in which he or she is able to engage.

12. Notwithstanding any provision of this chapter or other law to the contrary, no public assistance or food stamps shall be given to any individual during the ten-year period that begins on the date the individual is convicted in federal or state court of having made a fraudulent statement or representation with respect to his or her place of residence in order to receive public assistance, medical assistance or food stamps simultaneously from two or more states or supplemental security income in two or more states. The preceding sentence shall not apply with respect to a conviction of an individual in any month beginning after the president of the United States grants a pardon with respect to the conduct which was the subject of the conviction.

14. (a) Notwithstanding any provision of this chapter or other law to the contrary, no public assistance shall be given to any individual who is (i) fleeing to avoid prosecution or custody or conviction under the laws of the place from which the individual flees for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees or which, in the case of the state of New Jersey, is a high misdemeanor under the laws of such state or (ii) violating a condition of probation or parole imposed under federal or state law.

(b) For purposes of this section, if and to the extent permitted by federal law, a person shall be considered to be violating a condition of probation or parole only if:

(i) he or she is currently an absconder from probation or parole supervision and a warrant alleging such a violation is outstanding; or

(ii) he or she has been found by judicial determination to have violated probation or by administrative adjudication by the division of parole to have violated parole.

Such person shall be considered to be violating a condition of probation or parole only until he or she is restored to probation or parole supervision or released from custody, or until the expiration of the person's maximum period of imprisonment or supervision, whichever occurs first.

(c) A person considered to be violating a condition of probation or parole under this section shall include a person who is violating a condition of probation or parole imposed under federal law.

(d) For purposes of this section, probation or parole shall include conditional release, wherever applicable.

15. Notwithstanding any provision of this chapter or other law to the contrary, no public assistance shall be given to or for any minor child who has been or is expected to be absent from the home of his or her parent or other caretaker relative for a consecutive period of forty-five days or more without good cause as set forth in regulations of the department, nor shall any assistance be given to any parent or other caretaker relative who fails to notify the social services district of the absence of the minor child within five days after it becomes clear to the parent (or relative) that the child will be absent for a consecutive period of forty-five days or more. Good cause shall include absence for placement in foster care if the goal set forth in the child service plan under section four hundred nine-e of this chapter is the return of the child to a member of the household, or attendance at school or hospitalization, if it is in the best interests of the child to return home and return is expected within a reasonable time.

18. Notwithstanding any provision of this chapter or other law to the contrary, no public assistance shall be given to any parent under the age of eighteen, who is not married and has a minor child twelve weeks of age or more in his or her care and who has not successfully completed a high school education or its equivalent if such individual does not participate in educational activities directed toward the attainment of a high school diploma or its equivalent or an alternative educational or training program directly related to employment and approved by the social services district. No person shall be denied assistance under this subdivision during any period of time in which enrollment in required educational activities is not available. Nothing herein shall prohibit a social services district from requiring any person to work toward attaining a secondary school diploma or its equivalent unless such person has been determined by a medical, psychiatric or other appropriate professional to lack the requisite capacity to complete successfully such a course of study.

§ 12. Subdivisions 3-a, 3-b, 6 and 11 of section 131-a of the social services law are REPEALED and subdivisions 1, 3, 7, 8, paragraph (f) of subdivision 5, the first undesignated paragraph of subdivision 9, paragraph (a) of subdivision 10 and paragraph (a) of subdivision 12 of section 131-a of the social services law, subdivision 1 as amended by chapter 521 of the laws of 1987, subdivision 3 as amended by chapter 1053 of the laws of 1981, paragraph (a) of subdivision 3 as amended by chapter 77 of the laws of 1989, paragraph (c) of subdivision 3 as added by chapter 548 of the laws of 1983, paragraph (d) of subdivision 3 as added by chapter 81 of the laws of 1995, paragraph (f) of subdivision 5 as amended by chapter 717 of the laws of 1996, subdivision 7 as amended by chapter 953 of the laws of 1976, subdivision 8 as added by chapter 1053 of the laws of 1981, subparagraph (ii) of paragraph (a) of subdivision 8 as amended by chapter 734 of the laws of 1989, subparagraph (iii) of paragraph (a) of subdivision 8 as amended by chapter 717 of the laws

of 1996, subparagraph (iv) of paragraph (a) of subdivision 8 as amended by chapter 734 of the laws of 1989, subparagraph (v) of paragraph (a) of subdivision 8 as amended by chapter 818 of the laws of 1990, subparagraph (vi) of paragraph (a) of subdivision 8 as added by chapter 42 of the laws of 1985, subparagraph (vii) of paragraph (a) of subdivision 8 as added by chapter 568 of the laws of 1985, the closing paragraph of paragraph (a) of subdivision 8 as amended by chapter 42 of the laws of 1985, the opening paragraph of subdivision 9 as added by chapter 1053 of the laws of 1981, paragraph (a) of subdivision 10 as amended by chapter 568 of the laws of 1985 and paragraph (a) of subdivision 12 as added by chapter 42 of the laws of 1985, are amended to read as follows:

1. Any inconsistent provision of this chapter or other law notwithstanding, social services officials shall, in accordance with the provisions of this section and regulations of the department, provide [~~home relief, veteran assistance and aid to dependent children,~~] public assistance to needy persons who constitute or are members of a family household, who are determined to be eligible in accordance with standards of need established in subdivision two. Provision for such persons, for all items of need, less any available income or resources which are not required to be disregarded by other provisions of this chapter, shall be made in accordance with this section. Such provision shall be made in monthly or semi-monthly allowances and grants within the limits of the schedules included in subdivision three of this section except for additional amounts which shall be included therein for shelter, fuel for heating, additional cost of meals for persons who are unable to prepare meals at home and for other items for which specific provision is otherwise made in article five. As used in this section the term "shelter" may include a grant not to exceed two thousand five hundred dollars toward the purchase of an interest in a cooperative. A social services official shall require assignment of recipient's equity in such cooperative housing in accordance with the rules of the board and regulations of the department.

3. (a) Persons and families determined to be eligible by the application of the standard of need prescribed by the provisions of subdivision two less any available income or resources which are not required to be disregarded by other provisions of this chapter, shall receive maximum monthly grants and allowances in all social services districts in accordance with the following schedule, for [~~home relief (including veteran assistance) and aid to dependent children:~~] public assistance:

Number of Persons in Household

One	Two	Three	Four	Five	Six
\$112	\$179	\$238	\$307	\$379	\$438

For each additional eligible needy person in the household there shall be an additional allowance of sixty dollars monthly.

(b) Notwithstanding the provisions of this section or any other law to the contrary, no payment of [~~home relief, aid to dependent children or veteran~~] public assistance shall be made for any month if the amount of such payment would be less than ten dollars per month.

(c) The amount of the monthly grant and allowance, when not a whole dollar amount, shall be rounded to the next lower whole dollar amount.

~~[(d) Notwithstanding any other provision of law, the payment for any person who applies for home relief or aid to dependent children benefits within six months of establishing residency in the state, shall for the~~

~~first six months after establishing residency, be limited to the standard of payment, if any, that would apply to the applicant under the laws of the state, if any, in which he or she resided immediately prior to establishing residency in this state, provided that in no event shall such amount be greater than one hundred percent of the grant for which the person would be otherwise eligible under this title, and no home relief or aid to dependent children benefits shall be payable to any persons for the first six months after establishing residency in the state, if such person's most recent residence is outside the United States, its territories or possessions. For the purposes of this section, the standard of payment which would be available under the laws of another state shall refer to a schedule of comparative grants to be promulgated biennially. Such schedule shall set forth, for any state which financially participates in or mandates a program of assistance generally available to needy persons meeting specified income and resource requirements, the amount of that state's maximum standard of payment, if any, for each household size. The schedule also shall set forth comparable information for each state's aid to families with dependent children program. This section shall apply to recipients of aid to dependent children only if all necessary approvals of the appropriate federal agency are obtained.]~~

~~[(f) child day care, meeting all applicable standards set forth in section three hundred ninety of this chapter or the administrative code of the city of New York, including child day care in a child day care center, family day care home, group family day care home, school age child care program, or in home care which is not subject to licensure, certification or registration, or any other lawful form of care for less than twenty-four hours per day, provided the caretaker relative is employed, participating in educational, training or employment activities under this chapter or orientation, assessment or in any activities authorized under title nine-B of this article or is physically or mentally incapacitated, or in cases where family duties away from home necessitate the caretaker relative's temporary absence, including provision for workers' compensation and other benefits as required by law when the in home care is in the recipient's own home, provided, however, that such official shall guarantee such child day care for participants in the job opportunities and basic skills training program pursuant to title nine-B of this article. The department shall promulgate regulations under which provision for child day care may be made by providing such care directly or through purchase of service contracts, cash, vouchers or reimbursement to caretaker relatives or such other arrangement as the department finds appropriate. Such regulations shall require that, when a care taker relative has paid for child day care before the social services district has made payment arrangements consistent with such primary methods, social services officials must reimburse such care to the extent provided in this subdivision; thereafter, and in all other cases, one of the primary methods listed herein shall be utilized in lieu of the disregard of earnings in clause (iii) of paragraph (a) of subdivision eight of this section; provided, however, that such disregard of earnings shall be used to the extent required by federal law or if necessary in order to receive federal reimbursement for child care costs under the aid to families with dependent children program. Such regulations shall further require the use of at least one method by which care arranged by the caretaker relative can be paid. Except as provided in subdivision six of this section, the amount to be paid or allowed for such child day care shall be the actual cost of such~~

~~care but not more than the local market rate as determined by the department in accordance with regulations issued by the secretary of the department of health and human services.]~~

7. Whenever a social services official finds that a recipient of public assistance has failed to fully apply the amount allowed in his grant for shelter to the payment of rent for his housing accommodations, unless rent is being withheld pursuant to law or court order, the social services official shall furnish such recipient's shelter allowance in the form of direct payments to the owner of such housing accommodations or his or her designated agent. ~~[With respect to home relief recipients, such payments shall be made without regard to the total home relief caseload, but with respect to federally aided public assistance categories, the number of cases so subject, when added to the cases subject to other forms of restrictive payments, may not exceed such proportion of the total caseload as may be established by the department to insure full federal financial participation. The payment of shelter allowances pursuant to this subdivision shall be subject to such periodic review as the department shall by regulation prescribe.]~~

8. (a) In determining the need for aid provided pursuant to the [~~home relief, aid to dependent children or veteran~~] public assistance programs, the following income earned during a month by applicants for or recipients of such aid shall be exempt and disregarded:

(i) all of the earned income of a dependent child receiving such aid or for whom an application for such aid has been made, who is a full-time student or part-time student, who is not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit him for gainful employment;

(ii) from the earned income of any child or relative applying for or receiving aid pursuant to such program, or of any other individual living in the same household as such relative and child whose needs are taken into account in making such determination, the first ninety dollars of the total of such earned income for such month;

(iii) ~~[to the extent required by federal law or to the extent necessary to obtain federal reimbursement under the aid to families with dependent children program for all or a portion of expenses which would otherwise be met pursuant to paragraph (f) of subdivision five of this section from the earned income of any child, relative or other individual specified in paragraph (b) of this subdivision, an amount equal to the necessary expenditures, as defined in department regulations, for care in such month for a dependent child, or any incapacitated individual living in the same home as the dependent child, receiving aid pursuant to such programs and requiring such care for such month, to the extent that such amount for each such dependent child or incapacitated individual does not exceed one hundred seventy-five dollars or, in the case of a child under the age of two, two hundred dollars, or such lesser amount as the department may by regulation prescribe, consistent with federal requirements, in the case of an individual not engaged in full-time employment or not employed throughout the month;~~

(iv) ~~from the earned income of any child or relative receiving aid pursuant to such programs or of any other individual living in the same household as such child or relative whose needs are taken into account in making such determination, an amount equal to (1) the first thirty dollars of such total earned income not already disregarded under subparagraphs (i), (ii), (iii), (vi) and (vii) of this paragraph plus (2) one-third of the remainder thereof; provided, however, that the department is authorized to promulgate regulations providing that the~~

~~amount to be considered exempt and disregarded hereunder shall be calculated without regard to the amount under subparagraph (iii) of this paragraph if required by federal law and regulations.]~~ forty-two percent of the earned income for such month of any recipient in a family assistance household which remains after application of all other subparagraphs of this paragraph; provided, however, that such percentage amount shall be adjusted in June of each year, commencing in nineteen hundred ninety-eight, to reflect changes in the most recently issued poverty guidelines of the United States Bureau of the Census, such that a household of three without special needs, living in a heated apartment in New York city and without unearned income would become ineligible for assistance with gross earnings equal to the poverty level in such guidelines; provided, however, that no assistance shall be given to any household with gross earned and unearned income in excess of the poverty level.

(v) the first fifty dollars received in such month which represent support payments timely paid in and for such month and the first fifty dollars received in such month which represent support payments timely paid in and for each of any prior months, in any household applying for or receiving public assistance, including support payments collected and paid to the public assistance household by the social services district;

(vi) for a period of six months in any calendar year, all of the earned income of a dependent child receiving such aid who is a full-time student.

(vii) all of the income of a dependent child living with a parent or other caretaker relative, who is receiving such aid or for whom an application for such aid has been made, which is derived from participation in a program carried out under the federal job training partnership act (P.L. 97-300) provided, however, that in the case of earned income such disregard must be applied for at least, but no longer than, six months per calendar year for each such child.

(viii) any federal income taxes refunded by reason of section thirty-two of the Internal Revenue Code of nineteen hundred eighty-six relating to the earned income tax credit or any payment by an employer under section three thousand five hundred seven of such code relating to advance payment of the earned income tax credit.

~~[For purposes of subparagraph (iv) of this subdivision, where the disregard provided for therein has been applied for four consecutive months, the disregard provided in clause two of such subparagraph shall not apply in any subsequent month, nor shall the disregard provided in clause one of such subparagraphs be applied in any month after the eighth month following such four consecutive months, for so long as such person continues to receive aid pursuant to such programs or until the expiration of a period of twelve consecutive months during which such person is not a recipient of such aid. Such subparagraph shall not apply to a home relief household which does not have within such household a dependent child under twenty years of age.]~~

(b) Notwithstanding the provisions of paragraph (a) of this subdivision, there shall not be disregarded under subparagraphs (ii) [7] and (iii) [~~or (iv)~~] of such paragraph any earned income of any of the persons to which subparagraph (ii) of such paragraph applies if such person:

(i) terminated his employment or reduced his earned income without good cause, within a period of not less than seventy-five days, or such other period of time as required by federal law or regulation, prior to a determination of need for [~~aid provided pursuant to the home relief,~~

~~aid to dependent children or veteran assistance programs~~ public assistance;

(ii) refused without good cause, within such seventy-five day period, to accept employment in which he is able to engage, which is offered through the public employment office of the New York state department of labor or refused to accept employment otherwise offered by an employer if the offer of such employer is determined by an appropriate social services official to be a bona fide offer of employment; or

(iii) failed without good cause to make a timely report to the appropriate social services district of earned income received in the month a determination of need is made.

(c) There shall not be disregarded under subparagraph ~~[(iv)]~~ (iii) of paragraph (a) of this subdivision any earned income of any of the persons specified in subparagraph (ii) of such paragraph, if the income of such person was in excess of his or her need, unless such person received ~~[aid under the home relief, aid to dependent children or veteran]~~ public assistance ~~[programs]~~ in one or more of the four months preceding the month of need determination and unless subparagraph ~~[(iv)]~~ (iii) of paragraph (a) of this subdivision has not been applied to such person's income for four consecutive months while such person was receiving such aid.

In determining the eligibility of a child for ~~[home relief, aid to dependent children or veteran assistance]~~ public assistance and the amount of such assistance for any month there shall be taken into consideration so much of the income of such dependent child's stepparent living in the same household as such child as exceeds the sum of:

(a) Notwithstanding the provisions of this section or any other law to the contrary, no person or family shall be eligible for ~~[home relief, aid to dependent children or veteran]~~ public assistance for any month in which the total income of the family, excluding benefits received under such programs and without application of the income exemptions and disregards provided in subparagraphs (i), (ii) ~~[7]~~ and (iii) ~~[and (iv)]~~ of paragraph (a) of subdivision eight of this section, exceeds one hundred eighty-five percent of the standard of need for a family of the same composition. Provided, however, that the income disregards provided in subparagraphs (v), (vi) and (vii) of paragraph (a) of subdivision eight of this section shall be applied in making the eligibility determination required by this paragraph.

(a) No public assistance household having income which, after application of applicable disregards, exceeds the household standard of need, because of the receipt in any month of a nonrecurring lump sum of earned or unearned income, shall be eligible for ~~[home relief, aid to dependent children or veteran assistance]~~ public assistance for a period equal to the full number of months derived by dividing (i) the sum of the lump sum income and all other income received in such month which is not excluded under subdivision eight of this section; by (ii) the standard of need for a family size which consists of the ~~[home relief, aid to dependent children or veteran]~~ public assistance household plus any other individuals whose lump sum income is considered available to such household. Any income remaining from this calculation is income in the first month following such period of ineligibility.

§ 13. Section 131-f of the social services law, as amended by chapter 1080 of the laws of 1974, is amended to read as follows:

§ 131-f. Retroactive social security benefit increases. Any inconsistent provisions of this title, other ~~[provision]~~ provisions of this chapter or of any other law notwithstanding, in determining the need for

~~[aid to dependent children]~~ family assistance, a social services official shall disregard, in addition to any other amounts which are required or permitted to be disregarded in determining such need, any retroactive lump sum payment made to an individual under title II of the social security act (or under the railroad retirement act of nineteen hundred thirty-seven by reason of the first proviso in section three (e) thereof), as a result of an increase in monthly benefits under the old age, survivors, and disability insurance system.

§ 14. The social services law is amended by adding a new section 131-i to read as follows:

§ 131-i. Social services districts; agreements. Subject to the provisions of section one hundred nineteen-o of the general municipal law, social services districts may enter into agreements for the performance among themselves or of one for another of any of their respective functions, powers and duties on a cooperative or contract basis or for the provision of a joint service; provided, however, that no such agreement shall result in any relocation of offices which would unreasonably diminish access to necessary services or unreasonably increase unreimbursed travel for applicants for or recipients of public assistance or services.

§ 15. Subdivisions 1, 3 and 4 of section 131-k of the social services law are REPEALED.

§ 16. Section 131-n of the social services law, as added by chapter 475 of the laws of 1976, is REPEALED and section 131-n of the social services law, as amended by chapter 635 of the laws of 1976, subdivision 1 as designated by chapter 817 of the laws of 1990 and subdivision 2 as amended by chapter 713 of the laws of 1996, is amended to read as follows:

§ 131-n. ~~[Additional exemption]~~ Exemption of income and resources ~~[pursuant to federal law and regulations]~~. 1. The following resources shall be exempt and disregarded in calculating the amount of benefits of any household under any public assistance program: two thousand dollars, or three thousand dollars in the case of households in which any member is over the age of sixty, the home which is the usual residence of the household, one automobile, up to four thousand six hundred fifty dollars fair market value, provided, however, that such amount shall be adjusted to equal the amount required to be exempted from consideration in determining eligibility for food stamps benefits, one burial plot per household member as defined in department regulations, bona fide funeral agreements up to a total of one thousand five hundred dollars in equity value per household member, funds in an individual development account established in accordance with subdivision five of section three hundred fifty-eight of this chapter and section four hundred three of the social security act and, for a period of six months, real property which the household is making a good faith effort to sell, in accordance with department regulations and tangible personal property necessary for business or for employment purposes in accordance with department regulations. If federal law or regulations require~~[, as a condition of qualifying for federal financial participation,]~~ the exemption or disregard of additional income and resources in determining need for ~~[aid to dependent children]~~ family assistance, or medical assistance not exempted or disregarded pursuant to any other provision of this chapter, the department may, by regulations subject to the approval of the director of the budget, require social services officials to exempt or disregard such income and resources. ~~[Such exemptions and disregards shall be limited solely to income resulting from increases in social security~~

~~benefits authorized by Public Law 92-336, and refunds required to be disregarded in federally aided programs by Public Law 94-164 for months prior to July first, nineteen hundred seventy-six, or any other federal law extending the requirement that refunds]~~ Refunds resulting from earned income tax credits shall be disregarded in [~~federally aided~~] public assistance programs.

2. If and to the extent permitted by federal law and regulations, amounts received under section 105 of Public Law 100-383 as reparation payments for internment of Japanese-Americans and payments made to individuals because of their status as victims of Nazi persecution as defined in P.L. 103-286 shall be exempt from consideration as income or resources for purposes of determining eligibility for and the amount of benefits under any program provided under the authority of this [~~article~~] chapter and under title XX of the Social Security Act[~~; provided, however, that such treatment shall be applied in the home relief program only to the extent that it is permitted under federal law in the program of aid to dependent children~~].

3. The department is authorized to establish regulations defining income and resources.

§ 17. Section 131-t of the social services law is REPEALED and a new section 131-t is added to read as follows:

§ 131-t. Periodic reporting. A social services official shall require each public assistance or food stamp household which currently is receiving or received earned income to submit periodic reports relating to factors affecting eligibility, to the extent and in the manner required by department regulations.

§ 18. Subdivisions 1 and 2 of section 131-y of the social services law, as added by chapter 81 of the laws of 1995, are amended to read as follows:

1. The department is authorized and directed to establish a program to be known as learnfare designed to prevent children from dropping out of school and to improve the attendance of children in school. In the first year, which is to commence not later than September, [~~nineteen hundred ninety-six,~~] nineteen hundred ninety-seven or as soon as practicable thereafter the program shall be implemented in six sites, three of which shall be in a social services district which is coterminous with a city. The program shall be implemented in [~~the next succeeding~~] September, nineteen hundred ninety-eight school year in fifteen sites, six of which shall be in a social services district which is coterminous with a city. The program shall be implemented in all social services districts for the school year beginning [~~two years after the initiation of the program. The department is authorized to seek waivers from the federal department of health and human services as may be necessary to implement the program~~] September, nineteen hundred ninety-nine. Social services districts shall develop plans in consultation with school districts setting forth arrangements with schools for attendance reporting, for the provisions of school based counseling service and for encouraging parental intervention and cooperation with the school to encourage attendance. Such plan shall include protection for the confidentiality of the identities of the students subject to these provisions consistent with section one hundred thirty-six of this chapter. Such plan shall also provide for the designation of one school administrator to administer the learnfare program in each school. School districts shall cooperate in the development of such arrangements and shall report in accordance therewith. The social services districts and the school districts

are encouraged to make full use of automation in record sharing. Such plans shall be submitted to the department for approval upon request.

2. Children in receipt of [~~aid to dependent children or home relief~~] family assistance or safety net assistance who are enrolled in school in participating sites in grades one through six shall be required to attend school in accordance with this section and the regulations of the department.

§ 19. Section 111-1 of the social services law is REPEALED and a new section 131-z is added to read as follows:

§ 131-z. Child assistance program. 1. Notwithstanding any other provision of law to the contrary, any district may operate a child assistance program as part of the family assistance program with the approval of the department. Approved expenditures for such child assistance program shall be subject to federal and state reimbursement as expenditures under the family assistance program in accordance with section one hundred fifty-three of this chapter. Provided, however, on or after January first, nineteen hundred ninety-eight the department shall reimburse social services districts for the administrative costs of this program in accordance with the provisions of subdivision sixteen of section one hundred fifty-three of this chapter. All custodial parent families receiving family assistance benefits shall be eligible for this program, provided they satisfy the requirements of this section, if they reside in a district which operates such a program.

2. Where a program has been authorized, child assistance payments pursuant to the provisions of this section may be made to custodial parents on behalf of minor children in accordance with the criteria specified in subdivisions three, four, five and six of this section in lieu of allowances determined in accordance with section one hundred thirty-one-a of this article. The amount of such child assistance payments shall be at least the sum of three thousand three hundred sixty dollars per annum for the first minor child and one thousand one hundred sixteen dollars per annum for each additional minor child, provided that such payments shall be reduced by the amounts specified in paragraph (a) of subdivision six of this section. The commissioner may develop a methodology which will provide for the periodic adjustment of the benefit level to reflect changes in maximum monthly grants and allowances authorized pursuant to section one hundred thirty-one-a of this article for the family assistance program. In addition, the child assistance payments shall be established so that the payments combined with earnings from full-time employment shall result in a family of three having income at or above the poverty level for nineteen hundred eighty-seven as reported by the federal department of health and human services.

3. No custodial parent who resides in a social services district or portion of such district in which a child assistance program is operated shall be eligible under this program for receipt of child assistance payments for a child, unless:

(a) An order of child support for such child has been made by a court of competent jurisdiction;

(b) The order of child support is payable through a support collection unit as created by section one hundred eleven-h of this chapter or such other administrative mechanism as may be designated by the commissioner; or the custodial parent has cooperated in taking the necessary steps to ensure that the child support order is payable through a support collection unit or other administrative mechanism;

(c) The parent subject to a support order described in paragraphs (a) and (b) of this subdivision is absent from the home;

(d) The custodial parent and the child for whom, or on whose behalf an application for child assistance program payments is made is at such time, a recipient of family assistance benefits; and

(e) The custodial parent has not withdrawn from the program within the three months prior to the date of reapplication for benefits under this program.

4. Notwithstanding the provisions of subdivision three of this section, a custodial parent may be eligible under this program even though the custodial parent has failed to obtain an order of child support because:

(a) The other parent is deceased;

(b) The custodial parent has demonstrated to the satisfaction of the commissioner, a diligent effort to obtain a child support order, including providing the local social services district with the information necessary to file a petition for child support, but due to reasons outside of the control of the custodial parent, a child support order is not obtainable in a reasonable period of time;

(c) The custodial parent has good cause as defined in regulations, not to cooperate in obtaining a child support order; or

(d) The child resides with both parents and paternity has either been acknowledged or established.

5. A participant is no longer to be considered a participant in this program when such individual is not eligible for payments as a result of the operation of paragraph (a) of subdivision six of this section for four consecutive months.

6. (a) So long as funds are available therefor, the amount received by each custodial parent eligible to receive child assistance payments pursuant to this section shall be reduced by an amount equal to:

(i) An amount which reflects a portion of the actual income of the custodial parent pursuant to a methodology to be established by the commissioner; and

(ii) An additional amount which reflects that portion of the custodial parent's spouse's income which is deemed to be available to other household members pursuant to a methodology to be established by the commissioner.

(b) Persons in receipt of child assistance under this section shall be eligible for medical assistance pursuant to title eleven of this article only to the extent that federal financial participation in the costs of medical assistance is available. For purposes of this paragraph, federal financial participation shall not be considered to be available if such participation would require an extension of medical assistance eligibility to otherwise ineligible persons who are not participating in the child assistance program.

(c) Persons in receipt of both child assistance under this section and medical assistance pursuant to title eleven of article five of this chapter who, prior to April first, nineteen hundred ninety-eight, become ineligible for medical assistance solely due to increased earnings from employment or loss of earned income disregards shall, if otherwise eligible, remain eligible for medical assistance until March thirty-first, nineteen hundred ninety-eight or until such later time as may be required by the provisions of such title.

(d) Social services districts shall take all necessary actions to provide medical assistance pursuant to paragraphs (a) and (b) of subdivision four of section three hundred sixty-six of this chapter to individuals described in paragraph (b) of this subdivision who are eligible for such assistance. Social services districts shall provide to individ-

uals described in paragraph (b) of this subdivision information as to the availability of the child health insurance plan described in title one-A of article twenty-five of the public health law.

7. Each participating social services district shall provide to all recipients eligible for participation in this program in accordance with the approved program a comparison of the benefits that would be available to the household under family assistance and the child assistance payments as provided in this section. Each participating district shall inform all eligible recipients that participation in this program is voluntary.

8. Participation in this program shall be voluntary. Should a participant elect to terminate his or her participation in this program, then, upon reapplication for family assistance benefits and a subsequent determination of eligibility, such participant shall be restored to benefits effective from the date of reapplication.

9. The department shall promulgate regulations for the operation of the child assistance program. Such regulations shall include but not be limited to:

(a) Resources. At program entry, program participants may not have resources which exceed the level permitted for eligibility for the family assistance program. Once eligible for the program, no further resource tests shall be imposed;

(b) Eligibility determinations. Program participants shall not be required to report changes in income more frequently than quarterly;

(c) Lump sums. If a child or relative participating in the program receives, in any month or months in a quarter, a non-recurring amount of earned or unearned income, the quarterly total of which exceeds one quarter of the annual poverty level for nineteen hundred eighty-seven for a family of the same size as the program household which received the lump sum, the case shall be ineligible for assistance for the whole number of quarters that equals the amount of the non-recurring income received, adjusted for any applicable disregards of income, divided by the quarterly poverty level applicable to the case;

(d) One hundred eighty-five percent of gross income test. Program participants shall be allowed to have income in excess of one hundred eighty-five percent of the state standard of need;

(e) Loss of eligibility. Non-compliance with a condition of eligibility shall result in the ineligibility of the whole family for the child assistance program;

(f) Determination of available income. Notwithstanding section one hundred thirty-one-a or any other provision of this chapter, determination of available income and the determination of income to be disregarded shall be in accordance with these regulations provided however that the methodology shall not be adjusted in a manner such that a household would receive a lower benefit than a similarly situated household would have received in January, nineteen hundred ninety-seven for the same amount of earned income; and

(g) Cash out of food stamps. To the extent permitted by federal law, program participants shall receive the value of their food stamps in cash.

(h) Child support pass through. The requirement that certain child support collected be passed through to the custodial parent pursuant to section one hundred eleven-c of this chapter shall not apply to persons participating in the child assistance program.

§ 19-a. Section 153 of the social services law is amended by adding a new subdivision 16 to read as follows:

16. Notwithstanding any inconsistent provisions of this section, and subject to the amounts specifically appropriated therefor, social services districts which have implemented child assistance program pursuant to section one hundred thirty-one-z of this article shall be reimbursed by the department for administrative expenses for the implementation and operation of the program as approved by the department in accordance with the following schedule after first deducting any federal reimbursement received therefor: for the fiscal year beginning April first, nineteen hundred ninety-seven, one hundred percent; for the fiscal year beginning April first, nineteen hundred ninety-eight, ninety percent; for the fiscal year beginning April first, nineteen hundred ninety-nine, eighty percent; for the fiscal year beginning April first, two thousand, seventy percent; for the fiscal year beginning April first, two thousand one, sixty percent and for each fiscal year thereafter, fifty percent.

§ 20. Section 153 of the social services law is amended by adding a new subdivision 17 to read as follows:

17. In each quarter in which a social services district fails to meet participation rates established pursuant to section three hundred thirty-five-b of title nine-B of article five of this chapter for households without dependent children in which there is an adult who is not otherwise exempt from work requirements and which is receiving safety net assistance, such district shall have its state reimbursement for administration of income maintenance, medical assistance, food stamps, child support and employment programs reduced by one-half of one percent of such shortfall, up to a maximum of five percent; provided, however, that in calculating any reduction in reimbursement, the commissioner shall include as participating in work experience any such recipient who is working for the number of hours derived by dividing the individual's cash assistance plus food stamp benefits by the higher of the federal or state minimum wage.

§ 21. Subdivision 18 of section 246 of chapter 81 of the laws of 1995, amending the social services law and other laws relating to medical assistance reimbursement and welfare reform, is amended to read as follows:

18. Section one hundred eighty-eight of this act shall commence only on or after the department of social services has secured any necessary waivers of federal requirements and shall expire and be deemed repealed after [~~July 31, 1998~~] July 31, 2000; and

§ 22. Subdivision 1 and paragraph (a) of subdivision 2 of section 132 of the social services law, subdivision 1 as amended by chapter 184 of the laws of 1969 and paragraph (a) of subdivision 2 as amended by chapter 863 of the laws of 1977, are amended to read as follows:

1. When an application for assistance or care is received, or a social services official is informed that a person is in need of public assistance and care, an investigation and record shall be made of the circumstances of such person. The object of such investigations shall be to secure the facts necessary to determine whether such person is in need of public assistance or care and what form thereof and service he or she should receive. Information shall be sought as to the residence of such person, the name, age, religious faith, physical condition, earnings or other income, and ability to work of all members of the family, the cause of the person's condition, the ability and willingness of the family, relatives, friends and church to assist, and such other facts as may be useful in determining the treatment which will be helpful to such person. However, nothing in this subdivision or elsewhere in this chap-

ter contained shall be construed to require a social services official to communicate with or require assistance from any person or persons liable by law to contribute to the support of a woman pregnant with, or the mother of, an out of wedlock child, in need of care away from home during pregnancy and during and after delivery, in the case where the surrender of the child to the social services official is under consideration, for such period as may be necessary for such mother and official to decide whether the child will be surrendered for adoption to such official, which period shall not extend beyond ninety days after birth of the child. Except where the welfare official is in possession of positive proof that the applicant is receiving or is eligible to receive unemployment insurance benefits and the amount thereof such investigations shall include written request to the [~~industrial~~] commissioner of labor or his or her duly authorized officer charged with administration of the unemployment insurance law for information as to the status of such person in respect to unemployment insurance benefits [~~or application for employment~~].

(a) All applications received by a town social services officer shall be forwarded to the county commissioner immediately and all such applications shall be investigated by the staff of the county commissioner. After investigation the county commissioner shall return to the town social services officer every application for [~~home-relief~~] safety net assistance made by a [~~local-charge~~] person residing or found in such town, together with his or her recommendation as to the eligibility of the applicant and the amount of assistance to be granted, if any. In addition thereto, the county commissioner shall keep the town social services officer currently informed of persons residing in his or her town who are receiving any form of public assistance and care other than [~~home-relief~~] safety net assistance.

§ 23. Section 132 of the social services law is amended by adding a new subdivision 4 to read as follows:

4. (a) Investigation into the cause of the condition of a head of household or of any adult applicant or recipient and the treatment which will be helpful to such person shall include a screening for alcohol and/or substance abuse using a standardized screening instrument to be developed by the office of alcoholism and substance abuse services in consultation with the department. Such screening shall be performed by a social services district at the time of application and periodically thereafter but not more frequently than every six months, unless the district has reason to believe that an applicant or recipient is abusing or dependent on alcohol or drugs for recipients in accordance with regulations promulgated by the department.

(b) When the screening process indicates that there is reason to believe that an applicant or recipient is abusing or dependent on alcohol or drugs, the social services district shall require a formal alcohol or substance abuse assessment, which may include drug testing, to be performed by an alcohol and/or substance abuse professional credentialed by the office of alcoholism and substance abuse services. The assessment may be performed directly by the district or pursuant to contract with the district.

(c) The social services official shall refer applicants and recipients whom it determines are presently unable to work by reason of their need for treatment for alcohol or substance abuse based on the formal assessment to a treatment program licensed or certified by the office of alcoholism and substance abuse services. When residential treatment is appropriate for a single custodial parent, the social services official

shall make diligent efforts to refer the parent to a program that would allow the family to remain intact for the duration of the treatment.

(d) A person who fails to participate in the screening or in the assessment shall be ineligible for public assistance and medical assistance. Other members of a household which includes a person who has failed to participate in the screening or assessment shall, if otherwise eligible, receive medical assistance and shall receive public assistance only through safety net assistance if they are otherwise eligible for public assistance.

(e) A person referred to a treatment program pursuant to paragraph (c) of this subdivision, and the household with which he or she resides shall receive safety net assistance and medical assistance while the person is participating in such treatment, if the household is otherwise eligible for public assistance and medical assistance. If a person referred to treatment cannot participate in that treatment because treatment is not presently available, that person and the household with which he or she resides shall receive safety net assistance and medical assistance if the household is otherwise eligible for public assistance and medical assistance.

(f) If an applicant or recipient is required, pursuant to paragraph (c) of this subdivision, to participate in an appropriate rehabilitation program and refuses to participate in such program without good cause or leaves such program prior to completion of the program without good cause, provided that program completion shall be solely determined by the guidelines and rules of such rehabilitation program, or if an application or recipient has been suspended from the receipt of social security disability benefits or supplemental security income benefits by reason of noncompliance with requirements of the federal social security administration for treatment for substance abuse or alcohol abuse, the person will be disqualified from receiving public assistance and medical assistance as follows:

(i) for the first failure to participate in or complete the program, until the failure ceases or for forty-five days, whichever period of time is longer;

(ii) for the second such failure, until the failure ceases or for one hundred twenty days, whichever period of time is longer; and

(iii) for the third and subsequent failures, until the failure ceases or for one hundred eighty days, whichever period is longer.

Good cause shall be defined in regulations by the commissioner.

The household with which the person resides shall continue to receive safety net assistance.

(g) Persons disqualified from receiving public assistance and medical assistance pursuant to paragraph (f) of this subdivision who would otherwise be eligible for public assistance and medical assistance and who return to required treatment prior to the end of the disqualification period and are receiving residential care as defined in paragraph (d) of subdivision three of section two hundred nine of this chapter shall be eligible for safety net assistance and medical assistance.

(h) Notwithstanding any inconsistent provision of section one hundred thirty-one-o of this article, if a recipient required to participate in an appropriate treatment program pursuant to paragraph (c) of this subdivision receives a personal needs allowance, such allowance shall be made as a restricted payment to the treatment program and shall be a conditional payment. If such recipient leaves the treatment program prior to the completion of such program, any accumulated personal needs

allowance will be considered an overpayment and returned to the social services district which provided the personal needs allowance.

(i) In the case of an applicant for or recipient of medical assistance, the provisions of this subdivision shall apply only to the extent that they are not inconsistent with applicable federal law.

§ 23-a. Notwithstanding any contrary provision thereof, section 266 of chapter 83 of the laws of 1995 shall apply to applicants for or recipients of public assistance and care, including medical assistance; provided, however, that with respect to medical assistance, such section shall apply only to persons who are subject to the photograph identification requirements established by the commissioner of health for the medical assistance program.

§ 23-b. Intentionally omitted.

§ 24. Subdivision 2 of section 136 of the social services law, as amended by chapter 41 of the laws of 1992, is amended to read as follows:

2. All communications and information relating to a person receiving public assistance or care obtained by any social services official, service officer, or employee in the course of his or her work shall be considered confidential and, except as otherwise provided in this section, shall be disclosed only to the commissioner [~~of social services~~], or his or her authorized representative, the commissioner of labor, or his or her authorized representative, the commissioner of health, or his or her authorized representative, the welfare inspector general, or his or her authorized representative, the county board of supervisors, city council, town board or other board or body authorized and required to appropriate funds for public assistance and care in and for such county, city or town or its authorized representative or, by authority of the county, city or town social services official, to a person or agency considered entitled to such information. Nothing herein shall preclude a social services official from reporting to an appropriate agency or official, including law enforcement agencies or officials, known or suspected instances of physical or mental injury, sexual abuse or exploitation, sexual contact with a minor or negligent treatment or maltreatment of a child of which the official becomes aware in the administration of public assistance and care nor shall it preclude communication with the federal immigration and naturalization service regarding the immigration status of any individual.

§ 25. Subdivision 5 of section 136 of the social services law is REPEALED and a new subdivision 5 is added to read as follows:

5. A social services official shall disclose to a federal, state or local law enforcement officer, upon request of the officer, the current address of any recipient of family assistance, or safety net assistance if the duties of the officer include the location or apprehension of the recipient and the officer furnishes the social services official with the name of the recipient and notifies the agency that such recipient is fleeing to avoid prosecution, custody or confinement after conviction, under the laws of the place from which the recipient is fleeing, for a crime or an attempt to commit a crime which is a felony under the laws of the place from which the recipient is fleeing, or which, in the case of the state of New Jersey, is a high misdemeanor under the laws of that state, or is violating a condition of probation or parole imposed under a federal or state law or has information that is necessary for the officer to conduct his or her official duties. In a request for disclosure pursuant to this subdivision, such law enforcement officer shall endeavor to include identifying information to help ensure that the

social services official discloses only the address of the person sought and not the address of a person with the same or similar name.

§ 26. Section 142 of the social services law, as amended by chapter 1080 of the laws of 1974, is amended to read as follows:

§ 142. Exclusiveness of eligibility requirements. No person receiving federal supplemental security income payments and/or additional state payments, or ~~[aid to dependent children]~~ family assistance shall for the same period receive any other of such forms of assistance~~[, provided, however, the receipt by a parent or other relative of an aid to dependent children allowance under title ten of article five which makes no provision for the maintenance of such parent or relative shall not make such parent or relative ineligible for aid or assistance under any other title of this chapter].~~

§ 27. Paragraph e of subdivision 1 of section 153 of the social services law, as added by chapter 562 of the laws of 1953 and as relettered by chapter 150 of the laws of 1967, is amended to read as follows:

e. fifty percentum of the amount expended for administration of public assistance and care ~~[to state and local charges]~~, after first deducting therefrom any federal funds properly received or to be received on account thereof. The provisions of this paragraph shall not be applicable to expenditures for administration expressly provided for in paragraph ~~[e]~~ f of this subdivision;

§ 28. Section 153 of the social services law is amended by adding a new subdivision 2 to read as follows:

2. (a) In the event that the federal government imposes fiscal sanctions on the state because of non-compliance with federal law, regulation, or policy relating to the temporary assistance for needy families block grant, other than sanctions relating to maintenance of effort spending requirements, the commissioner shall reduce federal reimbursement to each social services district in an amount equal to the portion of such fiscal sanction that the commissioner determines is attributable to such district through review of relevant statewide and district specific data or documentation. The commissioner shall make such determination of district fault only to the extent that his or her review identifies specific district actions or inactions that resulted in the district's failure to meet the applicable federal requirement. Such reduction in federal reimbursement shall be made without state financial participation in resulting costs. To the extent that the commissioner determines that he or she is unable to identify which districts caused or contributed to such federal fiscal sanction, the commissioner, subject to the approval of the director of the budget, shall assign the reduction in federal reimbursement to all districts proportionately based on allowable district expenditures under Title IV-A of the federal social security act in the most recently completed state fiscal year, and the state shall share equally with social services districts in the cost increases resulting from such reduction in federal reimbursement.

(b) In the event that the federal government imposes fiscal sanctions on the state because of non-compliance with federal law, regulation, or policy relating to maintenance of effort spending requirements under the federal temporary assistance to needy families block grant, the commissioner shall reduce federal reimbursement to each social services district in an amount equal to the portion of such fiscal sanction that the commissioner determines is attributable to such district through review of relevant statewide and district specific data or documentation. Cost increases resulting from such reduction in federal reimbursement shall be shared equally by the state and each affected

social services district. To the extent that the commissioner determines that he or she is unable to identify which districts caused or contributed to such federal fiscal sanction, the commissioner, subject to the approval of the director of the budget, shall assign the reduction in federal reimbursement among all districts proportionately based on each district's portion of the statewide maintenance of effort spending requirement as determined by the commissioner, and the state shall share equally with social services districts in the cost increases resulting from such reduction in federal reimbursement.

(c) Notwithstanding any inconsistent provision of law, if a portion of federal reimbursement otherwise payable is not available because of application of the federal percentage limitation on administrative expenses in the federal block grant for temporary assistance for needy families program, the commissioner shall rank all social services districts in descending order based on the percentage that federally reimbursed administrative expenses in each district in the federal fiscal year bears to all total expenditures eligible for federal reimbursement under title IV-A of the federal social security act in the respective district and shall reduce reimbursement payable to the district that received the highest proportion of such federal reimbursement until such reduction equals the lesser of the shortfall in federal reimbursement or the amount which, if applied to federal administrative reimbursement received in the federal fiscal year, would equalize the proportion of such reimbursement received by such district and that received by the next highest district or districts in the commissioner's ranking. In the event that sufficient savings are not achieved by such reduction in reimbursement to the highest ranked district, then the commissioner shall continue to reduce the amount of reimbursement for the highest and, as necessary, the sequentially ranked district or districts such that such reductions, when applied in the federal fiscal year, will equalize the proportion of federal reimbursement for administration received by all such affected districts and will equal an amount which, in aggregate, will be sufficient to fully offset but not exceed the federal reimbursement shortfall. Notwithstanding any provision of law to the contrary, reimbursement to a social services district out of state and federal funds shall not be made on administrative expenses which exceed fifteen percent of such district's total expenditures reimbursable under the temporary assistance for needy families block grant.

§ 29. Subdivisions 13 and 14 of section 153 of the social services law are REPEALED.

§ 30. The social services law is amended by adding two new sections 153-j and 153-k to read as follows:

§ 153-j. Performance awards. 1. Subject to an appropriation for such purpose, the department is authorized to make performance awards to social services districts based on the districts' achievement of performance goals established pursuant to subdivision two of this section.

2. (a) At the option of any social services district, the department shall negotiate an agreement for each state fiscal year or quarterly portion or portions thereof which will set goals for the district to achieve in one or more of the following areas: (i) placement of public assistance applicants and recipients in jobs; (ii) prevention and reduction of the incidence of out of wedlock pregnancies; (iii) placement of recipients from homeless shelters into permanent housing; (iv) establishment of paternity for purposes of the child support enforcement

program; (v) increases in administrative efficiency, including automated management systems enhancements. If any local district and the department are unable to reach agreement on performance goals for a particular category, the local district may apply for a performance award in another category as stipulated in this paragraph.

(b) Each performance goal negotiated for each district pursuant to this section shall be based on: (i) the district's performance for the period for which an award is being made as compared with its performance for prior periods, particularly the period immediately prior to the award period; (ii) the comparative performance of each district to all other districts or such selected groups of similarly situated districts as the department determines to be relevant; and (iii) such other factors as the department deems appropriate.

(c) No payment shall be made to a district pursuant to this section for improvement or performance unless it meets or exceeds minimum standards in such areas as defined and quantified by the department. Any minimum standard of improvement shall be based upon a graduated scale requiring that the most significant improvement is achieved in the poorest performing districts as a condition of payment. Any minimum standard of comparative performance shall limit performance payments to not more than the upper fifty percent of such districts in each evaluation category.

3. Any agreement negotiated under this section may set performance goals for achievements accomplished prior to the date the agreement is executed by both parties; provided, however, that no agreement shall relate (a) to all or part of a period for which a prior award was made, (b) to a period more than three months prior to the execution of the agreement, or (c) to an area for which either party reasonably believes there has already been an achievement which was not substantially the result of the active managerial guidance of a district.

4. No payment under an agreement executed pursuant to this section shall be made until thirty days after the agreement is executed. As agreed between the department and a social services district, an award or portion thereof may be paid for achievement of a goal, for partial achievement of a goal, or for exceeding a goal or in such combination thereof as the parties may agree.

5. Each district shall have an opportunity to establish performance goals which will enable the district to receive a portion of the appropriation referenced in subdivision one of this section which portion will be, at a minimum, equal to four-fifths of the district's proportion of the statewide monthly average caseload, as determined by the department.

6. This section shall not be construed to authorize the assessment of fiscal penalties against any local district. All funding referred to herein is subject to appropriation; all agreements entered into pursuant to this section are executory and unenforceable and all negotiations and any agreements shall not be deemed final actions subject to any form of administrative or judicial review, unless ratified by appropriation; and no acts taken by the department in the performance award process shall be governed by the state administrative procedure act.

§ 153-k. County financial incentives. 1. By January first, nineteen hundred ninety-nine, the department shall establish, pursuant to regulations, a program to provide financial incentives to districts which are the most successful at moving recipients of public assistance to unsubsidized employment.

2. Annually, the department shall rank each district based upon the percentage of its nonexempt public assistance caseload that leave assistance in the previous calendar year for unsubsidized employment without reapplying for public assistance within six months.

3. The ten districts ranked highest pursuant to subdivision two of this section shall be allocated a pro rata share of the funds accumulated pursuant to subdivision four of this section and any other funds allocated for this purpose, based upon the number of recipients of public assistance in a district.

4. The twenty districts that are ranked the lowest, pursuant to subdivision two of this section, shall be required to pay to the department an amount equal to three percent of the district's state and federal reimbursement for employment or work related activities as defined in this article and sections one hundred fifty-eight-b and one hundred sixty-four of this chapter; provided, however, that the department is authorized to reduce reimbursement otherwise payable to affected social services districts to effect such payment. The department may grant district waivers from the provisions of this subdivision on a determination that the district suffered a hardship due to the performance of the local economy.

§ 31. Section 344 of the social services law, as amended by chapter 1014 of the laws of 1963, subdivision 3 as amended by chapter 547 of the laws of 1968, is amended to read as follows:

§ 344. Responsibility. 1. Each ~~[public welfare]~~ social services district shall be responsible for providing ~~[aid to dependent children]~~ family assistance, under this title, to persons eligible therefor who reside in its territory. Temporary absence, within or without the state, of such persons from such territory, except as otherwise provided, shall not affect their eligibility for such aid.

2. Aid shall be construed to include services, particularly those services which may be necessary for each child in the light of the particular home conditions and his or her other needs.

3. Each social services district shall administer the aid, care and services provided under this title, ~~[and those provided by it under title three of article six of this chapter as child welfare services,]~~ in accordance with state and federal requirements.

§ 32. Section 348 of the social services law, as amended by chapter 516 of the laws of 1977 and subdivision 4 as added by chapter 81 of the laws of 1995, is amended to read as follows:

§ 348. Application for ~~[aid to dependent children]~~ family assistance. 1. Application for ~~[aid to dependent children]~~ family assistance shall be made to the appropriate social services district.

2. Application for or receipt of ~~[aid to dependent children]~~ family assistance shall operate as an assignment to the state and the social services district concerned of any rights to support from any other person as such applicant or recipient may have in his or her own behalf or in behalf of any other family member for whom the applicant or recipient is applying for or receiving assistance. Applicants for or recipients of ~~[aid to dependent children]~~ family assistance shall be informed that such application for or receipt of such benefits will constitute such an assignment.

3. Such assignment shall terminate with respect to current support rights upon a determination by a local commissioner that such person is no longer eligible for ~~[aid to dependent children]~~ family assistance, except with respect to the amount of any unpaid support obligation that has accrued.

4. It shall be the duty of social services officials to provide same day referral of applicants for ~~[aid to dependent children]~~ family assistance support services as provided under title six-A of article three of this chapter pursuant to part D of title IV of the federal social security act, as part of the initial application for ~~[aid to dependent children]~~ family assistance.

§ 33. Paragraph 1-a of subdivision B of section 349 of the social services law is REPEALED.

§ 34. Section 349 of the social services law, as added by chapter 329 of the laws of 1945, subdivision A as amended by chapter 188 of the laws of 1965, the opening paragraph of subdivision A as amended and subdivision D as added by chapter 1053 of the laws of 1981, paragraphs 1, 2 and 4 of subdivision A and paragraph 1 of subdivision B as amended by chapter 909 of the laws of 1974, paragraph 3 of subdivision A as amended by chapter 110 of the laws of 1971 and subdivision C as amended by chapter 326 of the laws of 1976, is amended to read as follows:

§ 349. Eligibility. A. ~~[Aid to dependent children]~~ Family assistance shall be given to a pregnant individual, a parent or other relative as herein specified for the benefit of a child under eighteen years of age, or of a child under nineteen years of age who is a full-time student regularly attending a secondary school or in the equivalent level of vocational or technical training ~~[if, before such child attains age nineteen, such child may reasonably be expected to complete the program of such secondary school or training and]~~ if, in the judgment of the social services official:

1. the granting of an allowance will be in the interest of such child, and

2. the parent or other relative is a fit person to bring up such child so that his or her physical, mental and moral well-being will be safeguarded, and

3. ~~[disregarding so much of the earned income or other income of the child as may be permitted to be set aside for his future identifiable needs by regulations of the department, aid is necessary to enable such parent or other relative to do so, and~~

4.] such child is a resident of the state on the date of application for aid.

B. 1. An allowance may be granted for the aid of such child ~~[who has been deprived of parental support or care by reason of the death, continued absence from the home, or physical or mental incapacity of a parent, and]~~ who is living with a ~~[person]~~ parent or other adult related to him or her by blood, marriage or adoption eligible to receive ~~[aid to dependent children]~~ assistance on his or her behalf pursuant to the federal social security act, the provisions of this chapter and regulations of the department.

C. In making such allowances consideration shall be given to the ability of the relative making application and of any other relatives to support and care for or to contribute to the support and care of such child. In making all such allowances it shall be made certain that the religious faith of the child shall be preserved and protected.

D. ~~[Aid to dependent children]~~ Family assistance shall not be payable to a family for any month in which any caretaker relative with whom the child is living is, on the last day of such month, participating in a strike, and no individual's needs shall be included in determining the amount of such aid which is payable for any month to a family if, on the last day of such month, such individual is participating in a strike.

§ 35. Subdivision B of section 349 of the social services law is amended by adding a new paragraph 2 to read as follows:

2. Notwithstanding the provisions of this title and titles three and four of this article to the contrary, the department may by regulation require that some or all persons, or households containing such persons, who are otherwise eligible for family assistance and are permanently disabled and awaiting determinations of eligibility for federal supplemental security income under title XVI of the federal social security act receive family assistance without use of federal funding and the department is authorized to reclassify retroactively all or a portion of the amount of any family assistance which otherwise has been or would be received by any such person or household if such reclassification is in the financial interests of the state; provided, however, that any such retroactive reclassification shall be accomplished without diminution or increase of the family assistance grant previously paid and shall not affect any rights, obligations or entitlements of any such person under the family assistance program. Any such transfer or reclassification may be accomplished by appropriate notation in the records of the social services district or the department, and no other notice thereof need be made.

§ 36. The social services law is amended by adding a new section 349-a to read as follows:

§ 349-a. Procedures to insure the protection of victims of domestic violence. 1. The department, after consultation with the office for the prevention of domestic violence and statewide domestic violence advocacy groups, shall by regulation establish requirements for social services districts to notify all applicants and, upon recertification, recipients, of procedures for protection from domestic violence and the availability of services. Such notice shall inform applicants and recipients that the social services district will make periodic inquiry regarding the existence of domestic violence affecting the individual. Such notice shall also inform individuals that response to these inquiries is voluntary and confidential; provided, however, that information regarding neglect or abuse of children will be reported to child protective services.

2. Such inquiry shall be performed utilizing a universal screening form to be developed by the department after consultation with the office for the prevention of domestic violence and statewide domestic violence advocacy groups. An individual may request such screening at any time, and any individual who at any time self identifies as a victim of domestic violence shall be afforded the opportunity for such screening.

3. An individual indicating the presence of domestic violence, as a result of such screening, shall be promptly referred to a domestic violence liaison who meets training requirements established by the department, after consultation with the office for the prevention of domestic violence and statewide domestic violence advocacy groups.

4. The domestic violence liaison shall assess the credibility of the individual's assertion of domestic violence. Such assessment shall be based upon the relevant information and corroborating evidence, but shall in the absence of other sufficient evidence include, at a minimum, a sworn statement by the individual alleging such abuse.

5. Upon a determination that the individual's allegation is credible, (a) the individual shall be informed of services, which shall be available on a voluntary basis; and (b) the domestic violence liaison shall conduct an assessment to determine if and to what extent domestic

violence is a barrier to compliance with public assistance requirements or to employment; and (c) shall assess the need for waivers of such program requirements. Such waivers shall, to the extent permitted by federal law, include, but not be limited to, residency requirements, child support cooperation requirements and employment and training requirements; provided, however, that exemptions from the sixty month limit on receipt of benefits under the federal temporary assistance to needy families block grant program shall be available only when the individual would not be required to participate in work or training activities because of an independently verified physical or mental impairment resulting from domestic violence, anticipated to last for three months or longer, or if the individual is unable to work because of the need to care for a dependent child who is disabled as a result of domestic violence. Provided, however, that pursuant to section one hundred forty-two of the welfare reform act of 1997 victims of domestic violence may be exempted from the application of subdivision two of section three hundred forty-nine of this article on the basis of hardship.

6. Waivers granted pursuant to subdivision five of this section shall be provided pursuant to a determination of good cause in cases where compliance with such requirements would make it more difficult for the individual or the individual's children to escape from domestic violence, or subject the individual, or the individual's children, to further risk of domestic violence. Such waivers shall be for an initial period of no less than four months; provided, however, that all such waivers shall be subject to on-going review of the individual's circumstances by the domestic violence liaison, and may be extended, modified or terminated in accordance therewith. An individual may decline a waiver or terminate an existing waiver at any time without penalty.

7. Information with respect to victims of domestic violence shall not be released to any outside party or parties or other governmental agencies unless the information is required to be disclosed by law, or unless authorized in writing by the applicant or recipient.

§ 37. Subdivisions 6 and 7 of section 350 of the social services law are REPEALED and paragraph (c) of subdivision 1 and subdivision 2 of section 350 of the social services law, paragraph (c) of subdivision 1 and paragraph (c) of subdivision 2 as amended by chapter 909 of the laws of 1974 and subdivision 2 as amended by chapter 110 of the laws of 1971, are amended to read as follows:

~~[(c) Allowances may include such cost of tuition, books, supplies, and other items as may be required to enable a child who is between sixteen and twenty-one years of age, a parent or other relative as specified in section three hundred forty-nine to obtain suitable occupational training from a trade school or other institution licensed or approved by the state education department or from a training program approved in accordance with regulations of the department, provided such person could not otherwise obtain such training and he demonstrates to the satisfaction of the appropriate social services official that he possesses the talent, aptitude and ability necessary to benefit from the training he proposes to undertake and pursue.]~~

2. [Allowances] Assistance funded in whole or in part under the temporary assistance to needy families block grant program temporary assistance to needy families (a) shall not be granted to any family which includes an adult who has received public assistance or any form of assistance funded in whole or in part under the temporary assistance to needy families block grant program under title IV-A of the federal

social security act in this state or in any other state for a cumulative period of longer than [~~that prescribed by the regulations of the department, subject to renewal from time to time.~~] sixty months, provided that, (i) in determining the number of months for which an individual who is a parent or pregnant has received assistance, there shall not be included any period in which the individual was a minor child who was not the head of household or married to the head of household, and (ii) the social services district shall, in accordance with regulations of the department, subject to any federal limitations, exempt a family from the application of this subdivision on the basis of hardship when the adult family member is unable to work because of an independently verified physical or mental impairment including those resulting from domestic violence, or when the adult family member is in receipt of supplemental security income payments under title XVI of the federal social security act or additional state payments under title six of this article, and (iii) provided that periods in which an adult receives cash assistance in the safety net assistance program shall be included in the cumulative period referred to in this paragraph regardless of whether such assistance was funded in whole or in part by the temporary assistance to needy families block grant program;

(b) may be increased, decreased or revoked at any time~~[-];~~ and

(c) except in the case of a child reaching the age of eighteen years, may be continued for a period of not more than one month after a child becomes ineligible to be granted allowance under this title.

§ 38. Subdivisions 2 and 3 of section 350-j of the social services law, as amended by chapter 77 of the laws of 1977, are amended to read as follows:

2. For purposes of this section, the term "emergency assistance" means aid, care and services [~~authorized during a period not in excess of thirty days in any twelve month period~~] to meet the emergency needs of a child or the household in which he or she is living, in the following circumstances:

(a) where the child is under twenty-one years of age; and

(b) the child is living with, or within the previous [~~six~~] twelve months has lived with, [~~one or more persons specified in subdivision b of section three hundred forty-nine of this chapter~~] an adult related by blood, marriage or adoption; and

(c) in cases of applications for grants of cash assistance, such child or such household is not categorically eligible for or receiving [~~aid to dependent children~~] family assistance; and

(d) such emergency needs resulted from a catastrophic occurrence or from a situation which threatens family stability and which has caused the destitution of the child and/or household; and

(e) such occurrence or situation could not have been foreseen by the applicant, was not under his or her control and, in the case of a person receiving public assistance, did not result from the loss, theft or mismanagement of a regular public assistance grant; and

(f) the emergency grant being applied for will not replace or duplicate a public assistance grant already made under section one hundred thirty-one-a of this chapter.

3. Emergency assistance to needy families with children shall be provided to the extent of items of need and services set forth in sections one hundred thirty-one and one hundred thirty-one-a of this chapter, and items of medical services set forth in section three hundred sixty-five-a of this chapter, and in amounts set forth in the regulations of the department for children who are without available

resources, and when such assistance is necessary to avoid destitution or to provide them with living arrangements in a home, and such destitution or such need did not arise because such children or relatives refused without good cause to accept employment or training for employment [~~Such emergency assistance, but not including cash grants, may be furnished to a family eligible for aid to dependent children only in the form of emergency services, and so long as federal aid remains available, for emergency fuel grants in the form of vendor restricted payments~~]; provided, however, that no assistance shall be provided which would duplicate assistance under sections one hundred thirty-one and one hundred thirty-one-a of this article for which a person is eligible or would be eligible but for a sanction for violation of the requirements of title nine-B of article five of this chapter or other requirement of state law and provided further that, notwithstanding any inconsistent provision of this section or section one hundred thirty-one-a of this article, persons for whom preventive services are being provided under title four of article six of this chapter or who are living in foster care or in public, congregate or group facilities, such as residential facilities for victims of domestic violence, may, pursuant to regulations of the department within amounts specifically appropriated therefor and subject to the terms and conditions of such appropriation, receive assistance hereunder on their behalf for such services or for care in such facilities in amounts exceeding those set forth in section one hundred thirty-one-a of this article.

§ 39. Section 358 of the social services law, as added by chapter 5 of the laws of 1951, subdivision 1 as amended and subdivision 3 as added by chapter 81 of the laws of 1995, is amended to read as follows:

§ 358. Federal [~~aid to dependent children~~] temporary assistance for needy families block grant. 1. The department shall submit the plan [~~for aid to dependent children to the federal department of health and human services or other federal agency established by or for the purpose administering~~] pursuant to title IV-A of the federal social security act [~~for approval pursuant to such federal act~~]. The state's program under title IV-A shall be entitled "Family Assistance", and benefits under the state plan with respect to the temporary assistance for needy families block grant shall be known as family assistance. The department shall act for the state in any negotiations relative to the submission and approval of such plan and make any arrangement which may be necessary to obtain and retain such approval and to secure for the state the benefits of such federal act relating to [~~aid to dependent children~~] title IV-A. The department shall make such regulations not inconsistent with law as may be necessary to make such plan conform to such federal act and any rules and regulations adopted pursuant thereto. Such regulations may provide for operation of components of the program relating to refugees by contract with a private agency or agencies pursuant to [~~a project authorized under~~] section 412(e) [~~(7)~~] of the immigration and nationality act (8 U.S. Code 1522(e)(7)). Any refugee whose needs are met pursuant to such a contract who would otherwise be a recipient of [~~aid to dependent children~~] family assistance or [~~home relief~~] safety net assistance shall be regarded for all other purposes as a recipient of [~~aid to dependent children~~] family assistance or of [~~home relief~~] safety net assistance, respectively. Each social services district shall be responsible for a share of the state's expenditures for operation of such a contract which shall be equal to the share of such expenditures such district would have borne after reimbursement from state and federal funds in accordance with section one hundred fifty-three of this

article, had the expenditure been made by such district. The department shall make reports to such federal agency in the form and nature required by it and comply with any request or direction of such federal agency which may be necessary to assure the correctness and verification of such reports.

2. The department of taxation and finance shall accept and receive any and all grants of money awarded to the state [~~for aid to dependent children~~] pursuant to title IV-A of such social security act. All moneys so received shall be deposited by the department of taxation and finance in a special fund or funds and shall be used by the state exclusively for [~~aid to dependent children~~] temporary assistance for needy families block grant and the administration thereof as provided in this chapter; provided, however, that portions of such moneys may be transferred to the child care and development block grant or the social services block grant as the legislature may from time to time provide. Such money shall be paid from such fund or funds on audit and warrant of the comptroller upon vouchers of or certification by the commissioner.

3. If and for so long as the federal government provides one hundred percent funding therefor, the department is authorized to operate a Cuban and Haitian entrant program and a refugee resettlement program pursuant to title IV of the federal immigration and nationality act, including provision for refugee cash assistance, refugee medical assistance, refugee child welfare services, and refugee social services. The department shall submit the plan for such refugee resettlement program to the federal department of health and human services and shall act for the state in any negotiations relative to the submission and approval of such plan and make any arrangement which may be necessary to obtain and retain such approval.

4. The department shall make such regulations not inconsistent with law as may be necessary to make such plan conform to such federal act and any rules and regulations adopted pursuant thereto. Such regulations may provide for operation of components of the program directly by the department, through social services districts on behalf of the department or, subject to the approval of the director of the budget upon a demonstration of cost-effectiveness, by contract with a private agency or agencies [~~pursuant to a project authorized under section 412(e)(7) of the federal immigration and nationality act (8 U.S. Code 1522(e)(7))~~] and may provide that an eligible recipient shall receive assistance pursuant to such contract in lieu of [~~aid to dependent children~~] family assistance or [~~home relief~~] safety net assistance.

5. The state program under title IV-A of the social security act shall permit individuals to accumulate funds in individual development accounts established pursuant to section four hundred three of the social security act as trust accounts funded with periodic contributions of earned income by the individual or of amounts matched by or through a not-for-profit organization described in section 501(c)(3) of the Internal Revenue Code and exempt from taxation under section 501(a) of such Code; provided, however, that neither the state nor social services districts shall be required to make or match contributions or to administer any such account.

§ 40. Section 29-a of the social services law is REPEALED.

§ 41. Section 145-c of the social services law is REPEALED and a new section 145-c is added to read as follows:

§ 145-c. Sanctions. Any person who, individually or as a member of a family, applies for or receives public assistance and is found by a federal, state or local criminal, civil or other court or pursuant to an

administrative hearing held in accordance with the regulations of the department, on the basis of a plea of guilty or nolo contendere or otherwise, intentionally to have (a) made a false or misleading statement or misrepresented, concealed, or withheld facts, or (b) committed any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity, for the purpose of establishing or maintaining the eligibility of the individual or of the individual's family for aid or of increasing (or preventing a reduction in) the amount of such aid, then the needs of such individual shall not be taken into account in determining his or her need or that of his or her family pursuant to section one hundred thirty-one-a of this article (i) for a period of six months upon the first occasion of any such offense, (ii) for a period of twelve months upon the second occasion of any such offense or upon an offense which resulted in the wrongful receipt of benefits in an amount of between at least one thousand dollars and no more than three thousand nine hundred dollars, (iii) for a period of eighteen months upon the third occasion of any such offense or upon an offense which results in the wrongful receipt of benefits in an amount in excess of three thousand nine hundred dollars, and (iv) five years for any subsequent occasion of any such offense or an offense which results in the wrongful receipt of benefits in an amount greater than three thousand nine hundred dollars. Any period for which sanctions are imposed shall remain in effect, without possibility of administrative stay, unless and until the finding upon which the sanctions were imposed is subsequently reversed by a court of appropriate jurisdiction; but in no event shall the duration of the period for which such sanctions are imposed be subject to review. The sanctions shall be in addition to, and not in substitution for, any other sanctions which may be provided for by law with respect to the offenses involved, except that the social services official or court official assessing penalties against a recipient for an act of fraud or misrepresentation described in this subdivision may consider whether to impose such penalties based upon the existence of the penalties described herein.

§ 42. Subdivision 10 of section 131 of the social services law, as amended by chapter 81 of the laws of 1995, is amended to read as follows:

10. Any ~~[person]~~ applicant who voluntarily terminated his or her employment or voluntarily reduced his or her earning capacity for the purpose of qualifying for ~~[home relief or aid to dependent children]~~ public assistance or a larger amount thereof shall be disqualified from receiving such assistance for ninety days from such termination or reduction, unless otherwise required by federal law or regulation. Any ~~[Person]~~ applicant who applies for ~~[home relief or aid to dependent children or requests an increase in his grant]~~ public assistance within ninety days after voluntarily terminating his or her employment or reducing his or her earning capacity shall, unless otherwise required by federal law or regulation, be deemed to have voluntarily terminated his or her employment or reduced his or her earning capacity for the purpose of qualifying for such assistance or a larger amount thereof, in the absence of evidence to the contrary supplied by such person.

§ 43. Section 157 of the social services law, subdivision 1 as amended by chapter 468 of the laws of 1986, is amended to read as follows:

§ 157. Definitions. As used in this title. 1. ~~[Home relief]~~ Safety net assistance means allowances pursuant to section one hundred thirty-one-a for all support, maintenance and need, and costs of suitable training in a trade to enable a person to become self-supporting,

furnished eligible needy persons in accordance with applicable provisions of law, by a municipal corporation, or a town where [~~home relief~~] safety net assistance is a town charge, to persons or their dependents in their abode or habitation whenever possible and includes such relief granted to veterans under existing laws but does not include hospital or institutional care, except as otherwise provided in this subdivision, or [~~aid to dependent children~~] family assistance or medical assistance for needy persons granted under titles ten and eleven, respectively, or aid to persons receiving federal supplemental security income payments and/or additional state payments. [~~Home relief may also include tuition fees and other costs of suitable training in a trade or occupation furnished pursuant to section one hundred fifty-nine-a to an eligible person to enable him to become self-supporting or to increase his earning capacity. Home relief~~] Safety net assistance may also be provided in a family home or boarding home, operated in compliance with the regulations of the department, and on and after January first, nineteen hundred seventy-four, in facilities in which a person is receiving family care or residential care, as those terms are used in title six of article five of this chapter, and to persons receiving care in a facility supervised by the office of alcoholism and substance abuse or in a residential facility for the mentally disabled approved, licensed or operated by the office of mental health or the office of mental retardation and developmental disabilities, other than those facilities defined in sections 7.17 and 13.17 of the mental hygiene law or residential care centers for adults operated by the office of mental health, when such type of care is deemed necessary. Payments to such homes and facilities for care and maintenance provided by them shall be at rates established pursuant to law and regulations of the department. The department, however, shall not establish rates of payment to such homes or facilities without approval of the director of the budget.

2. State aid means payments to a municipal corporation by the state for home relief furnished in accordance with this title.

3. Municipal corporation shall mean a county or city except a county wholly within a city.

§ 44. Section 158 of the social services law, as amended by chapter 539 of the laws of 1971, subdivision (a) as amended and subdivision (g) as added by chapter 81 of the laws of 1995 and subdivisions (c), (d) and (e) as added by chapter 41 of the laws of 1992, is amended to read as follows:

§ 158. Eligibility. 1. A person is eligible for safety net assistance who is financially needy as determined in accordance with title one of this article and the regulations promulgated thereunder, is not in sanction status for a program authorized by this chapter and:

(a) resides in a family which is ineligible for family assistance or other assistance funded by the federal temporary assistance for needy families block grant because an adult in the family has exceeded the maximum durational limits on such assistance contained in section three hundred fifty of this chapter, or

(b) is an adult who would otherwise be eligible for family assistance except that he or she does not reside with a dependent child, or

(c) resides in a family that would otherwise be eligible for family assistance except that at least one adult or minor head of household has been determined in accordance with section one hundred thirty-two of this article to be abusing illegal substances or engaging in the habitual and excessive consumption of alcoholic beverages, or

(d) is under the age of eighteen, not living with his or her child and has no adult relatives with whom to reside, or

(e) resides in a family in which a person required to submit to screening or evaluation for use of illegal drugs or excess alcohol consumption pursuant to section one hundred thirty-two of this article refused to comply, or

(f) resides in a family which includes a person disqualified for receiving assistance pursuant to paragraph (f) of subdivision four of section one hundred thirty-two of this article, or

(g) is a qualified alien who is ineligible to receive assistance funded under the temporary assistance for needy families block grant solely because of section four hundred three of the federal personal responsibility and work opportunity reconciliation act of 1996 (P.L. 104-193) or is an alien who is permanently residing under color of law but is not a qualified alien.

~~[(a) Any person unable to provide for himself or herself, or who is unable to secure support from a legally responsible relative, who is not receiving needed assistance or care under other provisions of this chapter, or from other sources, shall be eligible for home relief; provided, however, that no person under the age of twenty-one years except a married person living with their spouse, living apart from a legally responsible relative shall be eligible for home relief unless a proceeding has been brought by or on behalf of such person to compel such legally responsible relative to provide for or contribute to such person's support and until an order of disposition has been entered in such proceeding. However, a]~~

2. A person who shall be eligible for ~~[aid to dependent children]~~ family assistance according to the provisions of title ten of this article shall be granted ~~[aid to dependent children]~~ family assistance and while receiving such aid shall not be eligible for ~~[home relief]~~ safety net assistance. A person who is receiving federal supplemental security income payments and/or additional state payments shall not be eligible for ~~[home relief]~~ safety net assistance. A person who is eligible for refugee cash assistance pursuant to the plan established pursuant to section three hundred fifty-eight of this article shall not be eligible for ~~[home relief]~~ safety net assistance. An applicant for or recipient of ~~[home relief]~~ safety net assistance shall be required, as a condition of eligibility for ~~[home relief]~~ safety net assistance, to sign a written authorization allowing the secretary of the federal department of health and human services to pay to the social services district his or her initial supplemental security income payment and allowing the social services district to deduct from his or her initial payment the amount of ~~[home relief]~~ safety net assistance granted for any month for which he or she subsequently is determined eligible to receive supplemental security income benefits. For the purposes of this subdivision the term "initial payment" shall refer to the first payment of supplemental security income benefits after a person files an application for benefits or after a person who has been terminated or suspended from eligibility for supplemental security income benefits subsequently has been found eligible for such benefits. An applicant for ~~[home relief]~~ safety net assistance who reasonably appears to meet the criteria for eligibility for federal supplemental security income payments shall also be required, as a condition of eligibility for ~~[home relief]~~ safety net assistance, to apply for such payments and shall, if otherwise eligible therefor, be eligible for ~~[home relief]~~ safety net assistance until he or she has received a federal supplemental security income payment. Further, if an

applicant for [~~home-relief~~] safety net assistance is required to apply for federal supplemental security payments and is denied, such person shall, subject to department regulation, also be required as a condition of eligibility to appeal his or her denial and exhaust his or her administrative remedies; such person shall remain eligible for [~~home-relief~~] safety net assistance, so long as he or she otherwise remains eligible while his or her appeal is pending.

[-(b)] 3. A person shall not be eligible for [~~home-relief~~] safety net assistance who has made a voluntary assignment or transfer of property for the purpose of qualifying for such aid. A transfer of property made within one year of the date of application shall be presumed to have been made for the purpose of qualifying for such assistance.

[-(e)] 4. Social services officials shall determine eligibility for [~~home-relief~~] safety net assistance within forty-five days of receiving an application for [~~home-relief~~] safety net assistance. Such officials shall notify applicants of [~~home-relief~~] safety net assistance about the availability of assistance to meet emergency circumstances or to prevent eviction.

[-(d)] 5. Application for or receipt of [~~home-relief~~] safety net assistance shall operate as an assignment to the state and the social services district concerned of any rights to support from any other person as such applicant or recipient may have on their own behalf or on behalf of any other family member for whom the applicant or recipient is applying for or receiving assistance. Applicants for or recipients of [~~home-relief~~] safety net assistance shall be informed that such application for or receipt of such benefits will constitute such an assignment. Such assignment shall terminate with respect to current support rights upon a determination by the social services district that such person is no longer eligible for [~~home-relief~~] safety net assistance, except with respect to the amount of any unpaid support obligation that has accrued.

[-(e)] 6. In addition to other eligibility requirements, each person who is applying for or receiving assistance under this title, and who is otherwise eligible for assistance under this title, shall be required, as a further condition of eligibility for such assistance:

(i) to assign to the state and the social services district any rights to support such person may have either on his own behalf or on behalf of any other family member for whom he is applying for or receiving aid; and

(ii) to cooperate with the state and the social services official, in accordance with standards established by regulations of the department consistent with federal law and regulations, in establishing the paternity of a child born out-of-wedlock for whom assistance under this title is being applied for or received, in their efforts to locate any absent parent and in obtaining support payments or any other payments or property due such person and due each child for whom assistance under this title is being applied for or received, except that an applicant or recipient shall not be required to cooperate in such efforts in cases in which the social services official has determined, in accordance with criteria, including the best interests of the child, as established by regulations of the department consistent with federal law and regulations, that such applicant or recipient has good cause to refuse to cooperate. Each social services district shall inform applicants for and recipients of [~~home-relief~~] safety net assistance required to cooperate with the state and local social services officials pursuant to the provisions of this paragraph, that where a proceeding to establish paternity has been filed, and the allegation of paternity has been

denied by the respondent, there shall be a stay of all paternity proceedings and related social services district proceedings until sixty days after the birth of the child. Such applicants and recipients shall also be informed that public assistance and care shall not be denied during a stay on the basis of refusal to cooperate pursuant to the provisions of this paragraph.

~~[(g)]~~ 7. As a condition of eligibility for the receipt of ~~[home relief]~~ safety net assistance, every applicant for such assistance must:

(i) sign an agreement which provides that, if it is determined that money is owed to the social services district because of overpayments of ~~[home—relief]~~ safety net assistance to the applicant while a recipient of ~~[home—relief]~~ safety net assistance, the applicant agrees to repay any such money that remains due after the applicant ceases to receive ~~[home—relief]~~ safety net assistance; and

(ii) sign an assignment of future earnings on a form prescribed by the department to secure the repayment of any money that is determined, after providing the opportunity for a fair hearing in accordance with section twenty-two of this chapter, to be owed to the social services district because of overpayments of ~~[home—relief]~~ safety net assistance to the applicant while a recipient of ~~[home—relief]~~ safety net assistance. The prescribed form shall include the following notice: "THIS AGREEMENT AUTHORIZES THE SOCIAL SERVICES DISTRICT TO RECOVER ANY OVERPAYMENT OF YOUR PUBLIC ASSISTANCE BENEFITS BY COLLECTING THE AMOUNT OF THE OVERPAYMENT DIRECTLY FROM YOUR FUTURE WAGES. IF YOU FAIL TO MAKE THE PAYMENTS REQUIRED BY A REPAYMENT AGREEMENT BETWEEN YOU AND THE SOCIAL SERVICES DISTRICT, THE SOCIAL SERVICES DISTRICT WILL FILE THIS AGREEMENT WITH YOUR EMPLOYER AND RECOVER THE OVERPAYMENT DIRECTLY FROM YOUR WAGES." In addition, the assignment of future earnings and the enforcement thereof must comply with all requirements of article three-A of the personal property law. The social services district may file the assignment of future earnings with the employer of the assignor only if the assignor fails to make payments of money owed to the social services district in accordance with the agreement required in paragraph (i) of this subdivision.

8. No person who resides with his or her minor child shall be eligible for safety net assistance except as provided in subdivision one of this section.

§ 45. Section 158-a of the social services law is REPEALED.

§ 46. Section 158-b of the social services law is REPEALED.

§ 46-a. Section 159 of the social services law, as amended by chapter 41 of the laws of 1992, is amended to read as follows:

§ 159. ~~[Character.—Except as hereinafter otherwise prescribed, home relief]~~ Safety net assistance. 1. Safety net assistance shall be provided in amounts determined in accordance with article five and, where applicable, section one hundred seventeen of this chapter in the following manner.

(a) Cash assistance. Safety net assistance shall be granted in cash provided, however, that where the granting of cash may be deemed inappropriate by the social services district because of an inability to manage funds, or because less expensive or more easily controlled alternative methods of payment are available, or in the case of vendor payments to landlords made for individuals residing in public housing or for similar other reasons as established by department regulations, or where an individual has so requested, ~~[home—relief]~~ safety net assistance may be granted in whole or in part by restricted payment.

(b) Non-cash assistance. Safety net assistance paid as non-cash assistance shall be paid in the following manner and in the following order:

(i) Shelter assistance. A district shall make a payment for shelter by direct payment, two-party check or other form of restricted payment up to the maximum amount established by the department in regulation, provided that a district may make a payment for a recipient's assistance in excess of such maximum at the request of the recipient. Payments for shelter pursuant to this subparagraph shall be subject to the provisions of section one hundred forty-three-b of this chapter. A district shall make payment for shelter by two-party check upon request of the recipient; provided, however, that the district may make a direct payment whenever it finds that the recipient has persistently failed to make payment for rent without good cause as defined by regulations of the department. A district shall provide a recipient with proof of payment promptly upon request by the recipient.

(ii) Utility assistance. A social services district shall make a direct payment, a payment by two party check or other form of restricted payment on behalf of recipients of safety net assistance who pay separately for utilities. Payment for utilities shall include payment for fuel for heating on behalf of recipients who are eligible for a fuel for heating allowance pursuant to section one hundred thirty-one-a of this article and the department's regulations. Payments for fuel for heating shall not exceed the fuel for heating allowance except that a district may make a payment in excess of such amount at the request of the recipient. A district shall provide a recipient with proof of payment promptly upon request by the recipient.

(iii) Personal needs allowance. To the extent available within payment amounts authorized by sections one hundred seventeen, where applicable, and one hundred thirty-one-a of this chapter, a social services district shall provide each household with a personal needs allowance equal to twenty percent of the sum of the monthly standard of payment determined in accordance with the schedule contained in paragraph (a) of subdivision three of section one hundred thirty-one-a of this article and the appropriate amount of home energy grant and supplemental home energy grant as determined by the schedules in subdivisions three-c and three-d of section one hundred thirty-one-a of this article, for the appropriate household size.

(iv) Other assistance. The remainder of the safety net assistance shall be provided on a non-cash basis, provided that an appropriate electronic benefit transfer system is operating in accordance with section twenty-one-a of this chapter in the social services district in which the recipient resides.

2. Persons eligible for safety net assistance because they are persons described in paragraph (b) or (d) of subdivision one of section one hundred fifty-eight of this title shall receive cash assistance, as defined in subdivision one of this section, for two years in a lifetime, whether or not consecutive, after the fourth day of August, nineteen hundred ninety-seven. On or after the first day of December, nineteen hundred ninety-nine, persons who are eligible for safety net assistance but who have received cash assistance for two years or more shall receive assistance only in the form of non-cash assistance. A person may receive cash assistance in excess of two years if the person is otherwise eligible for safety net assistance but the social services district in which the person resides has not yet implemented a non-cash assistance program.

3. Persons eligible for safety net assistance because they are persons described in paragraph (a) of subdivision one of section one hundred fifty-eight of this title shall receive assistance in the form of non-cash assistance.

4. Persons eligible for safety net assistance because they are persons described in paragraphs (c), (e) and (f) of subdivision one of section one hundred fifty-eight of this title shall receive assistance in the form of non-cash assistance.

5. Persons eligible for safety net assistance because they are persons described in paragraph (g) of subdivision one of section one hundred fifty-eight of this title shall receive cash assistance in the safety net program for two years in a lifetime, whether or not consecutive, after the fourth day of August, nineteen hundred ninety-seven. On or after the first day of December, nineteen hundred ninety-nine, persons who are eligible for safety net assistance but have received cash assistance for two years or more in the safety net program shall receive assistance only in the form of non-cash assistance. A person may receive cash assistance in excess of two years if the person is otherwise eligible for safety net assistance but the social services district in which the person resides has not implemented a non-cash program.

6. In calculating the period of cash assistance for new residents of the state, periods in which they received reduced safety net assistance benefits pursuant to section one hundred seventeen of this chapter shall be included. In calculating the period of cash assistance, periods in which a recipient received federally funded refugee assistance shall be included.

7. (a) Notwithstanding subdivisions two and three of this section, adults eligible for safety net assistance who are exempt from the employment requirements contained in title nine-B of this article pursuant to section three hundred thirty-two of such article shall receive cash assistance, unless the adult has been determined to be abusing illegal substances or engaged in habitual consumption of alcohol.

(b) Notwithstanding subdivisions two and three of this section, adults eligible for safety net assistance who are also eligible to receive comprehensive health care services through a special needs plan defined in paragraph (n) of subdivision one of section three hundred sixty-four-j of this chapter shall receive cash assistance, regardless of whether such a plan is operating in the district in which they reside. An adult who would be eligible to receive such services through such a special needs plan but for the application of paragraph (d) of subdivision three of section three hundred sixty-four-j of this chapter shall also receive cash assistance.

8. Social services districts shall provide non-cash assistance to persons eligible for safety net assistance because they are persons described in paragraphs (b) and (d) of subdivision one of section one hundred fifty-eight of this title, who have received cash assistance for two years or more, on or after the first day of December, nineteen hundred ninety-nine. Social services districts shall provide non-cash assistance for persons described in paragraph (a) of subdivision one of section one hundred fifty-eight of this title on or after the first day of December, two thousand. However, social services districts shall not implement subparagraph (iv) of paragraph (b) of subdivision one of this section until an appropriate electronic benefit transfer system is operating in the district.

9. Notwithstanding subdivision eight of this section or any other inconsistent provision of this section, the department may approve up to

five social services districts to provide non-cash assistance to persons described in paragraphs (b), (d) and (g) of subdivision one of section one hundred fifty-eight of this title who have received cash assistance for two years, beginning the first day of December, nineteen hundred ninety-eight, provided that an appropriate electronic benefit transfer system is operating in the district.

10. Social services district providing safety net assistance to persons receiving family care or residential care as defined in subdivision three of section two hundred nine of the social services law shall pay such facility at the rate provided for care and maintenance under the supplemental security income program for beneficiaries of that program in the same facility, less the amount of any personal needs allowance included in the supplemental security program. In addition, social security districts shall provide such persons receiving safety net assistance with a personal needs allowance in the amount included in the supplemental security payment level as a personal needs allowance for recipients of that program residing in the particular facility.

§ 47. Section 165 of the social services law, as added by chapter 1015 of the laws of 1965, is amended to read as follows:

§ 165. Relief recipients authorized to work. Notwithstanding any other provision of law a ~~[public-welfare]~~ social services official may, in his discretion, authorize a recipient of ~~[home-relief]~~ safety net assistance to work and retain the income derived therefrom without any diminution or with partial diminution of ~~[home-relief]~~ safety net assistance where such an arrangement would, in his opinion, lead to elimination of the recipient from the ~~[relief]~~ assistance rolls in a reasonable length of time. The commissioner shall promulgate rules and regulations to effectuate the purpose of this section.

§ 48. Section 398 of the social services law is amended by adding a new subdivision 16 to read as follows:

16. Notwithstanding any provision of law to the contrary, with regard to the placement of all categories of foster children, the social services official or the voluntary authorized agency under contract with such official must consider giving preference to placement of a child with an adult relative over a non-related caregiver, provided that the relative caregiver meets relevant child welfare standards.

§ 49. The social services law is amended by adding a new section 398-e to read as follows:

§ 398-e. Eligibility for protective service. An alien, including a non-qualified alien, as determined by applicable federal statute and regulation, is eligible for protective services for adults and children, to the extent such person is otherwise eligible pursuant to this chapter and the regulations of the department.

§ 50. The business corporation law is amended by adding a new section 405-a to read as follows:

§ 405-a. Institution for children; approval of certificate. Every certificate of incorporation which includes among its corporate purposes, the authority to care for children through the establishment or operation of an institution for destitute, delinquent, abandoned, neglected or dependent children shall have endorsed thereon or annexed thereto the approval of the state department of social services. Provided, however, nothing herein shall authorize such corporation to place out or board out children, as those terms are defined in the social services law, or to care for children in a facility other than an institution possessing an operating certificate issued by the state department of social services.

§ 51. Section 410 of the social services law is amended by adding a new subdivision 4 to read as follows:

4. The provisions of this title shall not apply to child care assistance provided under title five-C of this article.

§ 52. Article 6 of the social services law is amended by adding a new title 5-C to read as follows:

TITLE 5-C
BLOCK GRANT FOR CHILD CARE

Section 410-u. Establishment of block grant for child care.

410-v. Allocation of block grant funds.

410-w. Eligible families.

410-x. Use of funds.

410-y. Maintenance of effort.

410-z. Reporting requirements.

§ 410-u. Establishment of block grant for child care. 1. The department shall establish a state block grant for child care comprised of all of the federal funds appropriated for child care under title IV-A of the federal social security act and under the federal child care and development block grant act and any additional federal funds that the state chooses to transfer from the federal family assistance to needy families block grant to the child care and development block grant plus any state funds appropriated for the provision by social services districts of child care assistance to families in receipt of family assistance and other low income families and for activities to increase the availability and/or quality of child care programs.

2. The state block grant for child care shall be divided into two parts pursuant to a plan developed by the department and approved by the director of the budget. One part shall be retained by the state to provide child care on a statewide basis to special groups and for activities to increase the availability and/or quality of child care programs, including, but not limited to, the start-up of child care programs, the operation of child care resource and referral programs, training activities, the regulation and monitoring of child care programs, the development of computerized data systems, and consumer education, provided however, that child care resource and referral programs funded under title five-B of article six of this chapter shall meet additional performance standards developed by the department of social services including but not limited to: increasing the number of child care placements for persons who are at or below two hundred percent of the state income standard with emphasis on placements supporting local efforts in meeting federal and state work participation requirements, increasing technical assistance to all modalities of legal child care to persons who are at or below two hundred percent of the state income standard, including the provision of training to assist providers in meeting child care standards or regulatory requirements, and creating new child care opportunities, and assisting social services districts in assessing and responding to child care needs for persons at or below two hundred percent of the state income standard. The department shall have the authority to withhold funds from those agencies which do not meet performance standards. Agencies whose funds are withheld may have funds restored upon achieving performance standards. The other part shall be allocated to social services districts to provide child care assistance to families receiving family assistance and to other low income families.

3. Notwithstanding any other provision of law, expenditures of funds from the block grant shall be governed by this title.

§ 410-v. Allocation of block grant funds. 1. The part of the block that is determined to be available to social services districts for child care assistance shall be apportioned among the social services districts by the department according to an allocation plan developed by the department and approved by the director of the budget. The allocation plan shall be based, at least in part, on historical costs and on the availability and cost of, and the need for, child care assistance in each social services district. Annual allocations shall be made on a federal fiscal year basis.

2. Reimbursement under the block grant to a social services district for its expenditures for child care assistance shall be available for seventy-five percent of the district's expenditures for child care assistance provided to those families in receipt of family assistance which are eligible for child care assistance under this title and for one hundred percent of the social services district's expenditures for other eligible families; provided, however, that such reimbursement shall be limited to the social services district's annual state block grant allocation.

3. Any portion of a social services district's block grant allocation for a particular federal fiscal year that is not claimed by such district during that federal fiscal year shall be added to that social services district's block grant allocation for the next federal fiscal year.

4. Any claims for child care assistance made by a social services district for services that occurred from October first, nineteen hundred ninety-six through September thirtieth, nineteen hundred ninety-seven, other than claims made under title XX of the federal social security act, shall be counted against the social services district's first block grant allocation.

§ 410-w. Eligible families. 1. A social services district may use the funds allocated to it from the block grant to provide child care assistance to:

(a) families receiving family assistance when such child care assistance is necessary: to enable a parent or caretaker relative to engage in work, participate in work activities or perform a community service pursuant to title nine-B of article five of this chapter; to enable a teenage parent to attend high school or other equivalent training program; because the parent or caretaker relative is physically or mentally incapacitated; or because family duties away from home necessitate the parent or caretaker relative's absence;

(b) families with incomes up to two hundred percent of the state income standard who are attempting through work activities to transition off of family assistance when such child care is necessary in order to enable a parent or caretaker relative to engage in work provided such families' public assistance has been terminated as a result of increased hours of or income from employment or increased income from child support payments or the family voluntarily ended assistance; and, provided that the family received public assistance at least three of the six months preceding the month in which eligibility for such assistance terminated or ended;

(c) families with incomes up to two hundred percent of the state income standard which are determined in accordance with the regulations of the department to be at risk of becoming dependent on family assistance; and

(d) other families with incomes up to two hundred percent of the state income standard which the social services district designates in its consolidated services plan as eligible for child care assistance in accordance with criteria established by the department.

2. For the purposes of this title, the term "state income standard" means the most recent federal income official poverty line (as defined and annually revised by the federal office of management and budget) updated by the department for a family size of four and adjusted by the department for family size.

3. A social services district shall guarantee child care assistance to families in receipt of family assistance with children under thirteen years of age when such child care assistance is necessary for a parent or caretaker relative to engage in work or participate in work activities pursuant to the provisions of title nine-B of article five of this chapter. Child care assistance shall continue to be guaranteed for such a family for a period of twelve months after the month in which the family's eligibility for family assistance has terminated or ended when such child care is necessary in order to enable the parent or caretaker relative to engage in work, provided that the family's public assistance has been terminated as a result of an increase in the hours of or income from employment or increased income from child support payments or because the family voluntarily ended assistance; that the family received public assistance in at least three of the six months preceding the month in which eligibility for such assistance terminated or ended; and that the family's income does not exceed two hundred percent of the State income standard. Such child day care shall recognize the need for continuity of care for the child and a district shall not move a child from an existing provider unless the participant consents to such move.

§ 410-x. Use of funds. 1. A social services district shall expend its allocation from the block grant in accordance with the applicable provisions in federal law regarding the portion of the funds which must be spent on families in receipt of family assistance, families who are attempting through work activities to transition off of family assistance and families at-risk of becoming dependent on family assistance and the portion which must be spent on other working low-income families. Each social services district may spend no more than five percent of its block grant allocation for administrative activities. The term "administrative activities" shall not include the costs of providing direct services.

2. (a) A social services district may establish priorities for the families which will be eligible to receive funding.

(b) A social services district shall set forth its priorities for child care assistance in the district's consolidated services plan.

(c) A social services district shall be authorized to set aside portions of its block grant allocation to serve one or more of its priority groups and/or to discontinue funding to families with lower priorities in order to serve families with higher priorities.

3. Child care assistance funded under the block grant must meet all applicable standards set forth in section three hundred ninety of this article or the administrative code of the city of New York, including child day care in a child day care center, family day care home, group family day care home, school age child care program, or in home care which is not subject to licensure, certification or registration, or any other lawful form of care for less than twenty-four hours per day. The department also is required to establish, in regulation, minimum health and safety requirements that must be met by those providers providing

child care assistance funded under the block grant which are not required to be licensed or registered under section three hundred ninety of this article or to be licensed under the administrative code of the city of New York and to those family assistance recipients who are providing child care assistance as part of their work activities or as community service under title nine-B of article five of this chapter. A social services district may submit to the department justification for a need to impose additional minimum health and safety requirements on such providers and a plan to monitor compliance with such additional requirements. No such additional requirements or monitoring may be imposed without the written approval of the department. Social services districts shall provide, directly or through referral, technical assistance and relevant health and safety information to all family assistance recipients who voluntarily choose to provide child care assistance as part of their work activities under title nine-B of article five of this chapter.

4. The amount to be paid or allowed for child care assistance funded under the block grant shall be the actual cost of care but no more than the applicable market-related payment rate established by the department in regulations. The payment rates established by the department shall be sufficient to ensure equal access for eligible children to comparable child care assistance in the substate area that are provided to children whose parents are not eligible to receive assistance under any federal or state programs. Such payment rates shall take into account the variations in the costs of providing child care in different settings and to children of different age groups, and the additional costs of providing child care for children with special needs.

5. The department shall promulgate regulations under which provision for child care assistance may be made by providing child care directly; through purchase of services contracts; by providing cash, vouchers or reimbursement to the providers of child care or to the parents or caretaker relatives; or through such other arrangement as the department finds appropriate. Such regulations shall require the use of at least one method by which child care arranged by the parent or caretaker relative can be paid.

6. Pursuant to department regulations, child care assistance shall be provided on a sliding fee basis based upon the family's ability to pay.

§ 410-y. Maintenance of effort. Each social services district shall maintain the amount of local funds spent for child care assistance under the child care block grant at a level equal to or greater than the amount the district spent for child care assistance during federal fiscal year nineteen hundred ninety-five under title IV-A of the federal social security act, the federal child care development block grant program and the state low income child care program. If the state fails to meet the level of state and local child care funding necessary to maintain the federal matching funds for child care assistance available under title IV-a of the federal social security act, the state shall withhold funding from those social services districts which spent a lower amount of local funds for child care assistance than the amount they spent during federal fiscal year nineteen hundred ninety-five, based on a formula established in department regulations, equal to the amount of the matching funds which have been lost.

§ 410-z. Reporting requirements. Each social services district shall collect and submit to the department, in such form and at such times as specified by the department, such data and information regarding child

care assistance provided under the block grant as the department may need to comply with federal reporting requirements.

§ 53. Section 95 of the social services law is amended by adding a new subdivision 9 to read as follows:

9. (a) The parent or other individual who is living with and exercising parental control over a child under the age of eighteen who has an absent parent is not eligible to participate in the food stamp program if such person refuses to cooperate with the department in establishing the paternity of the child (if the child is born out of wedlock) and in obtaining support for the child or the parent (or other individual) and the child. This paragraph does not apply to the parent (or other individual) if the department determines that there is good cause for the refusal to cooperate.

(b) A putative or identified noncustodial parent of a child under the age of eighteen is not eligible to participate in the food stamp program if such individual refuses to cooperate with the department in establishing the paternity of the child (if the child is born out of wedlock) and in providing support for the child. The use of the information collected pursuant to this paragraph shall be limited to the purposes for which the information is collected and is subject to the confidentiality provisions set forth in section one hundred thirty-six of this chapter.

(c) To the extent not inconsistent with federal law and regulations, an individual is not eligible to participate in the food stamp program as a member of any household if the individual is under court order to pay child or combined child and spousal support and has accumulated support arrears equivalent to or greater than the amount of current support due for a period of four months.

§ 54. Subparagraph 1 of paragraph (a) of subdivision 1 of section 366 of the social services law is REPEALED and a new subparagraph 1 is added to read as follows:

(1) meets the eligibility requirements of the safety net program without regard to the requirements of section three hundred forty-two of this chapter as it existed on the first day of November, nineteen hundred ninety-seven; provided, however, that an otherwise eligible person who is subject to a sanction pursuant to section three hundred forty-two of this chapter shall remain eligible for medical assistance; or

§ 55. Subparagraph 5 of paragraph (a) of subdivision 1 of section 366 of the social services law, as amended by chapter 450 of the laws of 1979 and clause (i) as amended by chapter 710 of the laws of 1988, is amended to read as follows:

(5) although not receiving [~~nor in need of~~] public assistance or care for his or her maintenance under other provisions of this chapter, has not, according to the criteria and standards established by this article or by action of the department, sufficient income and resources, including available support from responsible relatives, to meet all the costs of medical care and services available under this title, and is [~~either~~] (i) under the age of twenty-one years, or sixty-five years of age or older, or certified blind or certified disabled or (ii) a spouse of a cash public assistance recipient living with him or her and essential or necessary to his or her welfare and whose needs are taken into account in determining the amount of his or her cash payment or (iii) for reasons other than income or resources [~~7~~]: (A) is eligible for [aid to dependent children or] federal supplemental security income benefits and/or additional state payments, or (B) would meet the eligibility

requirements of the aid to dependent children program as it existed on the sixteenth day of July, nineteen hundred ninety-six; or

§ 56. Subparagraph 7 of paragraph (a) of subdivision 1 of section 366 of the social services law is REPEALED and a new subparagraph 7 is added to read as follows:

(7) is a person at least twenty-one years of age but under the age of sixty-five who is not eligible for medical assistance pursuant to subparagraph eight or nine of this paragraph (i) who is the parent of a dependent child under the age of twenty-one and (ii) who lives with such child and (iii) whose net income, without deducting the amount of any incurred medical expenses, do not exceed the net income exemptions set forth in subparagraph seven of paragraph (a) of subdivision two of this section; or

§ 57. Paragraph (a) of subdivision 1 of section 366 of the social services law is amended by adding three new subparagraphs 8, 9 and 10 to read as follows:

(8) is a member of a family which contains a dependent child living with a caretaker relative, which has net available income not in excess of the income standards of the temporary assistance for needy families program as it existed on the first day of November, nineteen hundred ninety-seven, and which has net available resources not in excess of one thousand dollars; for purposes of this subparagraph, the net available income and resources of a family shall be determined using the methodology of the temporary assistance for needy families program as it exists on the first day of November, nineteen hundred ninety-seven, except that (i) there shall be disregarded an additional amount of resources equal to the difference between the resource standard of the temporary assistance for needy families program as it existed on the first day of November, nineteen hundred ninety-seven and one thousand dollars and (ii) no part of the methodology of the temporary assistance for needy families program will be used which is more restrictive than the methodology of the aid to dependent children program as it existed on the sixteenth day of July, nineteen hundred ninety-six; for purposes of this paragraph, the term dependent child means a person under eighteen years of age (or a person eighteen years of age who is a full-time student in a secondary school or in the equivalent level of vocational or technical training, and who is reasonably expected to complete the program before reaching nineteen years of age) who is deprived of parental support or care by reason of the death, continued absence, or physical or mental incapacity of a parent, or by reason of the unemployment of the parent, as defined by the department; or

(9) is a member of a family which contains a child under twenty-one years of age, which meets the financial eligibility requirements for medical assistance pursuant to subparagraph eight of this paragraph, and which is ineligible for such assistance because no child in the family meets the definition of a dependent child or is a pregnant woman who meets the eligibility requirements for medical assistance pursuant to subparagraph eight of this paragraph and who is ineligible because no dependent child resides with her; or

(10) is a child who is under twenty-one years of age, who is not living with a caretaker relative, who has net available income not in excess of the income standards of the temporary assistance for needy families program as it existed on the first day of November, nineteen hundred ninety-seven, and who has net available resources not in excess of one thousand dollars; for purposes of this subparagraph, the child's net available income and resources shall be determined using the method-

ology of the temporary assistance for needy families program as it existed on the first day of November, nineteen hundred ninety-seven, except that (i) there shall be disregarded an additional amount of resources equal to the difference between the applicable resource standard of the temporary assistance for needy families program as it exists on the first day of November, nineteen hundred ninety-seven and one thousand dollars and (ii) no part of the methodology of the temporary assistance for needy families program will be used which is more restrictive than the methodology of the aid to dependent children program as it existed on the sixteenth day of July, nineteen hundred ninety-six; and

§ 57-a. Subdivision 1 of section 366 of the social services law is amended by adding a new closing paragraph to read as follows:

No person who is otherwise eligible for medical assistance shall lose eligibility for such assistance as a result of the imposition of a sanction pursuant to section three hundred forty-two of this chapter.

§ 57-b. Subparagraph 5 of paragraph (a) of subdivision 2 of section 366 of the social services law, as amended by chapter 938 of the laws of 1990, is amended to read as follows:

(5) such income as is disregarded or exempt under the cash assistance program to which the applicant is most closely related for purposes of this subparagraph, cash assistance program means either the aid to dependent children program as it existed on the sixteenth day of July, nineteen hundred ninety-six, or the supplemental security income program;

§ 58. The opening paragraph of subparagraph 7 of paragraph (a) of subdivision 2 of section 366 of the social services law, as amended by chapter 938 of the laws of 1990, is amended to read as follows:

income in an amount set forth in the following schedule and provisions, provided, however, that the amount of such annual income for any household may not exceed one hundred thirty-three and one-third percent of the highest amount which would ordinarily ~~[be] have been~~ paid under ~~[title ten of this chapter]~~ the aid to dependent children program as it existed on the sixteenth day of July, nineteen hundred ninety-six, to be increased annually by the same percentage as the percentage increase in the federal consumer price index, to a household of the same size without any income or resources:

§ 59. Subparagraph (i) of paragraph (a) of subdivision 4 of section 366 of the social services law, as added by chapter 453 of the laws of 1990, is amended to read as follows:

(i) Notwithstanding any other provision of law, each family which was eligible for medical assistance ~~[under the aid to dependent children or home relief program pursuant to this chapter]~~ pursuant to subparagraph eight or nine of paragraph (a) of subdivision one of this section in at least three of the six months immediately preceding the month in which such family became ineligible for such assistance because of hours of, or income from, employment of the caretaker relative, or because of loss of entitlement to ~~[either the thirty dollar earned income disregard or the one-third of the remainder earned income disregard]~~ the earnings disregard under subparagraph ~~[(iv)]~~ (iii) of paragraph (a) of subdivision eight of section one hundred thirty-one-a of this chapter shall, while such family includes a dependent child, remain eligible for medical assistance for six calendar months immediately following the month in which such family would otherwise be determined to be ineligible for medical assistance pursuant to the provisions of this title and the regulations of the department governing income and resource limita-

tions relating to eligibility determinations for [~~aid to dependent children~~] families described in subparagraph eight of paragraph (a) of subdivision one of this section.

§ 60. Subparagraph (i) of paragraph (b) of subdivision 4 of section 366 of the social services law, as added by chapter 453 of the laws of 1990, is amended to read as follows:

(i) Upon giving notice of termination of medical assistance [~~under the aid to dependent children or home relief program~~] provided pursuant to subparagraph eight or nine of paragraph (a) of subdivision one of this section, the department shall notify each such family of its rights to extended benefits under paragraph (a) of this subdivision and describe any reporting requirements and the conditions under which such extension may be terminated. The department shall also provide subsequent notices of the option to extend coverage pursuant to paragraph (a) of this subdivision in the third and sixth months of the initial six month extended coverage period and notices of the reporting requirements under such paragraph in each of the third and [~~six~~] sixth months of the initial six month extended coverage period and in the third month of the additional extended coverage period.

§ 61. Paragraph (c) of subdivision 4 of section 366 of the social services law, as added by chapter 42 of the laws of 1985, is amended to read as follows:

(c) Notwithstanding any inconsistent provision of law, each family which was eligible for medical assistance [~~under the aid to dependent children program pursuant to this chapter~~] pursuant to subparagraph eight of paragraph (a) of subdivision one of this section in at least three of the six months immediately preceding the month in which such family became ineligible for such assistance as a result, wholly or partly, of the collection or increased collection of child or spousal support pursuant to part D of title IV of the federal social security act, shall, for purposes of medical assistance eligibility, be considered to be [~~receiving aid to dependent children~~] eligible for medical assistance pursuant to subparagraph eight of paragraph (a) of subdivision one of this section for an additional four calendar months beginning with the month ineligibility for such [~~aid~~] assistance begins.

§ 62. The opening paragraph and subdivision 2 of section 49 of the social services law, as added by chapter 777 of the laws of 1987, are amended to read as follows:

[~~The~~] For the purposes of this title, the following terms shall have the following meanings:

2. "Family" shall mean two or more persons, including at least one who shall be twenty-one years of age or younger and pregnant women, who:

(a) constitute a household for purposes of the [~~aid to dependent children~~] family assistance, emergency assistance to needy families with children, [~~home relief~~] safety net assistance or supplemental security income benefits; or

(b) although not currently in receipt of [~~aid to dependent children~~] family assistance, emergency assistance, to needy families with children, [~~home relief~~] safety net assistance or supplemental security income benefits, are eligible for such benefits and upon approval of their eligibility would be considered a family pursuant to this subdivision.

§ 63. Paragraph (a) of subdivision 5 of section 62 of the social services law, as amended by chapter 1080 of the laws of 1974, is amended to read as follows:

(a) Notwithstanding any other provisions of this chapter, in the event a recipient removes from one to another social services district in the state, a social services official administering [~~home relief~~] safety net assistance or [~~aid to dependent children~~] family assistance to such recipient shall continue such assistance and shall provide medical assistance for such recipient for a period ending on the last day of the calendar month next succeeding the calendar month in which such removal occurred, provided such recipient is otherwise eligible for such assistance; and in the event an eligible person removes from one to another social services district in the state, a social services official may continue to administer medical assistance to such person for a period not to extend beyond the last day of the calendar month next succeeding the calendar month in which such removal occurred, provided such person is otherwise eligible for such assistance and has not become a recipient of public assistance or care in the district to which he has removed.

§ 64. Subdivision 6 of section 65 of the social services law, as added by chapter 24 of the laws of 1960, is amended to read as follows:

6. (a) A county commissioner is authorized and required to provide [~~home relief~~] safety net assistance for [~~local charges~~] persons residing or found in a city or town of the county when in his judgment they are eligible for and in immediate need of such assistance and either: the city or town public welfare officer, as the case may be, is absent from his city or town under circumstances indicating his absence may extend beyond two days and such officer has no deputy or assistant authorized to grant such assistance or his or her deputy or assistant is also absent from such city or town under circumstances indicating his or her absence may also be for a period of more than two days; or, such county commissioner shall have appealed to the department, pursuant to section seventy-four-h, the decision of the [~~public welfare officer~~] social services official of such city or town not to grant the [~~home relief~~] safety net assistance recommended by such commissioner after his or her staff shall have investigated the application for assistance pursuant to the provisions of section one hundred thirty-two. Such county commissioner may continue to grant [~~home relief~~] safety net assistance in the former case until the city or town public welfare officer or his or her deputy or assistant returns to such city or town, and in the latter case until the department shall have decided the appeal of the county commissioner.

(b) Expenditures of a county for [~~home relief~~] safety net assistance pursuant to this section may be made from county [~~public welfare~~] social services funds appropriated or otherwise made available therefor and shall be subject to reimbursement by the state in accordance with and to the extent authorized by section one hundred fifty-three; and the local share of such expenditures shall become a charge on, and shall be reimbursed to the county by the city or town which was otherwise responsible for furnishing the [~~home relief~~] safety net assistance for which the expenditure was made, provided the county commissioner shall give appropriate written notice thereof to the appropriate city or town public welfare officer within thirty days of the date the expenditure was made by the county and provided further that in the case of an appeal to the department that such appeal shall be decided in favor of the county.

§ 65. Subdivision 1 of section 67 of the social services law, as amended by chapter 256 of the laws of 1966, is amended to read as follows:

1. The town board of each town responsible for the expense of providing [~~home relief~~] safety net assistance for persons residing or found in such town shall appoint a [~~public welfare officer~~] social services official or authorize a supervisor of the town to act as such official. It may in its discretion appoint an assistant town [~~public welfare officer~~] social services official and other employees to assist the town [~~public welfare officer~~] social services official in carrying out his or her duties. The town [~~public welfare officer~~] social services official, his or her assistant and other employees shall hold office during the pleasure of the town board. The town board shall fix the salary to be paid a town [~~public welfare officer~~] social services official, his or her assistant or other employees or fix the amount per hour to be paid them when they are performing any duty connected with their office.

§ 66. Section 69 of the social services law, as amended by chapter 200 of the laws of 1946, subdivisions 1 and 2 as amended by chapter 256 of the laws of 1966 and subdivision 3 as amended by chapter 863 of the laws of 1977, is amended to read as follows:

§ 69. Responsibility for public assistance and care in a county [~~public welfare~~] social services district. The responsibility for the administration of public assistance and care in a county [~~public welfare~~] social services district and the expense thereof may either be borne by the county [~~public welfare~~] social services district or be divided between such district and the towns and cities therein as hereinafter provided.

1. Unless otherwise determined by the board of supervisors as hereinafter provided, each town shall be responsible for the expense of providing [~~home relief~~] safety net assistance for [~~local charges~~] persons residing or found in such town.

2. Unless otherwise determined by the board of supervisors as hereinafter provided, a city forming a part of a county [~~public welfare~~] social services district shall be responsible for the expense of providing [~~home relief~~] safety net assistance for any [~~local charge~~] person residing or found in its territory.

3. A county social services district shall be responsible for the expense of providing all assistance and care for [~~local charges~~] persons residing or found in a town or city in its territory for which such town or city is not responsible under the provisions of subdivisions one and two of this section[~~, and for the assistance and care of any state charge found in its territory~~]. The expense of such assistance and care granted by a county social services district shall be subject to reimbursement by the state in the cases provided for by section sixty-two or by any other provision of this chapter.

§ 67. Paragraph (a) of subdivision 1 of section 92 of the social services law, as amended by chapter 1080 of the laws of 1974, is amended to read as follows:

(a) Should the sums appropriated for medical assistance for needy persons, [~~aid to dependent children~~] family assistance, or care and protection of children pursuant to article six of this chapter and their administration be expended or contracted or become exhausted during the year for the purposes for which they were appropriated, or should no appropriation have been made, additional sums shall be appropriated by the proper appropriating bodies, as occasion demands, to carry out the provisions of this chapter.

§ 68. Subdivision 1 of section 111-e of the social services law, as added by chapter 685 of the laws of 1975, is amended to read as follows:

1. A share of any support payments collected by the social services official, less any amount disbursed to the family receiving [~~aid to dependent children~~] family assistance, shall, subject to section one hundred eleven-f, be paid to the state as reimbursement toward the amount contributed by the state and federal governments to assistance furnished to such family. Such share shall bear the same ratio to the amounts collected as the state and federal funds bear to assistance granted.

§ 69. Section 111-g of the social services law, as amended by chapter 818 of the laws of 1990, is amended to read as follows:

§ 111-g. Availability of paternity and support services. The department and the social services districts, in accordance with the regulations of the department, shall make services relating to the establishment of paternity and the establishment and enforcement of support obligations available to persons not receiving [~~aid to dependent children~~] family assistance upon application by such persons. Such persons must apply by (i) completing and signing a form as prescribed by the department, or (ii) filing a petition with the court or applying to the court in a proceeding for the establishment of paternity and/or establishment and/or enforcement of a support obligation, which includes a statement signed by the person requesting services clearly indicating that such person is applying for child support enforcement services pursuant to this title. The department may, by regulation, require payment of an application fee for such services and the deduction of costs in excess of such fee from amounts collected on behalf of such persons.

§ 70. Subdivision 3 of section 111-h of the social services law, as added by chapter 516 of the laws of 1977, is amended to read as follows:

3. The support collection unit shall require that a person applying for child support enforcement services provide his or her name, address and social security number and disclose whether he or she is in receipt of [~~home relief~~] safety net assistance or [~~aid to dependent children~~] family assistance; provided, however, that a social security number may be required only where permitted under federal law.

§ 71. Section 131-p of the social services law, as added by chapter 318 of the laws of 1981, is amended to read as follows:

§ 131-p. Group health insurance benefits; condition of eligibility. Notwithstanding any other inconsistent provision of law and to the extent permissible under federal law, any applicant for or recipient of [~~home relief~~] safety net assistance or [~~aid to dependent children~~] family assistance who is or becomes employed and whose employer provides group health insurance benefits, including benefits for a spouse and dependent children of such applicant or recipient, shall apply for and utilize such benefits as a condition of eligibility for [~~home relief~~] safety net assistance or [~~aid to dependent children~~] family assistance. Such applicant or recipient shall also utilize such benefits provided by former employers as long as such benefits are available. The department shall promulgate regulations to determine the eligibility requirements of those applicants and recipients who have more than one employer offering group health insurance benefits.

The provisions of this section shall apply to such applicants upon their initial certification for [~~aid to dependent children~~] family assistance or [~~home relief~~] safety net assistance and to such recipients upon their recertifications for such assistance following the date on which this section becomes effective. The cost of premiums paid by such applicants or recipients for such coverage shall be deducted from such

applicant's or recipient's earnings as an expense incident to his or her employment[, ~~in addition to any other expenses allowed pursuant to the provisions of section one hundred thirty-one-i of this article~~].

§ 72. Subparagraphs (ii) and (iii) of paragraph (a) of subdivision 1 of section 131-u of the social services law, as amended by chapter 169 of the laws of 1994, are amended to read as follows:

(ii) [~~aid to dependent children~~] family assistance, pursuant to section three hundred forty-nine of this chapter;

(iii) [~~home relief~~] safety net assistance, pursuant to sections one hundred fifty-seven and one hundred fifty-eight of this chapter; or

§ 73. Section 131-x of the social services law, as added by chapter 613 of the laws of 1993, is amended to read as follows:

§ 131-x. Reverse mortgage loans. Notwithstanding any other inconsistent provisions of law and to the extent permissible under federal law, regulation or waiver, the proceeds of a reverse mortgage loan made in conformity with the requirements of section two hundred eighty or two hundred eighty-a of the real property law or exempted therefrom pursuant to subdivision four of section two hundred eighty or subdivision four of section two hundred eighty-a of the real property law shall not be considered as income or resources of the mortgagor for any purpose under any law relating to food stamps, public assistance, veteran assistance, [~~home relief~~] safety net assistance, low-income home energy assistance, federal supplemental security income benefits and/or additional state payments, medical assistance, any prescription drug plan or other payments, allowances, benefits or services available pursuant to this chapter; provided, however, that for applicants or for recipients of [~~home relief~~] safety net assistance, any such reverse mortgage loan proceeds shall be disregarded as income and/or resources only in the event that, and for so long as, federal laws and regulations exempt loan proceeds in the determination of eligibility for both the aid to families with dependent children and supplemental security income programs.

§ 74. Subdivision 1 of section 139-a of the social services law, as added by chapter 184 of the laws of 1969, is amended to read as follows:

1. Any person who shall apply for [~~home relief~~] safety net assistance or [~~aid to dependent children~~] family assistance within one year after arrival in this state, shall be presumed to have come into the state for the purpose of receiving public assistance or care and the social services official where application is made, shall deny public assistance and care to such applicant unless such applicant shall establish by clear and convincing proof that the purpose of his or her entry was not for the purpose of securing public assistance and care in this state. In addition to complying with the foregoing provisions, the applicant shall also submit with his or her application a certificate from the appropriate local employment office of the state department of labor issued within a two week period from the date of his or her application stating that such employment office has no order for an opening in part-time, full-time, temporary or permanent work of any kind to which the applicant could properly be referred by such office, taking into consideration only his or her physical and mental capacity without reference to his or her customary occupation or acquired skill.

§ 75. Section 152-a of the social services law, as amended by chapter 110 of the laws of 1971, is amended to read as follows:

§ 152-a. Burial reserves for certain recipients of public assistance or care from assigned assets. When other provisions of this chapter providing for reserving an amount for the burial of a recipient of public assistance or care, from assets transferred or assigned to a

social services official, do not apply to a recipient because of the category of public assistance or care received by him or her, as in the case of a recipient of [~~home-relief~~] safety net assistance, a similar burial reserve from assigned assets may or shall, as the regulations of the department may permit or require, be set aside for such recipient; and any such burial reserve heretofore set aside with the approval of the department, or in accordance with its requirements, shall be deemed to have been authorized.

§ 76. Section 153-c of the social services law is REPEALED.

§ 77. Section 165 of the social services law is REPEALED.

§ 78. Subdivision 4 of section 168 of the social services law, as amended by chapter 256 of the laws of 1966, is amended to read as follows:

4. Veteran assistance means [~~home-relief~~] safety net assistance given pursuant to the provisions of this title, to the persons eligible therefor.

§ 79. Section 171 of the social services law, as amended by chapter 863 of the laws of 1977, is amended to read as follows:

§ 171. Responsibility; county social services districts; city social services districts; cities; towns. 1. A county social services district which has elected, pursuant to the provisions of this title, to administer veteran assistance shall be responsible for providing veteran assistance, and the expense thereof, to:

(a) [~~state-charges~~] persons residing or found therein, subject to reimbursement by the state;

(b) [~~local-charges~~] persons residing or found in any town in the county, when the expense of providing [~~home-relief~~] safety net assistance to [~~local-charges~~] persons residing or found in such towns is a county charge pursuant to the provisions of section seventy-two and section seventy-three of this chapter;

(c) [~~local-charges~~] persons residing or found in a city forming part of the county social services district, when the expense of providing [~~home-relief~~] safety net assistance to [~~local-charges~~] persons residing or found in such city is a county charge pursuant to the provisions of section seventy-two and section seventy-three of this chapter.

2. A town responsible for the expense of providing [~~home-relief~~] safety net assistance to [~~local-charges~~] persons residing or found therein, pursuant to section sixty-nine, which has elected to administer veteran assistance, pursuant to the provisions of this title, shall be responsible for providing veteran assistance to local charges residing or found therein, and the expense thereof.

§ 80. Section 172 of the social services law, as added by chapter 871 of the laws of 1948, is amended to read as follows:

§ 172. Moneys to be provided. 1. The [~~public-welfare~~] social services official of every county, city or town responsible for veteran assistance, under the provisions of this title, shall include in his or her annual estimate for [~~home-relief~~] safety net assistance the amount necessary to carry out the provisions of this title in such county, city or town.

2. Legislative bodies shall make appropriations and raise money for veteran assistance in the same manner as for [~~home-relief~~] safety net assistance.

§ 81. Section 174-b of the social services law, as added by chapter 871 of the laws of 1948 and subdivision 1 as amended by chapter 256 of the laws of 1966, is amended to read as follows:

§ 174-b. Authorization of veteran assistance in towns. 1. The town board of a town responsible for the expense of providing [~~home relief~~] safety net assistance to [~~local charges~~] persons residing or found therein, upon the presentation of a petition to it by one or more posts, camps or garrisons of one or more veteran [~~organization~~] organizations in the town, requesting that veteran assistance be authorized by the [~~town welfare~~] local social services officer, may, by resolution adopted by majority vote, authorize and direct the [~~town welfare~~] local social services officer to authorize and furnish veteran assistance to [~~local charges~~] persons residing or found therein. Thereafter, the [~~town welfare~~] local social services officer shall have, exercise and perform the same powers and duties with relation to veteran assistance as he has, exercises and performs with relation to [~~home relief~~] safety net assistance.

2. When the town board of a town has authorized and directed the [~~town welfare~~] local social services officer to authorize and furnish veteran assistance, if neither the [~~town public welfare~~] local social services officer, or the supervisor of the town authorized to act as such official, nor the assistant [~~town public welfare~~] local social services officer, if there be one, is a veteran, as herein defined, the town board may appoint, or authorize the [~~town public welfare~~] local social services officer to appoint, a veteran, as herein defined, as a deputy or assistant [~~town public welfare~~] local social service officer.

§ 82. Section 178 of the social services law, as added by chapter 871 of the laws of 1948, is amended to read as follows:

§ 178. Veteran assistance financing; state reimbursement. All provisions of this chapter or of any other law relating to the financing of [~~home relief~~] safety net assistance by counties, cities and towns, or reimbursement by the state for [~~home relief~~] safety net assistance expenditures made by counties, cities and towns, shall apply with the same force and effect to veteran assistance.

§ 83. Subdivision 5 of section 211 of the social services law, as amended by chapter 41 of the laws of 1992, is amended to read as follows:

5. The department is authorized, on behalf of the state, to enter into an agreement with the secretary of the federal department of health and human services for the purpose of obtaining reimbursement for [~~home relief~~] safety net assistance or any other payments made from state or local funds furnished for basic needs for any month to or on behalf of persons who subsequently are determined eligible to receive supplemental security income payments for such month. Notwithstanding any law to the contrary, the department is authorized to condition eligibility for any program providing such payments upon the individual's execution of a written authorization allowing the secretary of the federal department of health and human services to pay to the social services district the amount of supplemental security income due at the time the individual becomes eligible.

§ 84. Subdivisions 1 and 3 of section 350-a of the social services law, as added by chapter 39 of the laws of 1963, are amended to read as follows:

1. Whenever the [~~public welfare~~] social services official who is granting allowances of [~~aid to dependent children~~] family assistance to a relative for the benefit of a child determines that such relative is unable to manage the allowances he or she may, when appropriate in accordance with state and federal requirements, pay the allowances to

another individual who is interested in or concerned with the welfare of the child and relative.

3. Any relative or other person who is granted an allowance of [~~aid to dependent children~~] family assistance for the benefit of a child or children and who wilfully uses all or any part of such allowance other than for the benefit of such child or children, shall be guilty of a misdemeanor.

§ 85. Subdivision 1 and the opening paragraph of subdivision 2 of section 352 of the social services law, as amended by chapter 516 of the laws of 1977, are amended to read as follows:

1. A social services official who makes [~~an aid to dependent children~~] a family assistance allowance for the benefit of a child who has been abandoned or deserted by a parent shall promptly give notice thereof to the appropriate district attorney where there is reason to believe such parent may have violated the provisions of section 260.00 of the penal law.

The social services official providing [~~aid to dependent children~~] family assistance allowances pursuant to the provisions of this title, for the benefit of a child who has an absent parent, shall have and shall perform the following duties and powers in addition to others imposed or conferred upon him or her by or pursuant to other provisions of this chapter or other law:

§ 86. The opening paragraph of subdivision 1 of section 352-a of the social services law, as added by chapter 187 of the laws of 1969, is amended to read as follows:

The social services official providing [~~aid to dependent children~~] family assistance allowances, pursuant to the provisions of this title, for the benefit of children born out of wedlock, shall have and shall perform the following duties and powers in addition to others imposed or conferred upon him or her by or pursuant to other provisions of this chapter or other law:

§ 87. Subdivision (a) of section 353 of the social services law, as amended by chapter 473 of the laws of 1978, is amended to read as follows:

(a) decide whether the applicant is eligible for and should receive [~~aid to dependent children~~] family assistance, the amount, nature and manner of paying or providing it and the date on which it shall begin,

§ 88. Section 354 of the social services law is REPEALED.

§ 89. Subdivision 1 of section 355 of the social services law, as amended by chapter 200 of the laws of 1946, is amended to read as follows:

1. supervise the administration of [~~aid to dependent children~~] family assistance,

§ 90. Subdivisions 1 and 2 of section 356 of the social services law, as added by chapter 200 of the laws of 1946, are amended to read as follows:

1. The legislative body of each [~~public welfare~~] social services district shall annually appropriate to the commissioner of [~~public welfare~~] social services such sum as may be needed for [~~aid to dependent children~~] family assistance, and for the administration thereof. When the assistance for which such [~~public welfare~~] social services district is responsible is administered, pursuant to title [~~three-a~~] three-A of article three, by a [~~public welfare~~] social services official who is not an officer of the [~~public welfare~~] social services district for which the appropriation is made, all or part of the sum appropriated shall be made available to such other officer and to the municipality of which he

or she is an officer, in the manner, and at such times, as is required by other provisions of this chapter. The legislative body of the [~~public welfare~~] social services district shall include such sums in the taxes to be levied for such [~~public welfare~~] social services district.

2. Allowances granted for [~~aid to dependent children~~] family assistance shall be paid out of moneys appropriated or otherwise made available to the [~~public welfare~~] social services district.

§ 91. Section 357 of the social services law, as amended by chapter 200 of the laws of 1946, is amended to read as follows:

§ 357. Quarterly estimates. Each [~~public welfare~~] social services district shall submit to the department quarterly estimates of its anticipated expenditures for [~~aid to dependent children~~] family assistance and administrative expenses not less than thirty days before the first day of each of the quarters beginning on the first day of the months of July, October, January and April, in such form and together with such other information as the department may require.

§ 92. Subdivisions 1 and 3 of section 360 of the social services law, as amended by chapter 909 of the laws of 1974, are amended to read as follows:

1. The ownership of real property by an applicant or applicants, recipient or recipients who is or are legally responsible relatives of the child or children for whose benefit the application is made or the aid is granted, whether such ownership be individual or joint as tenants in common, tenants by the entirety or joint tenants, shall not preclude the granting of [~~aid to dependent children~~] family assistance or the continuance thereof if he or they are without the necessary funds to maintain himself, herself or themselves and such child or children. The social services official may, however, require, as a condition to the granting of aid or the continuance thereof, that he or she be given a deed of or a mortgage on such property in accordance with the provisions of section one hundred six.

3. The net amount recovered by the social services department from such property, less any expenditures approved by the department for the burial of the relative or the child who dies while in receipt of aid under this title, shall be used to repay the social services district, the state and the federal government their proportionate share of the cost of [~~aid to dependent children~~] family assistance granted. The state and federal share shall be paid by the social services district to the state and the manner and amount of such payment shall be determined in accordance with the regulations of the department.

§ 93. Section 362 of the social services law is REPEALED.

§ 94. Subdivisions 11 and 17 of section 364-j of the social services law, as amended by chapter 649 of the laws of 1996, are amended to read as follows:

11. Notwithstanding section three hundred sixty-six of this chapter or any other inconsistent provision of law, participants in the managed care program under this section who have lost their eligibility for medical assistance before the end of a six month period beginning on the date of the participant's initial selection of or assignment to a managed care provider shall have their eligibility for medical assistance continued until the end of the six month enrollment period, but only with respect to family planning services provided pursuant to subparagraph (iii) of paragraph (a) of subdivision four of this section and any services provided to the individual under the direction of the managed care provider [~~; provided, however, that eligibility for medical assistance shall not be continued for persons who have lost their eligi-~~

~~bility for home relief for failure or refusal to comply with the provisions of subdivision five of section one hundred thirty-one of this chapter~~]. Provided further, however, a pregnant woman with an income in excess of the medically needy income level set forth in section three hundred sixty-six of this title, who was eligible for medical assistance solely as a result of paragraph (m) or (n) of subdivision four of such section, shall continue to be eligible for medical assistance benefits only through the end of the month in which the sixtieth day following the end of her pregnancy occurs except for eligibility for Federal Title X services which shall continue for twenty-four months therefrom, and provided further that the services are reimbursable by the federal government at a rate of ninety percent.

17. The provisions of this section regarding participation of persons receiving [~~aid to dependent children~~] family assistance and supplemental security income in managed care programs shall be effective if, and as long as, federal financial participation is available for expenditures for services provided pursuant to this section.

§ 95. Paragraph (k) of subdivision 4 of section 366 of the social services law, as amended by chapter 33 of the laws of 1994, is amended to read as follows:

(k) Notwithstanding any inconsistent provision of law, persons who were eligible for medical assistance [~~because of their eligibility for home relief as defined in title three of this article~~] pursuant to subparagraph one or nine of paragraph (a) of subdivision one of this section and who are participants in the entities offering comprehensive health services plans designated pursuant to paragraph (j) of this subdivision and who have lost their eligibility for medical assistance before the end of a six-month period beginning on the date of the individual's enrollment in such entities, shall have their eligibility for medical assistance continued until the end of the six-month enrollment period, but only with respect to services provided to the individual as an enrollee in the entity offering a comprehensive health services plan [~~; provided, however, that eligibility for medical assistance shall not be continued for persons who have lost their eligibility for home relief for failure or refusal to comply with the provisions of subdivision five of section one hundred thirty-one of this chapter~~].

§ 96. Subdivision 8 of section 365-a of the social services law is REPEALED.

§ 97. Subparagraph 2 of paragraph (m), subparagraph 1 of paragraph (n), subparagraph 2 of paragraph (o), subparagraph 2 of paragraph (p) and subparagraph 2 of paragraph (q) of subdivision 4 of section 366 of the social services law, subparagraph 2 of paragraph (m), subparagraph 1 of paragraph (n), and subparagraph 2 of paragraph (o) as added by chapter 584 of the laws of 1989, subparagraph 2 of paragraph (p) as added by chapter 651 of the laws of 1990, and subparagraph 2 of paragraph (q) as added by chapter 472 of the laws of 1991, are amended to read as follows:

(2) For purposes of determining eligibility for medical assistance under this paragraph, family income is determined by use of the same methodology used to determine eligibility for the aid to dependent children [~~benefits under this article~~] program as it existed on the sixteenth day of July, nineteen hundred ninety-six and if authorized by federal law, rules or regulations resources available to such family shall not be considered nor required to be applied to the cost of medical care, services or supplies available under this paragraph.

(1) Infants younger than one year who are not otherwise eligible for medical assistance and whose families have incomes equal to or less than one hundred eighty-five percent of the federal income official poverty line (as defined and annually revised by the federal office of management and budget) for a family of the same size as the families that include the infants shall be eligible for medical assistance as provided in subparagraph three of this paragraph. For purposes of this paragraph, family income shall be determined by use of the same methodology used to determine eligibility for the aid to dependent children [~~benefits established under title ten of this article~~] program as it existed on the sixteenth day of July, nineteen hundred ninety-six.

(2) For purposes of determining eligibility under this paragraph, family income is determined by use of the same methodology used to determine eligibility for the aid to dependent children [~~benefits under this article~~] program as it existed on the sixteenth day of July, nineteen hundred ninety-six and resources available to such family shall not be considered nor required to be applied to the cost of medical care, services or supplies available under this paragraph.

(2) For purposes of determining eligibility for medical assistance under this paragraph, family income shall be determined by use of the same methodology used to determine eligibility for the aid to dependent children [~~benefits established under title ten of this article~~] program as it existed on the sixteenth day of July, nineteen hundred ninety-six provided, however, that costs incurred for medical or remedial care shall not be considered and resources available to such families shall not be considered nor required to be applied toward the payment or part payment of the cost of medical care, services and supplies available under this paragraph.

(2) For purposes of this paragraph, family income is determined by use of the same methodology used to determine eligibility for the aid to dependent children [~~benefits under this article~~] program as it existed on the sixteenth day of July, nineteen hundred ninety-six provided, however, that costs incurred for medical or remedial care shall not be taken into account in determining eligibility.

§ 98. Paragraph (d) of subdivision 7 of section 367-a of the social services law, as amended by chapter 41 of the laws of 1992, is amended to read as follows:

(d) Notwithstanding any inconsistent provision of law, if a manufacturer (as defined under section 1927 of the federal social security act) has entered into a rebate agreement with the department or with the federal secretary of health and human services on behalf of the department under section 1927 of the federal social security act, the department shall reimburse for covered outpatient drugs which are dispensed under the medical assistance program to all persons in receipt of medical assistance benefits as a result of their [~~being eligible for or in receipt of home relief~~] eligibility having been established under subparagraph one or nine of subdivision one of section three hundred sixty-six of this title, only pursuant to the terms of the rebate agreement between the department and such manufacturer; provided, however, that any agreement between the department and a manufacturer entered into before August first, nineteen hundred ninety-one, shall be deemed to have been entered into on April first, nineteen hundred ninety-one; and provided further, that if a manufacturer has not entered into an agreement with the department before August first, nineteen hundred ninety-one, such agreement shall not be effective until April first, nineteen hundred ninety-two, unless such agreement provides that rebates

will be retroactively calculated as if the agreement had been in effect on April first, nineteen hundred ninety-one. The rebate agreement between such manufacturer and the department shall utilize for single source drugs and innovator multiple source drugs the identical formula used to determine the basic rebate for federal financial participation single source drugs and innovator multiple source drugs, pursuant to paragraph one of subdivision (c) of section 1927 of the federal social security act, to determine the amount of the rebate pursuant to this paragraph. The rebate agreement between such manufacturer and the department shall utilize for non-innovator multiple source drugs the identical formula used to determine the basic rebate for federal financial participation non-innovator multiple source drugs, pursuant to paragraphs three and four of subdivision (c) of section 1927 of the federal social security act, to determine the amount of the rebate pursuant to this paragraph. The terms and conditions of such rebate agreement with respect to periodic payment of the rebate, provision of information by the department, audits, manufacturer provision of information verification of surveys, penalties, confidentiality of information, and length of the agreement shall apply to drugs of the manufacturer dispensed under the medical assistance program to all persons in receipt of medical assistance benefits as a result of their ~~[being eligible for or in receipt of home relief]~~ eligibility having been established under subparagraph one or nine of subdivision one of section three hundred sixty-six of this title. The department in providing utilization data to a manufacturer (as provided for under section 1927.4(b)(1)(A) of the federal social security act) shall provide such data by zip code, if requested, for drugs covered under a rebate agreement.

§ 99. Paragraphs (a) and (d) of subdivision 2 and subparagraph 1 of paragraph (a) of subdivision 4 of section 369-d of the social services law, as amended by chapter 311 of the laws of 1994, are amended to read as follows:

(a) An eligible family may apply to the local social services official for interim authorization to pay for services at rates or fees corresponding to rates or fees established for payment for services rendered to those ~~[eligible for or]~~ in receipt of ~~[home relief, aid to dependent children, or federal supplemental security income payments]~~ medical assistance. Upon receiving such interim authorization, a family eligible for assistance determined not to meet hardship shall be billed by a vendor of services on forms prescribed by the commissioner and at rates or fees corresponding to rates or fees established for payment for services rendered to those ~~[eligible for or]~~ in receipt of ~~[home relief, aid to dependent children, or federal supplemental security income payments]~~ medical assistance.

(d) After a family has been authorized through the application process to receive assistance, or where a determination has been made that hardship exists for applicants eligible for assistance, payments for unpaid bills shall be made on a vendor basis to the provider of services on the basis of rates or fees corresponding to rates or fees established for payment for services rendered to persons or family households ~~[eligible for or]~~ in receipt of ~~[home relief, aid to dependent children, or federal supplemental security income payments]~~ medical assistance with the amount of payment equal to the amount that would have been reimbursed to the family if such bills had been paid.

(1) by computing the cost of eligible health care services provided, using the rate or fee established for such services for payment for

medical assistance provided to those [~~eligible for or~~] in receipt of [~~home relief, aid to dependent children or federal supplemental security income payments~~] medical assistance;

§ 100. The section heading, the opening paragraph and the opening paragraph of subdivision 4 of section 397 of the social services law, the section heading as amended by chapter 690 of the laws of 1962, the opening paragraph as amended by chapter 491 of the laws of 1985 and the opening paragraph of subdivision 4 as amended by chapter 270 of the laws of 1972, are amended to read as follows:

Powers and duties of [~~public welfare~~] social services officials in relation to children.

All social services officials responsible for the administration of [~~home relief~~] safety net assistance to families shall, in relation to all children in such families other than delinquent children, persons in need of supervision, mentally disabled children, physically handicapped children and children born out of wedlock who shall be cared for under the provisions of the following section, have powers and perform duties as follows:

The provisions of this section shall not be deemed to confer on [~~public welfare~~] social services officials responsible only for the authorization of [~~home relief~~] safety net assistance or of [~~home relief~~] safety net assistance and hospital care, any powers and duties in relation to destitute and neglected children except as follows:

§ 101. Subdivision 1 of section 407 of the social services law, as amended by chapter 144 of the laws of 1967, is amended to read as follows:

1. to prepare a plan or plans for such child welfare services and upon their approval by such federal authority to execute the same. Such plans shall make provision for coordination between the services provided under such plans and the services provided as [~~aid to dependent children~~] family assistance under title ten of article five with the view of providing welfare and related services which will best promote the welfare of children and their families.

§ 102. Section 410-a of the social services law, as added by chapter 640 of the laws of 1971, is amended to read as follows:

§ 410-a. Day care; when department to furnish. Any inconsistent provision of law notwithstanding, if and so long as federal funds are available for the care provided pursuant to the provisions of this section, and to the extent of such funds and state funds appropriated or made available therefor, the department shall be authorized to provide day care, through appropriate arrangements and cooperative agreements with the state departments of education and agriculture and markets, approved by the director of the budget, in public schools operated by school districts and in facilities operated by or for the state department of agriculture and markets for children who are receiving [~~aid to dependent children~~] family assistance or who are former or potential recipients of such aid in accordance with the regulations of the department, including only such children who are in pre-kindergarten programs of such schools or who are children of migrant workers.

§ 103. The opening paragraph of subdivision 1 of section 461-j of the social services law, as amended by chapter 759 of the laws of 1987, is amended to read as follows:

The commissioner shall establish a procedure whereby payments shall be made to duly certified operators of family type homes for adults for the purpose of meeting one or more of certain special needs of persons residing in such facilities and properly receiving or eligible to

receive supplemental security income, additional state payments or [~~home relief~~] safety net assistance benefits, as follows:

§ 104. The paragraph heading designated social welfare law and paragraphs i, j and l of subdivision 3 of section 233-a of the county law, as added by chapter 593 of the laws of 1950, are amended to read as follows:

Social [~~welfare~~] services law

i. [~~Home relief~~] Safety net assistance and medical care given at home for [~~local charges of~~] persons residing in or found in a town or city in a county [~~public welfare~~] social services district, as provided by subdivisions two and three of section sixty-nine of the social [~~welfare~~] services law. A tax so levied shall be treated as a purpose of and a charge against such town or city, as the case may be.

j. Payment of the principal of and interest on bonds as provided by subdivision six of section ninety-three of the social [~~welfare~~] services law. A tax so levied shall be treated as being imposed for debt service.

l. Veteran assistance given by a city or town in a county [~~public welfare~~] social services district to [~~local charges~~] persons residing or found therein, as provided by subdivision [~~three or four~~] two of section one hundred seventy-one of the social [~~welfare~~] services law. A tax so levied shall be treated as a purpose of and a charge against such city or town, as the case may be.

§ 105. Paragraph b of subdivision 7 of part B of section 236 of the domestic relations law, as amended by chapter 170 of the laws of 1994, is amended to read as follows:

b. Notwithstanding any other provision of law, any written application or motion to the court for the establishment of a child support obligation for persons not in receipt of [~~aid to dependent children~~] family assistance must contain either a request for child support enforcement services which would authorize the collection of the support obligation by the immediate issuance of an income execution for support enforcement as provided for by this chapter, completed in the manner specified in section one hundred eleven-g of the social services law; or a statement that the applicant has applied for or is in receipt of such services; or a statement that the applicant knows of the availability of such services, has declined them at this time and where support enforcement services pursuant to section one hundred eleven-g of the social services law have been declined that the applicant understands that an income deduction order may be issued pursuant to subdivision (c) of section five thousand two hundred forty-two of the civil practice law and rules without other child support enforcement services and that payment of an administrative fee may be required. The court shall provide a copy of any such request for child support enforcement services to the support collection unit of the appropriate social services district any time it directs payments to be made to such support collection unit. Additionally, the copy of any such request shall be accompanied by the name, address and social security number of the parties; the date and place of the parties' marriage; the name and date of birth of the child or children; and the name and address of the employers and income payors of the party from whom child support is sought. Unless the party receiving child support has applied for or is receiving such services, the court shall not direct such payments to be made to the support collection unit, as established in section one hundred eleven-h of the social services law.

§ 106. Paragraph c of subdivision 9 of part B of section 236 of the domestic relations law, as amended by chapter 170 of the laws of 1994, is amended to read as follows:

c. Notwithstanding any other provision of law, any written application or motion to the court for the modification or enforcement of a child support or combined maintenance and child support order for persons not in receipt of [~~aid to dependent children~~] family assistance must contain either a request for child support enforcement services which would authorize the collection of the support obligation by the immediate issuance of an income execution for support enforcement as provided for by this chapter, completed in the manner specified in section one hundred eleven-g of the social services law; or a statement that the applicant has applied for or is in receipt of such services; or a statement that the applicant knows of the availability of such services, has declined them at this time and where support enforcement services pursuant to section one hundred eleven-g of the social services law have been declined that the applicant understands that an income deduction order may be issued pursuant to subdivision (c) of section five thousand two hundred forty-two of the civil practice law and rules without other child support enforcement services and that payment of an administrative fee may be required. The court shall provide a copy of any such request for child support enforcement services to the support collection unit of the appropriate social services district any time it directs payments to be made to such support collection unit. Additionally, the copy of such request shall be accompanied by the name, address and social security number of the parties; the date and place of the parties' marriage; the name and date of birth of the child or children; and the name and address of the employers and income payors of the party ordered to pay child support to the other party. Unless the party receiving child support or combined maintenance and child support has applied for or is receiving such services, the court shall not direct such payments to be made to the support collection unit, as established in section one hundred eleven-h of the social services law.

§ 107. Paragraph 2 of subsection (b) of section 3230 of the insurance law, as added by chapter 428 of the laws of 1991, is amended to read as follows:

(2) contain a notice, prominently displayed, to read as follows: "Receipt of accelerated death benefits may affect eligibility for public assistance programs such as medical assistance (medicaid), [~~aid to families with dependent children~~] family assistance and supplemental security income. Receipt of accelerated death benefits in periodic payments may be treated differently than receipt in a lump sum. Prior to applying for accelerated death benefits, [~~policy owners~~] policyowners should consult with the appropriate social services agency concerning how receipt will affect the eligibility of the recipient and/or the recipient's spouse or dependents."

§ 108. Subsection (a) of section 7807 of the insurance law, as added by chapter 638 of the laws of 1993, is amended to read as follows:

(a) The application for a viatical settlement shall contain a notice, prominently displayed, to read as follows: "Receipt of payment pursuant to a viatical settlement may affect eligibility for public assistance programs such as medical assistance (medicaid), [~~aid to families with dependent children~~] family assistance, supplementary social security income and AIDS drug assistance programs and may be taxable. Prior to applying for a viatical settlement, policyowners should consult with the appropriate social services agency concerning how receipt will affect

the eligibility of the recipient and the recipient's spouse or dependents, and with a qualified tax adviser."

§ 109. Section 506 of the judiciary law, as amended by chapter 442 of the laws of 1994, is amended to read as follows:

§ 506. Source of names. The commissioner of jurors shall cause the names of prospective jurors to be selected at random from the voter registration lists, and from such other available lists of the residents of the county as the chief administrator of the courts shall specify, such as lists of utility subscribers, licensed operators of motor vehicles, registered owners of motor vehicles, state and local taxpayers, persons applying for or receiving [~~aid to dependent children~~] family assistance, medical assistance or [~~home relief~~] safety net assistance, persons receiving state unemployment benefits and persons who have volunteered to serve as jurors by filing with the commissioner their names and places of residence.

§ 110. Section 423 of the family court act, as amended by chapter 818 of the laws of 1990, is amended to read as follows:

§ 423. Petition; prior demand not required. Proceedings under this article are commenced by the filing of a petition, which may be made on information and belief. The petitioner need not make a demand upon the respondent for support as a condition precedent to the filing of a petition for support. Any such petition for the establishment, modification and/or enforcement of a child support obligation for persons not in receipt of [~~aid to dependent children~~] family assistance, which contains a request for child support enforcement services completed in a manner as specified in section one hundred eleven-g of the social services law, shall constitute an application for such services.

§ 111. Subdivisions 1, 6, 7 and 8 of section 571 of the family court act, as added by chapter 685 of the laws of 1975, subdivision 8 as added by chapter 520 of the laws of 1979, are amended to read as follows:

1. Any inconsistent provision of this law or any other law notwithstanding, in cases where a social services official has accepted, on behalf of the state and a social services district, an assignment of support rights from a person applying for or receiving [~~aid to dependent children~~] family assistance in accordance with the provisions of the social services law, the social services official or an authorized representative of the state is authorized to bring a proceeding or proceedings in the family court pursuant to article four of this act to enforce such support rights and, when appropriate or necessary, to establish the paternity of a child pursuant to article five of this act.

6. In cases where an order for support has been made by a family court and upon notification to the court that an assignment of support rights has thereafter been made to the social services official responsible for furnishing [~~aid to dependent children~~] family assistance, payments pursuant to such order shall be made to such official until he or she notifies the court of the termination of the assignment.

7. Any inconsistent provision of the law notwithstanding, the provision of this section shall also apply to cases brought in accordance with title six-A of article three of the social services law involving persons who are not applicants for or recipients of [~~aid to dependent children~~] family assistance.

8. Any other inconsistent provision of law notwithstanding, if an applicant for or recipient of [~~aid to dependent children~~] family assistance is pregnant, and a proceeding to establish paternity has been filed, and the allegation of paternity is denied by the respondent there

shall be a stay of all paternity proceedings until sixty days after the birth of the child.

§ 112. Paragraph 14 of section 2.00 of the local finance law, as amended by chapter 711 of the laws of 1943, is amended to read as follows:

14. The term "local share of [~~home-relief~~] safety net assistance" shall mean that term as defined in section ninety-three of the social [~~welfare~~] services law, as amended from time to time.

§ 113. Subdivision 1 of paragraph a of section 90.00 of the local finance law, as amended by chapter 1034 of the laws of 1960, is amended to read as follows:

1. A municipality, school district or district corporation may issue serial bonds to refund bonds issued on or after January first, nineteen hundred thirty-nine, other than bonds issued to redeem notes, certificates or other evidences of indebtedness issued prior to January first, nineteen hundred thirty-nine, in anticipation of such bonds. The last installment of such refunding bonds issued to refund bonds issued pursuant to the social services law, or the former social welfare law, or the former public welfare law, for the purpose of [~~home-relief~~] safety net assistance, as defined in such laws, shall mature within ten years after the date of issue of the bonds to be refunded. In all other cases the last installment of such refunding bonds shall mature not later than the expiration of the maximum period of probable usefulness permitted by law at the time of the issuance of the bonds to be refunded for the object or purpose for which such bonds were issued. Such period shall be computed from the date of issuance of the bonds to be refunded or from the date of issuance of the first bond anticipation note issued in anticipation of such bonds, whichever date is the earlier.

§ 114. Section 108.00 of the local finance law, the opening paragraph as amended by chapter 608 of the laws of 1944, is amended to read as follows:

§ 108.00 Financing of [~~home-relief~~] safety net assistance on a pay-as-you-go basis. In the fiscal year of a county, city or town commencing during the calendar year nineteen hundred forty-four, and in each succeeding fiscal year, the total amount of the local share of [~~home-relief~~] safety net assistance of such a municipality shall be financed from moneys other than the proceeds of bonds, capital notes or budget notes. If in such fiscal year or the fiscal years succeeding, a supplemental appropriation is made for [~~home-relief~~] safety net assistance, the total amount of the local share thereof shall be financed by the issuance of budget notes or from moneys derived from sources other than the proceeds of bonds or capital notes.

§ 115. Subdivision (a) of section 31.29 of the mental hygiene law, as amended by chapter 450 of the laws of 1987, is amended to read as follows:

(a) Each resident of a residential care center for adults shall be entitled to retain out of his or her income, including supplemental security income or [~~home-relief~~] safety net assistance benefits pursuant to the social services law, a monthly personal allowance in an amount equal to the monthly personal allowance established in section one hundred thirty-one-o of the social services law for persons receiving residential care.

§ 116. Section 235-a of the military law, as amended by chapter 517 of the laws of 1990, is amended to read as follows:

§ 235-a. Income and resources not to include agent orange benefits. Notwithstanding any inconsistent provision of law, the terms "income"

and "resources" for the purpose of determining eligibility for or the amount of benefits under any means-tested state or state assisted or federally assisted program including but not limited to programs of public assistance and care, including [~~aid to families with dependent children, home relief~~] family assistance, safety net assistance, medical assistance, title XX of the social security act, food stamp program, the program of additional state payments to persons eligible for supplemental security income, the low income home energy assistance program and grants, loans and scholarships and other means-tested programs for educational assistance, shall not include payments received from the agent orange settlement fund or any other fund established pursuant to the settlement in the re agent orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.) and/or any payments received from court proceedings brought for personal injuries sustained by veterans resulting from exposure to dioxin or phenoxy herbicides in connection with the war in Indochina in the period January first, nineteen hundred sixty-two through May seventh, nineteen hundred seventy-five.

§ 117. Subdivision 5 of section 2432 of the public authorities law, as amended by chapter 737 of the laws of 1973, is amended to read as follows:

(5) "State Aid". All payments and contributions made by the state to and in aid of a municipality as may be provided by law, other than payments of state contributions for old age assistance, [~~aid to dependent children~~] family assistance, aid to the blind, aid to the disabled, [~~home relief~~] safety net assistance and local social services administration costs.

§ 118. Subdivision 3 of section 2596 of the public health law, as added by chapter 820 of the laws of 1987, is amended to read as follows:

3. "At risk populations" means populations including but not limited to families with children receiving [~~aid to families with dependent children program~~] family assistance, households receiving federal supplemental security income payments, households with incomes at or below one hundred eighty-five percent of the poverty level, recipients of emergency food, elderly or disabled persons, homeless persons, unemployed persons, and families and persons residing in rural households who are at risk of nutritional deficiencies.

§ 119. Paragraph 3 of subsection (e) of section 697 of the tax law, as separately amended by chapters 81, 302 and 632 of the laws of 1995, is amended to read as follows:

(3) Nothing herein shall be construed to prohibit the delivery by the commissioner to a commissioner of jurors, appointed pursuant to section five hundred four of the judiciary law, or, in counties within cities having a population of one million or more, to the county clerk of such county, of a mailing list of individuals to whom income tax forms are mailed by the commissioner for the sole purpose of compiling a list of prospective jurors as provided in article sixteen of such law. Provided, however, such delivery shall only be made pursuant to an order of the chief administrator of the courts, appointed pursuant to section two hundred ten of such law. No such order may be issued unless such chief administrator is satisfied that such mailing list is needed to compile a proper list of prospective jurors for the county for which such order is sought and that, in view of the responsibilities imposed by the various laws of the state on the department, it is reasonable to require the commissioner to furnish such list. Such order shall provide that such list shall be used for the sole purpose of compiling a list of prospective jurors and that such commissioner of jurors, or such county clerk,

shall take all necessary steps to insure that the list is kept confidential and that there is no unauthorized use or disclosure of such list. Furthermore, nothing herein shall be construed to prohibit the delivery to a taxpayer or his or her duly authorized representative of a certified copy of any return or report filed in connection with his or her tax or to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof, or the inspection by the attorney general or other legal representatives of the state of the report or return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding under this chapter has been recommended by the commissioner or the attorney general or has been instituted, or the inspection of the reports or returns required under this article by the comptroller or duly designated officer or employee of the state department of audit and control, for purposes of the audit of a refund of any tax paid by a taxpayer under this article, or the furnishing to the state department of social services of information obtained or derived from New York state personal income tax returns as described in paragraph (b) of subdivision two of section one hundred seventy-one-g of this chapter for the purpose of reviewing support orders enforced pursuant to title six-A of article three of the social services law to aid in the determination of whether such orders should be adjusted, or the furnishing [~~to the state department of social services for dissemination to support collection units designated by social services districts~~] of information obtained from the reports required to be submitted by employers regarding newly hired or re-hired employees pursuant to section one hundred seventy-one-h of this chapter for the purposes of facilitating the accurate and prompt calculation of child support obligations by such support collection units and for administering the child support enforcement program as authorized by law, or the furnishing to the state department of social services of the amount of an overpayment of income tax and interest thereon certified to the comptroller to be credited against past-due support pursuant to section one hundred seventy-one-c of this chapter and of the name and social security number of the taxpayer who made such overpayment or the furnishing to the New York state higher education services corporation of the amount of an overpayment of income tax and interest thereon certified to the comptroller to be credited against the amount of a default in repayment of a guaranteed student loan pursuant to section one hundred seventy-one-d of this chapter and of the name and social security number of the taxpayer who made such overpayment, or the furnishing to the state department of health of the information required by subdivision two-a of section two thousand five hundred eleven of the public health law, or the furnishing to the state university of New York or the city university of New York respectively or the attorney general on behalf of such state or city university the amount of an overpayment of income tax and interest thereon certified to the comptroller to be credited against the amount of a default in repayment of a state university loan pursuant to section one hundred seventy-one-e of this chapter and of the name and social security number of the taxpayer who made such overpayment, or the disclosing to a state agency, pursuant to section one hundred seventy-one-f of this chapter, of the amount of an overpayment and interest thereon certified to the comptroller to be credited against a past-due legally enforceable debt owed to such agency and of the name and social security number of the taxpayer who made such overpayment, or the furnishing of employee and employer information obtained through the

wage reporting system, pursuant to section one hundred seventy-one-a of this chapter, to the state department of social services for the purpose of verifying eligibility for and entitlement to amounts of benefits under the social services law or similar law of another jurisdiction, locating absent parents or other persons legally responsible for the support of applicants for or recipients of public assistance and care under the social services law and persons legally responsible for the support of a recipient of services under section one hundred eleven-g of the social services law and, in appropriate cases, establishing support obligations pursuant to the social services law and the family court act or similar provision of law of another jurisdiction and for the purpose of evaluating the effect on earnings of participation in employment, training or other programs designed to promote self-sufficiency authorized pursuant to the social services law by current recipients of public assistance and care and by former applicants for and recipients of public assistance and care, and to the state department of labor for the purpose of the administration of such department's employment security programs, as well as for the evaluation of the effect on earnings of participation in training programs with respect to which the department of labor has reporting, monitoring or evaluation responsibilities, or the furnishing of information, which is obtained from the wage reporting system operated pursuant to section one hundred seventy-one-a of this chapter, to the state department of social services so that it may furnish such information to public agencies of other jurisdictions with which the state department of social services has an agreement pursuant to paragraph (h) or (i) of subdivision three of section twenty of the social services law, and to the state department of social services for the purpose of fulfilling obligations and responsibilities otherwise incumbent upon the state department of labor, under section one hundred twenty-four of the federal family support act of nineteen hundred eighty-eight, by giving the federal parent locator service, maintained by the federal department of health and human services, prompt access to such information as required by such act, or to the state department of health to establish eligibility under the child health insurance plan pursuant to subdivision two-a of section two thousand five hundred eleven of the public health law. Provided, however, that with respect to employee information the department of social services shall only be furnished with the names, social security account numbers and gross wages of those employees who are (A) applicants for or recipients of benefits under the social services law, or similar provision of law of another jurisdiction (pursuant to an agreement under subdivision three of section twenty of the social services law) or, (B) absent parents or other persons legally responsible for the support of applicants for or recipients of public assistance and care under the social services law or similar provision of law of another jurisdiction (pursuant to an agreement under subdivision three of section twenty of the social services law), or (C) persons legally responsible for the support of a recipient of services under section one hundred eleven-g of the social services law or similar provision of law of another jurisdiction (pursuant to an agreement under subdivision three of section twenty of the social services law), or (D) employees about whom wage reporting system information is being furnished to public agencies of other jurisdictions, with which the state department of social services has an agreement pursuant to paragraph (h) or (i) of subdivision three of section twenty of the social services law, or (E) employees about whom wage reporting system information is being furnished to the federal parent

locator service, maintained by the federal department of health and human services, for the purpose of enabling the state department of social services to fulfill obligations and responsibilities otherwise incumbent upon the state department of labor, under section one hundred twenty-four of the federal family support act of nineteen hundred eighty-eight, and, only if, the department of social services certifies to the commissioner that such persons are such applicants, recipients, absent parents or persons legally responsible for support or persons about whom information has been requested by a public agency of another jurisdiction or by the federal parent locator service and further certifies that in the case of information requested under agreements with other jurisdictions entered into pursuant to subdivision three of section twenty of the social services law, that such request is in compliance with any applicable federal law. Provided, further, that where the department of social services requests employee information, pursuant to the opening paragraph of paragraph (a) of subdivision three of section one hundred seventy-one-a of this chapter, for the purpose of evaluating the effects on earnings of participation in employment or training programs authorized pursuant to the social services law, the department of social services shall only be furnished with the quarterly gross wages (excluding any reference to the name, social security number or any other information which could be used to identify any employee or the name or identification number of any employer) paid to employees participating in such programs who are current or former recipients of public assistance and care and who are so certified to the commissioner by the commissioner of social services; provided, however, that pursuant to subparagraph (i) of paragraph (a) of subdivision three of section one hundred seventy-one-a of this chapter, the department of social services shall only be furnished with the record number of and quarterly gross wages (excluding any reference to the name or social security number of the employee or the name or identification number of any employer) paid to employees who are or were participants in employment, training or other programs designed to promote self-sufficiency authorized pursuant to the social services law or who are former applicants for or current or former recipients of public assistance and care and who are so certified to the commissioner by the commissioner of social services and such quarterly gross wages may be made available by the department of social services to local social services districts (excluding any reference to the name, social security number, record number or any other information which could be used to identify any employee or the name or identification number of any employer) as necessary to carry out the purposes set forth in subparagraph (i) of paragraph (a) of subdivision three of section one hundred seventy-one-a of this chapter. Provided, further, that with respect to employee information, the department of health shall only be furnished with the information required pursuant to subdivision two-a of section two thousand five hundred eleven of the public health law with respect to those children whose eligibility under the child health insurance plan is to be determined pursuant to such subdivision two-a and with respect to those members of any such child's household whose income affects such child's eligibility and who are so certified to the commissioner by the department of health. Reports and returns shall be preserved for three years and thereafter until the commissioner orders them to be destroyed.

§ 120. Paragraph 3 of subsection (e) of section 697 of the tax law, as separately amended by chapters 81 and 302 of the laws of 1995, is amended to read as follows:

(3) Nothing herein shall be construed to prohibit the delivery by the commissioner to a commissioner of jurors, appointed pursuant to section five hundred four of the judiciary law, or, in counties within cities having a population of one million or more, to the county clerk of such county, of a mailing list of individuals to whom income tax forms are mailed by the commissioner for the sole purpose of compiling a list of prospective jurors as provided in article sixteen of such law. Provided, however, such delivery shall only be made pursuant to an order of the chief administrator of the courts, appointed pursuant to section two hundred ten of such law. No such order may be issued unless such chief administrator is satisfied that such mailing list is needed to compile a proper list of prospective jurors for the county for which such order is sought and that, in view of the responsibilities imposed by the various laws of the state on the department, it is reasonable to require the commissioner to furnish such list. Such order shall provide that such list shall be used for the sole purpose of compiling a list of prospective jurors and that such commissioner of jurors, or such county clerk, shall take all necessary steps to insure that the list is kept confidential and that there is no unauthorized use or disclosure of such list. Furthermore, nothing herein shall be construed to prohibit the delivery to a taxpayer or his or her duly authorized representative of a certified copy of any return or report filed in connection with his or her tax or to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof, or the inspection by the attorney general or other legal representatives of the state of the report or return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding under this chapter has been recommended by the commissioner or the attorney general or has been instituted, or the inspection of the reports or returns required under this article by the comptroller or duly designated officer or employee of the state department of audit and control, for purposes of the audit of a refund of any tax paid by a taxpayer under this article, or the furnishing to the state department of social services of information obtained or derived from New York state personal income tax returns as described in paragraph (b) of subdivision two of section one hundred seventy-one-g of this chapter for the purpose of reviewing support orders enforced pursuant to title six-A of article three of the social services law to aid in the determination of whether such orders should be adjusted, or the furnishing [~~to the state department of social services for dissemination to support collection units designated by social services districts~~] of information obtained from the reports required to be submitted by employers regarding newly hired or re-hired employees pursuant to section one hundred seventy-one-h of this chapter for the purposes of facilitating the accurate and prompt calculation of child support obligations by such support collection units and for administering the child support enforcement program as authorized by law, or the furnishing to the state department of social services of the amount of an overpayment of income tax and interest thereon certified to the comptroller to be credited against past-due support pursuant to section one hundred seventy-one-c of this chapter and of the name and social security number of the taxpayer who made such overpayment or the furnishing to the New York state higher education services corporation of the amount of an overpayment of income tax and interest thereon certified to the comptroller to be credited against the amount of a default in repayment of a guaranteed student loan pursuant to section one hundred seventy-

one-d of this chapter and of the name and social security number of the taxpayer who made such overpayment, or the furnishing to the state department of health of the information required by subdivision two-a of section two thousand five hundred eleven of the public health law, or the furnishing to the state university of New York or the city university of New York respectively or the attorney general on behalf of such state or city university the amount of an overpayment of income tax and interest thereon certified to the comptroller to be credited against the amount of a default in repayment of a state university loan pursuant to section one hundred seventy-one-e of this chapter and of the name and social security number of the taxpayer who made such overpayment, or the disclosing to a state agency, pursuant to section one hundred seventy-one-f of this chapter, of the amount of an overpayment and interest thereon certified to the comptroller to be credited against a past-due legally enforceable debt owed to such agency and of the name and social security number of the taxpayer who made such overpayment, or the furnishing of employee and employer information obtained through the wage reporting system, pursuant to section one hundred seventy-one-a of this chapter, to the state department of social services for the purpose of verifying eligibility for and entitlement to amounts of benefits under the social services law or similar law of another jurisdiction, locating absent parents or other persons legally responsible for the support of applicants for or recipients of public assistance and care under the social services law and persons legally responsible for the support of a recipient of services under section one hundred eleven-g of the social services law and, in appropriate cases, establishing support obligations pursuant to the social services law and the family court act or similar provision of law of another jurisdiction for the purpose of evaluating the effect on earnings of participation in employment, training or other programs designed to promote self-sufficiency authorized pursuant to the social services law by current recipients of public assistance and care and by former applicants and recipients of public assistance and care, (except that with regard to former recipients, information which relates to a particular former recipient shall be provided with client identifying data deleted), and to the state department of labor for the purpose of the administration of such department's employment security programs, as well as for the evaluation of the effect on earnings of participation in training programs with respect to which the department of labor has reporting, monitoring or evaluation responsibilities, or the furnishing of information, which is obtained from the wage reporting system operated pursuant to section one hundred seventy-one-a of this chapter, to the state department of social services so that it may furnish such information to public agencies of other jurisdictions with which the state department of social services has an agreement pursuant to paragraph (h) or (i) of subdivision three of section twenty of the social services law, and to the state department of social services for the purpose of fulfilling obligations and responsibilities otherwise incumbent upon the state department of labor, under section one hundred twenty-four of the federal family support act of nineteen hundred eighty-eight, by giving the federal parent locator service, maintained by the federal department of health and human services, prompt access to such information as required by such act, or to the state department of health to establish eligibility under the child health insurance plan pursuant to subdivision two-a of section two thousand five hundred eleven of the public health law. Provided, however, that with respect to employee information the department of social

services shall only be furnished with the names, social security account numbers and gross wages of those employees who are (A) applicants for or recipients of benefits under the social services law, or similar provision of law of another jurisdiction (pursuant to an agreement under subdivision three of section twenty of the social services law) or, (B) absent parents or other persons legally responsible for the support of applicants for or recipients of public assistance and care under the social services law or similar provision of law of another jurisdiction (pursuant to an agreement under subdivision three of section twenty of the social services law), or (C) persons legally responsible for the support of a recipient of services under section one hundred eleven-g of the social services law or similar provision of law of another jurisdiction (pursuant to an agreement under subdivision three of section twenty of the social services law), or (D) employees about whom wage reporting system information is being furnished to public agencies of other jurisdictions, with which the state department of social services has an agreement pursuant to paragraph (h) or (i) of subdivision three of section twenty of the social services law, or (E) employees about whom wage reporting system information is being furnished to the federal parent locator service, maintained by the federal department of health and human services, for the purpose of enabling the state department of social services to fulfill obligations and responsibilities otherwise incumbent upon the state department of labor, under section one hundred twenty-four of the federal family support act of nineteen hundred eighty-eight, and, only if, the department of social services certifies to the commissioner that such persons are such applicants, recipients, absent parents or persons legally responsible for support or persons about whom information has been requested by a public agency of another jurisdiction or by the federal parent locator service and further certifies that in the case of information requested under agreements with other jurisdictions entered into pursuant to subdivision three of section twenty of the social services law, that such request is in compliance with any applicable federal law. Provided, further, that where the department of social services requests employee information for the purpose of evaluating the effects on earnings of participation in employment, training or other programs designed to promote self-sufficiency authorized pursuant to the social services law, the department of social services shall only be furnished with the quarterly gross wages (excluding any reference to the name, social security number or any other information which could be used to identify any employee or the name or identification number of any employer) paid to employees who are former applicants for or recipients of public assistance and care and who are so certified to the commissioner by the commissioner of social services. Provided, further, that with respect to employee information, the department of health shall only be furnished with the information required pursuant to subdivision two-a of section two thousand five hundred eleven of the public health law with respect to those children whose eligibility under the child health insurance plan is to be determined pursuant to such subdivision two-a and with respect to those members of any such child's household whose income affects such child's eligibility and who are so certified to the commissioner or by the department of health. Reports and returns shall be preserved for three years and thereafter until the commissioner orders them to be destroyed.

§ 121. The state of New York elects to exempt all individuals from the application of subsection (a) of section one hundred fifteen of the

federal Personal Responsibility and Work Opportunity Reconciliation Act of nineteen hundred ninety-six.

§ 122. (a) Notwithstanding any inconsistent provision of law to the contrary, effective April 1, 1997, the department of social services, as established by chapter 55 of the consolidated laws of the state of New York, is hereby renamed the department of family assistance. Within the department there shall be the following autonomous offices:

- (1) the office of children and family services; and
- (2) the office of temporary and disability assistance.

(b) The head of the office of children and family services shall be the commissioner of children and family services and the head of the office of temporary and disability assistance shall be the commissioner of temporary and disability assistance. Each commissioner shall be appointed by the governor, by and with the advice and consent of the senate, to serve at the pleasure of the governor; provided, however, that the commissioner of the department of social services on the effective date of this act shall serve as the commissioner of the office of temporary and disability assistance to serve at the pleasure of the governor without further consent of the senate and provided, however, that the director of the division for youth on the effective date of this act shall serve as the commissioner of the office of children and family services to serve at the pleasure of the governor without further consent of the senate.

(c) The commissioners of the offices of children and family services and temporary and disability assistance shall constitute an inter-office coordinating council.

(d) The office of children and family services is responsible for the functions, powers, duties and obligations performed by the former department of social services concerning foster care, adoption services, adoption assistance, child protective services, preventive services for children and families, services for pregnant adolescents, day care for children, child care resource and referral programs, day services, and other services and programs identified in article 6 of the social services law. In addition, the office of children and family services is responsible for those functions, powers, duties and obligations carried out by the former department of social services concerning the New York state rural human services networking program; senior citizen centers; the Berkshire farm; Indian affairs; adult protective services; domestic violence services; the functions, powers, duties and obligations currently performed by the commission for the blind and visually handicapped pursuant to section 38 of the social services law; the functions, powers, duties and obligations of the former department of social services concerning family type homes for adults as defined in subdivision 22 of section 2 of the social services law and any other applicable provision of law.

(e) The functions, powers, duties and obligations of the former department of social services concerning adult homes, enriched housing programs, residences for adults, assisted living programs and public homes other than those that are shelters for adults, the medicaid audit function pursuant to sections 364 and 368-c of the social services law, and the prevention of medicaid fraud and abuse pursuant to sections 145-a and 145-b of the social services law are transferred to the New York state department of health.

(f) The office of temporary and disability assistance is responsible for the functions, powers, duties and obligations of the former department of social services concerning financial support services, child and

spousal support services, food stamps, low-income home energy assistance payments, supplemental security income payments, disability determinations, the homeless housing and assistance program, the single room occupancy support services program, and the homeless rehousing assistance program as defined in article 2-A of the social services law, the homelessness prevention program, programs serving homeless adults and families funded by federal monies expressly received by the state for such purpose, shelters for adults as defined in subdivision twenty-three of section two of the social services law, shelters for families, services provided to refugees and immigrants and services provided to Cuban and Haitian entrants and refugees pursuant to contracts with private agencies under the program commonly known as The Fish-Wilson Demonstration Program, as authorized by subdivisions one and three of section 358 of the social services law and any other applicable provision of federal or state law.

(g) The functions, powers, duties and obligations of the former department of social services concerning employment programs for applicants for and recipients of public assistance shall be transferred to the department of labor.

§ 123. Notwithstanding any inconsistent provision of law to the contrary, effective April 1, 1997, all functions, powers, duties and obligations of the New York state division for youth, as defined in the executive law, shall be transferred to the office of children and family services established by section one hundred twenty-two of this act.

§ 124. Children and family services advisory board. (a) There is hereby created a children and family services advisory board. The board shall consist of the commissioner of children and family services, and twenty-four members who have demonstrated an active interest in children and families. Twelve members shall be appointed by the governor and twelve additional members shall be appointed by the legislature, as follows: four members by the temporary president of the senate; four members by the speaker of the assembly; two members by the minority leader of the senate and two members by the minority leader of the assembly. Members shall be appointed only if they have professional knowledge of the policies and programs affecting children and families or have an active interest in the system of services to children and families. The governor shall designate one of the appointed members of the board as chairperson. At least one-half of the members of the council shall not be providers of services. Members shall be appointed for terms of three years provided, however that of the members first appointed, one-third shall be appointed for two-year terms. Vacancies shall be filled in the same manner as original appointments for the remainder of any unexpired term. No person shall be an appointed member of the board for more than six years in any period of twelve consecutive years.

(b) The board may consider any matter relating to the improvement of children and family service in the state and shall advise the commissioner of the office of children and family services on any such matter including, but not limited to services to families; care of children, adolescents and adults; improvement of services for underserved populations; relationships between units of state and local governments in financing and regulating services; family preservation; prevention of child abuse; juvenile delinquency prevention; foster care; adoption; youth development; day care; services to the blind and visually handicapped; domestic violence programs and services and adult services, among others.

(c) The board shall meet at least four times in each full calendar year.

(d) The members of the board shall receive no compensation for their services but shall be reimbursed for expenses actually and necessarily incurred in the performance of their duties.

(e) At least sixty days prior to the commissioner of the office of children and family services final approval of rules and regulations, other than emergency rules and regulations, the commissioner shall submit the proposed rules and regulations to the board for review. The board shall report its recommendations thereon to the commissioner of the office of children and family services within sixty days.

(f) No civil action shall be brought in any court against any member of the children and family services board for any act done, failure to act, or statement or opinion made, while discharging his or her duties as a member of the board, without leave from a justice of the supreme court, first had and obtained. In any event such member shall not be liable for damages in any such action if he or she shall have acted in good faith, with reasonable care and upon probable cause. Members of the board shall be considered public officers for the purposes of section 17 of the public officers law.

§ 125. There is hereby established an executive commission which shall be responsible for developing a comprehensive legislative proposal which would transfer the functions, powers, duties and obligations of the former department of social services and the former division for youth to the office of children and family services and the office of temporary and disability assistance as established pursuant to the provisions of this chapter as being offices within the department of family assistance, and the department of health, consistent with the provisions of sections one hundred twenty-two through one hundred forty of this act. The members of the executive commission shall be appointed by the governor. The temporary president of the senate and the speaker of the assembly or their designees shall be entitled to attend and participate at each meeting of the commission. The commission shall submit a legislative proposal which implements the transfer of the functions, powers, duties and obligations of the former department of social services and the former division for youth to the appropriate successor offices to the temporary president of the senate and the speaker of the assembly by December 1, 1997, or such later date as agreed to by the governor, the temporary president of the senate and the speaker of the assembly.

§ 126. The commissioners of the office of children and family services and the office of temporary and disability assistance shall enter into a memorandum of understanding with each other and, where necessary, with other agencies affected by the provisions of sections one hundred twenty-two through one hundred forty of this act for the purpose of detailing the specific provisions which shall provide for the transfer of functions, powers, duties and obligations of the former department of social services and the former division for youth. The memorandum of understanding shall resolve all issues with respect to the allocation of responsibilities and functions herein transferred, including but not limited to issues concerning federal, state and local claiming, administrative hearing functions, consistent with the provisions of section 22 of the social services law and issues concerning systems support, among others. The memorandum of understanding also shall require the commissioners of the office of children and family services and the office of temporary and disability assistance to report to the commission established by section one hundred twenty-five of this act their recommenda-

tions for the transfer of functions, powers, duties and obligations of the former department of social services and the former division for youth to the respective state offices.

§ 127. Paragraphs (a) and (b) of subdivision 1 of section 169 of the executive law, as amended by chapter 260 of the laws of 1993, are amended to read as follows:

(a) commissioner of correctional services, commissioner of education, commissioner of health, commissioner of mental health, commissioner of mental retardation and developmental disabilities, commissioner of ~~[social services,]~~ children and family services, commissioner of temporary and disability assistance, chancellor of the state university of New York, and commissioner of transportation;

(b) commissioner of environmental conservation, commissioner of labor, commissioner of general services, chairman of public service commission, superintendent of state police, commissioner of taxation and finance ~~[~~director of the division for youth]~~];~~

§ 128. Transfer of employees. 1. Upon the transfer of functions from the former department of social services and the former division for youth to the department of family assistance and the appropriate successor offices and the department of health and pursuant to sections one hundred twenty-two through one hundred forty of this act, provisions shall be made for the transfer to those successor departments and offices of those employees of the former department of social services and the former division for youth who are engaged in carrying out the functions herein transferred in accordance with section 70 of the civil service law or, where not subject to the civil service law, the provisions of such section 70 shall be deemed applicable, except where the context clearly requires otherwise. Any such employee who, at the time of such transfer, has a temporary or provisional appointment shall be transferred subject to the same right of removal, examination or termination as though such transfer had not been made except to the extent such rights are modified by a collective bargaining agreement. Employees holding permanent appointments in competitive class positions who are not transferred pursuant to this section shall have their names entered upon an appropriate preferred list for reinstatement pursuant to the civil service law.

2. A transferred employee shall remain in the same collective bargaining unit as was the case prior to his or her transfer; successor employees to the positions held by such transferred employees shall, consistent with the provisions of article 14 of the civil service law, be included in the same unit as their predecessors. Employees other than management or confidential persons (as defined in article 14 of the civil service law), serving positions in newly created titles shall be assigned to the appropriate bargaining unit. Nothing contained herein shall be construed to affect:

(a) the rights of employees pursuant to a collective bargaining agreement;

(b) the representational relationships among employee organizations or the bargaining relationships between the state and an employee organization; or

(c) existing law with respect to an application to the public employment relations board, provided, however, that the merger of such negotiating units of employees shall be effected only with the consent of the recognized and certified representative of such units and of the department of law.

§ 129. Transfer of records. All books, papers and property of the former department of social services and the former division for youth with respect to the functions, powers and duties transferred by sections one hundred twenty-two through one hundred forty of this act are to be delivered to the appropriate successor offices within the department of family assistance and the department of health, at such place and time, and in such manner as the commissioners of the successor offices and the department of health require.

§ 130. Continuity of authority. For the purpose of succession to all functions, powers, duties and obligations of the former department of social services and the former division for youth transferred to and assumed by the appropriate successor offices within the department of family assistance and the department of health, those departments and offices shall continue the operation of the various programs transferred pursuant to sections one hundred twenty-two through one hundred forty of this act as if operated by the former department of social services and the former division for youth.

§ 131. Completion of unfinished business. Any business or other matter undertaken or commenced by the former department of social services and the former division for youth pertaining to or connected with the functions, powers, duties and obligations hereby transferred and assigned to the appropriate successor offices within the department of family assistance and the department of health and pending on the effective date of April 1, 1997 shall be conducted and completed by the appropriate successor offices within the department of family assistance and the department of health in the same manner and under the same terms and conditions and with the same effect as if conducted and completed by the former department of social services and the former division for youth.

§ 132. Continuation of rules and regulations. All rules, regulations, acts, orders, determinations, and decisions of the former department of social services and the former division for youth in force at the time of such transfer and assumption, shall continue in force and effect as rules, regulations, acts, orders, determinations and decisions of the appropriate successor offices within the department of family assistance and the department of health until duly modified or abrogated by the appropriate commissioners.

§ 133. Terms occurring in laws, contracts and other documents. Whenever the former department of social services or the former division for youth are referred to or designated in any law, contract or document pertaining to the functions, powers, obligations and duties hereby transferred and assigned, such reference or designation shall be deemed to refer to such department or to the appropriate office within the department of family assistance or the commissioner or director thereof.

§ 134. Existing rights and remedies preserved. No existing right or remedy of any character shall be lost, impaired or affected by reason of sections one hundred twenty-two through one hundred forty of this act.

§ 135. Pending actions or proceedings. No action or proceeding pending at the time when sections one hundred twenty-two through one hundred forty of this act shall take effect relating to the functions, powers and duties of the former department of social services and the former division for youth transferred pursuant to sections one hundred twenty-two through one hundred forty of this act, brought by or against the department of social services or the commissioner thereof or the division for youth or the director thereof shall be affected by any provision of sections one hundred twenty-two through one hundred forty of this act, but the same may be prosecuted or defended in the name of

the appropriate successor commissioner. In all such actions and proceedings, the appropriate successor commissioner, upon application to the court, shall be substituted as a party.

§ 136. Transfer of appropriations heretofore made. Subject to the approval of the director of the budget, all appropriations and reappropriations heretofore made to the former department of social services and the former division for youth for the functions and purposes herein transferred by sections one hundred twenty-two through one hundred forty of this act to the successor offices within the department of family assistance and the department of health to the extent of remaining unexpended or unencumbered balances thereof, whether allocated or unallocated and whether obligated or unobligated, are hereby transferred to and made available for use and expenditure by the appropriate successor offices within the department of family assistance and the department of health for the same purposes for which originally appropriated or reappropriated and shall be payable on vouchers certified or approved by the appropriate commissioners of the successor offices within the department of family assistance and the department of health as the case may be on audit and warrant of the comptroller. Payments for liabilities for expenses of personal services, maintenance and operation heretofore incurred by and for liabilities incurred and to be incurred in completing the affairs of the former department of social services and the former division for youth with respect to the powers, duties and functions transferred herein, shall also be made on vouchers or certificates approved by the appropriate successor commissioners on audit and warrant of the comptroller.

§ 137. Transfer of assets and liabilities. All assets and liabilities of the former department of social services and the former division for youth are hereby transferred to and assumed by the appropriate successor offices within the department of family assistance and the department of health.

§ 138. Notwithstanding any inconsistent provision of the state administrative procedure act, the departments and offices to which the functions, powers and duties of the former department of social services and the former division for youth are transferred shall be authorized to promulgate regulations on an emergency basis to ensure the implementation of sections one hundred twenty-two through one hundred forty of this act.

§ 139. Notwithstanding any inconsistent provision of the state administrative procedure act, the departments and offices to which the functions, powers and duties of the former department of social services and the former division for youth are transferred shall be authorized to promulgate regulations on an emergency basis to ensure the implementation of sections one hundred twenty-two through one hundred forty of this act.

§ 139-a. The commissioner of the office of children and family services shall report to the speaker of the assembly and the temporary president of the senate on December 1, 1997, April 1, 1998, and April 1, 1999, on the status of the implementation of the office of children and family services. Such report shall include a description of the progress on increasing coordination among the different components of the office of children and family services, the effects of the creation of the office on the provision of services of children and family services, the effects on the supervision of services provided by the localities, the progress on increasing coordination between services provided by the new office and local services supervised by the office, any savings realized

by the creation of the new office, and any change in the number of personnel in the new office. The commissioner of the office of children and family services shall also seek input from local social services commissioners regarding the effects of the establishment of the office.

§ 140. Subdivision 1 of section 442 of the executive law, as amended by chapter 69 of the laws of 1989, is amended to read as follows:

1. There is hereby created within the executive department a council on children and families. The council shall consist of the following members: the state commissioner of ~~[social services, the director of the division for youth]~~ children and family services, the commissioner of temporary and disability assistance, the commissioner of mental health, the commissioner of mental retardation and developmental disabilities, the ~~[director]~~ commissioner of the ~~[division]~~ office of alcoholism and ~~[alcohol abuse, the director of the division of]~~ substance abuse services, the commissioner of education, the state director of probation and correctional alternatives, the executive director of the state board of social welfare, the commissioner of health, the commissioner of the division of criminal justice services, the state advocate for ~~[the disabled]~~ persons with disabilities, the director of the office for the aging, the commissioner of labor, the ~~[chairman]~~ chair of the commission on quality of care for the mentally disabled, and the governor or his or her designee from among his or her senior staff members who shall serve as ~~[chairman]~~ chair; provided, however, that no such designee shall be the head or chief executive officer of any state agency other than the council.

§ 141. Except when the context and purpose indicates otherwise, references in any chapter of law or in any regulation of a state agency or in any state agency form or contract to "home relief" shall refer to the safety net assistance program and references to "aid to dependent children" or "aid to families with dependent children" shall refer to the family assistance program.

§ 142. Notwithstanding section thirty-six of this act, individuals, including victims of domestic violence, may be exempted from the application of subdivision 2 of section 349 of the social services law on the basis of hardship upon the enactment of a chapter of law expressly referring to such subdivision.

§ 143. Notwithstanding any provision of law to the contrary, the attorney general and the commissioners of social services, taxation and finance, health, and labor, and the chair of the workers' compensation board, and any appropriate entity of the state, shall be authorized to promulgate regulations on an emergency basis to ensure the implementation of this act and may take any steps necessary to implement this act prior to its effective date.

§ 144. Subdivisions 4, 5 and 6 of section 21 of the social services law are renumbered subdivisions 6, 7 and 8 and two new subdivisions 4 and 5 are added to read as follows:

4. The commissioner of labor and his or her designees shall be entitled to access to the welfare management system and the information contained therein for the purpose of administration of the programs for public assistance recipients set forth in title nine-B of article five of this chapter. Use of the information relating to persons applying for or receiving benefits under such programs by the department of labor will be in accordance with the provisions of this chapter.

5. The commissioner of health and his or her designees shall be entitled to access to the welfare management system and the information contained therein for the purpose of administration of the program of

medical assistance for needy persons set forth in title eleven of article five of this chapter. Use of the information relating to persons applying for or receiving benefits under such program by the department of health will be in accordance with the provisions of section one hundred thirty-six of this chapter.

§ 144-a. The social services law is amended by adding a new section 21-a to read as follows:

§ 21-a. Electronic benefit transfer system. Any electronic benefit transfer system shall be implemented by the department on a statewide basis and shall be administered pursuant to the provisions of this section.

1. Any contract entered into on behalf of local social services districts for electronic benefit transfer services shall ensure that there are a sufficient number of access points in each local social services district to ensure an adequate distribution of such services. Upon implementation of an electronic benefit transfer system in a local social services district or in any political or other geographic subdivision of such district, the department shall publish a list identifying the number and location of access points within such district or subdivision, and shall seek and accept public comment on the adequacy of recipient access to electronic benefit transfer services within such district or subdivision. The department shall seek to maximize recipient access to electronic benefit transfer services by working with the contractor to establish access points at a broad range of businesses and community facilities including, but not limited to, community centers, senior citizen centers, educational and job skills training sites, and local housing authorities.

2. The department or the designated agent thereof shall utilize appropriate materials and training to provide each recipient with adequate instruction on the use of the electronic benefit transfer system, which shall include, but not be limited to, the following:

(a) the types of transactions and services provided by means of an electronic benefit transfer system, and any limitations thereon;

(b) the rights, responsibilities and liabilities applicable to recipients that receive benefits by means of an electronic benefit transfer system;

(c) the procedure for reporting the loss or theft of a system access device, or any unauthorized transaction;

(d) the process for the replacement of a lost or stolen system access device, and the procedure to access benefits, if needed, until such time as such device can be replaced; and

(e) the procedure by which participants can access information about their benefit account or accounts including, but not limited to, a toll-free telephone number which would provide recipients with account balances and transaction history.

§ 144-b. Section 131 of the social services law is amended by adding a new subdivision 19 to read as follows:

19. When a recipient claims that his or her system access device has been lost, stolen, or destroyed, or that the security features of the card have been compromised, the local social services district, subject to reasonable terms and conditions set forth in department regulations and policies, shall provide the recipient with a replacement card within forty-eight hours exclusive of weekends and holidays.

§ 145. Intentionally omitted.

§ 146. Section 21 of the labor law is amended by adding a new subdivision 13 to read as follows:

13. To supervise social services districts in the administration of the work programs created pursuant to title nine-B of article five of the social services law.

§ 147. Subdivision 6 of section 537 of the labor law, as added by chapter 302 of the laws of 1995, is amended to read as follows:

6. Access to the information described in subdivisions four and five of this section shall be limited to department employees engaged in the development of a wage reporting system and to department employees responsible for reporting on, monitoring or evaluating the department's employment security program [~~and~~] training programs, public assistance work programs or engaged in other purposes deemed appropriate by the commissioner consistent with the provisions of this chapter.

§ 147-a. Section 164 of the social services law is REPEALED.

§ 148. Title 9-B of article 5 of the social services law, as added by chapter 453 of the laws of 1990, subdivision 2 of section 331, subdivision 1 and paragraph (a) of subdivision 5 of section 336-a, paragraphs (h) and (k) of subdivision 2 of section 336-c, subdivisions 2 and 4 of section 336-d, subdivisions 1 and 4 and paragraph (b) of subdivision 2 of section 341 as amended and paragraph (a) of subdivision 2 of section 332 as added by chapter 81 of the laws of 1995, the first undesignated paragraph of section 333 as amended by chapter 266 of the laws of 1992, and subdivision 2 of section 336 and section 336-h as amended by chapter 408 of the laws of 1992, is amended to read as follows:

TITLE 9-B

~~[JOB OPPORTUNITIES AND BASIC SKILLS~~

~~TRAINING PROGRAM]~~

PUBLIC ASSISTANCE EMPLOYMENT PROGRAMS

- Section 330. Definitions.
331. Policies and purposes.
332. Participation and exemptions.
- 332-a. Supportive services.
- 332-b. Disability program.
333. Local plans and requirements.
334. Orientation.
335. Assessments and employability plans for [~~aid to dependent children participants~~] certain recipients in households with dependent children.
- 335-a. Assessments and employability plans for [~~home relief participants~~] certain recipients in households without dependent children.
- 335-b. Mandatory work requirements.
336. [~~Activities~~] Work activities.
- 336-a. Educational activities.
- ~~[336-b. On-the-job training for recipients of home relief using grant diversion.]~~
- 336-c. [~~Community work~~] Work experience [~~programs~~].
- 336-d. Job search activities [~~for employable aid to dependent children participants~~].
- 336-e. [~~Job opportunity program~~] Subsidized public sector employment programs.
- 336-f. [~~Work supplementation program~~] Subsidized private sector and not-for-profit employment programs.
- ~~[336-g. On-the-job training for recipients of aid to dependent children.]~~
- ~~336-h. Employment alternatives partnership program.]~~
337. Responsibilities of state departments and agencies.

- 338. Cooperation of state departments.
- 339. Reports.
- 340. Technical assistance.
- 341. Conciliation; refusal to participate.

342. Noncompliance with the requirements of this title.

§ 330. Definitions. 1. [~~Except as otherwise approved by the secretary of health and human services pursuant to the federal social security act, target groups shall mean persons who: (a) have received aid to dependent children for any thirty-six out of the preceding sixty months; (b) are custodial parents under the age of twenty-four who have had little or no work experience in the preceding year or who are not enrolled in and who have not completed a high school education or its equivalent; or (c) are members of families in which the youngest child is within two years of being ineligible for aid to dependent children by reason of age.~~] Whenever used in this title:

a. the term "commissioner" means the commissioner of the state department of labor; and

b. the term "department" means the state department of labor.

2. "Net loss of cash income" shall mean the amount by which a family's gross income less any necessary work-related expenses is less than the cash assistance the individual was receiving at the time of receiving an offer of employment. Gross income includes, but is not limited to, earnings, unearned income and cash assistance.

3. [~~"Day care" or "child day~~] "Child care" shall refer to any lawful form of care of a child, as defined by federal and state law and regulation, for less than twenty-four hours per day.

4. "Participant" shall mean an applicant for or recipient of [~~aid to dependent children, home relief or veteran~~] public assistance who volunteers for or is required to participate in [~~the job opportunities and basic skills training program~~] work activities as provided in this title. [~~"Aid to dependent children participant" shall refer to a participant who applies for or receives aid to dependent children and "home relief participant" shall refer to a participant who applies for or receives home relief or veteran assistance.~~]

5. Notwithstanding any other provision of this chapter or the labor law, recipients of public assistance or medical assistance who are required to participate in community service or work experience activities authorized pursuant to this title shall be included within the meaning of the term "public employee" for the purposes of applying sections twenty-seven-a of the labor law while engaged in community service or work experience programs under this title. In addition, such recipients shall be provided appropriate workers' compensation or equivalent protection for on-the-job injuries and tort claims protection on the same basis, but not necessarily, at the same benefit level, as they are provided to other persons in the same or similar positions, while participating in community service or work experience activities under this title.

§ 331. Policies and purposes. 1. It is hereby declared to be the policy of the state that there be [~~a job opportunities and basic skills training program~~] programs under which individuals receiving [~~aid to dependent children, home relief, or veteran~~] public assistance will be furnished [~~education, training~~] work activities and employment opportunities, and necessary services in order to secure unsubsidized employment that will assist participants to achieve economic independence. Such [~~program~~] programs shall be established and operated in accordance

with the provisions of this title and in compliance with federal and state law and regulations.

2. A social services district may contract or establish agreements with entities which comply with the standards to be established in regulations by the commissioner to provide ~~[education and training]~~ work activities, including but not limited to, job training partnership act agencies, state agencies, school districts, boards of cooperative educational services, not-for-profit community based organizations, licensed trade schools or registered business schools, libraries, post-secondary educational institutions consistent with this title, and educational opportunity centers and local employers. A district shall, to the extent practicable and permitted under federal requirements, develop performance based contracts or agreements with such entities. Such standards shall include an evaluation procedure to ensure that services offered by ~~[an education and training]~~ a provider are sufficient to enhance substantially a participant's opportunity to secure unsubsidized employment or, when coupled with or provided in conjunction with other ~~[education or training]~~ activities, represent part of a comprehensive approach to enabling a participant to secure unsubsidized employment. Notwithstanding the provisions of section one hundred fifty-three of this article, expenditures pursuant to contracts or agreements with providers who do not meet the standards for approval of providers as defined in regulations ~~[for the job opportunities and basic skills program]~~ will not be eligible for reimbursement by the department.

3. ~~[Funds available for child day care services pursuant to this title shall not be used by a social services district to supplant any other public funds currently used to support child day care services]~~ No social services district shall, in the exercising of the powers and duties established in this title, permit discrimination on the basis of race, color, national origin, sex, religion or handicap, in the selection of participants, their assignment or reassignment to work activities and duties, and the separate use of facilities or other treatment of participants.

§ 332. Participation and exemptions. 1. In accordance with federal requirements and this title an applicant for or a recipient of ~~[aid to dependent children, home relief, or veteran]~~ public assistance shall not be required to participate in ~~[the job opportunities and basic skills training program]~~ work activities if such individual is determined ~~[not]~~ by the social services district to be ~~[employable]~~ exempt because he or she is:

(a) a person who is ill, incapacitated or sixty years of age or older or deemed to be disabled pursuant to section three hundred thirty-two-b of this title;

(b) ~~[a resident in an area of the state where a program established pursuant to this title is not available or where the district determines, consistent with federal regulations, that he or she cannot effectively participate in such program because of inaccessible transportation;~~

~~(c)~~ a child who is under sixteen years of age or under the age of nineteen and attending fulltime a secondary, vocational or technical school;

~~(d)~~ (c) a person whose presence in the home is required because of the illness or incapacity of another member of the household, provided, that to the extent such person is providing care for such a member, a number of hours as required in section three hundred thirty-five-b of

this title such person shall be deemed to be participating in community service;

~~[(e)]~~ (d) a parent or other relative of a child ~~[under three years of age]~~ who is personally providing care for ~~[the]~~ such child~~[, except as otherwise provided in subdivision four of section three hundred thirty-six-a of this title]~~ under one year of age for a maximum period of twelve months, only three months of which shall be attributable to any one child, except as otherwise extended up to the twelve month period by the social services official;

~~[(f) a parent or other relative personally providing care for a child under six years of age, unless appropriate child day care is guaranteed and participation is limited to twenty hours per week, except as otherwise provided in subdivision four of section three hundred thirty-six-a of this title;~~

~~(g) a person employed thirty or more hours per week; or~~

~~(h)]~~ (e) a woman who is pregnant ~~[if it has been medically verified that the child is expected to be born in the month in which such participation would otherwise be required or within the six-month period immediately following such month]~~, beginning thirty days prior to the medically verified date of delivery of her child.

~~2. [(a) Consistent with its annual plan for the provision of activities under this title and subject to regulations of the department, a social services district shall, to the extent that district resources permit, require employable recipients of aid to families with dependent children to participate in the job opportunities and basic skills training program as required to meet federal participation and target group expenditure levels provided, however, if the federal government reduces enhanced federal funding of expenditures for the job opportunities and basic skills program for a given year due to the state's failure to meet federal rates for participation of recipients of aid to families with dependent children or recipients of aid to families with dependent children for unemployed parents in the job opportunities and basic skills program, the state will withhold funding from social services districts which did not meet federal participation rates for that year, based on a formula established in department regulations with the approval of the director of the budget, equal to the amount of the enhanced funding which has been lost. A social services district may, to the extent that district resources permit, require employable recipients of aid to families with dependent children to participate in the job opportunities and basic skills training program beyond such federal participation levels.]~~

A local social services official shall:

(a) make diligent efforts to assist a person who needs transportation to get to and from a work activity site in obtaining such transportation. Where lack of transportation is a direct barrier to participation in a work activity, the local district shall make a reasonable effort to assign the individual to an appropriate work activity at a site in closest possible proximity to such individual's residence;

~~(b) [In accordance with federal law and regulation and to the extent resources permit, a social services district shall give first priority in its annual plan for provision of activities to persons in the target groups as defined in section three hundred thirty of this title.~~

~~(c) In determining the priority of participation by individuals from among the target groups, a social services district shall give first consideration to applicants for or recipients of public assistance and care within any such group who volunteer to participate in the program;~~

~~provided, however, that priority shall not be given to persons who have previously terminated participation in such program without good cause.~~

~~(d) A social services district shall~~ allow and give first consideration to volunteers ~~[not within any target groups]~~ who have not previously terminated participation in such program without good cause to participate in the program; provided, however, such consideration shall not preclude a district from requiring applicants or recipients to participate prior to consideration for or participation by such volunteers if such recipients or applicants are determined to be in greater need of the services provided pursuant to this title in accordance with criteria established by the district and submitted and approved as part of its ~~[annual]~~ local plan which may include, but not be limited to, length of time ~~[in]~~ for which a recipient has been in receipt of public assistance benefits, education, age, health and skills.

~~[(e) A social services district shall,]~~ (c) in accordance with regulations of the department, inform applicants and recipients of the opportunity to participate voluntarily in ~~[the program]~~ work activities at time of application, recertification and contemporaneously with receipt of public assistance benefits on a periodic basis.

3. A social services official may require a participant in ~~[the job opportunities and basic skills training program]~~ work activities to accept a job only if such official ~~[assures]~~ ensures that the participant and the family of such participant will experience no net loss of cash income resulting from acceptance of the job as determined under regulations of the department consistent with federal law and regulations. Pursuant to regulations of the department consistent with federal law and regulations, a social services district shall pay a supplement to a participant in the amount of such net loss of cash income that would otherwise occur. Such supplement shall constitute ~~[aid to dependent children or home relief or veteran]~~ public assistance only for purposes of payment and reimbursement, and persons in receipt of such supplement shall not for any other purpose be considered to be recipients of ~~[aid to dependent children or home relief or veteran]~~ public assistance.

§ 332-a. Supportive services. A social services district shall, subject to the availability of federal and state funds, provide such supportive services, including but not limited to transportation, work related expenses, child ~~[day]~~ care for children up to age thirteen, case management, and medical assistance in accordance with regulations of the department, to enable an individual to participate pursuant to this title ~~[and sections one hundred fifty-eight b and one hundred sixty-four of this chapter]~~. Social services districts may continue such services for persons who lose eligibility for public assistance if funds for the activity are obligated or expended, or for up to ninety days if necessary or appropriate to assist individuals to become self-sufficient. In accordance with paragraph (f) of subdivision five of section one hundred thirty-one-a of this chapter, each district shall guarantee child ~~[day]~~ care to each individual participating in ~~[the job opportunities and basic skills training program]~~ work activities who requires child care to participate in such activities, attending orientation or an assessment in accordance with the requirements of this title. ~~[No person may be required to participate in such program unless necessary child day care is actually available. To the extent that federal financial participation is available therefor, child day care shall be provided prior to entering activities, between activities and during breaks in activities in the program for persons receiving aid to dependent children and, to~~

~~the extent that state financial participation is available, such child day care shall be provided for persons receiving home relief or veteran assistance.]~~ Case management shall be provided for pregnant adolescents, adolescent parents and at-risk youth under eighteen years of age as required by title four-B of article six of this chapter. To the extent that resources permit, case management also shall be provided (in order of priority) to: persons identified in department regulations as at-risk youth, persons in the target populations defined in section three hundred thirty of this title, persons whose employability plan indicates a need for two or more concurrent activities and persons with limited English proficiency.

§ 332-b. Disability program. 1. (a) Upon application and recertification for public assistance benefits, or whenever a district has reason to believe that a physical or mental impairment may prevent the individual from fully engaging in work activities, the social services district shall inquire whether the individual has any medical condition which would limit the individual's ability to participate in work activities pursuant to this title.

(b) An individual who is eligible to receive comprehensive health services through a special needs plan defined in paragraph (m) or (n) of subdivision one of section three hundred sixty-four-j of this chapter, regardless of whether such a plan is operating in the individual's social services district of residence, shall be considered disabled and unable to engage in work activities or shall be considered work-limited.

2. (a) Under the circumstances set forth in subdivision one of this section, notice shall be provided to the individual of the opportunity to provide, within ten calendar days, any relevant medical documentation, including but not limited to drug prescriptions and reports of the individual's treating health care practitioner, if any; such documentation must contain a specific diagnosis as evidenced by medically appropriate tests or evaluations and must particularize any work related limitations as a result of any such diagnosis.

(b) If, prior to submitting his or her medical documentation, the individual is referred to a health care practitioner certified by the office of disability determinations of the department of social services for an examination pursuant to subdivision four of this section, such individual shall make best efforts to bring such documentation to the examination, and in no case shall provide such records to the office of disability determinations later than four business days after such examination; provided that the individual may demonstrate good cause as defined in departmental regulations, for failure to provide such records within the specific time periods.

3. The district may in its sole discretion accept such documentation as sufficient evidence that the individual cannot fully engage in work activities and in such case shall modify work assignments consistent with the findings in such medical documents.

4. In instances where the district determines either that the documentation is insufficient to support an exemption from or limitation on work activities or that further medical evaluation is appropriate, the individual shall be referred to a health care practitioner certified by the Office of Disability Determinations of the Department of Social Services for an examination of such individual's medical condition.

The health care practitioner who performs the examination of the individual shall:

(a) review and consider all records or information provided by the individual or his or her treating health care practitioner that are pertinent to the claimed medical condition;

(b) make a specific diagnosis as evidenced by medically appropriate tests or evaluations in determination of the individual's claimed condition;

(c) render to the individual and the social services district, an opinion, particularizing the presence or absence of the alleged condition; and

(d) In the event that he or she identifies a condition, other than the alleged condition, that may interfere with the individual's ability to fully engage in work activities, the practitioner shall report such condition; and

(e) determine whether the individual is:

(i) disabled and unable to engage in work activities pursuant to this title for a stated period of time, in which case the applicant shall be exempt in accordance with paragraph (a) of subdivision one of section three hundred thirty-two of this title;

(ii) for a stated period of time, not disabled, but work limited, and able to engage in work activities pursuant to this title, with stated limitations, or

(iii) neither disabled nor work limited.

5. When an applicant or recipient has requested or a social services official has directed a determination pursuant to this section, no assignment to work activities may be made until completion of such determination, unless the applicant or recipient agrees to a limited work assignment not inconsistent with the medical condition alleged by such person.

6. When an applicant or recipient receives notification of the examining medical professional's disability determination, he or she shall also be notified of his or her right to request a fair hearing within ten days of such notice. If such applicant timely requests a fair hearing, no assignment to work activities pursuant to this title may be made pending such hearing and determination unless the applicant or recipient agrees to a limited work assignment not inconsistent with the medical condition alleged by such person. Provided, however, that if a social services district has reason to believe that such recipient or applicant does not actually suffer from a work limiting condition, the district shall provide the applicant or recipient with notice of potential sanctions pursuant to subdivision three of section three hundred forty-two of this title, and provided further that recipients will be subject to sanctions pursuant to subdivision three of section three hundred forty-two of this title if the district determines, based on clear medical evidence, that there is no basis for the individual's claim that he or she is unable to fully engage in work activities, and that the individual intentionally misrepresented his or her medical condition.

7. Any applicant or recipient determined to be work limited pursuant to this section may be assigned to work activities only in accordance with the limitations and protections set forth in paragraph (e) of subdivision five of section three hundred thirty-five-b of this title.

§ 333. Local plans and requirements. Each social services district shall submit to the commissioner for approval a biennial plan for the provision of education, work, training and supportive services related to the operation of [~~the job opportunities and basic skills training program and sections one hundred fifty-eight-b and one hundred sixty-four of this chapter~~] work activity programs pursuant to this title.

Such plan shall be developed in cooperation and coordination with public and private education institutions, child [day] care providers, child [day] care resource and referral agencies if available in the district, labor unions, libraries, public and private employers, employment and training agencies and organizations, and private industry councils established in service delivery areas defined in subdivision five of section nine hundred seventy-one of the executive law.

Such plan shall be generally available to the public for review and comment for a period of thirty days prior to submission to the commissioner [~~provided, however, that any plan submitted prior to October first, nineteen hundred ninety may be submitted to the commissioner prior to being generally available to the public for review and comment~~]. In accordance with department regulations and consistent with federal law and regulations, such plan shall include, but not be limited to, the following:

1. Estimates of the number of participants to be served [~~, including the prescribed target populations as set forth in subdivision one of section three hundred thirty of this title~~];

2. [~~A description of the availability of child day care by type, including whether such care is half day or full day, estimates of the projected need for additional child day care and the steps that will be taken to meet such estimated need, the description of such services to be provided, if possible, to the local social services district by the child care resource and referral agency, the information that will be provided to participants regarding child day care options and the selection thereof and how participants will be assisted in locating and selecting appropriate child day care when such assistance is requested;~~

3.] A description of [~~other~~] available supportive services as prescribed by section three hundred thirty-two-a of this title;

[~~4.~~] 3. A description of the available activities under this title and the estimated capacity of such activities;

[~~5.~~] 4. A description of the district's plan to meet federal requirements regarding participation and the district's criteria established pursuant to the provisions of paragraph [~~(d)~~] (b) of subdivision two of section three hundred thirty-two of this title;

[~~6.~~] 5. A list of education and training providers, such as job training partnership act agencies, educational agencies and other public agencies or private organizations with which the district expects to enter into agreements or contracts with a description of such contracts;

[~~7.~~] 6. A description of the orientation to be provided to participants pursuant to section three hundred thirty-four of this title;

[~~8.~~] 7. A description of the assessment tools chosen and the employee qualifications, district administrative unit or contracting entity that will be responsible for the assessments and the development of the employability plans;

[~~9.~~] 8. A description of the conciliation procedures to be made available to participants pursuant to section three hundred forty-one of this title; and

[~~10.~~] 9. Such additional information as is necessary to comply with federal requirements and to provide the report required under section three hundred thirty-nine of this title.

§ 334. Orientation 1. In accordance with department regulations, a social services district shall, at the time of application or redetermination, in writing and orally inform all [~~aid to dependent children, home relief and veteran~~] public assistance applicants and recipients of the availability of activities and supportive services provided under

this title [~~and sections one hundred fifty-eight-b and one hundred sixty-four of this chapter~~] for which they are eligible and of district or participant responsibilities, including:

(a) education, employment and training opportunities available under the [~~job opportunities and basic skills training program~~] local plan, including educational and training opportunities available at no cost to the participant as well as the responsibilities associated with the repayment of student financial aid;

(b) supportive services as prescribed by section three hundred thirty-two-a of this title; child [~~day~~] care pursuant to [~~subdivision six of section one hundred thirty-one-a~~] section four hundred ten-u of this chapter for persons whose eligibility for assistance has terminated; and applicable medical assistance;

(c) the obligations of the district regarding the activities and supportive services to be provided;

(d) the rights, responsibilities and obligations of the participant in the program including, but not limited to, [~~the grounds for exemption from assessment and~~] participation and the consequences of failure to participate in [~~the job opportunities and basic skills program~~] work activities without good cause;

(e) (1) the types and settings of child [~~day~~] care services which may be reasonably accessible to participants and how such services shall be provided and financed;

(2) the assistance available to help participants select appropriate child [~~day~~] care services; and

(3) the assistance available upon request to help participants obtain child [~~day~~] care services.

2. A local social services official shall inform applicants for and recipients of public assistance of their responsibility to cooperate in establishing paternity and enforcing child support obligations.

3. Consistent with federal and state law and regulations, a local social services official shall, within one month of the recipient's participation in orientation, notify the recipient in writing of the opportunity to participate in the district's [~~program~~] programs established under this title and provide a clear description of how to enter the [~~program~~] programs.

§ 335. Assessments and employability plans for [~~aid to dependent children participants~~] certain recipients in households with dependent children. 1. [~~Except as otherwise provided in subdivision two of section three hundred thirty-six-d of this article, prior to any placement in any activity established under this title, a social services official shall conduct~~] Each social services official shall ensure that each recipient of public assistance who is a member of a household with dependent children and is eighteen years of age or older, or who is sixteen or seventeen years of age and is not attending secondary school and has not completed high school or a high school equivalency program, receives an assessment of employability based on [~~their~~] his or her educational level, including literacy and English language proficiency[+], basic skills proficiency, child [~~day~~] care and other supportive services needs; and the skills, prior work experience, training and vocational interests [~~of each for aid to dependent children participant in the job opportunities and basic skills training program~~]. This assessment shall include a review of family circumstances including a review of any special needs of a child. Such assessment shall be completed within ninety days of the date on which such person is determined eligible for public assistance. An applicant for or recipient of

public assistance may be assigned to work activities prior to completion of such assessment.

2. (a) Based on the assessment required by subdivision one of this section, the social services official, in consultation with the participant, shall develop an employability plan in writing which shall set forth the services that will be provided by the social services official, including but not limited to child care and other services and the activities in which the participant will take part [~~under the job opportunities and basic skills training program~~], including child [~~day~~] care and other [~~supportive~~] services and shall set forth an employment goal for the participant. To the [~~maximum~~] extent possible, the employability plan shall reflect the preferences of the participant in a manner that is consistent with the results of the participant's assessment and the need of the social services district to meet federal and state work activity participation requirements, and, if such preferences cannot be accommodated, the reasons shall be specified in the employability plan. The employability plan shall also take into account the participant's supportive services needs, available program resources, local employment opportunities, and where the social services official is considering an educational activity assignment for such participant, the participant's liability for student loans, grants and scholarship awards [~~and local employment opportunities~~]. The employability plan shall be explained to the participant. Any change to the participant's employability plan required by the social services official shall be discussed with the participant and shall be documented in writing.

(b) Where an assessment indicates that a participant who is not subject to the education requirements of subdivision four of section three hundred thirty-six-a of this title has not attained a basic literacy level, the social services official shall encourage and may require the participant to enter a program to achieve basic literacy or high school equivalency or to enter such educational programs in combination with other training activities consistent with the employability plan.

3. Each applicant for or recipient of public assistance as described herein must participate in an assessment as required by the social services district in accordance with the conditions of this section. Applicants who fail or refuse to participate with the requirements of this section shall be ineligible for public assistance. Recipients who fail or refuse to participate with the requirements of this section shall be subject to the sanctions set forth in section three hundred forty-two of this title.

4. A local social services official shall, pursuant to department regulations developed in consultation with the department of education, and the department of [~~labor~~] social services or its successor agencies use designated trained staff or contract with providers having a demonstrated effectiveness in performing assessments and developing employability plans to perform assessments and develop employability plans.

[4.] 5. A social services district shall assign participants to activities pursuant to their employability plans to the extent that child [~~day~~] care is guaranteed and other [~~supportive~~] services as prescribed by section three hundred thirty-two-a of this title and section four hundred ten-u of this chapter are available. The district shall provide information to participants orally and in writing, as appropriate, regarding child [~~day~~] care and the methods of payment therefor. Such information shall be sufficient for participants to make an informed decision regarding child [~~day~~] care. [~~If the participant requests assistance in securing child day care, the district shall offer at least~~

~~two choices of child day care providers who are regulated, accessible and available to the participants and who are willing to accept the amount and type of payment offered. If two choices of child day care are unavailable or inaccessible, the district shall notify the participant of the option to obtain his or her own child day care. If the district is unable to provide referrals to two regulated providers because of an insufficient number of regulated providers consistent with the need and population of the district, it shall submit a report, together with its local plan provided pursuant to section three hundred thirty-three of this title on its efforts to increase the supply and availability of regulated child day care in the district and it shall excuse the parent from participation until child day care providers are located by the district or the participant in accordance with the provisions of this subdivision. For purposes of this subdivision, the term regulated child day care shall mean a licensed, certified or registered child day care provider.]~~

6. Nothing in this section shall be construed to prevent a social services official from providing an assessment more detailed or comprehensive than the requirements set forth in this section.

§ 335-a. Assessments and employability plans for ~~[home relief participants]~~ certain recipients in households without dependent children. 1. To the extent resources are available, the social services official shall, within a reasonable period of time not to exceed one year following application and not to the exclusion of the assessment requirements of ~~[aid to dependent children participants]~~ section three hundred thirty-five of this title, conduct an assessment of employability based on the educational level, including literacy and English language proficiency; ~~[child day care and other]~~ basic skills proficiency; supportive services needs; and the skills, prior work experience, training and vocational interests of each participant ~~[in the job opportunities and basic skills training program]~~. This assessment shall include a review of family circumstances ~~[including a review of any special needs of a child for child day care]~~.

2. (a) Based on the assessment required by subdivision one of this section, the social services official, in consultation with the participant, shall develop an employability plan in writing which shall set forth the services that will be provided by the social services official and the activities in which the participant will take part ~~[under the job opportunities and basic skills training program]~~, including ~~[child day care and other]~~ supportive services and shall set forth an employment goal for the participant. A local social services district may assign ~~[home relief]~~ recipients in households without dependent children to any activity. The employability plan also shall take into account the participant's supportive services needs, available program resources, local employment opportunities, and where the social services official is considering an educational activity assignment for such participant, the participant's liability for student loans, grants and scholarship awards ~~[and local employment opportunities]~~. The employability plan shall be explained to the participant. Any change to the participant's employability plan required by the social services official shall be discussed with the participant and shall be documented in writing.

(b) Where an assessment indicates that a participant who is not subject to the education requirements of ~~[subdivision four of section three hundred thirty-six-a-of]~~ this title has not attained a basic literacy level, the social services official shall encourage and may require the participant to enter a program to achieve basic literacy or

high school equivalency or to enter such educational programs in combination with other training activities consistent with the employability plan.

3. A local social services official shall, pursuant to department regulations developed in consultation with the department of education and the department of ~~[labor]~~ social services or its successor agencies, use designated trained staff or contract with providers having a demonstrated effectiveness in performing assessments and developing employability plans to perform assessments and develop employability plans.

4. Each applicant for or recipient of public assistance as described herein must participate in an assessment as required by the social services district in accordance with the conditions of this section. Applicants who fail or refuse to participate with the requirements of this section shall be ineligible for public assistance. Recipients who fail or refuse to participate with the requirements of this section shall be subject to the sanctions set forth in section three hundred forty-two of this title.

5. A social services district shall assign participants to activities pursuant to their employability plans to the extent that ~~[child day care is guaranteed and other]~~ supportive services including transportation are available. ~~[The district shall provide information to participants orally and in writing, as appropriate, regarding child day care and the methods of payment therefor. Such information shall be sufficient for participants to make an informed decision regarding child care. If the participant requests assistance in securing child day care, the district shall offer at least two choices of child day care providers who are regulated, accessible and available to the participants and who are willing to accept the amount and type of payment offered. If two choices of child day care are unavailable or inaccessible, the district shall notify the participant of the option to obtain his or her own child day care. If the district is unable to provide referrals to two regulated providers because of an insufficient number of regulated providers consistent with the need and population of the district, it shall submit a report, together with its local plan provided pursuant to section three hundred thirty-three of this title on its efforts to increase the supply and availability of regulated child day care in the district and it shall excuse the parent from participation until child day care providers are located by the district or the participant in accordance with the provisions of this subdivision. For purposes of this subdivision, the term regulated child day care shall mean a licensed, certified or registered child day care provider.]~~

6. Nothing in this section shall be construed to prevent a social services official from providing an assessment more detailed or comprehensive than the requirements set forth in this section.

§ 335-b. Mandatory work requirements. 1. Each social services district shall meet or exceed the minimum participation rate for recipients of assistance funded under the federal temporary assistance to needy families program participating in work activities as specified below with respect to families receiving such assistance. Each such district shall also meet or exceed the minimum participation rate for households without dependent children in which there is an adult who is not otherwise exempt from work requirements and which is receiving safety net assistance. Work activities for which such rates apply are described in section three hundred thirty-six of this title. Each social services district that fails to meet these rates shall be subject to the provisions of section one hundred fifty-three of this chapter.

(a) Such rate for all families receiving assistance funded under the federal temporary assistance to needy families program shall be as follows: for federal fiscal year nineteen hundred ninety-seven, twenty-five percent; nineteen hundred ninety-eight, thirty percent; nineteen hundred ninety-nine, thirty-five percent; two thousand, forty percent; two thousand one, forty-five percent; two thousand two and thereafter, fifty percent. Such rates shall apply unless the state is required to meet a different rate as imposed by the federal government, in which case such different rate shall apply in accordance with a methodology approved by the commissioner of labor.

(b) Such rate for (1) two-parent families receiving assistance funded under the federal temporary assistance to needy families program or the (2) households without dependent children in which there is an adult who is not otherwise exempt receiving safety net assistance, shall be as follows: for federal fiscal years nineteen hundred ninety-seven and nineteen hundred ninety-eight, seventy-five percent; nineteen hundred ninety-nine and thereafter, ninety percent. Such rates shall apply unless the state is required to meet a different rate as imposed by the federal government, in which case such different rate shall apply in accordance with a methodology approved by the commissioner.

(c) Calculation of participation rates. The commissioner shall promulgate regulations which define the participation rate calculation. Such calculation for families receiving assistance funded under the federal temporary assistance to needy families program pursuant to article IV-A of the social security act shall be consistent with that established in federal law. The commissioner shall report annually, or as frequently as necessary to comply with federal requirements, to the commissioner of social services or the commissioners of successor agencies the average monthly participation rate for each social services district.

(d) Minimum work hours. In order for individuals to be included in the participation rates specified in this subdivision, such individuals must be engaged in work as defined in title IV-A of the social security act and in subdivision two of this section for a minimum average weekly number of hours as specified below.

(i) For all families, if the month is in federal fiscal year: nineteen hundred ninety-seven and nineteen hundred ninety-eight, twenty hours per week; nineteen hundred ninety-nine, twenty-five hours per week; two thousand and thereafter, thirty hours per week.

(ii) For two-parent families or households without dependent children, in any federal or state fiscal year, thirty-five hours per week.

(iii) In the case of a two-parent family receiving federally funded child care assistance and a parent in the family is not disabled or caring for a severely disabled child, no parent shall be considered to be engaged in work unless one parent is engaged in work as defined in subdivision three of this section and the other parent is participating in work activities during the month, not fewer than twenty hours of which are attributable to activities described in subdivision two of this section.

2. Engaged in work for a month shall mean participating in work activities identified in subdivision one of section three hundred thirty-six of this title for the required number of hours specified in this section provided, however, that at least twenty hours of such participation, or thirty hours for two-parent families, shall be attributable to the activities described in paragraphs (a) through (i) of subdivision one of section three hundred thirty-six of this title, or for households with-

out dependent children at least thirty hours of participation shall be attributable to the activities set forth in paragraphs (a) through (e) of subdivision one of section three hundred thirty-six of this title, and further provided that participation in job search and job readiness assistance as identified in paragraph (f) of subdivision one of section three hundred thirty-six of this title shall only be determined as engaged in work for a maximum period of six weeks, only four of which may be consecutive and as otherwise limited by federal law; and that individuals in all families and in two parent families may be engaged in work for a month by reason of participation in vocational training to the extent allowed by federal law.

3. For purposes of determining monthly participation rates under this section, a recipient in a one parent family who is the parent of a child who has not attained six years of age is deemed to be engaged in work for a month if the recipient is engaged in work for an average of at least twenty hours per week during the month.

4. For the purposes of this section, a teen head of household who has not attained twenty years of age and who maintains satisfactory school attendance in accordance with federal requirements shall be deemed to be engaged in work to the extent allowed by federal law and regulations.

5. (a) Each parent or caretaker of a child, when such parent or caretaker is receiving public assistance, must be engaged in work as established by the social services district in accordance with the provisions of its local plan filed pursuant to section three hundred thirty-three of this title.

(b) Each social services official shall ensure that each parent or caretaker of a child, when such parent or caretaker is receiving benefits under the federal temporary assistance for needy families program, is required to be engaged in work as soon as practicable, but no later than twenty-four months (whether or not consecutive) from initial receipt of such assistance.

(c) Each social services official shall ensure that each parent or caretaker of a child, when such parent or caretaker is receiving public assistance, is engaged in work as soon as practicable.

(d) Each social services official shall ensure that each adult member of a household without dependents, when such household is receiving public assistance is engaged in work as soon as practicable.

(e) Notwithstanding any other requirement of this section, individuals in receipt of public assistance and who are work limited in accordance with section three hundred thirty-two-b of this title shall be assigned to work activities in accordance with this title only if such assignment:

(i) is consistent with the individual's treatment plan and is determined to be appropriate by the social services official who is satisfied that such person is able to perform the work assigned and that such assignment will assist the individual's transition to self-sufficiency. In the event that such assignment is not part of the individual's treatment plan, the individual shall be deemed to be engaged in work as defined in this subsection if he or she is complying with the requirements of his or her treatment plan.

(ii) where no treatment plan exists, is consistent with the individual's mental and physical limitations.

(f) The social services district shall communicate to the person supervising the work assignment of a work limited recipient any limitations of the recipient.

6. Recipients of safety net assistance who are exempt or work limited pursuant to this title shall be determined to be engaged in work as defined by department regulation.

§ 336. ~~[Activities]~~ Work activities. 1. ~~[Under the job opportunities and basic skills training program, each social]~~ Social services ~~[district shall establish or make the following activities available]~~ districts may provide, and require applicants for and recipients of public assistance to participate in a variety of activities, including but not limited to the following:

(a) ~~[Educational activities pursuant to section three hundred thirty-six-a of this title]~~ unsubsidized employment;

(b) ~~[Job skills training, including vocational training in technical job skills and equivalent knowledge and abilities in specific occupations]~~ subsidized private sector employment;

(c) ~~[Job readiness activities that prepare participants to be familiar with workplace expectations]~~ subsidized public sector employment;

(d) ~~[Job development and job placement;~~

~~(e) On-the-job training for recipients of aid to dependent children]~~ work experience in the public sector or non-profit sector, (including work associated with refurbishing publicly assisted housing) if sufficient private sector employment is not available;

(e) On-the-job training;

(f) ~~[Work supplementation for recipients of aid to dependent children]~~ job search and job readiness assistance, provided that job search is an active and continuing effort to secure employment configured by the local social services official;

(g) ~~[Work experience]~~ community service programs ~~[pursuant to sections three hundred thirty-six-c and one hundred sixty-four of this article]~~ provided, however, the number of hours a participant in community service activities authorized pursuant to this section shall be required to work in such assignment shall not exceed a number which equals the amount of assistance payable with respect to such individual (inclusive of the value of food stamps received by such individual, if any) divided by the higher of (a) the federal minimum wage, or (b) the state minimum wage. No participant shall in any case be required to engage in assigned activities for more than forty hours in any week. No participant shall be assigned to a community service activity that conflicts with his or her bona fide religious beliefs;

(h) ~~[Job search activities pursuant to sections three hundred thirty-six-d and one hundred fifty-eight-b of this article; and~~

~~(i) Referrals to the local employment office of the state department of labor for receipt of job services.]~~ vocational educational training as time limited by federal law. For the purposes of this title, "vocational educational training" shall include but not be limited to and mean organized educational programs offering a sequence of courses which are directly related to the preparation of individuals for current or emerging occupations requiring other than a baccalaureate or advanced degree. Such programs shall include competency-based applied learning which contributes to an individual's academic knowledge, higher-order reasoning, and problem-solving skills, work attitudes, general employability skills, and the occupational-specific skills necessary for economic independence. Such term also includes applied technology education;

(i) job skills training directly related to employment;

(j) education directly related to employment, in the case of a recipient who has not yet received a high school diploma or a certificate of high school equivalency;

(k) satisfactory attendance at secondary school or a course of study leading to a certificate of general equivalency in the case of a recipient who has not completed secondary school or received such certificate;

(l) provision of child care services to an individual who is participating in community service;

(m) job search and job readiness assistance once the individual has exceeded the six week limit set in federal law;

(n) educational activities pursuant to section three hundred thirty-six-a of this title.

2. ~~[Each social services district is also authorized to provide:~~

~~(a) On-the-job training for recipients of home relief pursuant to section three hundred thirty-six-b of this title;~~

~~(b) Job opportunity programs pursuant to section three hundred thirty-six-e of this title; and~~

~~(c) Employment alternatives partnership programs pursuant to section three hundred thirty-six-h of this title]~~ No participant shall be required to provide child care services as a work activity described in this section unless the participant expressly requests in writing to provide such services.

3. Social services districts may enter into agreements with public and private employment agencies to assist recipients of public assistance to find jobs.

4. No participant shall in any case be required to engage in assigned activities for more than forty hours in any week.

5. In no event shall the programs and activities enumerated in this title be deemed the sole activities that a social services district may provide and require applicants for and recipients of public assistance to engage in. Any program or activity that meets the goals of this title and is consistent with the requirements of the labor law and this chapter shall be allowed.

6. Any social services district that establishes and provides a program or activity not herein enumerated shall set forth the requirements and structure of such program or activity in its local plan pursuant to the provisions of section three hundred thirty-three of this title.

7. In accordance with the provisions of paragraph (g) of subdivision two of section four hundred fifty-four of the family court act or section one hundred eleven-c of this chapter or as required by the court, the court may assign to a work experience program the non-custodial parents of children receiving public assistance and report to such court any failure of said parent to comply with the requirements of such program.

§ 336-a. Educational activities. 1. Social services districts shall make available vocational educational training and educational activities~~[, including,]~~. Such activities may include but need not be limited to, high school education or education designed to prepare a participant for a high school equivalency certificate, basic and remedial education, education in English proficiency and no more than a total of two years of post-secondary education (or the part-time equivalent if full-time study would constitute an undue hardship) in any of the following providers which meet the performance or assessment standards established in regulations by the commissioner for such providers: a community college, licensed trade school, registered business school, or a two-

year college; provided, however, that such post-secondary education must be necessary to the attainment of the participant's individual employment goal as set forth in the employability plan and such goal must relate directly to obtaining useful employment in a recognized occupation.

2. When a district contracts with a proprietary vocational school to provide vocational educational training to participants, not more than twenty-five percent of the approved duration of the program shall be devoted to preparation for a high school equivalency diploma or instruction in English for students with limited proficiency in English. Participants needing instruction in basic literacy shall be referred to basic education programs. Instructors employed by proprietary schools to prepare a participant for a high school equivalency certificate or for education in English proficiency shall meet experience requirements established by the regulations of the commissioner of education.

3. When a participant is assigned to an appropriate vocational educational or educational activity and such activity is available at no cost to the social services district through the school district or board of cooperative educational services in which the participant resides or through another agency or organization providing educational services, the social services district shall refer the participant to such district, board, agency or organization.

4. To the extent provided in paragraphs (a) through (d) of this subdivision and if resources permit, each social services official shall assign to appropriate educational activities any participant who has not obtained a high school diploma or its equivalent~~[, including recipients who would otherwise be exempt from full-time participation therein by reason of being a parent or other relative personally providing care for a child who has not reached his or her sixth birthday, provided that child day care is guaranteed and other necessary supportive services are available to the participant]~~:

(a) ~~[Notwithstanding paragraphs (e) and (f) of subdivision one of section three hundred thirty-two of this title, any]~~ In accordance with the provisions of this chapter, any such participant who is under age eighteen shall be required to attend educational activities designed to prepare the individual for a high school degree or equivalency certificate. Participants who are not subject to compulsory school attendance requirements may be exempted from the requirements of this paragraph under criteria established by the department in consultation with the state education department and consistent with federal law and regulations.

(b) Any such participant who is age eighteen or nineteen shall be assigned to educational activities, except that the district shall assign such participant to employment and/or other activities under this title if the district has determined that such alternative activities are consistent with the participant's employability plan and, pursuant to department regulations, there has been a determination by the district based on such plan that educational activities are not appropriate for such participant or that the participant has failed to make good progress in such educational activities.

(c) ~~[Any such aid to dependent children participant who has attained the age of twenty and has not earned a high school diploma (or its equivalent) shall have included as a component of such participant's employability plan, assignment to educational activities consistent with his or her employment goals. However, a social services district may elect not to require participation in educational activities if:~~

~~(1) such participant demonstrates a basic literacy level; or~~

~~(2) the long-term employment goal of such participant as identified in his or her employability plan, does not require a high school diploma (or equivalent).~~

~~(d)] Any such participant who is [a parent in any family eligible for aid to dependent children by reason of the unemployment of the parent who is the principal earner]~~ an adult in a two-parent family and is under age twenty-five~~], shall be encouraged and~~ may be required to participate in educational activities consistent with his or her employment goals set forth in the employability plan.

[A] (d) The social services official shall not assign a participant described in this subdivision to any activities which interfere with the educational activities assigned pursuant to [a] such participant's employability plan and described in this subdivision.

~~5. [(a) If at the time that a participant otherwise would be assigned to education or training activities pursuant to this title, such participant is attending (not less than half time) any educational activity or job skills training, approved by the social services district consistent with the standards established in regulations by the commissioner, such attendance shall constitute participation in the job opportunities and basic skills training program if and for so long as it is consistent with the participant's assessment and approved employment goal in the employability plan developed under section three hundred thirty-five or three hundred thirty-five-a of this title, and such attendance by the participant is consistent with federal law and regulation.~~

~~(b) For each such participant attending in good standing an approved school, course, or program as described in paragraph (a) of this subdivision, the social services official shall provide such supportive services as are necessary for attendance; provided, however, notwithstanding that attendance is consistent with a participant's employment goal in the employability plan, the cost of the school, course or program itself shall not be paid by the social services district; and provided, further, that, if consistent with federal law and regulation, a district may limit expenditures for such services based upon the availability of resources.~~

~~(c) The social services official shall not assign any participant who is described in paragraph (a) of this subdivision to any other activities under this title which interfere with such attendance; provided, however, that to the extent permitted by federal law and regulations, the district may require the individual to accept employment.~~

~~(d)] Any applicant for or recipient of public assistance pursuing activities described in this subdivision shall not be assigned to any other activity prior to conducting an assessment and developing an employability plan as prescribed in section three hundred thirty-five or three hundred thirty-five-a of this title.~~ Local social services districts may periodically reevaluate a participant's employment plan and make assignments to other work activities in order to meet participation rates, giving due consideration to the participant's progress in the current, and if applicable, prior program.

6. Nothing required in this section shall be construed to supersede the eligibility requirements of teen parents as set forth in this chapter.

~~[§ 336-b. On the job training for recipients of home relief using grant diversion. 1. Social services districts are authorized to establish programs for the provision of on-the-job training for recipients of home relief by private employers, including any nonprofit agencies or~~

~~institutions, supported in part by home relief funds, by agreement with such employers.~~

~~2. (a) The local social services official may assign home relief recipients to on-the-job training with such employers in accordance with a written agreement and an approved plan. Any inconsistent provision of law notwithstanding, a person assigned to and satisfactorily participating in a home relief grant diversion program shall be deemed to be employed for purposes of the provisions of this chapter relating to work requirements, and shall be deemed to be a home relief recipient.~~

~~(b) Any earnings derived from such program shall be disregarded in determining continued eligibility for home relief. The local social services official shall specify the period of time the person will remain in such program, which period shall in no event exceed six months, except that the department may approve an extension for a period of up to an additional six months under circumstances to be determined by the commissioner, provided the number of persons so extended shall not exceed twenty percent of the state's total annual participants in such program. Any individual assigned to such program who without good cause refuses to participate in the program or who voluntarily terminates his or her participation shall be ineligible for home relief as provided in section three hundred forty-one of this title.~~

~~3. The local social services official or a designated provider of services under this title is authorized to provide for the transfer of home relief funds to an employer with whom a written agreement is in effect in accordance with this section. Such funds shall be used by the employer for part of the costs incurred in providing on-the-job training to home relief recipients. The home relief funds authorized to be transferred shall be identified as being attributable to the grants each individual assigned to such program would have received had he or she not participated in such program and the amounts so authorized to be transferred shall in no event exceed the amount of the individual's home relief budget deficit. A home relief recipient participating in such an on-the-job training program shall be entitled to earn compensation at no less than the prevailing rate for such job.~~

~~4. Notwithstanding the provisions of this subdivision, a social services official may establish a program for provision of on-the-job training utilizing the same mechanisms and subject to the same requirements as on-the-job training for recipients of aid to dependent children under section three hundred thirty-six of this title.]~~

§ 336-c. [Community work] Work experience [programs]. 1. (a) [Community work] Work experience programs meeting state and federal requirements [shall] may be established [in] by social services districts [to develop, conserve and demonstrate work skills of recipients of aid to dependent children].

(b) [Community work] Work experience programs may include the performance of work for a federal office or agency, county, city, village or town or for the state or in the operation of or in an activity of a nonprofit agency or institution, in accordance with the regulations of the department.

2. A recipient may be assigned to participate in such work experience program only if:

(a) appropriate federal and state standards of health, safety and other work conditions are maintained;

(b) ~~[the number of hours that any such person may be required to work in any month does not exceed a number which equals the amount of assistance payable with respect to the family of which such person is a~~

~~member, not including any portion thereof that a district is reimbursed by a child support collection, divided by the higher of (1) the federal minimum wage, or (2) the state minimum wage, or (3) the rate of pay for persons employed in the same or similar occupations by the same employer at the same or equivalent site;]~~

The number of hours a participant in work experience activities authorized pursuant to this section shall be required to work in such assignment shall not exceed a number which equals the amount of assistance payable with respect to such individual (inclusive of the value of food stamps received by such individual, if any) divided by the higher of (a) the federal minimum wage provided that such hours shall be limited as set forth in subdivision four of section three hundred thirty-six of this title, or (b) the state minimum wage;

~~(c) [appropriate workers' compensation or equivalent protection for on-the-job injuries and tort claims protection are provided to persons participating in a project pursuant to this section on the same basis as they are provided to other persons in similar employment]~~ such recipients are provided appropriate workers' compensation or equivalent protection for on-the-job injuries and tort claims protection on the same basis, but not necessarily at the same benefit level, as they are provided to other persons in the same or similar positions, while participating in work experience activities under this section;

~~(d) [such person is deemed employable under the provisions of section three hundred thirty-two of this title;~~

~~(e) provisions are made to permit such recipient to seek regular employment and/or to secure appropriate training or retraining opportunities which may be available;~~

~~(f) such assignment would not result in (1) the displacement of any currently employed worker or loss of position (including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits) or result in the impairment of existing contracts for services or collective bargaining agreements; (2) the employment or assignment of a participant or the filling of a position when any other person is on layoff from the same or any equivalent position or the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the effect of filling the vacancy so created with a participant assigned pursuant to this section; or (3) any infringement of the promotional opportunities of any current employed person;~~

~~(g) the prior training, experience and skills of a person, to the extent possible, are taken into account in making assignments under this section;~~

~~(h) after each six consecutive months of a person's participation under this section, and at the conclusion of each assignment of a person under this section, the social services official reassesses, and revises, as appropriate, the person's employability plan;~~

~~(i) the project to which the participant is assigned serves a useful public purpose in fields such as health, social services, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, operation of public facilities, public safety, and child day care;~~

~~[(j) the assignment has been made to improve the employability of the participant and is consistent with an employability plan established pursuant to section three hundred thirty-five of this title;~~

~~(k) the length of the assignment lasts no longer than six consecutive months without a reassessment of the person's employability plan as~~

~~provided for in paragraph (h) of this subdivision.]~~ (e) such assignment would not result in (i) the displacement of any currently employed worker or loss of position (including partial displacement such as reduction in the hours of non-overtime work, wages or employment benefits) or result in the impairment of existing contracts for services or collective bargaining agreements; (ii) the employment or assignment of a participant or the filling of a position when any other person is on layoff from the same or any equivalent position or the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the effect of filling the vacancy so created with a participant assigned pursuant to this section; (iii) any infringement of the promotional opportunities of any current employed person; or (iv) the performance, by such participant, of a substantial portion of the work ordinarily and actually performed by regular employees; or (v) the loss of a bargaining unit position as a result of work experience participants performing, in part or in whole, the work normally performed by the employee in such position;

(f) such assignment is not at any work site at which the regular employees are on a legal strike against the employer or are being subjected to lock out by the employer.

~~3. [Any inconsistent provision of this chapter or of any other law notwithstanding, a social services official may not assert any lien under any provision of this chapter to recover payments of public assistance if such payments were included in the calculation of hours of participation in a work experience program under this section and to the extent of such hours that such person actually participated in a work experience project.]~~

~~4. Notwithstanding any inconsistent provision of law and consistent with the provisions of the civil service law, as a condition of the assignment to any public or not-for-profit agency or institution, such agency or institution shall interview and consider such aid to dependent children participant for unsubsidized employment when an opening occurs in a job title that is the same or similar to that in which such participant has performed satisfactorily.]~~

The public employer shall publish on a monthly basis a report summarizing the employer's work experience program for the month. Such monthly report shall include, at a minimum, summary information regarding the agencies or departments where participants are assigned, work locations, job duties and assignments, hours worked and period worked and shall be provided to the certified collective bargaining representative and may not be disclosed to any other party. Such certified collective bargaining representative shall take reasonable steps to protect the confidentiality of such information and shall take reasonable steps to prevent disclosure of same to non-authorized persons. Every report provided pursuant to this section shall contain a warning against re-disclosure and asserting the confidentiality of the information therein provided.

4. In assigning a recipient who is a student attending CUNY, SUNY or other approved non-profit education, training or vocational rehabilitation agency, the social services district must, after consultation with officials of CUNY, SUNY or other non-profit education, training or vocational rehabilitation agency, assign the student to a work site on campus, where the recipient is enrolled, if an approved work experience assignment is available. Where such work experience assignment is not available, the social services district shall, to the extent possible, assign the student to a work site within reasonable proximity to the campus where the recipient is enrolled. Provided, however, in order to

qualify for a work experience assignment on-campus, or in close proximity to campus, a student must have a cumulative C average, or its equivalent. The district may waive the requirement that the student have a cumulative C average or its equivalent for undue hardship based on: (i) the death of a relative of the student; (ii) the personal injury or illness of the student; or (iii) other extenuating circumstances.

~~§ 336-d. Job search activities [for employable aid to dependent children participants. 1. Job search activities shall be supervised in a group or individual setting and shall at a minimum include: counseling, job-seeking skills training and dissemination of employment information.~~

~~2. A social services official may refer an aid to dependent children participant to up to three weeks of job search activities prior to assessment pursuant to the provisions of subdivision one of section three hundred thirty-five of this title. Prior to such referral, the district shall conduct a review of the health of the aid to dependent children participant and any other factors deemed appropriate by the district.~~

~~3. A social services official, consistent with the provisions of subdivision two of this section, may require an individual to participate in a job search activity from the date he or she files an application for assistance for an initial period of up to eight consecutive weeks, such initial eight-week period to include the three-week period provided for in subdivision two of this section. Following this initial eight-week period (which may extend beyond the date when eligibility is determined), the social services official may require additional participation in a job search activity not in excess of eight weeks (or its equivalent) in any period of twelve consecutive months. The first such period of twelve consecutive months shall begin at anytime following the close of the initial eight-week period. A social services official may not delay the processing of an individual's application for aid because of his or her participation in job search activities.~~

~~4. A social services official may assign job search activities in excess of those authorized by the provisions of subdivisions two and three of this section only in combination with some other education, training or employment activity designed to improve the participant's prospects for employment. Under no circumstances, however, may a participant be required to participate solely in job search activities for a total period of time exceeding four months in any consecutive twelve month period].~~

1. Each applicant for or recipient of public assistance shall, upon request of the social services official, demonstrate that he or she is engaged in an active and continuing effort to achieve self-sufficiency as defined by the department. Such effort shall include but not be limited to an active and continuing search for employment, or for persons otherwise exempt in accordance with section three hundred thirty-two of this title, and where deemed appropriate by the social services official, activities that foster preparation for employment. Each such applicant or recipient shall have an affirmative duty to accept any offer of lawful employment in which he or she may engage. The failure of a social services district to assign applicants and recipients to activities pursuant to this title shall not relieve such persons from the requirements of this section. An individual who fails to comply with the requirements of the section shall be subject to the provisions set forth in subdivision five of section one hundred thirty-one of this chapter and of section three hundred forty-one and three hundred forty-two of this title.

2. The social services official shall, if deemed appropriate by such official, supervise job search activities assigned pursuant to this article.

~~§ 336-e. — Job opportunity program. 1. The department may establish a job opportunity program for certain public assistance recipients. Notwithstanding any other provision of law, except as otherwise provided in this section, the commissioner may authorize social services districts to conduct various programs in public and not-for-profit agencies to demonstrate the feasibility and effectiveness of providing employment for a limited period of time as an alternative to the granting of public assistance to certain recipients of home relief.~~

~~2. A person participating in a program operated pursuant to this section shall be hired by a participating employer for a job of at least twenty hours per week. The salary shall be the wage paid for comparable work done by the employer's regular employees but in no event shall be less than the state minimum wage. Each participating person shall be given the opportunity to work sufficient hours to earn a net wage of at least the amount such person would have been entitled to receive as a recipient of home relief or, where applicable, the amount such person would have received for his or her household, including the amount for dependents. Such net wage shall be calculated by deducting from gross wages federal income taxes, federal employment taxes, state income taxes, local income taxes and union dues. Participation in such demonstration programs shall be limited to persons who, for a period of at least twenty-four months of the most recent thirty-six months, have been employable recipients of home relief and have engaged in job search activities or other appropriate employment-related activities; provided, that no social services district shall, at any time, subsidize in excess of two hundred fifty positions pursuant to this subdivision; and provided, further, that no participant shall be placed in a title if more than ten percent of the employer's employees in that title are participants in a program established pursuant to this section. No program shall be approved under this section unless the commissioner is satisfied that it contains adequate provision for the prompt resolution of disputes concerning participation in the program and the obligations and benefits associated with it. Nothing contained in this section shall be deemed to affect, modify or abridge a participant's right to a fair hearing pursuant to section twenty-two of this chapter or representation thereof by counsel or, if applicable, the participant's collective bargaining representative.~~

~~3. The following requirements shall apply to employment programs operated pursuant to this section:~~

~~(a) (1) Conditions of employment and training including such factors as the type of work, geographical region and proficiency of the participant shall be appropriate and reasonable.~~

~~(2) A participant employed in such a program shall be deemed an employee for purposes of the applicable collective bargaining and labor laws and shall receive the same benefits and protections as an employee similarly situated (working a similar length of time and doing similar work) receives pursuant to the provisions of law, an applicable collective bargaining agreement or otherwise as made available to the employees of the employer.~~

~~(3) A participant employed by an employer subject to the civil service law or subject to rules consistent with such law shall be appointed to an appropriate classified position. Notwithstanding any other provision of law, rule or regulation, such position shall be deemed to be in the~~

~~non-competitive class of the classified service only while such participant is serving in the position.~~

~~(b) (1) No employee of the participating employer shall be displaced by any participant in this program. For the purposes of this subdivision, the term displacement shall include partial displacement, such as a reduction in the customary hours of work (including overtime), wages, or employment benefits.~~

~~(2) No participant shall be employed:~~

~~(A) if any other employee of the employer is available for reinstatement, recall or reemployment following a leave of absence, furlough, layoff or suspension from the same or any substantially equivalent job; or~~

~~(B) when the employer has terminated the employment of any regular employee or otherwise reduced its work force with the intention of filling the vacancy or vacancies so created by hiring a participant whose wages are subsidized under this program; or~~

~~(C) when the employee organization representing employees of the employer is engaged in a strike against the employer or such employees have been locked-out by the employer.~~

~~(3) No positions shall be created that will infringe in any way upon the promotional opportunities of currently employed individuals or individuals currently engaged in an approved apprenticeship training program.~~

~~(c) (1) No participant shall remain in a position if another employee is eligible for promotion from an eligible list to that position. An employer shall, at least ten days prior to filling a position with a participant, notify any employee organization that represents employees who are engaged in similar work or training in the same or substantially equivalent job as that in which the placement is to be made, that it intends to make a placement pursuant to the terms of this section.~~

~~(2) Where an employee organization represents employees who are engaged in similar work in the same or substantially equivalent job as that proposed to be funded under this program, an opportunity shall be provided for such organization to comment on the proposed placement of a participant or the administration of the program and the commissioner or his or her designee shall respond to such comments within ten days of receipt thereof. (d) Employers are prohibited from using home relief funds to encourage or discourage membership in, or participation in the activities of, any employee organization and each employer shall provide to the department assurances that none of such funds will be used for such purposes.~~

~~4. For so long as a social services district operates a program pursuant to this section, any person for whom employment is otherwise provided for in this section will be ineligible for home relief benefits. Ineligibility for home relief benefits will continue for any such person for so long as such person resides in a participating social services district and remains employable pursuant to subdivision one of section three hundred thirty-two of this title and for so long as employment is available for such person under this section; provided, however, that, subject to the provisions of section three hundred sixty-seven-a of this article, any such person and that person's dependents shall be eligible for medical assistance pursuant to title two of this article.~~

~~5. (a) The social services district is authorized to provide for the transfer of home relief funds to a participating employer. The home relief funds authorized to be transferred shall be in an amount not to~~

~~exceed the amount the person and that person's dependents would have received as recipients of home relief had the person not participated in the program.~~

~~(b) Expenditures incurred by social services districts participating in a program pursuant to this section shall be reimbursed as public assistance and care and its administration pursuant to the provisions of section one hundred fifty-three of this article; provided, however, that reimbursement by the department shall be paid only in an amount not to exceed the maximum amount the participant would have received as a recipient of and as a grantee for that person's dependents while in receipt of home relief plus the amount the district would have received for administrative expenses for such individual case.~~

~~6. The social services official shall make reports and collect data in such manner and at such times as may be required by the department with respect to any aspect of a program operated pursuant to this section.~~

~~7. In authorizing social services districts to operate programs pursuant to this section, the commissioner shall approve programs testing variations of the period of time for which participation in employment shall be required. These variations shall include, at a minimum, one program limiting participation in employment by individuals under the program to a one-year period and one program limiting participation in employment under this program to a two-year period. In at least one district basic education, including but not limited to adult literacy and courses leading to a certificate of high school equivalency, shall be made available to the participants. In addition, in at least one district but in not more than two districts, employment counseling shall be an integral part of the program. Upon completion of these programs, the participating person will, if otherwise eligible, continue to receive home relief.~~

~~8. Nothing herein shall be construed to affect, modify or otherwise abridge any provision of the civil service law.]~~

§ 336-e. Subsidized public sector employment programs. 1. A social services district may establish subsidized public sector employment programs for public assistance recipients including, but not limited to, grant diversion programs, which may be supported wholly or in part with public assistance funds. Such programs shall be established through agreements between local districts and employers; provided, however, that, if appropriate, the department may act on behalf of one or more local districts in establishing such agreements.

2. Programs may include, but need not be limited to, on-the-job training programs which reimburse employers for the cost of training public assistance recipients through wage subsidies.

3. The social services official or the department is authorized to transfer public assistance funds to employers through written agreements developed and executed in accordance with department regulations.

4. A recipient may be assigned to a subsidized public sector employment activity only if:

(a) the conditions of employment including such factors as the type of work, geographical region and proficiency of the participant are appropriate and reasonable.

(b) the recipient is deemed an employee for purposes of the applicable collective bargaining and labor laws and receives the same benefits and protections as existing employees similarly situated (working a similar length of time and doing similar work) receive pursuant to the provisions of law, and applicable collective bargaining agreement or otherwise as made available to the regular employees of the employer.

Each participating person shall be given the opportunity to work sufficient hours to earn a net wage of at least the amount such person would have been entitled to receive as recipients of public assistance or, where applicable, the amount such person would have received for his or her household, including the amount for dependents. Such net wage shall be calculated by deducting from gross wages federal income taxes, federal employment taxes, state income taxes, local income taxes and union dues, if any. No program shall be approved under this section unless the commissioner is satisfied that it contains adequate provisions for the prompt resolution of disputes concerning participation in the program and the obligations and benefits associated with it. Nothing contained in this section shall be deemed to affect, modify or abridge a participant's right to a fair hearing pursuant to section twenty-two of this chapter or representation thereat by counsel or, if applicable, the participant's collective bargaining representative.

(c) a participant employed by an employer subject to the civil service law or subject to rules consistent with such law is appointed to an appropriate classified position. Notwithstanding any other provision of law, rule or regulation, such position shall be deemed to be in the non-competitive class of the classified service only while such participant is serving in the position.

(d) no employee of the participating employer is displaced by any recipient employed pursuant to this section. For the purpose of this subdivision, the term displacement shall include partial displacement, such as a reduction in the customary hours of work (including overtime), wages, or employment benefits.

(e) no participant shall be employed:

(i) if any other employee of the employer is available for reinstatement, recall or reemployment following a leave of absence, furlough, layoff or suspension from the same or any substantially equivalent job;

(ii) when the employer has terminated the employment of any regular employee or otherwise reduced its work force with the intention of filling the vacancy or vacancies so created by hiring a participant whose wages are subsidized under this program; or

(iii) when the employee organization representing employees of the employer is engaged in a strike against the employer or such employees have been locked-out by the employer; or

(iv) where such employment results in the loss of a bargaining unit position as a result of work experience participants performing, in part or in whole, the work normally performed by the employee in such position.

(f) no position is created that will infringe in any way upon the promotional opportunities of currently employed individuals or individuals currently engaged in an approved apprenticeship training program.

(g) no participant shall remain in a position if another employee is eligible for promotion from an eligible list to that position. An employer shall, at least ten days prior to filling a position with a participant, notify any employee organization that represents employees who are engaged in similar work or training in the same or substantially equivalent job as that in which the placement is to be made, that it intends to make a placement pursuant to the terms of this section.

(h) where an employee organization represents employees who are engaged in similar work in the same or substantially equivalent job as that proposed to be funded under this program, an opportunity is provided for such organization to comment on the proposed placement of a

participant or the administration of the program and the social services official or his or her designee shall respond to such comments within ten days of receipt thereof.

(i) employers are prohibited from using public assistance funds to encourage or discourage membership in, or participation in the activities of, any employee organization and each employer provides to the social services district assurances that no such funds will be used for such purposes.

(j) nothing herein shall be construed to affect, modify or otherwise abridge any provision of the civil service law.

~~§ 336-f. Work supplementation program. Social services districts shall establish work supplementation programs for recipients of aid to dependent children and operate such programs in accordance with sections four hundred eighty-two and four hundred eighty-four of the federal social security act and regulations of the department for recipients of aid to dependent children.]~~

§ 336-f. Subsidized private sector and not-for-profit employment programs. 1. A social services district may establish subsidized private sector employment programs for public assistance recipients including, but not limited to, grant diversion programs, which may be supported wholly or in part with public assistance funds. Such programs shall be established through agreements between local districts and employers, including not for profit employers; provided, however, that, if appropriate, the department may act on behalf of one or more local districts in establishing such agreements.

2. Programs may include, but need not be limited to, on-the-job training programs which reimburse employers for the cost of training public assistance recipients through wage subsidies.

3. The social services official or the department is authorized to transfer public assistance funds to employers through written agreements developed and executed in accordance with department regulations.

4. A recipient may be placed in a subsidized private sector or not-for-profit employment activity only if:

(a) the conditions of employment including such factors as the type of work to be performed, the geographic location of the job, and the qualifications of the participant are appropriate and reasonable.

(b) the recipient is deemed an employee for purposes of the applicable collective bargaining and labor laws and receives the same benefits and protections as an employee similarly situated (working a similar length of time and doing similar work) receives pursuant to the provisions of law, an applicable collective bargaining agreement or otherwise as made available to the employees of the employer.

(c) no employee of the participating employer is displaced by any recipient hired pursuant to this section. For the purpose of this subdivision, the term displacement shall include partial displacement, such as a reduction in the customary hours of work (including overtime), wages, or employment benefits.

(d) no participant shall be hired:

(i) if any other employee of the employer is available for reinstatement, recall or reemployment following a leave of absence, furlough, layoff or suspension from the same or any substantially equivalent job; or

(ii) when the employer has terminated the employment of any regular employee or otherwise reduced its work force with the intention of filling the vacancy or vacancies so created by hiring a participant whose wages are subsidized under this program; or

(iii) when the employee organization representing employees of the employer is engaged in a strike against the employer or such employees have been locked-out by the employer; or

(iv) when such hiring will result in the loss of a bargaining unit position as a result of work experience participants performing, in part or in whole, the work normally performed by the employee in such position.

(e) no job is created that will infringe in any way upon the promotional opportunities of current employees or individuals currently engaged in an approved apprenticeship training program.

(f) no participant shall remain in a job if another employee is eligible for promotion to that job. An employer shall, at least ten days prior to filling a position with a participant, notify any employee organization that represents employees who are engaged in similar work or training in the same or substantially equivalent jobs as those in which the placement is to be made, that it intends to make a placement pursuant to the terms of this section.

(g) where an employee organization represents employees who are engaged in similar work in the same or substantially equivalent jobs as those proposed to be funded under this program, an opportunity is provided for such organization to comment on the proposed placement of a participant or the administration of the program and the social services official or his or her designee shall respond to such comments within ten days of receipt thereof.

(h) employers are prohibited from using public assistance funds to encourage or discourage membership in, or participation in the activities of, any employee organization and each employer provides to the social services district assurances that no such funds will be used for such purposes.

5. The social services district shall require every private or not-for-profit employer that intends to hire one or more work activity participants to certify to the district that such employer has not, in the past five years, been convicted of a felony or a misdemeanor the underlying basis of which involved workplace safety and health or labor standards. Such employer shall also certify as to all violations issued by the department of labor within the past five years. The social services official in the district in which the participant is placed shall determine whether there is a pattern of violations sufficient to render the potential employer ineligible. Employers who submit false information under this section shall be subject to criminal prosecution for filing a false instrument.

~~§ 336-g. On-the-job training for recipients of aid to dependent children. — Social services districts shall establish programs of on-the-job training and operate such programs in accordance with all applicable requirements of federal law and regulations and in accordance with regulations of the department for recipients of aid to dependent children.~~

~~§ 336-h. Employment alternatives partnership program. — 1. The department shall establish an employment alternatives partnership program for certain public assistance recipients. — Notwithstanding any other provision of law, except as otherwise provided in this section, the commissioner shall authorize social services districts to conduct programs through written agreements with private employers, including non-profit agencies or institutions, to demonstrate the feasibility and effectiveness of affording employment as an alternative to the granting of public assistance to certain recipients of home relief.~~

~~2. A person participating in a program operated pursuant to this section shall be hired by a participating employer for a job of at least twenty hours per week for which he or she is qualified. The salary shall be the prevailing wage paid to the employer's regular employees for comparable work but shall be at least the higher of the state minimum wage or a net wage which equals or exceeds the amount such person would have been entitled to receive as a recipient of home relief. Such net wage shall be calculated by deducting from gross wages all federal income taxes, federal employment taxes, state income taxes, employee paid health insurance premiums, local income taxes and union dues. Participation in such programs shall be limited to persons who, for a period of at least six months, have been employable, job ready recipients of home relief but have not secured employment and who are not participating in an employment training program.~~

~~3. The following requirements shall apply to programs operated pursuant to this section:~~

~~(a)(1) Conditions of employment and training, including such factors as the type of work to be performed, the geographical location of the job, and the qualifications of a participant, shall be appropriate and reasonable.~~

~~(2) A participant employed in any such program shall be deemed an employee for purposes of any applicable collective bargaining agreement and labor laws and shall receive the same benefits and protections as a similarly situated employee (working a similar length of time and performing similar work), pursuant to the provisions of law, any applicable collective bargaining agreement or as otherwise made available to the employees of the employer.~~

~~(b)(1) No employee of the participating employer shall be displaced by any participant in this program. For the purposes of this subdivision, the term displacement shall include partial displacement, such as a reduction in the customary hours of work (including overtime), wages, or employment benefits.~~

~~(2) No participant shall be hired:~~

~~(i) if any other employee of the employer is available for reinstatement, recall or reemployment following a leave of absence, furlough, layoff or suspension from the same or any substantially equivalent job; or~~

~~(ii) when the employer has terminated the employment of any other employee with the intention of filling the vacancy or vacancies so created by hiring a participant whose wages are subsidized under a demonstration program; or~~

~~(iii) when the employee organization representing employees of the employer is engaged in a strike against the employer or such employees have been locked-out by the employer.~~

~~(3) No jobs shall be created that will infringe in any way upon the promotional opportunities of current employees or trainees engaged in an approved apprenticeship training program.~~

~~(c)(1) No participant shall remain in a job if another employee is eligible for promotion to that job. An employer shall, at least ten days prior to filling a job with a participant, notify an employee organization that represents employees who are engaged in similar work or training in the same or substantially equivalent jobs as that in which the placement is to be made that it intends to make a placement pursuant to the terms of this section.~~

~~(2) Where an employee organization represents employees who are engaged in similar work or training in the same or substantially equiv-~~

~~alent jobs as that proposed to be funded under this program, an opportunity shall be provided for such organization to comment on the proposed placement of a participant or the administration of the program and the commissioner or his or her designee shall respond to such comments within ten days of receipt thereof.~~

~~(d) Employers are prohibited from using home relief funds to encourage or discourage membership in, or participation in the activities of, any employee organization and each employer shall provide to the department assurances that no home relief funds will be used for such purposes.~~

~~4. For so long as a social services district operates a program pursuant to this section, any person for whom employment is provided under this section will be ineligible for home relief benefits. Ineligibility for home relief benefits will continue for any such person for so long as such person resides in a participating social services district and remains employable pursuant to section three hundred thirty-two of this chapter and for so long as employment is available for such person under this section; provided, however, that, subject to the provisions of section three hundred sixty-seven-a of this article, any such person shall be eligible for medical assistance pursuant to title two of article five of this chapter if an employer participating in this program does not provide employer paid health insurance. Social services districts, however, shall use their best efforts to enter into agreements to provide assured jobs with employers who provide employer paid health insurance.~~

~~5. (a) A participating social services district is authorized to provide for the transfer of home relief funds to a participating employer. The home relief funds authorized to be transferred shall be in an amount not to exceed ninety percent of the amount the person would have received as a recipient of home relief had the person not participated in the program. Such transfer of funds shall be for a period of one year for each participant. Employers participating in this program, however, shall make a good faith commitment to continue the employment of the participant after such one year period.~~

~~(b) Expenditures incurred by social services districts participating in a program pursuant to this section shall be reimbursed as public assistance and care and its administration pursuant to the provisions of section one hundred fifty-three of this chapter; provided, however, that reimbursement by the department shall be paid only upon amounts not exceeding ninety percent of the maximum amount the participant would have received as a recipient while in receipt of home relief and upon the amount the district would have received for administrative expenses for such recipient's case.~~

~~6. A social services official of a participating district shall make reports and collect data in such manner and at such times as may be required by the department with respect to any aspect of a program operated pursuant to this section.~~

~~7. Any person who without good cause refuses to accept a job pursuant to this section or who voluntarily terminates his or her participation shall be ineligible for home relief as provided in section three hundred forty-one of this title. Any person who applies for home relief within six months after any period of disqualification required by this subdivision shall, if eligible for assistance and employable, be immediately eligible for participation in a program.~~

~~8. This section shall expire and be of no further force and effect five years after the effective date of this section, provided, however,~~

~~that no person shall be permitted to enter the program after the date occurring four years after such effective date.]~~

§ 337. Responsibilities of state departments and agencies. 1. ~~[The department shall perform all the functions required as the single state agency responsible for the supervision of the administration of aid to dependent children by and pursuant to the provisions of the federal social security act or other law relating to the federal job opportunities and basic skills training program for recipients of aid to dependent children.]~~ Notwithstanding any provision of this chapter to the contrary, responsibility for the operation and administration of work, employment and training programs in connection with the programs administered pursuant to this chapter shall be vested in the commissioner subject to regulations, procedures and instructions of the department.

2. The department is authorized to enter into agreements with any state agency, social services district or other entity for performance of activities authorized under ~~[the job opportunities and basic skills training program]~~ this title.

§ 338. Cooperation of state departments. There shall be such cooperative agreements and arrangements between and among the department, the state department of ~~[labor]~~ social services or its successor agency, the state department of education and other appropriate state departments as shall be necessary to assure compliance with federal and state requirements or requirements of this title relating to ~~[the job opportunities and basic skills training program]~~ employment programs for applicants of and recipients of ~~[aid to dependent children, home relief and veteran]~~ public assistance and to assure that the purposes of such program will be effectively accomplished. The purpose of such arrangements is to promote interagency planning, coordinate service delivery and identify needed resources for the implementation of ~~[the job opportunities and basic skills training program]~~ such employment programs.

§ 339. Reports. ~~[On the first day of February, nineteen hundred ninety-two, and every February first thereafter, the department, in consultation with the departments of labor and education, shall submit a report to the governor and the legislature concerning the job opportunities and basic skills program set forth in this title including those activities administered by other state agencies and employment programs set forth in sections one hundred sixty-four and one hundred fifty-eight-b of this article. In addition to reporting requirements established pursuant to federal law and regulation, these reports shall contain but not be limited to the following information reported statewide and by districts: all costs associated with the administration of the activities; the number of employable public assistance recipients required to participate in the activities and the number so participating in each of the activities; the number of persons who have volunteered for the activities and the number so participating by federal target and non-target groups; the number of job referrals and placements due to participation including the number of self-placements by participants; the availability of community work experience and public works projects, including the number of participants assigned to such projects, the type of project assignments and the average number of hours recipients participate in such projects and any cost savings derived from such projects; the amount of grant reductions or grant terminations due to employment; the amount of grant reductions or grant terminations due to the application of sanctions; and departmental efforts to improve agency performance and recommendations to strengthen~~

~~overall employment program results. In providing data on employment program cost savings, the department shall develop a methodology for estimating actual savings from the provision of services under the job opportunity and basic skills program set forth in this title and employment programs set forth in sections one hundred sixty-four and one hundred fifty-eight-b of this article and for estimating public assistance recidivism within a two-year period.]~~ The commissioner shall require, from each social services district, information and reports sufficient and timely to enable the state to meet all federal reporting requirements.

§ 340. Technical assistance. The commissioner shall provide technical assistance to social services districts in the development, implementation and administration of plans described in section three hundred thirty-three of this title.

The department shall monitor the implementation and ongoing operation of the ~~[job opportunities and basic skills training program]~~ programs pursuant to this title. Such monitoring shall include review of sample cases to assess compliance with applicable state and federal statutes and regulations.

§ 341. Conciliation; refusal to participate. 1. Consistent with federal law and regulations and this title, if a participant has failed or refused to comply with the requirements of this title ~~[or section one hundred sixty-four or one hundred fifty-eight-b of this article]~~, the social services district shall issue a notice indicating that such failure or refusal has taken place and of the right of such participant to conciliation to resolve the reasons for such failure or refusal. The notice shall indicate that the participant has seven days to request conciliation with the district regarding such failure or refusal in the case of a ~~[home relief]~~ safety net participant and ten days in the case of ~~[an aid to dependent children]~~ a family assistance participant. If the participant does not contact the district within the specified number of days, the district shall issue ten days notice of intent to discontinue or reduce assistance, pursuant to regulations of the department. Such notice shall also include a statement of the participant's right to a fair hearing relating to such discontinuance or reduction. If such participant contacts the district within seven days in the case of a ~~[home relief]~~ safety net participant or within ten days in the case of ~~[an aid to dependent children]~~ a family assistance participant, it will be the responsibility of the participant to give reasons for such failure or refusal. Unless the district determines as a result of such conciliation process that such failure or refusal was willful and was without good cause, no further action shall be taken. If the district determines that such failure or refusal was willful and without good cause, the district shall notify such participant in writing by issuing ten days notice of its intent to discontinue or reduce assistance, including the reasons for such determination and the right to a fair hearing relating to such discontinuance or reduction. Unless extended by mutual agreement of the participant and the district, conciliation shall terminate and a determination shall be made within fourteen days of the date a request for conciliation is made in the case of a ~~[home relief]~~ safety net participant or within thirty days of the conciliation notice in the case of ~~[an aid to dependent children]~~ a family assistance participant.

2. (a) The department shall establish in regulation a conciliation procedure for the resolution of disputes related to an individual's participation in ~~[the job opportunity and basic skills training program]~~

~~of]~~ programs pursuant to this title [~~and sections one hundred sixty-four and one hundred fifty-eight-b of this article~~].

(b) The district shall contract with an independent entity, approved by the department, or shall use designated trained staff at the supervisory level who have no direct responsibility for the participant's case to mediate disputes in the conciliation conference. If no such supervisory staff or independent entity is available, the district may designate another trained individual, who has no direct responsibility for the participant's case to mediate disputes in the conciliation conference.

(c) If a participant's dispute cannot be resolved through such conciliation procedure, an opportunity for a fair hearing shall be provided. No sanction relating to the subject dispute may be imposed during the conciliation process.

3. When any [~~aid to dependent children~~] family assistance participant required to participate in [~~the job opportunities and basic skills training program~~] work activities fails to comply with the provisions of this title, the social services district shall take such actions as prescribed by appropriate federal law and regulation and this title.

4. When any [~~home relief~~] safety net participant required to participate in [~~the job opportunities and basic skills training program~~] work activities fails to comply with the provisions of this title, the social services district shall deny assistance to such participant in accordance with [~~subdivision five of section one hundred thirty-one~~] section three hundred forty-two of this [~~chapter~~] title.

5. (a) To the extent that federal law requires, a social services district shall provide to those [~~aid to dependent children~~] family assistance participants whose failure to comply has continued for three months or longer a written reminder of the option to end a sanction after the expiration of the applicable minimum sanction period by terminating the failure to comply as specified in subdivision three of this section. Such notice shall advise that the [~~aid to dependent children~~] participant may immediately terminate the first or second sanction by participating in the program or accepting employment and that any subsequent sanction after six months have elapsed may be terminated by participating in the program or accepting employment.

(b) A social services district shall provide to those [~~home relief~~] safety net participants whose failure to comply has continued for the length of the sanction period or longer a written reminder of the option to end a sanction after the expiration of the applicable minimum sanction period by terminating the failure to comply as specified in subdivision four of this section.

6. Consistent with federal law and regulation, no action shall be taken pursuant to this section for failure to participate in the program or refusal to accept employment if:

(a) [~~the participant is the parent or other relative personally providing care for a child under age six and the employment would require such participant to work more than twenty hours per week;~~

~~(b)]~~ child care for a child under age thirteen (or day care for any incapacitated individual living in the same home as a dependent child) is necessary for an individual to participate or continue participation in [~~the program~~] activities pursuant to this title or accept employment and such care is not available and the social services district fails to provide such care;

~~(c)]~~ (b) (1) the employment would result in the family of the participant experiencing a net loss of cash income; provided, however, a

participant may not claim good cause under this paragraph if the social services district assures that the family will not experience a net loss of cash income by making a supplemental payment;

(2) net loss of cash income results if the family's gross income less necessary work-related expenses is less than the cash assistance the participant was receiving at the time the offer of employment is made; or

~~[(d)]~~ (c) the participant meets other grounds for good cause set forth by the department in its implementation plan for this title which, at a minimum, must describe what circumstances beyond the household's control will constitute "good cause".

§ 342. Noncompliance with the requirements of this title. 1. In accordance with the provisions of this section an individual who is required to participate in work activities shall be ineligible to receive public assistance if he or she fails to comply, without good cause, with the requirements of this title. Such ineligibility shall be for the amount and periods specified in this section. Good cause for failing to comply with the requirements of this title shall be defined in department regulations, provided, however, that the parent or caretaker relative of a child under thirteen years of age shall not be subject to the ineligibility provisions of this section if the individual can demonstrate, in accordance with the regulations of the office of children and family services department, that lack of available child care prevents such individual from complying with the work requirements of this title. The parent or caretaker relative shall be responsible for locating the child care needed to meet the work requirements; provided, however, that the relevant social services district shall provide a parent or caretaker relative who demonstrates an inability to obtain needed child care with a choice of two providers, at least one of which will be a regulated provider.

2. In the case of an applicant for or recipient of public assistance who is a parent or caretaker of a dependent child the public assistance benefits otherwise available to the household of which such individual is a member shall be reduced pro-rata:

(a) for the first instance of failure to comply without good cause with the requirement of this article until the individual is willing to comply;

(b) for the second instance of failure to comply without good cause with the requirements of this article, for a period of three months and thereafter until the individual is willing to comply;

(c) for the third and all subsequent instances of failure to comply without good cause with the requirements of this article, for a period of six months and thereafter until the individual is willing to comply.

3. In the case of an individual who is a member of a household without dependent children applying for or in receipt of safety net assistance the public assistance benefits otherwise available to the household of which such individual is a member shall be reduced pro-rata:

(a) for the first such failure or refusal, until the failure or refusal ceases or ninety days, whichever period of time is longer;

(b) for the second such failure or refusal, until the failure ceases or for one hundred fifty days, whichever period of time is longer; and

(c) for the third and all subsequent such failures or refusals, until the failure ceases or one hundred eighty days, whichever period of time is longer.

4. A recipient of public assistance who quits or reduces his hours of employment without good cause shall be considered to have failed to

comply with the requirements of this article and shall be subject to the provisions of this section.

5. A person described in paragraph (b) of subdivision seven of section one hundred fifty-nine of this chapter may not be sanctioned if his or her failure to comply with requirements of this title are related to his or her health status.

§ 148-a. Subdivisions 3, 4 and 5 of section 596 of the labor law, subdivisions 3 and 4 as renumbered by chapter 204 of the laws of 1982, are renumbered subdivisions 4, 5 and 6 and a new subdivision 3 is added to read as follows:

3. Uncollected overissuance of food stamps. (a) The term "uncollected overissuance of food stamps" has the meaning prescribed in section thirteen (c)(1) of the federal food stamp act of 1977. The term "appropriate state food stamp agency" means any agency of the state or a political subdivision thereof enforcing the collection of such overissuance.

(b) Notwithstanding the provisions of section five hundred ninety-five of this article, the commissioner shall deduct and withhold uncollected overissuances of food stamps from benefits payable to a claimant pursuant to section thirteen (c)(3) of the federal food stamp act of 1977; provided, however, that no agreement pursuant to this section shall reduce benefits by an amount in excess of the greater of ten percent of the weekly benefit amount or ten dollars, unless claimant specifically requests, in writing, to reduce benefits by a greater amount. Any amount deducted and withheld under this subdivision shall be paid to the appropriate state food stamp agency, and shall be treated for all purposes as if paid to the claimant as benefits and as if paid by the claimant to such agency in satisfaction of claimant's overissuance of food stamps coupons. Any amount withheld pursuant to of this paragraph shall be subject to limitations on collection set forth in state law for recovery of overpaid public assistance benefits.

(c) Each such agency shall reimburse the commissioner for the administrative costs incurred under this subdivision in a manner consistent with a memorandum of understanding as approved by the director of the division of the budget. Such reimbursement shall be consistent with federal law and regulations.

§ 148-b. Section 95 of the social services law is amended by adding a new subdivision 10 to read as follows:

10. (a) Social services districts are authorized to operate a food assistance program in accordance with regulations promulgated by the office of temporary and disability assistance within the department of family assistance. Social services district participation in the food assistance program is optional. Districts opting to participate in the food assistance program shall provide written notification to the office. Such written notification shall include, but not be limited to, a statement whereby the district agrees to operate a food assistance program in accordance with federal and state statutory, regulatory and policy requirements.

(b) In order to be eligible to receive benefits in the food assistance program, a person must:

(i) be otherwise fully eligible to receive federal food stamp benefits except for the provisions of section four hundred two of the Personal Responsibility And Work Opportunity Reconciliation Act of 1996 (P.L. 104-193); and

(ii) on August twenty-second, nineteen hundred ninety-six, have been living in the United States and residing in the same social services

district in which the application for the food assistance program is being made; and

(iii) (1) be under eighteen years of age; or

(2) be elderly or disabled as defined by 7 USC 2012.

Such person is not eligible for the food assistance program when that person either attains eighteen years of age or is no longer disabled.

(iv) not have been absent from the United States for more than ninety days within the twelve month period immediately preceding the date of application for the food assistance program; and

(v) apply to the United States department of justice, immigration and naturalization services for United States citizenship. If the applicant for the food assistance program is eligible to apply for United States citizenship, such application shall be made no later than thirty days from the date of application for the food assistance program. If the applicant for the food assistance program is not eligible to apply for United States citizenship on the date of application for the food assistance program, such application for citizenship must be made no later than thirty days after the person becomes eligible to apply for United States citizenship in accordance with the requirements of the United States immigration and naturalization services.

(c) Social services districts shall be financially responsible for fifty percent of the non-federal share of the necessary costs of operating the food assistance program, including the cost of purchasing the food stamps and any other payments to the federal government required for participating in the program. To the extent that the office of temporary and disability assistance makes expenditures to operate the food assistance program on behalf of a social services district, the participating social services district shall reimburse the office for fifty percent of the non-federal share of such costs.

(d) Any provision of federal or state law or regulations imposing a sanction, fine, disqualification or other penalty, including criminal penalties, for any violation of such law or regulation with respect to the food stamp program shall apply to the food assistance program.

(e) The office of temporary and disability assistance is authorized to submit a plan to the federal government in accordance with federal law (P.L. 105-18) in order to secure federal approval to operate the food assistance program in accordance with that law. Such plan shall describe the conditions and procedures under which the benefits will be issued including eligibility standards, benefit levels, and the methodology the office will use to determine the payments due to the federal government.

(f) The office of temporary and disability assistance is authorized to purchase food stamps from the federal government for use in the food assistance program and to make such other expenditures as are necessary to operate the program. The office of temporary and disability assistance may operate the food assistance program using food stamp coupons or other access devices including an electronic benefit transfer card, personal identification number or debit card. To the extent that such means of benefit issuance is being used by participants in the federal food stamp program in New York state.

(g) At the time of application for the food assistance program, an applicant shall, as a condition of receiving such assistance, present proof of identity to the social services official as the office of temporary and disability assistance may require by regulation and the applicant shall provide such proof thereafter whenever required by such official. The commissioner of the social services district shall require

that a recipient of food assistance benefits comply with the requirements of an automated fraud prevention system as established for recipients of public assistance and care in accordance with the provisions of this chapter. Such system shall be used to establish personally unique identification factors to prevent fraud and multiple enrollments. The social services district shall be responsible for fifty percent of the costs of establishing and operating such system in accordance with paragraph (c) of this subdivision. Personally identifying information about applicants for and recipients of the food assistance program obtained through the establishment or operation of the system by the office, social services districts or by a contractor shall be kept confidential in accordance with section one hundred thirty-six of this chapter and the regulations of the office.

(h) Any inconsistent provision of law notwithstanding, in the event the federal government assesses a penalty, sanction, or fine because of a social services district's incorrect issuance of food stamp benefits in cases where the household consists of both federally participating food stamp program recipients and recipients under the food assistance program, social services districts shall be responsible for one hundred percent of the penalty, sanction, or fine assessed by the federal government.

(i) The commissioner of the office of temporary and disability assistance is authorized to file regulations on an emergency basis that are deemed by the commissioner to be necessary to implement the food assistance program.

(j) If any clause, sentence, paragraph or subdivision of this section shall be adjudged by any court of competent jurisdiction to be invalid, such judgement shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph or subdivision thereof directly involved in the controversy in which such judgement shall have been rendered.

(k) This subdivision shall be effective only when and for so long as that federal approval, as set forth in paragraph (e) of this subdivision, has been obtained. This subdivision shall terminate and cease to be in force and effect on and after September thirtieth, two thousand one.

§ 149. 1. The department of social services or its successor agencies and the department of labor shall collect data related to the operation of public assistance programs including, but not limited to, information that must be submitted to the department of health and human services pursuant to the personal responsibility and work opportunities reconciliation act of 1996 (P.L. 104-193) and any other provision of federal or state law or regulations governing programs administered under title iv-a of the social security act or the social services law. Social services districts shall assist each agency in accumulating such data in accordance with instructions from the appropriate agency.

2. Each agency shall make reasonable efforts to collect and maintain the data required pursuant to this subdivision. Data collection shall begin as soon as practicable, but in no case later than upon the completion of the redesign of the welfare management system and the completion of a welfare-to-work caseload management system. The responsible agency shall collect the data related to applicants and recipients of public assistance programs established pursuant to the personal responsibility and work opportunities reconciliation act of 1996 (P.L. 104-193) and the social services law including, but not limited to, the following:

a. Data related to applicants seeking public assistance including but not limited to:

1. number of applicants accepted to participate in each program;
2. number of applicants who are denied public assistance and the reason for denial;
3. number of applicants who were previous recipients of public assistance on or after December 2, 1997 including length of time previously on assistance; reason for initial termination; length of time between termination and reapplication; and reason for reapplication; and
4. number of applicants who have resided in the state for fewer than twelve months at the time of application.

b. Data related to recipients of public assistance including but not limited to:

1. number of terminated recipients of public assistance and reason for termination; and
2. number of recipients that move between public assistance programs.

c. Data related to work activities subsidized or otherwise sponsored by the department of social services, its successor agencies, the department of labor, or social services districts including but not limited to:

1. number of recipients participating in work activities;
2. number of recipients receiving an exemption from participating in work activities;
3. the duration of and reasons for such exemptions;
4. number of participants receiving subsidized child care and the number of exemptions granted due to lack of available child care;
5. the type of work activities;
6. hours of work per week per recipient;
7. duration of enrollment in such work activity;
8. reason for termination from work activity;
9. number of requests for administrative hearings related to work activity participation including the nature of such requests by general categories and the outcome of such hearings;
10. number of participants receiving subsidized transportation services;
11. participant retention in work activities by type of work activity;
12. length of time before assignment to a work activity;
13. number of recipients changing work activity assignments and reasons for such changes; and
14. expenditures by social services districts in support of work activities.

d. Data related to unsubsidized work activities including but not limited to:

1. number of recipients hired;
2. initial rate of pay by either annual salary or wage basis;
3. retention rates;
4. means of obtaining unsubsidized employment including, but not limited to, referral by the social services district and direct contact with employer; and
5. number of participants receiving subsidized child care and/or transportation services.

e. Data related to recipient training and education activities including but not limited to:

1. number of recipients in training or educational activities by type of activity;

2. number of recipients mandated to attend training or education activities that fulfill work participation requirements;

3. length and duration of training or education activity including the number of hours per week and duration;

4. number of recipients receiving subsidized child care and/or transportation services;

5. number of recipients transferred to work activities;

6. to the extent available, the number of recipients who obtain work directly from training or education activities including starting salary and employee retention rates; and

7. expenditures by social services districts in support of training and education activities.

f. Data related to recipient sanctions including but not limited to:

1. number of sanctions, by type of sanction;

2. number of sanctions with defined minimum period, by type of sanction;

3. average length of sanction until recipient compliance, by type of sanction;

4. amount of sanction, by type of sanction;

5. period of time starting on or after December 2, 1996 that the participant was in the program prior to the sanction;

6. number and outcome of administrative hearings related to sanctions, by type of sanction; and

7. number of sanctions against entire assistance unit.

g. Data related to case closings including but not limited to:

1. number of case closings;

2. reason for case closing including, but not limited to, self-termination without reason;

3. length of time receiving assistance on or after December 2, 1996 before case closing;

4. on an aggregate basis, the length of time recipients do not receive public assistance in New York state following case closing occurring on or after December 2, 1996; and

5. number of former public assistance recipients receiving subsidized child care and/or transitional medical assistance.

h. Data related to substance abuse treatment programs including but not limited to:

1. number of recipients receiving substance abuse treatment services for which the cost of such services is paid for by the social services district using public assistance monies;

2. length of reimbursed recipient participation in treatment program; and

3. types of substance abuse treatment programs receiving reimbursement from social services districts.

i. Data related to pregnancy prevention programs funded through federal monies received by the state pursuant to title iv-a of the social security act including but not limited to:

1. number of program participants;

2. duration of program participation; and

3. types of services provided.

j. Data related to disabled and work-limited recipients of public assistance pursuant to provisions of the welfare reform act of 1997 including, but not limited to:

1. number of persons applying for public assistance that are screened;

2. number of current recipients of public assistance screened;

3. number of persons applying for public assistance that are found to be disabled;

4. number of current recipients of public assistance found to be disabled;

5. number of persons applying for public assistance found to be work-limited;

6. number of current recipients of public assistance found to be work-limited;

7. duration of finding by category;

8. number of changes in work activity exemption status;

9. number and outcome of administrative hearings related to the disability screening and the determination of work activity exemptions; and

10. data relating to work and training and education activities pursuant to subsections c, d and e of this section.

k. Data related to the food assistance program including but not limited to:

1. number of applicants under eighteen years of age by chronological age;

2. number of applications denied by reason for denial;

3. number of recipients under eighteen years of age by chronological age and the average amount of food assistance benefits per recipient issued by the social services district;

4. number of recipients under eighteen years of age by case and by household and the average amount of food assistance benefits issued per case and per household by the social services district;

5. number of recipients under eighteen years of age in a case and/or in a household where other individuals in the case and/or household are in receipt of federal food stamp benefits and the average amounts of federal and state food stamp benefits issued per case and/or per household by social services district;

6. number of recipients under eighteen years of age in a case or household receiving other public assistance benefits and the average amounts of food assistance benefits issued per recipient and per public assistance case by the social services district;

7. number of case closings for cases where the recipient is under eighteen years of age by reason for case closing including but limited to case closing as a result of naturalization;

8. number of applicants applying for food assistance benefits where the primary reason for potential eligibility is a disability as defined by provisions of this act establishing a food assistance program;

9. number of applications denied by reason for denial;

10. number of disabled recipients by chronological age and the average amount of food assistance benefits per recipient issued by the social services district;

11. number of disabled recipients by case and by household and the average amount of food assistance benefits issued per case and per household by the social services district;

12. number of disabled recipients in a case and/or in a household where other individuals in the case and/or household are in receipt of federal food stamp benefits and the average amounts of federal and state food stamp benefits issued per case and/or per household by social services district;

13. number of disabled recipients in a case or household receiving other public assistance benefits and the average amount of food assistance benefits issued per recipient and per public assistance case by the social services district including, but not limited to, receipt of

federal and/or state supplemental payment made pursuant to title xvi of the social security act;

14. number of case closings for cases where the recipient is disabled by reason for termination including but limited to case closing as a result of naturalization;

15. number of applicants applying for food assistance benefits where the primary reason for potential eligibility is that the applicant is elderly as defined by provisions of this act establishing a food assistance program;

16. number of applications denied by reason for denial;

17. number of elderly recipients by chronological age and the amount of food assistance benefits per recipient issued by the social services district;

18. number of elderly recipients by case and by household and the average amount of food assistance benefits issued per case and per household by the social services district;

19. number of elderly recipients in a case and/or in a household where other individuals in the case and/or household are in receipt of federal food stamp benefits and the average amount of federal and state food stamp benefits issued per case and/or per household by the social services district;

20. number of elderly recipients in a case or household receiving other public assistance benefits and the average amount of food assistance benefits issued per recipient and per public assistance case by the social services district including, but not limited to, receipt of federal and/or state supplemental payment made pursuant to title xvi of the social security act; and

21. number of case closings for cases where the recipient is elderly by reason for termination including but limited to case closing as a result of naturalization; and

22. number and outcome of administrative hearings related to the food assistance program by general category.

1. Data related to the domestic violence screening process including but not limited to:

1. number of applicants and recipients screened;

2. number of positive findings;

3. number of waivers by category granted as a result of a positive finding; and

4. duration of such waiver.

3. To the extent possible, the data collection activities required by this act shall be designed to collect data in the least expensive and least time-consuming manner possible. Scientifically acceptable statistical sampling methods may be used to collect and maintain data on an aggregate basis when authorized by the department of health and human services or when the commissioner of social services or commissioners of its successor agencies determines that collection of such data by any other means is not practicable or would result in significant additional costs. To the extent that statistical sampling is used to collect and maintain data, and unless otherwise required by the department of health and human services, the sample size shall be no larger than the sample size required by the United States department of agriculture for food stamp quality control purposes pursuant to the food stamp act of 1977 and subsequent amendments.

4. The commissioner of social services or commissioners of its successor agencies, and the commissioner of labor shall provide reports summarizing data collected pursuant to this act to the temporary president of

the senate, the chairperson of the senate finance committee, the speaker of the assembly, and the chairperson of the assembly ways and means committee. The first such report shall be provided to the temporary president of the senate, the chairperson of the senate finance committee, the speaker of the assembly, and the chairperson of the assembly ways and means committee no later than December 2, 1998 and annually thereafter. The commissioner of social services or the commissioners of its successor agencies, in conjunction with the commissioner of health and the commissioner of labor, shall provide the temporary president of the senate, the chairperson of the senate finance committee, the speaker of the assembly, and the chairperson of the assembly ways and means committee with an annual report summarizing data collected pursuant to this act.

5. Each agency shall provide the temporary president of the senate, the chairperson of the senate finance committee, the speaker of the assembly, and the chairperson of the assembly ways and means committee with all reports filed with the department of health and human services pursuant to the data collection and reporting requirements of the personal responsibility and work opportunities reconciliation act of 1996 (P.L. 104-193).

6. The commissioner of social services or the commissioners of its successor agencies, in conjunction with the commissioner of labor, and the commissioner of health shall develop a plan to provide the legislature with the ability to have on-line access to the welfare management system and the welfare-to-work caseload management system upon completion of the redesign of the welfare management system and implementation of the welfare-to-work caseload management system for purposes of obtaining aggregate program data. Such plan shall provide for security measures necessary to ensure the confidentiality of data residing on the welfare management system and the welfare-to-work caseload management system in conformance with all applicable federal and state laws and regulations. The plan shall be submitted to the temporary president of the senate and the speaker of the assembly no later than February 15, 1998.

§ 150. Section 212 of the civil practice law and rules is amended by adding a new subdivision (d) to read as follows:

(d) To recover under an affidavit of support of an alien. An action under section one hundred twenty-two of the social services law to recover amounts paid to or on behalf of an alien for whom an affidavit of support pursuant to section 213A of the immigration and naturalization act has been signed.

§ 151. The social services law is amended by adding a new section twenty-c to read as follows:

§ 20-c. Privatization. 1. Except as otherwise specified in the appropriation for system support and information services program in the office of temporary disability assistance within the department of family assistance, the department shall not enter into any contract with a private entity under which that entity would perform any of the public assistance and care eligibility determination functions, duties or obligations of the department as set forth in this chapter.

(b) Social services districts may enter into a contract or agreement for the performance of functions, duties or obligations required to be performed pursuant to this chapter, however, the collective bargaining representative of employees who normally perform such functions or provide such services for such social services district shall be permitted the opportunity to competitively bid for any contract let pursuant

to this section with the overall cost and quality of the proposal being major criteria in the selection.

2. No contract with a contractor for services pursuant to this section shall be entered into by the office or district unless the office or district contracting for such service has:

(a) Provided the certified collective bargaining organization representing the permanent employees affected by the district's exercise of its right to contract out with sixty days advance notice of its intent to contract out for services pursuant to this section;

(b) Considered whether the proposed contract will result in actual cost savings to the office; and

(c) Evaluated and made a favorable determination based upon a required disclosure of information from the potential contractor regarding any final actions relating to (a) the responsibility taken by any contracting agency, law enforcement authority or the department of labor against bidders, contractors or subcontractors and (b) debarments pursuant to express statutory authorization.

3. A contract shall not be approved unless it contains a description of the service quality expectations pursuant to the contract and a description of the method by which the quality of services shall be monitored and evaluated by the district based upon specific performance measures contained in the contract. The proposed contract must include specific provisions pertaining to the qualifications of the staff that will perform the work under the contract. The proposed contract shall contain specific information regarding the actual number of employees to be retained, hours of work, wage rates and associated benefit levels, titles, and job descriptions.

4. Existing rights. Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of any employee under any other local law or under the applicable collective bargaining agreement.

5. The provisions of this section shall not impair, restrict or otherwise modify applicable restrictions contained in federal law and regulations promulgated thereto.

§ 152. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 153. This act shall take effect immediately, provided, however, that:

(a) Section seven of this act shall be deemed to have been in full force and effect on and after August 22, 1996 except that provisions relating to medical assistance benefits shall take effect immediately and provided, further, that the food stamps provisions shall take effect August 31, 1997 or some later date as may be consistent with federal laws governing eligibility for such program;

(b) Subdivision 8 of section 131-a of the social services law, as amended by section twelve of this act shall take effect on November 1, 1997;

(c) Section sixteen of this act shall take effect November 1, 1997 and expire and be deemed repealed August 22, 2001;

(d) The amendments to section 131-y of the social services law made by section eighteen of this act shall not affect the expiration of such section pursuant to section 18 of chapter 81 of the laws of 1995 as amended, and shall be deemed to expire therewith;

(e) Section twenty-three of this act shall take effect November 1, 1997;

(f) Sections 153-j and 153-k of the social services law as added by section thirty of this act shall expire and be deemed repealed on October 1, 2002;

(g) Sections thirty-three and thirty-four of this act shall be deemed to have been in full force and effect on and after December 2, 1996;

(h) The amendments to subdivision 2 of section 350 of the social services law, as amended by section thirty-seven of this act shall be deemed to have been in full force and effect on and after December 2, 1996;

(i) Section forty-four of this act shall take effect January 1, 1998;

(j) Section forty-nine of this act shall be deemed to have been in full force and effect on and after August 22, 1996;

(k) Sections fifty-four through sixty-one of this act and sections ninety-four through ninety-nine of this act shall take effect November 1, 1997;

(l) The amendments to subdivisions 11 and 17 of section 364-j of the social services law made by section ninety-four of this act shall not affect the expiration of such section pursuant to chapter 649 of the laws of 1996, as amended, as shall expire therewith;

(m) Section 697 of the tax law as amended by section one hundred nineteen of this act shall expire and be deemed repealed pursuant to chapter 491 of the laws of 1993 when upon such date the provisions of section one hundred twenty of this act shall take effect;

(n) Sections 332-b, 335 and 335-a of title 9-B of Article 5 of the social services law as amended by section one hundred forty-eight of this act shall take effect November 1, 1997.

§ 2. In accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer two hundred two million one hundred ninety-three thousand dollars (\$202,193,000) from the general fund state purposes account to the community projects fund, as follows: seventy-five million one hundred forty-two thousand dollars (\$75,142,000) to account AA, five million dollars (\$5,000,000) to account BB, seventy-nine million five hundred eighty thousand dollars (\$79,580,000) to account CC, twenty-one million six hundred seventy-one thousand dollars (\$21,671,000) to account GG, ten million three hundred thousand dollars (\$10,300,000) to account II, and ten million five hundred thousand dollars (\$10,500,000) to account JJ. Such transfers shall be made in accordance with section 99-d of the state finance law.

§ 2-a. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date for Parts A and B of this act shall be as specifically set forth in the last section of such part.

The Legislature of the STATE OF NEW YORK ss:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO

Temporary President of the Senate

SHELDON SILVER

Speaker of the Assembly