INFORMATIONAL LETTER

TO: Commissioners of Social Services

SUBJECT: Adoption Subsidy

SUGGESTED DISTRIBUTION: Commissioner
Director of Services
All Adoption Services Workers
Authorized Agencies Providing Adoption Services
Social Services Attorneys

CONTRACT PERSON: All inquiries regarding this release should be directed to Mr. H. A. Harkess, Bureau of Policy Planning, Division of Services, 40 North Pearl Street, Albany, New York 12243 or by calling toll free 1-800-342-3715, extension 49574.

DATE: December 31, 1981

TRANSMITTED NO.: 81 INF-31

[Services]

I. PURPOSE

The purpose of this letter is to inform local districts of recent changes in adoption subsidy law and requirements effective as of January 1, 1982 and of Department proposals to revise adoption subsidy regulations.

II. BACKGROUND

Adoption with subsidy makes possible the adoption of numbers of hard-to-place and handicapped children who might otherwise not be adopted. Experience with the adoption subsidy program led to proposals to change adoption subsidy law to reduce the distinction between hard-to-place and handicapped children in regard to the making and the paying of adoption subsidies and to eliminate financial eligibility requirements for adoption subsidies altogether. Further impetus toward making these changes came with the passage of the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272) which required states to eliminate financial eligibility requirements relating to adoption subsidies in order to qualify for federal reimbursement for adoption subsidies. The

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DSS.170 (Rev. 5/79)
State Legislature passed and the Governor has enacted, to be effective January 1, 1982, Chapter 989, Laws of 1981.

The primary effect of Chapter 989 is to eliminate the means test and income eligibility of adoptive parents as a consideration in determining eligibility for adoption subsidy. While the statutory definitions of hard-to-place child and handicapped child are left intact to define the types of children for whom adoption subsidy payments may be made, Chapter 989 removes all other distinctions between the two categories so that all adoption subsidy payments, after January 1, 1982, will be subject to the same provisions. No change is made to the medical subsidy provisions. Chapter 989 also provides that no payments for which agreements are completed prior to January 1, 1982, may be reduced or otherwise impaired by implementation of these statutory changes.

III. PROGRAM IMPLICATIONS

The Department will revise its regulations to incorporate these new provisions. It will also update other provisions of the existing regulations, such as revising the annual income schedule to base it on the most recent Federal report of median annual income and to make explicit its application in one-parent and two-parent adoptive family situations. This schedule will be applied only to determining level of payments. It will not apply to financial eligibility. Lastly, the revised regulations will make clear the basis upon which the state will reimburse local districts for adoption subsidy payments made to adoptive parents.

These proposed regulations will appear in the New York State Register and will be subject to public comment.

IV. RECOMMENDATIONS

This Informational letter is intended to give districts notice of the statutory changes and advance notice of the proposed regulatory changes. It is recommended that interested districts review the attached copy of Chapter 989. Comments or recommendations for inclusion into the adoption subsidy regulations may be sent in response to their publication for comment in the New York State Register or in advance to the contact person noted above.

V. ATTACHMENT

A copy of Chapter 989, Laws of 1981 is attached for information and reference.

[Signature]

Morris Phillips
Deputy Commissioner
Division of Services

Attachment
AN ACT to amend the social services law, in relation to subsidies for the adoption of children and repealing section four hundred fifty-two thereof relating thereto

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

Section 1. Section four hundred fifty-two of the social services law is repealed.

§ 2. The section heading and subdivision one of section four hundred fifty-three of such law, as added by chapter eight hundred sixty-five of the laws of nineteen hundred seventy-seven, are amended to read as follows:

Maintenance subsidy; handicapped or hard to place child. 1. A social services official may make monthly payments for the care and maintenance of a handicapped or hard to place child whom he has placed out for adoption or who has been adopted. Such payments shall be made without annual review until the child's twenty-first birthday to persons with whom the child has been placed, or to persons who have adopted the child and who applied for such payments prior to the adoption, pursuant to a written agreement therefor between such official and such persons. The social services official shall consider the financial status of such persons only for the purpose of determining the amount of the payments to be made, pursuant to subdivision three of this section.

EXPLANATION—Matter in italics (underscored) is new; matter in brackets [ ] is old law to be omitted.
§ 3. Subdivision one of section four hundred fifty-six of such law, as added by chapter eight hundred sixty-five of the laws of nineteen hundred seventy-seven, is amended to read as follows:

1. Payments made by social services officials pursuant to the provisions of this title shall, if approved by the department, be subject to reimbursement by the state, in accordance with the regulations of the department as follows: there shall be paid to each social services district (a) the amount of federal funds, if any, properly received or to be received on account of such payments; (b) seventy-five per centum of such payments after first deducting therefrom any federal funds properly received or to be received on account thereof; provided, however, that when payments under section [four hundred fifty-two or] four hundred fifty-three of this title are made to a person or persons residing in a social services district whose board rate exceeds that of the district making such payments, that portion of the payments which exceeds the board rate of the district making the payments shall be subject to reimbursement by the state in the amount of one hundred per centum thereof.

§ 4. Section four hundred fifty-seven of such law, as added by chapter eight hundred sixty-five of the laws of nineteen hundred seventy-seven, is amended to read as follows:

§ 457. Out-of-state adoptive parents. With respect to a child who has been adopted within this state but who has been removed from this state by his adoptive parents, or a child who has been adopted by residents of another state or of the Commonwealth of Puerto Rico and who is or who is likely to become, a public charge within this state, payments under section [four hundred fifty-two or] four hundred fifty-three or four hundred fifty-four of this title may be made pursuant to an agreement between the district and the adoptive parents, provided that such agreement is in accordance with the regulations of the department promulgated to achieve the objective of increasing the number of adoptions of potential public charges, with particular emphasis upon hand-picked and hard to place children. Any such agreement shall become void at such time as it is determined by the social services official that a child on whose behalf payments are being received pursuant to such agreement was brought into this state for the sole purpose of qualifying prospective out-of-state adoptive parents for such payments. Such determination may be appealed to the department which, upon receipt of the appeal, shall conduct a fair hearing in accordance with the provisions of section four hundred fifty-five of this title.

§ 5. This act shall take effect on the first day of January next succeeding the date on which it shall have become a law; provided, however, that nothing herein contained shall be deemed to reduce or impair any adoption subsidies approved prior to such effective date.