

# STATE OF NEW YORK

9940

## IN SENATE

October 25, 2024

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the social services law, in relation to establishing a healthy birth grant demonstration program; and to amend the social services law, the tax law, the real property tax law, the administrative code of the city of New York, the domestic relations law and the family court act, in relation to the exclusion of healthy birth grants from income for certain purposes

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

1 Section 1. The social services law is amended by adding a new section  
2 367-z to read as follows:

3 § 367-z. Healthy birth grant demonstration program. 1. Healthy birth  
4 grant disbursement. (a) The commissioner shall seek a waiver from the  
5 federal department of health and human services pursuant to section  
6 eleven hundred fifteen of the federal social security act, or any  
7 successor provisions thereof, in order to establish the healthy birth  
8 grant program provided for in this section. On and after the effective  
9 date of this section, such program shall disburse a grant of one thou-  
10 sand eight hundred dollars per child to all households with new parents  
11 receiving medical assistance under this title during the third trimester  
12 of the pregnancy of such child. In the event that multiple individuals  
13 in a household meet the definition of "new parent" as provided in para-  
14 graph (b) of this subdivision, however, only one grant of one thousand  
15 eight hundred dollars shall be disbursed for such household. In the  
16 event that a pregnant individual is deemed presumptively eligible for  
17 medical assistance under subdivision six of section three hundred  
18 sixty-four-i of this title and receives perinatal care after the third  
19 trimester, such pregnant individual shall receive such birth grant at  
20 the time that such individual is determined to be actually eligible for  
21 such assistance under section three hundred sixty-six of this title.

22 (b) For the purposes of this section, "new parents" shall mean all  
23 legal parents or guardians who meet the eligibility requirements for  
24 medical assistance under section three hundred sixty-six of this title,

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

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1 whether such individual is the biological parent of the child to be  
2 born, an adoptive parent under section one hundred nine of the domestic  
3 relations law, an intended parent under section 581-102 of the family  
4 court act, or an individual who has been awarded physical custody of a  
5 child under article five-a of the domestic relations law.

6 2. Coordination with other benefits. (a) Notwithstanding any provision  
7 of law to the contrary, the healthy birth grant provided in this section  
8 shall not be considered income, assets or resources for the purposes of  
9 determining eligibility for public benefits or assistance, or the amount  
10 or extent of such benefits or assistance, under any state or local  
11 program.

12 (b) The commissioner may enter into cooperative agreements with local  
13 social services districts in order that such districts may administer  
14 the disbursement of the healthy birth grants provided in subdivision one  
15 of this section where deemed necessary and appropriate by such commis-  
16 sioner. Such agreements shall be crafted with the goal of ensuring that  
17 recipients of a healthy birth grant are made aware of and enrolled in  
18 all public benefits and assistance provided under this title or another  
19 applicable area of state, federal or local law, code, rule, regulation  
20 or ordinance and to ensure a smooth coordination of benefits and assist-  
21 ance between such healthy birth grant and such other benefits and  
22 assistance.

23 (c) If a waiver under section eleven hundred fifteen of the federal  
24 social security act is granted for the purposes of the healthy birth  
25 grant demonstration program provided for in this section, the commis-  
26 sioner shall then seek agreements with all applicable federal agencies  
27 and/or entities to ensure that such grant shall not be considered  
28 income, assets or resources for the purposes of determining eligibility  
29 for public benefits or assistance, or the amount or extent of such bene-  
30 fits or assistance, under federal programs.

31 3. Impact on income tax. Notwithstanding any provision of law to the  
32 contrary, no grant paid pursuant to this section shall be subject to  
33 state or local income tax.

34 § 2. Subsection (c) of section 612 of the tax law is amended by adding  
35 a new paragraph 48 to read as follows:

36 (48) For taxable years beginning on or after the effective date of  
37 this paragraph, healthy birth grants disbursed under section three  
38 hundred sixty-seven-z of the social services law.

39 § 3. Paragraph (a) of subdivision 2 of section 366 of the social  
40 services law is amended by adding a new subparagraph 7-a to read as  
41 follows:

42 (7-a) healthy birth grants established by section three hundred  
43 sixty-seven-z of this title;

44 § 4. Paragraph (a) of subdivision 8 of section 131-a of the social  
45 services law is amended by adding a new subparagraph (xiv) to read as  
46 follows:

47 (xiv) any financial assistance received from a healthy birth grant as  
48 provided in section three hundred sixty-seven-z of this article.

49 § 5. Section 95 of the social services law is amended by adding a new  
50 subdivision 12 to read as follows:

51 12. The value of a healthy birth grant provided under section three  
52 hundred sixty-seven-z of this chapter to an eligible individual shall  
53 not be considered by the office to be income or resources for purposes  
54 of eligibility for the SNAP benefits provided for under this section.

55 § 6. Section 97 of the social services law is amended by adding a new  
56 subdivision 6 to read as follows:

1 6. The amount of any healthy birth grant provided under section three  
2 hundred sixty-seven-z of this chapter to an eligible household shall not  
3 be considered income or resources of such household, or any member ther-  
4 eof, for purposes of the low-income home energy assistance program  
5 provided for under this section. The department shall update its regu-  
6 lations regarding such program to effectuate the provisions of this  
7 subdivision.

8 § 7. Subdivision 2 of section 209 of the social services law is  
9 amended by adding a new paragraph (g) to read as follows:

10 (g) A healthy birth grant received by an eligible person under section  
11 three hundred sixty-seven-z of this article shall not count towards the  
12 standard of monthly need provided in this subdivision when determining  
13 eligibility for and the amount of additional state payments.

14 § 8. Subparagraph (iv) of paragraph (a) of subdivision 3 of section  
15 467 of the real property tax law is amended by adding a new clause 3-a  
16 to read as follows:

17 (3-a) any healthy birth grants disbursed under section three hundred  
18 sixty-seven-z of the social services law shall not be considered income;

19 § 9. Clause 1 of subparagraph (v) of paragraph (a) of subdivision 3 of  
20 section 467 of the real property tax law, as added by chapter 276 of the  
21 laws of 2023, is amended to read as follows:

22 (1) Except as provided in clause two of this subparagraph, the term  
23 "income" as used in this section shall mean the "adjusted gross income"  
24 for federal income tax purposes as reported on the applicant's federal  
25 or state income tax return for the income tax year immediately preceding  
26 the date of application, subject to any subsequent amendments or  
27 revisions, minus any distributions, to the extent included in federal  
28 adjusted gross income, received from an individual retirement account  
29 and an individual retirement annuity; provided that healthy birth grants  
30 disbursed under section three hundred sixty-seven-z of the social  
31 services law shall not be considered income; and provided further that  
32 if no such return was filed for such income tax year, the applicant's  
33 income shall be determined based on the amounts that would have so been  
34 reported if such a return had been filed; and

35 § 10. Paragraph c of subdivision 1 of section 467-b of the real prop-  
36 erty tax law is amended by adding a new subparagraph (iii) to read as  
37 follows:

38 (iii) provided further that a healthy birth grant received under  
39 section three hundred sixty-seven-z of the social services law shall not  
40 be considered income under this paragraph;

41 § 11. Clause (vi) of subparagraph 1 of paragraph f of subdivision 1 of  
42 section 467-c of the real property tax law, as amended by chapter 276 of  
43 the laws of 2023, is amended and a new clause (vii) is added to read as  
44 follows:

45 (vi) When the eligible head of the household has retired on or after  
46 the commencement of the taxable period and prior to the date of making  
47 an application for a rent increase exemption order/tax abatement certif-  
48 icate pursuant to this section, such person's income shall be adjusted  
49 by excluding salary or earnings and projecting such person's retirement  
50 income over the entire taxable period; ~~ex~~ and

51 (vii) provided further that a healthy birth grant received under  
52 section three hundred sixty-seven-z of the social services law shall not  
53 be considered income under this subparagraph; or

54 § 12. Paragraph (a) of subdivision 5 of section 459-c of the real  
55 property tax law is amended by adding a new subparagraph (vi) to read as  
56 follows:

1 (vi) Under no circumstances, however, may a municipal corporation  
2 consider a healthy birth grant provided under section three hundred  
3 sixty-seven-z of the social services law to be income for the purposes  
4 of this paragraph.

5 § 13. Subparagraph (ii) of paragraph (b) of subdivision 4 of section  
6 425 of the real property tax law, as amended by section 1 of part B of  
7 chapter 59 of the laws of 2018, is amended to read as follows:

8 (ii) The term "income" as used herein shall mean the "adjusted gross  
9 income" for federal income tax purposes as reported on the applicant's  
10 federal or state income tax return for the applicable income tax year,  
11 subject to any subsequent amendments or revisions, reduced by distrib-  
12 utions, to the extent included in federal adjusted gross income,  
13 received from an individual retirement account and an individual retire-  
14 ment annuity; provided that if no such return was filed for the applica-  
15 ble income tax year, "income" shall mean the adjusted gross income that  
16 would have been so reported if such a return had been filed. In no  
17 circumstance shall income include a healthy birth grant provided under  
18 section three hundred sixty-seven-z of the social services law. Provided  
19 further, that effective with exemption applications for final assessment  
20 rolls to be completed in two thousand nineteen, where an income-eli-  
21 gibility determination is wholly or partly based upon the income of one or  
22 more individuals who did not file a return for the applicable income tax  
23 year, then in order for the application to be considered complete, each  
24 such individual must file a statement with the department showing the  
25 source or sources of [~~his or her~~] such individual's income for that  
26 income tax year, and the amount or amounts thereof, that would have been  
27 reported on such a return if one had been filed. Such statement shall be  
28 filed at such time, and in such form and manner, as may be prescribed by  
29 the department, and shall be subject to the secrecy provisions of the  
30 tax law to the same extent that a personal income tax return would be.  
31 The department shall make such forms and instructions available for the  
32 filing of such statements. The local assessor shall upon the request of  
33 a taxpayer assist such taxpayer in the filing of the statement with the  
34 department.

35 § 14. Paragraph (a) of subdivision 3 of section 11-245.3 of the admin-  
36 istrative code of the city of New York, as amended by local law number  
37 140 of the city of New York for the year 2017, is amended to read as  
38 follows:

39 (a) if the income of the owner or the combined income of the owners of  
40 the property exceeds the sum of twenty-six thousand dollars beginning  
41 July first, two thousand six, twenty-seven thousand dollars beginning  
42 July first, two thousand seven, twenty-eight thousand dollars beginning  
43 July first, two thousand eight, twenty-nine thousand dollars beginning  
44 July first, two thousand nine, and fifty thousand dollars beginning July  
45 first, two thousand seventeen for the income tax year immediately  
46 preceding the date of making application for exemption. Income tax year  
47 shall mean the twelve month period for which the owner or owners filed a  
48 federal personal income tax return, or if no such return is filed, the  
49 calendar year. Where title is vested in either the husband or the wife,  
50 their combined income may not exceed such sum, except where the husband  
51 or wife, or ex-husband or ex-wife is absent from the property as  
52 provided in subparagraph (ii) of paragraph (d) of this subdivision, then  
53 only the income of the spouse or ex-spouse residing on the property  
54 shall be considered and may not exceed such sum. Such income shall  
55 include social security and retirement benefits, interest, dividends,  
56 total gain from the sale or exchange of a capital asset which may be

1 offset by a loss from the sale or exchange of a capital asset in the  
2 same income tax year, net rental income, salary or earnings, and net  
3 income from self-employment, but shall not include gifts, inheritances,  
4 a return of capital, payments made to individuals because of their  
5 status as victims of Nazi persecution as defined in P.L. 103-286, monies  
6 earned through employment in the federal foster grandparent program,  
7 [~~and~~] veterans disability compensation as defined in title 38 of the  
8 United States Code, and healthy birth grants disbursed under section  
9 three hundred sixty-seven-z of the social services law, and any such  
10 income shall be offset by all medical and prescription drug expenses  
11 actually paid which were not reimbursed or paid for by insurance. In  
12 computing net rental income and net income from self-employment no  
13 depreciation deduction shall be allowed for the exhaustion, wear and  
14 tear of real or personal property held for the production of income;

15 § 15. Paragraph (a) of subdivision 3 of section 11-245.4 of the admin-  
16 istrative code of the city of New York, as amended by local law number  
17 140 of the city of New York for the year 2017, is amended to read as  
18 follows:

19 (a) if the income of the owner or the combined income of the owners of  
20 the property for the income tax year immediately preceding the date of  
21 making application for exemption exceeds the sum of twenty-six thousand  
22 dollars beginning July first, two thousand six, twenty-seven thousand  
23 dollars beginning July first, two thousand seven, twenty-eight thousand  
24 dollars beginning July first, two thousand eight, twenty-nine thousand  
25 dollars beginning July first, two thousand nine, and fifty thousand  
26 dollars beginning July first, two thousand seventeen. Income tax year  
27 shall mean the twelve month period for which the owner or owners filed a  
28 federal personal income tax return, or if no such return is filed, the  
29 calendar year. Where title is vested in either the husband or the wife,  
30 their combined income may not exceed such sum, except where the husband  
31 or wife, or ex-husband or ex-wife is absent from the property due to  
32 divorce, legal separation or abandonment, then only the income of the  
33 spouse or ex-spouse residing on the property shall be considered and may  
34 not exceed such sum. Such income shall include social security and  
35 retirement benefits, interest, dividends, total gain from the sale or  
36 exchange of a capital asset which may be offset by a loss from the sale  
37 or exchange of a capital asset in the same income tax year, net rental  
38 income, salary or earnings, and net income from self-employment, but  
39 shall not include a return of capital, gifts, inheritances [~~or~~], monies  
40 earned through employment in the federal foster grandparent program, or  
41 healthy birth grants disbursed under section three hundred sixty-seven-z  
42 of the social services law, and any such income shall be offset by all  
43 medical and prescription drug expenses actually paid which were not  
44 reimbursed or paid for by insurance. In computing net rental income and  
45 net income from self-employment no depreciation deduction shall be  
46 allowed for the exhaustion, wear and tear of real or personal property  
47 held for the production of income;

48 § 16. Subparagraph 4 of paragraph b of subdivision 5-a of part B of  
49 section 236 of the domestic relations law, as amended by chapter 269 of  
50 the laws of 2015, is amended to read as follows

51 (4) "Income" shall mean income as defined in the child support stand-  
52 ards act and codified in section two hundred forty of this article and  
53 section four hundred thirteen of the family court act without subtract-  
54 ing alimony or maintenance actually paid or to be paid to a spouse that  
55 is a party to the instant action pursuant to subclause (C) of clause  
56 (vii) of subparagraph five of paragraph (b) of subdivision one-b of

1 section two hundred forty of this article and subclause (C) of clause  
2 (vii) of subparagraph five of paragraph (b) of subdivision one of  
3 section four hundred thirteen of the family court act and without  
4 subtracting spousal support paid pursuant to section four hundred twelve  
5 of such act. In no circumstance shall income include healthy birth  
6 grants disbursed under section three hundred sixty-seven-z of the social  
7 services law, however.

8 § 17. The opening paragraph of subparagraph 5 of paragraph (b) of  
9 subdivision 1-b of section 240 of the domestic relations law, as added  
10 by chapter 567 of the laws of 1989, is amended to read as follows:

11 "Income" shall mean, but shall not be limited to, the sum of the  
12 amounts determined by the application of clauses (i), (ii), (iii), (iv),  
13 (v) and (vi) of this subparagraph reduced by the amount determined by  
14 the application of clause (vii) of this subparagraph, provided that in  
15 no instance shall a healthy birth grant provided under section three  
16 hundred sixty-seven-z of the social services law be considered income:

17 § 18. The opening paragraph of subparagraph 5 of paragraph (b) of  
18 subdivision 1 of section 413 of the family court act, as amended by  
19 chapter 567 of the laws of 1989, is amended to read as follows:

20 "Income" shall mean, but shall not be limited to, the sum of the  
21 amounts determined by the application of clauses (i), (ii), (iii), (iv),  
22 (v) and (vi) of this subparagraph reduced by the amount determined by  
23 the application of clause (vii) of this subparagraph, provided that in  
24 no instance shall a healthy birth grant provided under section three  
25 hundred sixty-seven-z of the social services law be considered income:

26 § 19. Section 410-w of the social services law is amended by adding a  
27 new subdivision 7-a to read as follows:

28 7-a. For purposes of determining financial eligibility under this  
29 title, a healthy birth grant provided under section three hundred  
30 sixty-seven-z of this chapter shall be disregarded when determining the  
31 eligibility of a household for a child care subsidy.

32 § 20. This act shall take effect on the one hundred eightieth day  
33 after the granting of a waiver from the federal department of health and  
34 human services under section 1115 of the federal social security act or  
35 any successor provisions thereof; provided that the state commissioner  
36 of social services shall notify the legislative bill drafting commission  
37 upon the occurrence of the granting of such a waiver by the federal  
38 department of health and human services provided for in section one of  
39 this act in order that the commission may maintain an accurate and time-  
40 ly effective data base of the official text of the laws of the state of  
41 New in furtherance of effectuating the provisions of section 44 of the  
42 legislative law and section 70-b of the public officers law. Effective  
43 immediately, the addition, amendment and/or repeal of any rule or regu-  
44 lation necessary for the implementation of this act on its effective  
45 date are authorized to be made and completed on or before such effective  
46 date.