§ 159-i. Distribution of funds. At least ninety percent of the community services block grant funds received by the state shall be distributed pursuant to a contract by the secretary to eligible entities as defined in subdivision one of section one hundred fifty-nine-e of this article. Each such eligible entity shall receive the same proportion of community services block grant funds as was the proportion of funds received in the immediately preceding federal fiscal year under the federal community services block grant program as compared to the total amount received by all eligible entities in the state, under the federal community services block grant program.

The secretary shall, pursuant to section one hundred fifty-nine-h of this article, retain not more than five percent of the community services block grant funds for administration at the state level.

The remainder of the community services block grant funds received by the state shall be distributed pursuant to a contract by the secretary in the following order of preference: a sum of up to one-half of one percent of the community services block grant funds received by the state to Indian tribes and tribal organizations as defined in this article, on the basis of need; and to community based organizations. Such remainder funds received by eligible entities will not be included in determining the proportion of funds received by any such entity in the immediately preceding federal fiscal year under the federal community services block grant program.