§ 41.03 Definitions.

When used in this article:

1. "local government" means a county, except a county within the city of New York, and the city of New York.

2. "charter government" means a local government which has its charter under article IX of the constitution and the municipal home rule law; and includes the city of New York.

3. "local services" includes services for individuals with mental illness or developmental disabilities whose conditions, including but not limited to cerebral palsy and epilepsy, are associated with mental disabilities, and those suffering from alcoholism, alcohol abuse, substance abuse or substance dependence, which are provided by a local government or by a voluntary agency pursuant to a contract with a local governmental unit or the office of mental health.

4. "local facility" means a facility offering local services and includes a community mental health and developmental disabilities facility as defined in section three of the facilities development corporation act and, for the purposes of this article, a mental hygiene facility, as defined in said section, to be made available for use in providing local services under lease, sublease, license or permit from the facilities development corporation to one or more local governmental units or to a voluntary agency at the request of a commissioner of an office in the department.

5. "local governmental unit" means the unit of local government given authority in accordance with this chapter by local government to provide local services.

6. "board" means a community services board for services to individuals with mental illness and developmental disabilities, those suffering from alcoholism, alcohol abuse, substance abuse or substance dependence.

7. "director" means the director of community services, who is the chief executive officer of a local governmental unit, by whatever title known.

8. "capital costs" means the costs of a local government, a voluntary agency, or the facilities development corporation with respect to the acquisition of real property estates, interests, and cooperative interests in realty, their design, construction, reconstruction, rehabilitation and improvement, original furnishings and equipment, site development, and appurtenances of a local facility. Capital costs do not include any of the foregoing costs paid under provisions of law other than this chapter.

9. (a) "operating costs" means expenditures, excluding capital costs, incurred in the operation and maintenance of the community mental health, developmental disabilities, and alcoholism services board and of local facilities in accordance with this article and the regulations of the commissioner, by a local government or by a voluntary agency pursuant to a contract with a local governmental unit.

(b) Subject to the regulations of the commissioner, operating costs shall include that part of rental costs paid to those community mental health, developmental disabilities, alcoholism, or substance abuse services companies, which represents interest accrued after January first, nineteen hundred eighty-one and is paid on obligations incurred by such companies, organized pursuant to article seventy-five of this chapter and which participated in mortgage financing in accordance with chapter one thousand thirty-four of the laws of nineteen hundred sixty-nine, (ii) rentals paid to the facilities development corporation, (iii) salaries of or per diem compensation to board members, (iv) costs for which state aid or reimbursement is claimed under provisions of law other than this article.

(c) Operating costs may include interest incurred on any obligation which is necessarily related to the efficient and economic delivery of approved services to persons with alcoholism, substance abuse addiction, mental illness or developmental disabilities, subject to the commissioner's certification of the reasonableness of the interest

expense. Interest as authorized by this subdivision shall only include reasonable and competitive rates of interest incurred in accordance with regulations promulgated by the commissioner.

(d) Subject to the regulations of the commissioner, operating costs shall include rent incurred, or depreciation and interest expenditures incurred, in connection with the design, construction, acquisition, reconstruction, rehabilitation or improvement of a local facility; provided that where the rent, financing or refinancing of the design, construction, acquisition, reconstruction, rehabilitation or improvement of a local facility is through the facilities development corporation, operating costs shall include the debt service to be paid to amortize obligations, including principal and interest, issued by the New York state medical care facilities finance agency to finance or refinance the capital costs of such facilities.

10. "net operating costs" means operating costs from which have been deducted the following:

(a) revenues for operating costs received from other state agencies or another local government pursuant to an agreement to purchase local services.

(b) other income realized in the operation of a specified program, except for income realized by a voluntary not-for-profit agency from industrial contracts entered into pursuant to its operation of a sheltered workshop from which have been deducted the expenses of such workshop incurred in producing such income and which are claimed for state aid.

(c) federal aid received for operating costs.

(d) fees received from patients or on their behalf from private and public health insurance and medical aid programs.

11. "voluntary agency" means a corporation organized or existing pursuant to the not-for-profit corporation law for the purpose of providing local services.

12. "local services plan" means the plan of local services which is submitted by a local governmental unit and approved by the commissioner pursuant to section 41.18 of this article.

13. "community support services" means clinical, social, rehabilitative and other mental health services, programs and related administrative activities designed to enhance the community living skills and prevent the unnecessary hospitalization of the seriously impaired, chronically mentally ill population, who are eligible to receive services pursuant to section 41.47 of this article.