§ 374-c. Authority to operate group homes. 1. An authorized agency which is not a court, public board, commission or official is hereby empowered and permitted to operate group homes in compliance with regulations of the department. A social services official who is authorized to place children in family homes and institutions, pursuant to section three hundred ninety-eight, may be authorized by the department to operate group homes in compliance with such regulations, provided that such official demonstrates to the satisfaction of the department the need therefor and that suitable care is not otherwise available for children under the care of such official through an authorized agency under the control of persons of the same religious faith as such children. Such homes shall be subject to supervision, visitation and inspection by the department and shall also be subject to visitation and inspection by the board.

2. (a) If an authorized agency plans to establish one or more group homes within a municipality, it shall notify the chief executive officer of the municipality in writing of its intentions and include in such notice a description of the nature, size and the community support requirements of the program.

(b) For purposes of this subdivision, "municipality" means an incorporated village, if a facility is to be located therein; a town, if the facility is to be located therein, and not simultaneously within an incorporated village; or a city, except that in the city of New York, the community board with jurisdiction over the area in which such a facility is to be located shall be considered the municipality.