
INFORMATIONAL LETTER

TRANSMITTAL: 92 INF-7

DIVISION: Administration

TO: Commissioners of
 Social Services

DATE: January 30, 1992

SUBJECT: Verification of Information Maintained by Banks and
 Financial Institutions

SUGGESTED DISTRIBUTION: Income Maintenance Directors
 Food Stamp Directors
 Medical Assistance Directors
 Investigative (Fraud) Units
 Forms Coordinators
 Staff Development Coordinators

CONTACT PERSON: System-related questions - Don Kennedy, 1-800-342-
 3715, ext. 432-2790
 Medical Assistance - Your MA County Eligibility
 Representative: Upstate,
 1-800-342-3715, ext. 3-7581;
 New York City, (212) 587-4853
 Food Stamp - Your FS County Representative,
 1-800-342-3715, ext. 4-9225
 Public Assistance - Mark Schaffer,
 1-800-342-3715, ext. 4-9346
 Corrective Action - Sandy Borrelli,
 1-800-342-3715, ext. 4-8627

ATTACHMENTS: I. SSL 144-a(not available on-line)
 II. DSS-760 (Rev. 11/91): Bank Inquiry and Clearance
 Report (not available on-line)

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref. PASB IV-C- 4-10, XX-A	Misc. Ref. Revenue Procedure IRS Publication
79 ADM-1	91 INF-15	351	IRC 6103		
86 INF-35		360	Sect 2651	FSSB V-E-	
87 ADM-37		387	of PL 98-	1.1, 3.4-	85-21
88 INF-14			369	3.12	
88 INF-72					
91 INF-15			SSA 1137	MARG	
91 INF-25			SSL 144-a	(pp. 76, 87-88, 234- 236, 243- 245)	1075

The purpose of this release is to inform local social services districts of a change in the Social Services Law (specifically the addition of Section 144-a; see Attachment I) that should make it easier to obtain verification of resource information from banks and other financial institutions. Districts usually become aware of this type of resource either directly from the client or as a result of the IRS-1099 computer match. The 1099 information is unearned income that has been reported to the Internal Revenue Service and primarily consists of interest and dividends. This information is transmitted to local districts on approximately a monthly basis for applicants and once a year for undercare cases. As stated in previous Department releases, districts are responsible for evaluating and appropriately resolving all resource information. Accordingly, specific steps should be taken by districts to contact clients and, if necessary, make collateral contacts to resolve discrepancies on all new or previously unverified information provided through the 1099 process.

Prior to the enactment of SSL Section 144-a, many banks and financial institutions believed they were not compelled to respond to verification requests from local districts because of their interpretations of an applicable section of the Banking Law.

The new Section 144-a now requires that '...the officials of any banking or financial organization or institution doing business in the state whether chartered under state law, federal law, or the laws of another jurisdiction, shall furnish to such governmental officials such information as such officials have as to whether any present applicant for or recipient of any assistance, care or services authorized by this chapter, has or had funds, securities or other property on deposit or in the custody of such banking or financial organization or institution, and the amount or probable value thereof.'

As a result of the new Section 144-a and a change in the 'Prohibition Against Transfer' rules (Dept. Reg. 360-4.4), the following revisions have been made to the DSS-760 (Rev. 11/91), Bank Inquiry and Clearance Report (see Attachment II):

FACE PAGE

In the section containing the legal requirement for bank compliance, the second paragraph has been changed to read: 'This request is made pursuant to Article I, Section 4 of the N.Y.S. Banking Law, and Section 144-a of the Social Services Law. This section requires all banking organizations to furnish information to authorized representatives of the N.Y.S. Department of Social Services when the subject of the request is an applicant for or recipient of any assistance, care or services authorized by the Social Services Law.'

REVERSE PAGE

In the boxed-in area near bottom of page, the title has been changed from 'Closed Accounts Within Last Two Years' to 'Closed Accounts Within Last 30 Months'. In the last box of this section, the heading has been changed from 'Highest Balance Within Last Two Years' to 'Highest Balance Within Last 30 Months'.

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A sample of the amended DSS-760, Bank Inquiry and Clearance Report (Rev. 11/91), citing the new law section, is attached. In order to ensure that usage of the revised form occurs within a reasonable amount of time, you may continue to use the existing (1/91) supply until your stock is depleted or until March 1, 1992, whichever occurs first. Requests for copies of these revised forms are to be submitted on the WMS-47 (Rev. 9/89), WMS Order Form, and should be sent to:

New York State
Department of Social Services
Welfare Management System
PO BOX 1990
Albany, NY 12201
Attention: Office of Systems Development (OSD)

Questions concerning the ordering of forms should be directed to OSD by calling 1-800-342-4100, extension 6-6223.

Nelson M. Weinstock
Deputy Commissioner for
Administration