§ 15-1951. Financing of improvements.

1. For defraying the costs of all proceedings, surveys, studies and construction projects authorized by any section of title 19 of this article, the department may raise funds pursuant to the Local Finance Law. Such funds may not be borrowed unless the proceedings authorizing such expenditures have become final.

2. In addition the department is authorized in the name of the district to apply for, receive and expend funds or services which may be granted or contributed for the purpose by the federal government or other public authorities or by private persons or organizations. Obligations issued for such purpose shall not be construed in any event as obligations or indebtedness of the state, and neither the state, the department or any member thereof personally shall be obligated to pay the principal or interest therefor. Bonds issued for such purpose shall be lawful investments for savings banks, trust companies, executors and trustees and for any of the funds of the state which by law may be invested.

3. The proceeds of such bonds shall be deposited in a national or state bank or trust company either in Albany or in one of the counties in which such improvement is made, to be designated by the Comptroller. Before any such deposit is made, the Comptroller shall require from the depository security for the repayment of the same to the department upon demand of the moneys so deposited in the manner provided in section 106 of the State Finance Law.