§ 98-b. Municipal assistance to public authorities furnishing transportation services. Every city, village, town or county not wholly contained within a city the whole or any part of which is directly served by a transportation facility operated by a public authority shall be empowered to make unconditional grants of money or property to such public authority for the purpose of assisting it in meeting its capital or operating expenses, provided such money does not consist of borrowed funds and such property has not been acquired by the use of borrowed funds. Such purpose is hereby declared to be a city, county, town and village purpose. The term "transportation facility," as used herein, shall include rapid transit, commuter railroad, omnibus, marine, airport and aviation facilities. The provisions of this section are intended as enabling legislation only and shall not be interpreted as implying that absent their enactment a municipality would lack the power to authorize any such grant; but they shall not be interpreted as an authorization to public authorities generally to accept such grants.

The acceptance of any such grant by a public authority shall not operate to make such authority an agency of the municipality making the grant.