§ 1680-k. Financing of department of agriculture and markets facilities. In order to effectuate the purpose of this title, the dormitory authority shall have the following additional powers:

1. Subject to the provisions of chapter fifty-nine of the laws of two thousand, but notwithstanding any provisions of law to the contrary, the dormitory authority is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed forty-one million two hundred ninety thousand dollars $41,290,000, excluding bonds issued to finance one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing the construction of the New York state agriculture and markets food laboratory. Eligible project costs may include, but not be limited to the cost of design, financing, site investigations, site acquisition and preparation, demolition, construction, rehabilitation, acquisition of machinery and equipment, and infrastructure improvements. Such bonds and notes of such authorized issuers shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to such authorized issuers for debt service and related expenses pursuant to any service contract executed pursuant to subdivision two of this section and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

2. Notwithstanding any provisions of law to the contrary, in order to assist such authorized issuers in undertaking the administration and financing of the projects authorized pursuant to subdivision one of this section, the director of the budget is hereby authorized to enter into one or more service contracts with such authorized issuers, none of which shall exceed more than twenty years in duration, upon such terms and conditions as the director of the budget and such authorized issuers shall agree, so as to annually provide to such authorized issuers, in the aggregate, a sum not to exceed the annual debt service payments and related expenses required for the bonds and notes issued pursuant to

this section. Any service contract entered into pursuant to this subdivision shall provide that the obligation of the state to pay the amount therein provided shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executor only to the extent of monies available and that no liability shall be incurred by the state beyond the monies available for such purposes, subject to annual appropriation by the legislature. Any such contract or any payments made or to be made thereunder may be assigned or pledged by such authorized issuers as security for its bonds and notes, as authorized by this section.