§ 1680-m. Cultural education facilities. 1. Notwithstanding the provisions of any other law to the contrary, the authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for construction and rehabilitation associated with the cultural education facilities, including but not limited to acquisition costs and other state costs associated with such capital projects, and the St. Regis Mohawk elementary school. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed seventy-nine million dollars, excluding bonds issued to fund 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. Such bonds and notes of the authority and the urban development corporation 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 the authority for principal, interest, and related expenses pursuant to a service contract 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 other provision of law to the contrary, in order to assist the authority and the urban development corporation in undertaking the financing for construction and rehabilitation associated with the cultural education facilities, including but not limited to acquisition costs and other state costs associated with such capital projects, and the St. Regis Mohawk elementary school, the director of the budget is hereby authorized to enter into one or more service contracts with the authority and the urban development corporation, none of which shall exceed thirty years in duration, upon such terms and conditions as the director of the budget and the authority and the urban development corporation agree, so as to annually provide to the authority and the urban development corporation, in the aggregate, a sum not to exceed the principal, interest, and related expenses required for such bonds and notes. Any service contract entered into pursuant to this section 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 executory only to the extent of monies available and that no liability shall be incurred by the state beyond the monies available for such purpose, subject to annual appropriation by the legislature. Any such contract or any payments made or to be made thereunder may be assigned and pledged by the authority and the urban development corporation as security for its bonds and notes, as authorized by this section.