*** § 1689-i. Library construction.** 1. The dormitory authority is authorized to issue bonds, at the request of the commissioner of education, to finance eligible library construction projects pursuant to section two hundred seventy-three-a of the education law, in amounts certified by such commissioner not to exceed a total principal amount of four hundred ninety-nine million dollars $499,000,000.

2. (a) Notwithstanding the provisions of any general or special law to the contrary, and subject to the making of annual appropriations therefor by the legislature, in order to assist the dormitory authority in the financing and refinancing of such eligible library construction projects, the director of the budget is authorized in state fiscal year commencing April first, two thousand six to enter into one or more service contracts, none of which shall exceed thirty years in duration, with the dormitory authority, upon such terms as the director of the budget and the dormitory authority agree;

(b) Any service contract entered into pursuant to paragraph (a) of this subdivision or any payments made or to be made thereunder may be assigned and pledged by the dormitory authority as security for its bonds, notes, or other obligations;

(c) Any such service contract shall provide that the obligation of the director of the budget or of the state to fund or to pay the amounts therein provided for shall not constitute a debt of the state within the meaning of any constitutional or statutory provision in the event the dormitory authority assigns or pledges the service contract payments as security for its bonds, notes, or other obligations and shall be deemed executory only to the extent moneys are available and that no liability shall be incurred by the state beyond the moneys available for the purpose, and that such obligation is subject to annual appropriation by the legislature;

(d) Any service contract or contracts entered into pursuant to this subdivision shall provide for state commitments to provide annually to the dormitory authority a sum or sums, upon such terms and conditions as shall be deemed appropriate by the director of the budget, to fund the principal, interest, or other related expenses required for any bonds, notes, or other obligations.

3. The commissioner of education shall issue one or more certifications to the dormitory authority, the comptroller, the director of the division of the budget, the chairman of the senate finance committee and the chairman of the assembly ways and means committee the names of all public libraries and library systems for which he has approved construction aid apportionments for authority financing of library construction projects pursuant to section two hundred seventy-three-a of the education law. Such certification, which shall be made within thirty days after such approval or as soon thereafter as is practicable, shall contain one or more projects such that the total of amounts to be financed shall be in excess of minimum amounts of bonds, in accordance with guidelines of the dormitory authority, which may be issued so as to minimize the issuing costs of such bonds, and shall identify the amount of aid apportionment which has been approved for each such public library and library system and shall estimate the date or dates when such project will be undertaken to assist the authority in establishing a schedule for financing such project. The commissioner shall notify the authority if there is a change in such dates.

4. To obtain funds for the purposes of this section, the authority shall have power from time to time, in accordance with a schedule certified to the authority by the commissioner of education identifying eligible library construction projects approved for the payment of aid apportionments pursuant to section two hundred seventy-three-a of the education law, to issue negotiable bonds or notes of the authority. Unless the context shall clearly indicate otherwise, whenever the words "bond" or "bonds" are used in this section, such words shall include a note or notes of the authority.

5. The state of New York hereby covenants with the purchasers, holders and owners from time to time of the bonds of the authority issued pursuant to this section that it will not repeal, revoke, rescind, modify or amend the provisions of this section which relate to the making of annual service contract payments to the authority with respect to such bonds as to limit, impair or impede the rights and remedies granted to bondholders under this title or otherwise diminish the security pledged to such purchasers, holders and owners or significantly

impair the prospect of payment of any such bond.

* NB There are 2 § 1689-i's