§ 2436. State aid guarantee. 1. In the event that a municipality fails to make any payment of principal or interest on its municipal bonds, the chairman of the agency shall certify to the comptroller that the municipality has failed to meet its obligations. Such certificate shall be in such form as the agency deems desirable, but shall include the exact amount of interest and principal required to satisfy the municipality's obligations to the agency.

2. The comptroller, upon receipt of such certificate from the agency, shall withhold from the municipality any state aid payable to such municipality to the extent necessary to meet the certified amount of interest or principal and shall immediately pay over to the agency the amount so withheld.

3. Pending payment to the agency from the comptroller of any such state aid withheld from a municipality, the agency shall, if payments of interest or principal are due on the agency's bonds, withdraw an amount sufficient to meet such amounts withheld from a municipality from the debt service reserve fund securing such bonds. Any such amount withdrawn from such debt service reserve fund shall be paid into such debt service reserve fund upon receipt by the agency from the comptroller of any state aid withheld. Any amount so paid to the agency from such state aid shall not obligate the state to make, nor entitle the municipality to receive, any additional amounts of state aid.

4. In the event that a special program municipality shall fail to make a payment in such amount (as calculated in accordance with the special program agreement to which such municipality shall be a party) and by such date as is provided to be made by such municipality in its special program agreement, the chairman of the agency shall so certify to the comptroller. Such certificate shall be in such form as the agency deems desirable, but shall specify the amount by which such payment shall have been deficient. The comptroller, upon receipt of such certificate from the agency, shall withhold from such special program municipality any state aid payable to such municipality to the extent of the amount so stated in such certificate as not having been made, and shall immediately pay over to the agency the amount so withheld; provided,

however, that in the case of a special program agreement entered into for the purpose described in paragraph (b) or (c) or (d) or (e) of subdivision one of section twenty-four hundred thirty-five-a of this title, the comptroller shall be authorized to withhold from the special program municipality such school aid as is payable to the city school district of the special program municipality, to the extent of the amount so stated in such certificate as not having been made, and shall immediately pay over to the agency the amount so withheld. Any amount so paid to the agency from such state and/or school aid shall not obligate the state to make, nor entitle the special program municipality to receive, any additional amounts of state and/or school aid. Nothing contained therein shall be deemed to prevent the state from modifying, reducing or eliminating any program or programs of state and/or school aid; nor shall the state be obligated by the terms hereof to maintain state and/or school aid at any particular level or amount.

5. In the event that a special school deficit program district shall fail to make a payment in such amount (as calculated in accordance with the special school deficit program agreement to which such school district shall be a party) and by such date as is provided to be made by such school district in its special school deficit program agreement, the chairman of the agency shall so certify to the comptroller, with a copy to the commissioner of education. Such certificate shall be in such form as the agency deems desirable, but shall specify the amount by which such payment shall have been deficient. The comptroller, upon receipt of such certificate from the agency, shall withhold from such special school deficit program district any school aid payable to such special school deficit program district to the extent of the amount so stated in such certificate as not having been made, and shall immediately pay over to the agency the amount so withheld. Any amount so paid to the agency from such school aid shall not obligate the state to make, nor entitle the special school deficit program district to receive, any additional amounts of school aid. Nothing contained therein shall be deemed to prevent the state from modifying, reducing or eliminating any program or programs of school aid; nor shall the state be obligated by the terms hereof to maintain school aid at any particular level or amount.