§ 49. Authority obligations as legal investments and legal security for deposits by public officers. The state, its subdivisions, municipalities, and all other public bodies, and all public officers, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, saving and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest funds belonging to them or within their control in: (a) any bonds, notes and other obligations of an authority when they are (1) secured by a pledge of the revenues of a project, and additionally secured by a pledge of periodic subsidies or of annual contributions to be paid to an authority by a government, or (2) secured by a first mortgage lien not exceeding sixty-six and two-thirds per centum of the value of the property covered thereby, or (3) secured by an agreement between the authority and a government pursuant to which the authority agrees to borrow from the government, and the government agrees to lend to the authority prior to the maturity of such bonds, notes or other obligations of the authority, monies in an amount which (together with any other monies irrevocably committed to the payment of principal of or interest on such bonds, notes or other obligations) will be sufficient to pay the principal of such bonds, notes or other obligations with interest thereon to maturity, which monies under the terms of such agreement are required to be used by the authority for the purpose of paying the principal of and interest on such bonds, notes or other obligations at their maturity, or (4) guaranteed by a municipality as to principal and interest; (b) any notes issued pursuant to and in conformity with the provisions of subdivision two of section forty-one of this chapter under a contract with the state containing a covenant for the payment of periodic subsidies as provided in subdivision (b) of section seventy-six-a of this chapter; or (c) any bonds, notes and other obligations issued by any public housing authority or agency in the United States or in the commonwealth of Puerto Rico when such bonds, notes or other obligations are secured by a pledge of the revenues of the housing project or projects for which the bonds, notes or other obligations are issued, and additionally secured by a pledge of annual contributions to be paid by

the United States government or any agency thereof. Such bonds, notes and other obligations issued by an authority pursuant to this chapter are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities, governments, and public corporations of this state, for any purpose for which the deposit of bonds or other obligations of this state is now or may be hereafter authorized or required.