

**CHURCH ARSON PREVENTION ACT OF 1996: Sec. 4  
(guarantees for church arson recovery loans)**

[Public Law 104–155; 110 Stat. 1393]

[This law has not been amended]

【Currency: This publication is a compilation of the text of section 4 of Public Law 104–155. It was last amended by the public law listed in the As Amended Through note above and below at the bottom of each page of the pdf version and reflects current law through the date of the enactment of the public law listed at <https://www.govinfo.gov/app/collection/comps/>】

【Note: While this publication does not represent an official version of any Federal statute, substantial efforts have been made to ensure the accuracy of its contents. The official version of Federal law is found in the United States Statutes at Large and in the United States Code. The legal effect to be given to the Statutes at Large and the United States Code is established by statute (1 U.S.C. 112, 204).】

**SEC. 4. LOAN GUARANTEE RECOVERY FUND.**

(a) IN GENERAL.—

(1) IN GENERAL.—Using amounts described in paragraph (2), the Secretary of Housing and Urban Development (referred to as the “Secretary”) shall make guaranteed loans to financial institutions in connection with loans made by such institutions to assist organizations described in section 501(c)(3) of the Internal Revenue Code of 1986 that have been damaged as a result of acts of arson or terrorism in accordance with such procedures as the Secretary shall establish by regulation.

(2) USE OF CREDIT SUBSIDY.—Notwithstanding any other provision of law, for the cost of loan guarantees under this section, the Secretary may use not more than \$5,000,000 of the amounts made available for fiscal year 1996 for the credit subsidy provided under the General Insurance Fund and the Special Risk Insurance Fund.

(b) TREATMENT OF COSTS.—The costs of guaranteed loans under this section, including the cost of modifying loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

(c) LIMIT ON LOAN PRINCIPAL.—Funds made available under this section shall be available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$10,000,000.

(d) TERMS AND CONDITIONS.—The Secretary shall—

(1) establish such terms and conditions as the Secretary considers to be appropriate to provide loan guarantees under this section, consistent with section 503 of the Credit Reform Act; and

(2) include in the terms and conditions a requirement that the decision to provide a loan guarantee to a financial institution and the amount of the guarantee does not in any way depend on the purpose, function, or identity of the organization

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to which the financial institution has made, or intends to make, a loan.