To amend the CARES Act to establish a Community Capital Investment Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. introduced the following bill; which was referred to the Committee on 

A BILL

To amend the CARES Act to establish a Community Capital Investment Program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMMUNITY CAPITAL INVESTMENT PROGRAM.

Section 4003 of the CARES Act (15 U.S.C. 9042) is amended by adding at the end the following:

“(i) COMMUNITY CAPITAL INVESTMENT PROGRAM.—

“(1) IN GENERAL.—The Secretary of the Treasury shall establish a Community Capital Investment Program (the ‘Program’) to support the ef-
forts of community investment institutions to pro-
vide loans and forbearance for small businesses, mi-
nority-owned businesses, and consumers, especially
in low-income and underserved communities, by—

“(A) providing direct capital investments
in community investment institutions; and

“(B) providing loans to community invest-
ment institutions—

“(i) that are interest-free loans;

“(ii) that have a loan term of 5 years;

“(iii) with respect to which no loan
payment is required until at least the end
of the 6-month period beginning on the
date the loan is made, or such longer term
as the Secretary may determine appro-
priate.

“(2) APPLICATION DATE.—The Secretary shall
begin accepting applications for capital investments
and loans under the Program not later than the end
of the 10-day period beginning on the date of enact-
ment of this subsection.

“(3) DIVIDEND RATE.—Any preferred stock or
other financial instrument issued to the Secretary in
exchange for a capital investment under the Pro-
gram shall carry a dividend or interest rate that does not exceed 1 percent.

“(4) Restrictions.—The restrictions described under subsection (c)(3)(A)(ii) shall apply to capital investments and loans made under this subsection.

“(5) Available amounts.—In carrying out the Program, the Secretary shall use amounts made available under subsection (b), notwithstanding the limitations on the use of such funds under paragraphs (1) through (4) of such subsection (b).

“(6) MDI set-aside.—At least $3,000,000,000 of the direct capital investments and loans made by the Secretary under the Program shall be made to minority depository institutions.

“(7) Treatment of capital investments.—In making any capital investment under the Program, the Secretary shall ensure that the terms of the investment are designed to ensure the investment receives Tier 1 capital treatment.

“(8) Definitions.—In this subsection:

“(A) Community investment institution.—The term ‘community investment institution’ means—
“(i) a community development financial institution, as defined under section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702);

“(ii) an impact credit union;

“(iii) an impact bank; and

“(iv) a minority depository institution, as defined under section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1463 note).

“(B) CREDIT UNION.—The term ‘credit union’ has the meaning given the terms State credit union and Federal credit union under section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

“(C) IMPACT CREDIT UNION.—The term ‘impact credit union’ means a credit union that—

“(i) has total consolidated assets of less than $10,000,000,000; and

“(ii) extends at least 50 percent of the loans extended by the credit union to bor-
rowers who are low-income borrowers, as determined by the Secretary.

“(D) IMPACT BANK.—The term ‘impact bank’ means a depository institution (as defined under section 3 of the Federal Deposit Insurance Act) that—

“(i) has total consolidated assets of less than $10,000,000,000; and

“(ii) extends at least 50 percent of the loans extended by the institution to borrowers who are low-income borrowers, as determined by the Secretary.”.