117TH CONGRESS  
2D Session  

H. R. 7003  

To amend the Federal Credit Union Act to permit credit unions to serve certain underserved areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES  

MARCH 8, 2022  

Ms. WATERS (for herself and Mr. PERLMUTTER) introduced the following bill; which was referred to the Committee on Financial Services

A BILL  

To amend the Federal Credit Union Act to permit credit unions to serve certain underserved areas, and for other purposes.

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

2 SECTION 1. SHORT TITLE.  

3 This Act may be cited as the “Expanding Financial Access for Underserved Communities Act”.

4 SEC. 2. AMENDMENTS RELATING TO CREDIT UNION SERVICE TO UNDERSERVED AREAS.  

5 Section 109 of the Federal Credit Union Act (12 U.S.C. 1759) is amended—

6 (1) in subsection (c)(2)—

7
(A) by striking “the field of membership
category of which is described in subsection
(b)(2),’’;

(B) by amending subparagraph (A) to read
as follows:

“(A) the Board determines that the local
community, neighborhood, or rural district is an
underserved area; and”; and

(C) in subparagraph (B), by inserting “not
later than 2 years after having such under-
served area added to the credit union’s char-
ter,” before “the credit union”; and

(2) by adding at the end the following:

“(h) CHANGE OF FIELD OF MEMBERSHIP TO IN-
CLUDE UNDERSERVED AREAS.—

“(1) IN GENERAL.—If an existing Federal cred-
it union applies to the Board to alter or expand the
field of membership of the credit union to serve an
underserved area, the credit union shall submit a
business and marketing plan with such application
that explains the credit union’s ability and intent to
serve the population of the underserved area through
the change in field of membership.

“(2) REPORT BY CREDIT UNION.—Not later
than 2 years after the date on which a Federal cred-
it union’s application described under paragraph (1) is approved, the credit union, as part of the ordinary course of the examination cycle and supervision process, shall submit a report to the Administration that includes—

“(A) an estimate of the number of members of the credit union who are members by reason of the application;

“(B) a description of the types of financial services utilized by members of the credit union who are members by reason of the application; and

“(C) an update of the credit union’s implementation of the business and marketing plan described under paragraph (1).”.

SEC. 3. AMENDMENTS RELATED TO MEMBER BUSINESS LENDING IN UNDERSERVED AREAS.

Section 107A(c)(1)(B) of the Federal Credit Union Act (12 U.S.C. 1757a(c)(1)(B)) is amended—

(1) in clause (iv), by striking “or” at the end;

(2) in clause (v), by striking the period and inserting “; or”; and

(3) by adding at the end the following:
“(vi) that is made to a member or associated borrower that lives in or operates in an underserved area.”.

SEC. 4. UNDERSERVED AREA DEFINED.

Section 101 of the Federal Credit Union Act (12 U.S.C. 1752) is amended—

(1) in paragraph (8), by striking “and” at the end;

(2) in paragraph (9), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(10) the term ‘underserved area’ means a geographic area consisting of one or more population census tracts or one or more counties, that encompass or are located within—

“(A) an investment area, as defined under section 103(16) of the Community Development Banking and Financial Institutions Act of 1994;

“(B) groups of contiguous census tracts in which at least 85 percent individually qualify as low-income communities, as defined under section 45D(e) of the Internal Revenue Code of 1986; or
“(C) an area that is more than ten miles, as measured from each point along the area’s perimeter, from the nearest branch of a depository institution (as defined under section 3 of the Federal Deposit Insurance Act) or credit union.”.

SEC. 5. REPORT BY THE NATIONAL CREDIT UNION ADMINISTRATION.

Not later than 3 years after the date of enactment of this Act, but no sooner than 2 years after the date of enactment of this Act, the National Credit Union Administration shall issue a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the implementation of the amendments made by this Act.