

[DISCUSSION DRAFT]

117TH CONGRESS
1ST SESSION

H. R. _____

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

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

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 Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

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

1 **SEC. 2. AMENDMENTS RELATING TO CREDIT UNION SERV-**
2 **ICE TO UNDERSERVED AREAS.**

3 Section 109(c)(2) of the Federal Credit Union Act
4 (12 U.S.C. 1759(c)(2)) is amended—

5 (1) by striking “the field of membership cat-
6 egory of which is described in subsection (b)(2),”;

7 (2) by amending subparagraph (A) to read as
8 follows:

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

12 (3) in subparagraph (B), by inserting “not later
13 than 2 years after having such underserved area
14 added to the credit union’s charter,” before “the
15 credit union”.

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

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

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

21 (2) in clause (v), by striking the period and in-
22 serting “; or”; and

23 (3) by adding at the end the following:

24 “(vi) that is made to a borrower or
25 associated member that lives in or operates
26 in an underserved area.”.

1 **SEC. 4. UNDERSERVED AREA DEFINED.**

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

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

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

8 (3) by adding at the end the following:

9 “(10) the term ‘underserved area’ means a geo-
10 graphic area consisting of one or more population
11 census tracts, that encompass or are located with-
12 in—

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

17 “(B) a low-income community, as defined
18 under section 45D(e) of the Internal Revenue
19 Code of 1986; or

20 “(C) an area, the center of which, is more
21 than ten miles from the nearest branch of a de-
22 pository institution (as defined under section 3
23 of the Federal Deposit Insurance Act) or credit
24 union.”.