

[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 of the Federal Credit Union Act (12
4 U.S.C. 1759) is amended—

5 (1) in subsection (c)(2)—

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

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

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

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

18 (2) by adding at the end the following:

19 “(h) CHANGE OF FIELD OF MEMBERSHIP TO IN-
20 CLUDE UNDERSERVED AREAS.—If an existing credit
21 union applies to the Board to alter or expand the field
22 of membership of the credit union to serve an underserved
23 area, the credit union shall submit a business and mar-
24 keting plan with such application that explains how the
25 credit union intends to serve the population of the under-
26 served area through the change in field of membership.”.

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

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

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

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

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

9 “(vi) that is made to a member or as-
10 sociated borrower that lives in or operates
11 in an underserved area.”.

12 **SEC. 4. UNDERSERVED AREA DEFINED.**

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

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

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

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

20 “(10) the term ‘underserved area’ means a geo-
21 graphic area consisting of one or more population
22 census tracts or one or more counties, that encom-
23 pass or are located within—

24 “(A) an investment area, as defined under
25 section 103(16) of the Community Development

1 Banking and Financial Institutions Act of
2 1994;

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

6 “(C) an area that is more than ten miles
7 from the nearest branch of a depository institu-
8 tion (as defined under section 3 of the Federal
9 Deposit Insurance Act) or credit union.”.