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.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Expanding Financial Access for Underserved Communities Act”.
SEC. 2. AMENDMENTS RELATING TO CREDIT UNION SERVICE TO UNDERSERVED AREAS.

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

(1) in subsection (c)(2)—

(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”;

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

(2) by adding at the end the following:

“(h) CHANGE OF FIELD OF MEMBERSHIP TO INCLUDE UNDERSERVED AREAS.—If an existing credit 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 how the credit union intends to serve the population of the underserved area through the change in field of membership.”.
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 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) a low-income community, as defined under section 45D(e) of the Internal Revenue Code of 1986; or

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