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**U.S. HOUSE COMMITTEE ON FINANCIAL SERVICES**  
**– CHAIRWOMAN MAXINE WATERS –**  
**THE HEROES ACT**  
**DIVISION O, FINANCIAL SERVICES AND HOUSING PROVISIONS**  
*SECTION BY SECTION*

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- Sec. 1. Short title; table of contents.
- Establishes the short title of the bill and provides a table of contents.

**TITLE I—PROVIDING MEDICAL EQUIPMENT FOR FIRST RESPONDERS AND ESSENTIAL WORKERS**

- Sec. 101. COVID-19 Emergency Medical Supplies Enhancement.
- This section would expand the use and oversight of Defense Production Act (DPA) authorities to: increase the production and supply of critical medical supplies and equipment, such as diagnostic tests, treatments, and personal protection equipment; focus efforts on supply chain mobilization; decrease the disruption of critical deliveries to state and local governments; and require assessments for both immediate and longer term needs and plans to meet those needs, as well as requiring longer-term planning to ensure that the United States is better prepared for future pandemics.

**TITLE II—PROTECTING RENTERS AND HOMEOWNERS FROM EVICTIONS AND FORECLOSURES**

- Sec. 201. Emergency rental assistance.
- This section would authorize \$50 billion for an Emergency Rental Assistance program that would allocate funding to states, territories, counties, and cities to help renters pay their rent and utility bills during the COVID-19 pandemic, and help rental property owners of all sizes continue to cover their costs.
- Sec. 202. Homeowner Assistance Fund.
- This section authorizes \$21 billion to states, territories, and tribes to address the ongoing needs of homeowners struggling to afford their housing due directly or indirectly to the impacts of the COVID-19 pandemic by providing direct assistance for mortgage payments, property taxes, property insurance, utilities, and other housing related costs.
- Sec. 203. Protecting renters and homeowners from evictions and foreclosures.
- This section extends and expands the eviction moratorium and foreclosure moratorium in the CARES Act to include all renters and homeowners, improves the forbearance provided under the CARES Act, and specifies the loan modifications and loss mitigation that should be available to homeowners following a moratorium to prevent any homeowner from facing a lump sum payment that they cannot afford.
- Sec. 204. Promoting access to credit for homebuyers.

- This section prevents the Enterprises and FHA from imposing additional restrictions or costs on borrowers who have inquired about, requested, or received forbearance during the pandemic.

Sec. 205. Liquidity for mortgage servicers and residential rental property owners.

- This section would require the Federal Reserve facility established by Section 4003 of the CARES Act to be implemented for the benefit of mortgage servicers and residential rental property owners, contingent on compliance with certain reporting requirements and protections for borrowers and renters.

Sec. 206. Supplemental funding for supportive housing for the elderly and persons with disabilities.

- This section would authorize \$500 million in funding for the HUD Section 202 Supportive Housing for the Elderly program to ensure sufficient staffing, services, and other resources for 3,500 senior and disabled resident communities during the COVID-19 pandemic.

Sec. 207. Fair Housing.

- This section authorizes \$14 million to ensure individuals are protected from housing-related hate crimes and increasing forms of housing discrimination from Coronavirus-motivated bias through adequate and accessible housing discrimination complaint intake, investigations, and public education of housing rights.

### **TITLE III—PROTECTING PEOPLE EXPERIENCING HOMELESSNESS**

Sec. 301. Homeless assistance funding.

- This section would authorize \$5 billion for the Emergency Solutions Grants program to enable state and local governments to finance housing and health related services for the hundreds of thousands of people currently experiencing homelessness. This section would also renew funding for grantees awarded Continuum of Care funding in 2019.

### **TITLE IV—SUSPENDING NEGATIVE CREDIT REPORTING AND STRENGTHENING CONSUMER PROTECTIONS**

Sec. 401. Reporting of information during major disasters.

- This section would suspend negative consumer credit reporting during the COVID-19 pandemic and other declared major disasters plus 120 days. Credit score furnishers would be prohibited from implementing new credit scoring models that would lower existing consumer credit scores during the COVID-19 pandemic or during other major disaster periods. This section also permanently bans the reporting of medical debt arising out of COVID-19 treatments.

Sec. 402. Restrictions on collections of consumer debt during a national disaster or emergency.

- This legislation provides a temporary moratorium on consumer debt collection during this COVID-19 crisis, and for 120 days thereafter, except for mortgage loans covered by Sections 4022 and 4023 of the CARES Act.

Sec. 403. Repayment period and forbearance for consumers.

- This section ensures reasonable forbearance and repayment options for consumers when payments resume following the moratorium provided by Section 402, including simply maintaining the same payment schedule by extending the maturity by the same period of time that payments were suspended

under Section 402.

Sec. 404. Credit facility.

- This section provides creditors access to a Federal Reserve facility to receive a low-interest, long-term loan where payments would be deferred until a borrower resumes making payments to the creditor pursuant to the debt collection moratorium and forbearance provided in this title.

#### **TITLE V—PROTECTING STUDENT BORROWERS**

Sec. 501. Payments for private education loan borrowers as a result of the COVID–19 national emergency.

- This section extends existing CARES Act student loan payment and consumer protections, such as debt collection prohibitions, to private student loan borrowers. This section also requires the Treasury Department to make monthly payments for economically distressed private student loan borrowers until February 1, 2021, with an aggregate cap of \$10,000 in relief.

Sec. 502. Additional Protections for Private Student Loan Borrowers.

- As Treasury will be making payments on behalf of economically distressed private borrowers under Section 501, this section requires private student loan servicing companies that receive funds to offer income driven repayment plans, and payments or forbearance under this title in a manner that will not impact applicable State statutes of limitation. Furthermore, this section instructs Treasury to apply any unused portion of the up to \$10,000 forgiveness amount to any remaining outstanding private loan balance when borrower payments resume.

#### **TITLE VI—STANDING UP FOR SMALL BUSINESSES, MINORITY-OWNED BUSINESSES, AND NON-PROFITS**

Sec. 601. Restrictions on collections of small business and nonprofit debt during a national disaster or emergency.

- This legislation provides a temporary moratorium on small business and nonprofit debt collection during this COVID-19 crisis, and for 120 days thereafter, except for mortgage loans covered by Sections 4022 and 4023 of the CARES Act.

Sec. 602. Repayment period and forbearance for small businesses and non-profit organizations.

- This section ensures reasonable forbearance and repayment options for small businesses and non-profit organizations when payments resume following the debt collection moratorium provided by Section 110601.

Sec. 603. Credit facility.

- This section provides creditors access to a Federal Reserve facility to receive a low-interest, long-term loan where payments would be deferred until a borrower resumes making payments to the creditor pursuant to the debt collection moratorium and forbearance provided under sections 110601 and 110602.

Sec. 604. Main Street Lending Program requirements.

- This section mandates that the Federal Reserve’s Main Street Lending Program (MSLP), which was established utilizing CARES Act funds and is backstopped by the Treasury Department, include non-profit organizations and public universities as eligible borrowers, and stipulates that the Federal Reserve immediately offer a low-cost loan option tailored to the unique needs of non-profit organizations with deferred payments without interest accruing. This section excludes certain 501(c)4 organizations that

make campaign contributions to be eligible for a MSLP loan. Furthermore, this section requires the Fed to extend loan maturities from the current 5 years to no less than 7 years, and prohibits lenders from requiring any collateral beyond what the Fed requires for collateral under the program.

Sec. 605. Options for small businesses and non-profits under the Main Street Lending Program.

- This section mandates that the Federal Reserve, through the Main Street Lending Program, shall provide at least one low-cost loan option that small businesses, small non-profits, and small public universities are eligible for that does not have a minimum loan size, overriding the current \$250,000 minimum loan size to participate in the program. This option would also allow for deferred payments without interest accruing.

Sec. 606. SAFE Banking.

- This section would allow cannabis-related legitimate businesses, that in many states have remained open during the COVID-19 pandemic as essential services, along with their service providers, to access banking services and products, as well as insurance. This section also requires reports to Congress on access to financial services and barriers to marketplace entry for potential and existing minority-owned cannabis-related legitimate businesses.

Sec. 607. Support for Restaurants.

- This section would establish a \$120 billion program administered by the Treasury Department to provide restaurants and similar places of businesses (e.g. food trucks, bars, etc.) with a grant for the difference between the business's 2019 revenues and estimated 2020 revenues for each quarter. These funds would go to payroll and other eligible expenses, and would need to be used by June 30, 2021. Unused funds or funds received that exceeded the eligible grant amount would be converted to a 10 year loan with a 1 percent interest rate. The business could also request additional funds to provide 10 paid sick days for their employees, which must be used solely for that purpose.

Sec. 608. Codification of the Minority Business Development Administration.

- This section would permanently codify the Minority Business Development Administration (MBDA) as an independent federal agency.

Sec. 609. Emergency Grants to Minority Business Enterprises.

- This section would authorize \$3 billion in grants directly to minority business enterprises through the Minority Business Development Administration.

**TITLE VII—EMPOWERING COMMUNITY FINANCIAL INSTITUTIONS**

Sec. 701. Short Title.

- This section notes the title may be cited as “Promoting and Advancing Communities of Color through Inclusive Lending Act”

Sec. 702. Findings; Sense of Congress.

- This section provides a series of findings and Sense of Congress relating to the importance of minority depository institutions (MDIs), community development financial institutions (CDFIs), and the need to further support their work in serving low-income and minority communities.

Sec. 703. Purpose.

- This section notes the purpose of the title is to support community financial institutions in serving low to moderate-income (LMI) and minority communities, and responding to the significant loss of Black-owned businesses and unemployment during the pandemic.

Sec. 704. Considerations; Requirements for Creditors.

- This section provides a list of considerations for the Treasury Secretary in carrying out this title, along with a reaffirmation that fair lending requirements apply to creditors.

Sec. 705. Neighborhood Capital Investment Program

- This section requires the Treasury Department to use \$13 billion from funds made available to the Department under Section 4027 of the CARES Act to establish the Neighborhood Capital Investment Program. The program provides, long-term direct capital investments to MDIs and CDFIs, with priority given to “minority lending institutions” (MDIs and CDFIs that are either minority-owned or predominantly serve minority communities).
- There would also be a Equity Equivalent Investment Option (EEIO) for banking organizations to jointly provide capital investments to MDIs and CDFIs, with 20% of the investment provided by the bank and 80% provided by the Treasury.
- Financial institutions that receive capital investments would not be allowed to offer loans to customers with interest rates above 36% annual percentage rate (APR), as defined by the Military Lending Act, and be subject to executive compensation, share buyback, and dividend repayment restrictions,

Sec. 706. Emergency Support for CDFIs and Communities

- This section authorizes an emergency appropriation of \$2 billion to the Community Development Financial Institutions (CDFI) Fund, of which: \$400 million would support expanded lending and investments in LMI minority communities; \$160 million would provide technical assistance and related support to CDFIs, with minority lending institutions getting priority; and \$800 million would be set aside for grants and other awards for minority lending institutions.

Sec. 707. Ensuring diversity in community banking

- This section would strengthen MDIs and newly designated “impact banks” that predominantly serve low-income communities through partnerships, investments, Federal deposits, and increased engagement with government agencies,

Sec. 708. Establishment of Financial Agent Partnership Program

- This section would codify and enhance a Treasury Department program that encourages partnership and mentorship opportunities for community financial institutions and MDIs with larger banks.

Sec. 709. Strengthening Minority Lending Institutions

- This section would establish a permanent set aside of 40 percent of CDFI Fund appropriations reserved for award, guarantee, and grant programs for minority lending institutions, and requires reporting on such activities. The section also establishes a new Office of Minority Community Development
- Financial Institutions to administer these funds led by a new Deputy Director of Minority Community Development Financial Institutions.

Sec. 710. CDFI Bond Guarantee Reform

- This section would reduce the minimum issuance amount under the CDFI Bond Guarantee Program from \$100 million to \$50 million to support community development projects in low-income urban and rural communities.

Sec. 711. Reports

- This section would require monthly reporting of transactions made under this title.

Sec. 712. Inspector General Oversight

- The Department of the Treasury’s Inspector General would oversee the implementation of this title, and provide no less than two reports a year on its oversight work.

Sec. 713. Study and Report with Respect to Impact of Programs on Low- and Moderate-Income and Minority Communities

- This section would require Treasury to conduct a study on the impact of the programs under this title 18 months after enactment.

**TITLE VIII—PROVIDING ASSISTANCE FOR STATE, TERRITORY, TRIBAL, AND LOCAL GOVERNMENTS**

Sec. 801. Emergency relief for State, territorial, Tribal, and local governments.

- This section expands the Federal Reserve’s assistance to local governments by allowing U.S. territories, as well as a greater number of cities and counties, to be eligible issuers in the Federal Reserve’s municipal liquidity facility, extending the maturity date for bonds purchased by the facility, and effectively eliminating the penalty rates currently applied to the facility.

Sec. 802. Community development block grants.

- This section would authorize \$5 billion in Community Development Block Grant funding to provide states and local governments with additional flexible resources to mitigate and address the health and economic impacts of COVID-19.

**TITLE IX—SUPPORT FOR A ROBUST GLOBAL RESPONSE TO THE COVID-19 PANDEMIC**

SEC. 901. United States Policies.

- This section would:
  - Instruct the United States Executive Director at each international financial institution to use their voice and vote (1) to suspend all debt service payments to the institution by developing countries and relax fiscal targets for governments operating a program supported by the institution in response to the pandemic; (2) to oppose decreases in health care spending; and (3) to require that approval of all Special Drawing Rights allocation transfers include transparency protocols to ensure the allocations are used for the public good and in response to the global pandemic.
  - Establish that it is the policy of the United States: to support the issuance by the International Monetary Fund (IMF) of a special allocation of not less than 2,000,000,000,000 Special Drawing Rights to provide governments access to additional resources to finance their responses to the global COVID-19 pandemic; and to contribute a portion of its current, and any additional future,

stock of Special Drawing Rights to the Poverty Reduction and Growth Facility to help developing countries respond to the health and economic impacts of the COVID-19 pandemic; and,

- Direct the Secretary of the Treasury to commence immediate efforts to reach an agreement with the Group of Twenty nations to extend through the end of 2021 the current moratorium on debt service payments to official bilateral creditors by the world's poorest countries, among other provisions.

### **TITLE X—PROVIDING OVERSIGHT AND PROTECTING TAXPAYERS**

Sec. 1001. Mandatory Reports to Congress.

- This section would amend the CARES Act by requiring the Treasury Secretary to provide the same reports to Congress for its programs that the Federal Reserve submits for Federal Reserve programs under Section 13(3)(C) of the Federal Reserve Act and to submit to Congress and the Special Inspector General for Pandemic Recovery monthly summaries of Treasury's CARES Act and related activities.

Sec. 1002. Discretionary reports to Congress.

- This section would amend the CARES Act by authorizing the Congressional Oversight Commission to share additional information with the Financial Services Committee beyond the existing specifications listed under "Regular Reports" (Section 4020(b)(2)).

Sec. 1003. Definition of appropriate congressional committees.

- This section would amend the CARES Act by adding the Financial Services Committee to the list of appropriate congressional committees that receive reports from (1) the Pandemic Response Accountability Committee and (2) the GAO.

Sec. 1004. Additional reporting on funding for diverse-owned businesses.

- This section would require the Pandemic Response Accountability Committee to submit to Congress, quarterly reports that include an analysis of federal funds provided during the pandemic used to support communities of color, including minority-owned businesses and minority depository institutions.

Sec. 1005. Reporting by inspectors general.

- This section would (1) require inspectors general at certain federal agencies to include in their semiannual reports information about their respective agencies' COVID-related rulemaking, supervisory, and oversight activities and (2) in addition to reporting such information in their semiannual report, Inspectors General must also provide such information to the Special Inspector General for Pandemic Recovery, the Pandemic Response Accountability Committee, and the Congressional Oversight Commission.

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