

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 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”.

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

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

10 (1) in subsection (c)(2)—

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

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

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

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

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

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

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

24 “(2) REPORT BY CREDIT UNION.—Not later
25 than 2 years after the date on which a Federal cred-

1 it union’s application described under paragraph (1)
2 is approved, the credit union, as part of the ordinary
3 course of the examination cycle and supervision
4 process, shall submit a report to the Administration
5 that includes—

6 “(A) an estimate of the number of mem-
7 bers of the credit union who are members by
8 reason of the application;

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

13 “(C) an update of the credit union’s imple-
14 mentation of the business and marketing plan
15 described under paragraph (1).”.

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:

1 “(vi) that is made to a member or as-
2 sociated borrower that lives in or operates
3 in an underserved area.”.

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

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

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

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

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

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

16 “(A) an investment area, as defined under
17 section 103(16) of the Community Development
18 Banking and Financial Institutions Act of
19 1994;

20 “(B) groups of contiguous census tracts in
21 which at least 85 percent individually qualify as
22 low-income communities, as defined under sec-
23 tion 45D(e) of the Internal Revenue Code of
24 1986; or

1 “(C) an area that is more than ten miles,
2 as measured from each point along the area’s
3 perimeter, from the nearest branch of a deposi-
4 tory institution (as defined under section 3 of
5 the Federal Deposit Insurance Act) or credit
6 union.”.

7 **SEC. 5. REPORT BY THE NATIONAL CREDIT UNION ADMIN-**
8 **ISTRATION.**

9 Not later than 3 years after the date of enactment
10 of this Act, but no sooner than 2 years after the date of
11 enactment of this Act, the National Credit Union Adminis-
12 tration shall issue a report to the Committee on Financial
13 Services of the House of Representatives and the Com-
14 mittee on Banking, Housing, and Urban Affairs of the
15 Senate on the implementation of the amendments made
16 by this Act.

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