

Union Calendar No. 265

117TH CONGRESS
2^D SESSION

H. R. 7003

[Report No. 117-351]

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

JUNE 7, 2022

Additional sponsor: Mr. DAVID SCOTT of Georgia

JUNE 7, 2022

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on March 8, 2022]

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. CREDIT UNION SERVICE TO UNDERSERVED AREAS.**

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

9 *(1) in subsection (c)(2)—*

10 *(A) by striking “the field of membership*
 11 *category of which is described in subsection*
 12 *(b)(2),”;*

13 *(B) by amending subparagraph (A) to read*
 14 *as follows:*

15 *“(A) the Board determines that the local*
 16 *community, neighborhood, or rural district is an*
 17 *underserved area; and”;* and

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

22 *(2) by adding at the end the following:*

23 **“(h) CHANGE OF FIELD OF MEMBERSHIP TO INCLUDE**
 24 **UNDERSERVED AREAS.—**

1 “(1) *IN GENERAL.*—If an existing Federal credit
2 union applies to the Board to alter or expand the
3 field of membership of the credit union to serve an
4 underserved area, the credit union shall submit a
5 business and marketing plan with such application
6 that explains the credit union’s ability and intent to
7 serve the population of the underserved area through
8 the change in field of membership.

9 “(2) *REPORT BY CREDIT UNION.*—Not later than
10 2 years after the date on which a Federal credit
11 union’s application described under paragraph (1) is
12 approved, the credit union, as part of the ordinary
13 course of the examination cycle and supervision proc-
14 ess, shall submit a report to the Administration that
15 includes—

16 “(A) an estimate of the number of members
17 of the credit union who are members by reason
18 of the application;

19 “(B) a description of the types of financial
20 services utilized by members of the credit union
21 who are members by reason of the application;
22 and

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

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

3 *Section 107A(c)(1)(B) of the Federal Credit Union Act*
 4 *(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” and*
 16 *inserting a period;*

17 *(2) in paragraph (9), by striking the period at*
 18 *the end 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 encompass*
 23 *or are located within—*

24 *“(A) an investment area, as defined under*
 25 *section 103(16) of the Community Development*
 26 *Banking and Financial Institutions Act of 1994;*

1 “(B) groups of contiguous census tracts in
 2 which at least 85 percent individually qualify as
 3 low-income communities, as defined under sec-
 4 tion 45D(e) of the Internal Revenue Code of
 5 1986; or

6 “(C) an area that is more than ten miles,
 7 as measured from each point along the area’s pe-
 8 rimeter, from the nearest branch of a depository
 9 institution (as defined under section 3 of the
 10 Federal Deposit Insurance Act) or credit
 11 union.”.

12 **SEC. 5. REPORTS BY THE NATIONAL CREDIT UNION ADMIN-**
 13 **ISTRATION.**

14 (a) *INITIAL REPORT.*—Not later than 3 years after the
 15 date of enactment of this Act, but no sooner than 2 years
 16 after the date of enactment of this Act, the National Credit
 17 Union Administration shall issue a report to the Committee
 18 on Financial Services of the House of Representatives and
 19 the Committee on Banking, Housing, and Urban Affairs
 20 of the Senate on the implementation of the amendments
 21 made by this Act.

22 (b) *UPDATE.*—The National Credit Union Adminis-
 23 tration shall issue an updated report on the implementation
 24 of the amendments made by this Act to the committees de-
 25 scribed under subsection (a) on the date that is 5 years after

- 1 *the date on which the Administration issues the initial re-*
- 2 *port under subsection (a).*

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