

JUNE 6, 2022

**RULES COMMITTEE PRINT 117-49**  
**TEXT OF H.R. 2543, THE FINANCIAL SERVICES**  
**RACIAL EQUITY, INCLUSION, AND ECONOMIC**  
**JUSTICE ACT**

**[Showing the text of the Financial Services Racial Equity,  
Inclusion, and Economic Justice Act.]**

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the  
3 “Financial Services Racial Equity, Inclusion, and Eco-  
4 nomic Justice Act”.

5 (b) **TABLE OF CONTENTS.**—The table of contents for  
6 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—EQUITY IN MONETARY POLICY**

Sec. 101. Duty to minimize and eliminate racial disparities.

Sec. 102. Appearances before and reports to the Congress.

**TITLE II—DIVERSITY DATA COLLECTION AND REPORTING**

Subtitle A—Diversity and Inclusion Data Accountability and Transparency

Sec. 211. Disclosures by regulated entities.

Subtitle B—LGBTQ Business Equal Credit Enforcement and Investment

Sec. 221. Small business loan data collection.

**TITLE III—ACCESS TO HOUSING AND LENDING**

Subtitle A—Improving Language Access in Mortgage Servicing

Sec. 311. Language access requirements and resources.

Subtitle B—Fair Lending for All

Sec. 321. Office of Fair Lending Testing.

- Sec. 322. Prohibition on credit discrimination.
- Sec. 323. Criminal penalties for violations of the Equal Credit Opportunity Act.
- Sec. 324. Review of loan applications.
- Sec. 325. Mortgage data collection.

Subtitle C—Promoting and Advancing Communities of Color Through  
Inclusive Lending

- Sec. 331. Strengthening diverse and mission-driven community financial institutions.
- Sec. 332. Capital investments, grants, and technology support for MDIs and CDFIs.
- Sec. 333. Supporting Young Entrepreneurs Program.
- Sec. 334. Map of minority depository institutions and community development financial institutions.
- Sec. 335. Report on certified community development financial institutions.
- Sec. 336. Consultation and minimization of data requests.
- Sec. 337. Access to the discount window of the Federal Reserve System for MDIs and CDFIs.
- Sec. 338. Study on securitization by CDFIs.

TITLE IV—DIVERSITY IN FINANCIAL INSTITUTIONS AND  
CORPORATIONS

Subtitle A—Promoting New and Diverse Depository Institutions

- Sec. 411. Study and strategic plan.

Subtitle B—Promoting Diversity and Inclusion in Banking

- Sec. 421. Diversity and inclusion ratings.

Subtitle C—Improving Corporate Governance Through Diversity

- Sec. 431. Submission of data relating to diversity by issuers.
- Sec. 432. Diversity advisory group.

Subtitle D—Ensuring Diversity in Community Banking

- Sec. 441. Short title.
- Sec. 442. Sense of Congress on funding the loan-loss reserve fund for small dollar loans.
- Sec. 443. Definitions.
- Sec. 444. Inclusion of women's banks in the definition of minority depository institution.
- Sec. 445. Establishment of impact bank designation.
- Sec. 446. Minority Depositories Advisory Committees.
- Sec. 447. Federal deposits in minority depository institutions.
- Sec. 448. Minority Bank Deposit Program.
- Sec. 449. Diversity report and best practices.
- Sec. 450. Investments in minority depository institutions and impact banks.
- Sec. 451. Report on covered mentor-protege programs.
- Sec. 452. Custodial deposit program for covered minority depository institutions and impact banks.
- Sec. 453. Streamlined community development financial institution applications and reporting.
- Sec. 454. Task force on lending to small business concerns.

Subtitle E—Expanding Opportunity for Minority Depository Institutions

Sec. 461. Establishment of Financial Agent Mentor-Protégé Program.

TITLE V—COMMUNITY DEVELOPMENT

Subtitle A—CDFI Bond Guarantee Program Improvement

Sec. 511. Sense of Congress.

Sec. 512. Guarantees for bonds and notes issued for community or economic development purposes.

Sec. 513. Report on the CDFI bond guarantee program.

Subtitle B—Expanding Financial Access for Underserved Communities

Sec. 521. Credit union service to underserved areas.

Sec. 522. Member business lending in underserved areas.

Sec. 523. Underserved area defined.

Sec. 524. Reports by the National Credit Union Administration.

1 **TITLE I—EQUITY IN MONETARY**  
2 **POLICY**

3 **SEC. 101. DUTY TO MINIMIZE AND ELIMINATE RACIAL DIS-**  
4 **PARITIES.**

5 The Federal Reserve Act (12 U.S.C. 221 et seq.) is  
6 amended by inserting after section 2B the following:

7 **“SEC. 2C. DUTY TO MINIMIZE AND ELIMINATE RACIAL DIS-**  
8 **PARITIES.**

9 “The Board of Governors of the Federal Reserve Sys-  
10 tem and the Federal Open Market Committee shall exer-  
11 cise all duties and functions in a manner that fosters the  
12 elimination of disparities across racial and ethnic groups  
13 with respect to employment, income, wealth, and access  
14 to affordable credit, including actions in carrying out—

15 (1) monetary policy;

16 (2) regulation and supervision of banks,  
17 thrifts, bank holding companies, savings and loan

1 holding companies, and nonbank financial companies  
2 and systemically important financial market utilities  
3 designated by the Financial Stability Oversight  
4 Council;

5 “(3) operation of payment systems;

6 “(4) implementation of the Community Rein-  
7 vestment Act of 1977;

8 “(5) enforcement of fair lending laws; and

9 “(6) community development functions.”.

10 **SEC. 102. APPEARANCES BEFORE AND REPORTS TO THE**  
11 **CONGRESS.**

12 Section 2B of the Federal Reserve Act (12 U.S.C.  
13 225b) is amended—

14 (1) in subsection (a)(1)—

15 (A) in subparagraph (A), by striking  
16 “and” at the end; and

17 (B) by striking subparagraph (B) and in-  
18 serting the following:

19 “(B) economic developments and prospects  
20 for the future described in the report required  
21 in subsection (b), including a discussion of dis-  
22 parities in employment, income, and wealth  
23 across racial and ethnic groups as well as other  
24 specific segments of the population; and

1           “(C) plans, activities, and actions of the  
2 Board and the Federal Open Market Committee  
3 to minimize and eliminate disparities across ra-  
4 cial and ethnic groups with respect to employ-  
5 ment, wages, wealth, and access to affordable  
6 credit pursuant to section 2C.”; and

7 (2) in subsection (b)—

8           (A) by striking “The Board” and inserting  
9 the following:

10 “(1) IN GENERAL.—The Board”; and

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

12 “(2) TREND INFORMATION.—

13           “(A) IN GENERAL.—Each report required  
14 under paragraph (1) shall include recent trends  
15 in the unemployment rate, labor force participa-  
16 tion rate, employment to population ratio, me-  
17 dian household income, and change in real  
18 earnings.

19           “(B) DEMOGRAPHIC INFORMATION.—The  
20 trends required to be reported under subpara-  
21 graph (A) shall include a comparison among  
22 different demographic groups, including race  
23 (White, African-American, Latino, Native  
24 American, and Asian populations), ethnicity,  
25 gender, and educational attainment.”.

1           **TITLE II—DIVERSITY DATA**  
2           **COLLECTION AND REPORTING**  
3           **Subtitle A—Diversity and Inclusion**  
4           **Data Accountability and Trans-**  
5           **parency**

6           **SEC. 211. DISCLOSURES BY REGULATED ENTITIES.**

7           Section 342(b) of the Dodd-Frank Wall Street Re-  
8           form and Consumer Protection Act (12 U.S.C. 5452(b))  
9           is amended by adding at the end the following:

10                   “(5) DISCLOSURES BY REGULATED ENTI-  
11           TIES.—The Director of each Office shall require en-  
12           tities with 100 employees or greater regulated by the  
13           applicable agency to provide such information as  
14           may be required to carry out the duties of the Direc-  
15           tor.”.

16           **Subtitle B—LGBTQ Business Equal**  
17           **Credit Enforcement and Invest-**  
18           **ment**

19           **SEC. 221. SMALL BUSINESS LOAN DATA COLLECTION.**

20           (a) IN GENERAL.—Section 704B of the Equal Credit  
21           Opportunity Act (15 U.S.C. 1691c–2) is amended—

22                   (1) by inserting “LGBTQ-owned,” after “mi-  
23           nority-owned,” each place such term appears;

24                   (2) in subsection (e)(2)(G), by inserting “, sex-  
25           ual orientation, gender identity” after “sex”; and

1           (3) in subsection (h), by adding at the end the  
2 following:

3           “(7) LGBTQ-OWNED BUSINESS.—The term  
4 ‘LGBTQ-owned business’ means a business—

5                   “(A) more than 50 percent of the owner-  
6 ship or control of which is held by 1 or more  
7 individuals self-identifying as lesbian, gay, bi-  
8 sexual, transgender, or queer; and

9                   “(B) more than 50 percent of the net prof-  
10 it or loss of which accrues to 1 or more individ-  
11 uals self-identifying as lesbian, gay, bisexual,  
12 transgender, or queer.”.

13       (b) SENSE OF CONGRESS.—It is the sense of the  
14 Congress that the term “sex”, as used within the Equal  
15 Credit Opportunity Act, includes an individual’s sexual  
16 orientation and gender identity, and that this section, in  
17 part, clarifies that the sex, sexual orientation, and gender  
18 identity of the principal owners of a business should be  
19 collected under section 704B of the Equal Credit Oppor-  
20 tunity Act as three separate forms of information.

1 **TITLE III—ACCESS TO HOUSING**  
2 **AND LENDING**  
3 **Subtitle A—Improving Language**  
4 **Access in Mortgage Servicing**

5 **SEC. 311. LANGUAGE ACCESS REQUIREMENTS AND RE-**  
6 **SOURCES.**

7 (a) IN GENERAL.—Chapter 2 of title I of the Truth  
8 in Lending Act (15 U.S.C. 1631 et seq.) is amended by  
9 inserting after section 129H the following:

10 **“§ 129I. Language access requirements.**

11 “(a) STANDARD LANGUAGE PREFERENCE FORM.—  
12 Not later than 90 days after the date of the enactment  
13 of this section, the Director of the Bureau of Consumer  
14 Financial Protection shall, after consulting with the Sec-  
15 retary of Agriculture, the Director of the Federal Housing  
16 Finance Agency, the Secretary of Veterans Affairs, and  
17 the Commissioner of the Federal Housing Authority, by  
18 rule, establish a standard language preference form which  
19 includes a standard language preference question asked in  
20 each of the 8 languages most commonly spoken by individ-  
21 uals with limited English proficiency, as determined by the  
22 Director of the Bureau using information published by the  
23 Director of the Bureau of the Census.

24 “(b) REQUIREMENTS FOR CREDITORS.—



1           “(1) USE OF STANDARD LANGUAGE PREF-  
2           ERENCE FORM BY CREDITORS.—

3           “(A) INCLUSION IN APPLICATION.—Each  
4           creditor shall include, in any written application  
5           used in connection with a residential mortgage  
6           loan, the standard language preference form es-  
7           tablished by the Director of the Bureau under  
8           subsection (a).

9           “(B) INCLUSION OF DISCLOSURE.—Each  
10          creditor may include with such standard lan-  
11          guage preference form a disclosure stating that  
12          documents and services may not be available in  
13          the preferred language indicated by the con-  
14          sumer on the standard language preference  
15          form.

16          “(C) DOCUMENTATION AND TRANSFER OF  
17          PREFERRED LANGUAGE INFORMATION.—If a  
18          creditor, or assignee of a creditor receives infor-  
19          mation about a language preference of a con-  
20          sumer through the standard language pref-  
21          erence form, orally or in writing in connection  
22          with a residential mortgage loan, as determined  
23          by the Director of the Bureau, including from  
24          another creditor or a servicer, such creditor or  
25          assignee shall document this language pref-

1           erence in each file or electronic file of informa-  
2           tion associated with such consumer and shall  
3           transfer such information and the standard lan-  
4           guage preference form to any servicer of the  
5           loan and to any creditor that may own the loan  
6           in the future.

7           “(2) PROVISION OF TRANSLATED DOCU-  
8           MENTS.—If a Federal agency or a State or local  
9           agency in the State or locality in which the residen-  
10          tial property is located has produced a translation of  
11          a document used in association with a residential  
12          mortgage loan in the preferred language of a con-  
13          sumer documented by a creditor pursuant to para-  
14          graph (1)(C), such creditor shall—

15                 “(A) provide such translation in addition  
16                 to any English version of such document that  
17                 would have been provided to such consumer  
18                 who indicated such preferred language; and

19                 “(B) include a notice on the English and  
20                 translated versions indicating that the English  
21                 version is the official and operative document  
22                 and the translated version is for informational  
23                 purposes only.

24           “(3) ORAL INTERPRETATION SERVICES.—

1           “(A) IN GENERAL.—If a creditor receives  
2 information about a language preference of a  
3 consumer through the standard language pref-  
4 erence form, orally or in writing in connection  
5 with a residential mortgage loan, as determined  
6 by the Director of the Bureau, including from  
7 another creditor or a servicer, such creditor  
8 shall provide oral interpretation services to such  
9 consumer.

10           “(B) ORAL INTERPRETATION SERVICES.—  
11 If a creditor is required under subparagraph  
12 (A) to provide oral interpretation services to a  
13 consumer, such creditor shall ensure qualified  
14 oral interpretation services, as defined by the  
15 Director of the Bureau, are made available in  
16 the preferred language of the consumer for all  
17 oral communications between the such creditor  
18 and the consumer and these oral interpretation  
19 services may be provided by qualified staff of  
20 the creditor or a qualified third party.

21           “(4) NOTICE OF AVAILABLE LANGUAGE SERV-  
22 ICES.—If a creditor receives information about a  
23 language preference of a consumer through the  
24 standard language preference form, orally or in writ-  
25 ing in connection with a residential mortgage loan,

1 as determined by the Director of the Bureau, includ-  
2 ing from another creditor or a servicer, such creditor  
3 shall not later than 10 business days after receiving  
4 such information, notify such consumer in writing,  
5 in the preferred language of the consumer, of any  
6 language services available, including the services re-  
7 quired under paragraphs (2) and (3).

8 “(5) TRANSFER OF LANGUAGE PREFERENCE  
9 INFORMATION.—If a creditor transfers the servicing  
10 associated with a residential mortgage loan, such  
11 creditor shall notify the transferee servicer of any  
12 known language preference of the consumer associ-  
13 ated with such residential mortgage loan.

14 “(6) INFORMATION ON WEBSITE.—Each cred-  
15 itor shall on the website of the creditor publish—

16 “(A) links to and explanatory information  
17 about the websites maintained by the Secretary  
18 of Housing and Urban Development and the  
19 Director of the Bureau of Consumer Financial  
20 Protection that identify housing counselors ap-  
21 proved by the Department of Housing and  
22 Urban Development; and

23 “(B) a link to and explanatory information  
24 about the language resources website estab-  
25 lished by the Director of the Bureau of Con-

1 consumer Financial Protection, the Secretary of  
2 Housing and Urban Development, the Director  
3 of the Federal Housing Finance Agency, the  
4 Secretary of Agriculture, and the Secretary of  
5 Veterans Affairs under section 311(e) of the Fi-  
6 nancial Services Racial Equity, Inclusion, and  
7 Economic Justice Act.

8 “(c) TRANSLATION OF MORTGAGE DOCUMENTS.—  
9 With respect to each document published by the Federal  
10 Housing Finance Agency, the Bureau of Consumer Finan-  
11 cial Protection, the Department of Housing and Urban  
12 Development, the Department of Veterans Affairs, and  
13 the Department of Agriculture and used in association  
14 with a residential mortgage loan transaction, including  
15 origination and servicing documents, the Director of the  
16 Bureau of Consumer Financial Protection and the Direc-  
17 tor of the Federal Housing Finance Agency shall jointly—

18 “(1) not later than 180 days after the date of  
19 the enactment of this section, publish versions of  
20 such documents translated into each of the 8 lan-  
21 guages most commonly spoken by individuals with  
22 limited English proficiency, as determined by the Di-  
23 rector of the Bureau of Consumer Financial Protec-  
24 tion using information published by the Director of  
25 the Bureau of the Census; and

1           “(2) not later than 3 years after the date of the  
2           enactment of this section, publish versions of such  
3           documents translated into at least 4 additional lan-  
4           guages spoken by individuals with limited English  
5           proficiency that are regionally prevalent in the  
6           United States, as determined by the Director of the  
7           Bureau of Consumer Financial Protection using in-  
8           formation published by the Director of the Bureau  
9           of the Census.

10          “(d) RULEMAKING.—The Director may issue such  
11         rules as the Director determines necessary to implement  
12         this section.”.

13          (b) REQUIREMENTS FOR SERVICERS.—Section 6 of  
14         the Real Estate Settlement Procedures Act of 1974 is  
15         amended by adding at the end the following:

16          “(n) LANGUAGE ACCESS REQUIREMENTS.—

17                 “(1) IN GENERAL.—

18                         “(A) INCLUSION IN NOTICES.—Each  
19                         servicer shall include the standard language  
20                         preference form with—

21                                 “(i) any notice required under section  
22                                 1024.39(b) of title 12, Code of Federal  
23                                 Regulations;

24                                 “(ii) any notice required under section  
25                                 (c);

1           “(iii) any notice required under sec-  
2           tion 1024.41(b)(2) of title 12, Code of  
3           Federal Regulations;

4           “(iv) any notice required under sec-  
5           tion 1024.41(c)(2)(iii) of title 12, Code of  
6           Federal Regulations; and

7           “(v) any other additional notice as the  
8           Director of the Bureau of Consumer Fi-  
9           nancial Protection determines necessary.

10          “(B) INCLUSION OF DISCLOSURES.—A  
11          servicer may include with the standard lan-  
12          guage preference form a disclosure stating that  
13          documents and services may not be available in  
14          the preferred language of the borrower indi-  
15          cated by the consumer on the standard lan-  
16          guage preference form.

17          “(C) DOCUMENTATION AND TRANSFER OF  
18          PREFERRED LANGUAGE INFORMATION.—If a  
19          servicer or an assignee of a servicer receives in-  
20          formation about a language preference of a bor-  
21          rower through the standard language preference  
22          form, orally or in writing in connection with a  
23          federally related mortgage, as determined by  
24          the Director of the Bureau, including from an-  
25          other servicer or creditor, such servicer or as-

1           signee shall document this language preference  
2           in each file or electronic file of information as-  
3           sociated with such borrower and shall transfer  
4           such information and the standard language  
5           preference form to any other servicer that may  
6           service the loan in the future.

7           “(2) REQUIRED LANGUAGE SERVICES FOR  
8           SERVICERS.—

9                   “(A) PROVISION OF TRANSLATED DOCU-  
10                   MENTS.—If a Federal agency, or a State or  
11                   local agency in the State or locality in which  
12                   the property subject to the federally related  
13                   mortgage loan is to be located has produced a  
14                   translation of a document used in associated  
15                   with a federally related mortgage loan in the  
16                   preferred language of a borrower as docu-  
17                   mented by the servicer pursuant to paragraph  
18                   (1)(C), the servicer shall—

19                           “(i) provide such translation in addi-  
20                           tion to any English version of such docu-  
21                           ment that would have been provided to  
22                           such borrower; and

23                           “(ii) include a notice on the English  
24                           and translated versions, in the preferred  
25                           language of the borrower, indicating that



1 the English version is the official and oper-  
2 ative document and the translated version  
3 is for informational purposes only.

4 “(B) ORAL INTERPRETATION SERVICES.—

5 “(i) IN GENERAL.—If a servicer re-  
6 ceives information about a language pref-  
7 erence of a borrower through the standard  
8 language preference form, orally or in writ-  
9 ing in connection with a federally related  
10 mortgage, as determined by the Director of  
11 the Bureau, including from another cred-  
12 itor or a servicer, such servicer shall pro-  
13 vide oral interpretation services to such  
14 borrower.

15 “(ii) ORAL INTERPRETATION SERV-  
16 ICES.—If a servicer is required under sub-  
17 paragraph (A) to provide oral interpreta-  
18 tion services to a borrower, such servicer  
19 shall ensure qualified oral interpretation  
20 services, as defined by the Director of the  
21 Bureau, are made available in the pre-  
22 ferred language of the borrower for all oral  
23 communications between the such servicer  
24 and the borrower and these oral interpreta-  
25 tion services may be provided by qualified

1                   staff of the borrower or a qualified third  
2                   party.

3                   “(3) NOTICE OF AVAILABLE LANGUAGE SERV-  
4                   ICES.—If a servicer receives information about a  
5                   language preference of a borrower through the  
6                   standard language preference form, orally or in writ-  
7                   ing in connection with a federally related mortgage,  
8                   as determined by the Director of the Bureau, includ-  
9                   ing from another creditor or a servicer, such servicer  
10                  shall, not later than 10 business days after receiving  
11                  such information, notify such borrower in writing, in  
12                  the preferred language of the borrower, of any lan-  
13                  guage services available, including the services re-  
14                  quired under paragraph (2).

15                  “(4) TRANSFER OF LANGUAGE PREFERENCE  
16                  INFORMATION.—If a servicer transfers the servicing  
17                  associated with a federally related mortgage loan,  
18                  such servicer shall notify the transferee servicer of  
19                  any known language preference of the borrower as-  
20                  sociated with such federally related mortgage loan.

21                  “(5) STANDARD LANGUAGE PREFERENCE FORM  
22                  DEFINED.—The term ‘standard language preference  
23                  form’ means the standard language preference form  
24                  established by the Director of the Bureau under sec-  
25                  tion 129I of the Truth in Lending Act.

1           “(7) INFORMATION ON WEBSITE.—Each  
2           servicer shall on the website of the servicer pub-  
3           lish—

4                   “(A) links to and information about the  
5           websites maintained by the Secretary of Hous-  
6           ing and Urban Development and the Director  
7           of the Bureau of Consumer Financial Protec-  
8           tion that identify housing counselors approved  
9           by the Department of Housing and Urban De-  
10          velopment; and

11                   “(B) a link to and information about the  
12          language resources website established by the  
13          Director of the Bureau of Consumer Financial  
14          Protection, the Secretary of Housing and  
15          Urban Development, the Director of the Fed-  
16          eral Housing Finance Agency, the Secretary of  
17          Agriculture, and the Secretary of Veterans Af-  
18          fairs under section 311(e) of the Financial  
19          Services Racial Equity, Inclusion, and Eco-  
20          nomic Justice Act.

21                   “(9) RULEMAKING.—The Director of the Bu-  
22          reau of Consumer Financial Protection may issue  
23          such rules as the Director determines necessary to  
24          implement this section.”.

1 (c) CLERICAL AMENDMENT.—The table of sections  
2 in chapter 2 of the Truth in Lending Act (15 U.S.C. 1631  
3 et seq) is amended by inserting after the item relating to  
4 section 129H the following:

“129I. Preferred language requirements.”.

5 (d) REPORT.—Not later than 1 year after the date  
6 of the enactment of this section, and each year thereafter,  
7 the Director of the Bureau of Consumer Financial Protec-  
8 tion, the Secretary of Housing and Urban Development,  
9 the Director of the Federal Housing Finance Agency, the  
10 Secretary of Agriculture, and the Secretary of Veterans  
11 Affairs shall submit a report to the Congress that con-  
12 tains—

13 (1) regulatory recommendations to enhance  
14 mortgage origination and servicing processes for per-  
15 sons with a preferred language that is not English;

16 (2) a description of any legislative changes  
17 needed to provide authority necessary to implement  
18 the regulatory recommendations; and

19 (3) a description of any progress on the imple-  
20 mentation of any legislative or regulatory rec-  
21 ommendation made in a previous report.

22 (e) LANGUAGE RESOURCE WEBSITE.—

23 (1) IN GENERAL.—The Director of the Bureau  
24 of Consumer Financial Protection, the Secretary of  
25 Housing and Urban Development, the Director of

1 the Federal Housing Finance Agency, the Secretary  
2 of Agriculture, and the Secretary of Veterans Affairs  
3 shall jointly not later than 1 year after the date of  
4 the enactment of this section establish and maintain  
5 a website that provides language resources for credi-  
6 tors, servicers, and consumers.

7 (2) WEBSITE REQUIREMENTS.—The website de-  
8 veloped pursuant to paragraph (1) shall include—

9 (A) the translations of documents pub-  
10 lished pursuant to section 129I(c) of the Truth  
11 in Lending Act;

12 (B) a glossary of terms relating to residen-  
13 tial mortgage loans and federally related mort-  
14 gage loans, provided in each commonly spoken  
15 language;

16 (C) guidance for creditors and servicers  
17 working with persons who have a preferred lan-  
18 guage that is not English; and

19 (D) examples of notices that may be used  
20 by creditors and servicers to inform persons of  
21 available language services, provided in accord-  
22 ance with section 6(n)(2) of the Real Estate  
23 Settlement Procedures Act of 1974 and section  
24 129I of the Truth in Lending Act.

25 (f) ADVISORY GROUP.—

1           (1) IN GENERAL.—The Director of the Bureau  
2 of Consumer Financial Protection shall establish an  
3 advisory group consisting of stakeholders, including  
4 industry groups, consumer groups, civil rights  
5 groups, and groups that have experience improving  
6 language access in housing finance transactions, to  
7 provide advice to the Director about—

8                   (A) issues that arise relating to mortgage  
9 origination and servicing processes for persons  
10 with a preferred language that is not English;  
11 and

12                   (B) the development of the standard lan-  
13 guage preference form by the Director under  
14 section 129I(a) of the Truth in Lending Act;

15                   (C) updates to the language resource  
16 website established by the Director of the Bu-  
17 reau of Consumer Financial Protection, the  
18 Secretary of Housing and Urban Development,  
19 the Director of the Federal Housing Finance  
20 Agency, the Secretary of Agriculture, and the  
21 Secretary of Veterans Affairs under subsection  
22 (e).

23           (2) REQUIRED CONSULTING.—The Director of  
24 the Bureau of Consumer Financial Protection shall  
25 consult with the advisory group established pursuant

1 to paragraph (1) with respect to any issues that  
2 arise relating to mortgage origination and servicing  
3 processes for persons with a preferred language that  
4 is not English.

5 (g) HOUSING COUNSELING AGENCY LANGUAGE RE-  
6 SOURCES.—

7 (1) ENHANCED SEARCH CAPABILITIES.—

8 (A) HUD.—The Secretary of Housing and  
9 Urban Development shall not later than 1 year  
10 after the date of the enactment of this section  
11 update the website maintained by the Secretary  
12 that identifies housing counselors approved by  
13 the Department of Housing and Urban Devel-  
14 opment, to allow for searching for housing  
15 counseling agencies based on the language serv-  
16 ices they provide.

17 (B) BUREAU.—The Director of the Bureau  
18 of Consumer Financial protection shall not later  
19 than 1 year after the date of the enactment of  
20 this section update the website maintained by  
21 the Director that identifies housing counselors  
22 approved by the Department of Housing and  
23 Urban Development, to allow for searching for  
24 housing counseling agencies based on the lan-  
25 guage services they provide.

1           (2) AUTHORIZATION OF APPROPRIATIONS.—

2           There is authorized to be appropriated to the Sec-  
3           retary of the Department of Housing and Urban De-  
4           velopment, such sums as are necessary to support  
5           language training for HUD-approved housing coun-  
6           selors, counseling agencies, and their staff.

7           (h) DEFINITIONS.—In this section:

8           (1) The term “creditor” has the meaning given  
9           the term in section 103 of the Truth in Lending Act  
10          and shall include any assignee of a creditor.

11          (2) The term “director” means the Director of  
12          the Bureau of Consumer Financial Protection.

13          (3) The term “servicer” has the meaning given  
14          the term in section 6(i) of the Real Estate Settle-  
15          ment Procedures Act of 1974.

16          (4) The term “residential mortgage loan” has  
17          the meaning given the term in section 103 of the  
18          Truth in Lending Act.

19          (5) The term “federally related mortgage loan”  
20          has the meaning given the term in section 3 of the  
21          Real Estate Settlement Procedures Act of 1974.

## 22       **Subtitle B—Fair Lending for All**

### 23       **SEC. 321. OFFICE OF FAIR LENDING TESTING.**

24          (a) ESTABLISHMENT.—There is established within  
25          the Bureau of Consumer Financial Protection an Office



1 of Fair Lending Testing (hereinafter referred to as the  
2 “Office”).

3 (b) DIRECTOR.—The head of the Office shall be a  
4 Director, who shall—

5 (1) be appointed to a 5-year term by, and re-  
6 port to, the Director of the Bureau of Consumer Fi-  
7 nancial Protection;

8 (2) appoint and fix the compensation of such  
9 employees as are necessary to carry out the duties  
10 of the Office under this section; and

11 (3) provide an estimated annual budget to the  
12 Director of the Bureau of Consumer Financial Pro-  
13 tection.

14 (c) CIVIL SERVICE POSITION.—The position of the  
15 Director shall be a career position within the civil service.

16 (d) TESTING.—

17 (1) IN GENERAL.—The Office, in consultation  
18 with the Attorney General and the Secretary of  
19 Housing and Urban Development, shall conduct  
20 testing of compliance with the Equal Credit Oppor-  
21 tunity Act by creditors, through the use of individ-  
22 uals who, without any bona fide intent to receive a  
23 loan, pose as prospective borrowers for the purpose  
24 of gathering information.

1           (2) REFERRAL OF VIOLATIONS.—If, in carrying  
2           out the testing described under paragraph (1), the  
3           Office believes a person has violated the Equal Cred-  
4           it Opportunity Act, the Office shall refer such viola-  
5           tion in writing to the Attorney General for appro-  
6           priate action.

7           (e) REPORT TO CONGRESS.—Section 707 of the  
8           Equal Credit Opportunity Act (15 U.S.C. 1691f) is  
9           amended by adding at the end the following: “In addition,  
10          each report of the Bureau shall include an analysis of the  
11          testing carried out pursuant to section 321 of the Finan-  
12          cial Services Racial Equity, Inclusion, and Economic Jus-  
13          tice Act, and each report of the Bureau and the Attorney  
14          General shall include a summary of criminal enforcement  
15          actions taken under section 706A.”.

16   **SEC. 322. PROHIBITION ON CREDIT DISCRIMINATION.**

17          (a) IN GENERAL.—Subsection (a) of section 701 of  
18          the Equal Credit Opportunity Act (15 U.S.C. 1691) is  
19          amended to read as follows:

20               “(a) It shall be unlawful to discriminate against any  
21          person, with respect to any aspect of a credit trans-  
22          action—

23                       “(1) on the basis of race, color, religion, na-  
24          tional origin, sex (including sexual orientation and

1 gender identity), marital status, or age (provided the  
2 applicant has the capacity to contract);

3 “(2) on the basis of the person’s zip code, or  
4 census tract;

5 “(3) because all or part of the person’s income  
6 derives from any public assistance program; or

7 “(4) because the person has in good faith exer-  
8 cised any right under the Consumer Credit Protec-  
9 tion Act.”.

10 (b) REMOVAL OF CERTAIN REFERENCES TO CREDI-  
11 TORS AND APPLICANTS AND DEFINITION ADDED.—The  
12 Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.)  
13 is amended—

14 (1) in section 701(b)—

15 (A) by striking “applicant” each place  
16 such term appears and inserting “person”; and

17 (B) in paragraph (2), by striking “appli-  
18 cant’s” each place such term appears and in-  
19 serting “person’s”;

20 (2) in section 702—

21 (A) by redesignating subsection (g) as sub-  
22 section (h); and

23 (B) by inserting after subsection (f) the  
24 following:

1           “(g) The term ‘aggrieved person’ includes any person  
2 who—

3           “(1) claims to have been injured by a discrimi-  
4 natory credit practice; or

5           “(2) believes that such person will be injured by  
6 a discriminatory credit practice.”;

7           (3) in section 704A—

8           (A) in subsection (b)(1), by striking “ap-  
9 plicant” each place such term appears and in-  
10 sserting “aggrieved person”; and

11           (B) in subsection (c), by striking “appli-  
12 cant” and inserting “aggrieved person”;

13           (4) in section 705—

14           (A) by striking “the applicant” each place  
15 such term appears and inserting “persons”; and

16           (B) in subsection (a)—

17           (i) by striking “a creditor to take”  
18 and inserting “taking”; and

19           (ii) by striking “applicant” and insert-  
20 ing “person”; and

21           (5) in section 706—

22           (A) by striking “creditor” each place such  
23 term appears and inserting “person”;

24           (B) by striking “creditor’s” each place  
25 such term appears and inserting “person’s”;

1 (C) by striking “creditors” each place such  
2 term appears and inserting “persons”; and

3 (D) in subsection (f), by striking “appli-  
4 cant” and inserting “aggrieved person”.

5 **SEC. 323. CRIMINAL PENALTIES FOR VIOLATIONS OF THE**  
6 **EQUAL CREDIT OPPORTUNITY ACT.**

7 (a) IN GENERAL.—The Equal Credit Opportunity  
8 Act (15 U.S.C. 1691 et seq.) is amended by inserting after  
9 section 706 the following:

10 **“§ 706A. Criminal penalties**

11 “(a) INDIVIDUAL VIOLATIONS.—Any person who  
12 knowingly and willfully violates this title shall be fined not  
13 more than \$50,000, or imprisoned not more than 1 year,  
14 or both.

15 “(b) PATTERN OR PRACTICE.—

16 “(1) IN GENERAL.—Any person who engages in  
17 a pattern or practice of knowingly and willfully vio-  
18 lating this title shall be fined not more than  
19 \$100,000 for each violation of this title, or impris-  
20 oned not more than twenty years, or both.

21 “(2) PERSONAL LIABILITY OF EXECUTIVE OFFI-  
22 CERS AND DIRECTORS OF THE BOARD.—Any execu-  
23 tive officer or director of the board of an entity who  
24 knowingly and willfully causes the entity to engage  
25 in a pattern or practice of knowingly and willfully

1 violating this title (or who directs another agent,  
2 senior officer, or director of the entity to commit  
3 such a violation or engage in such acts that result  
4 in the director or officer being personally unjustly  
5 enriched) shall be—

6 “(A) fined in an amount not to exceed 100  
7 percent of the compensation (including stock  
8 options awarded as compensation) received by  
9 such officer or director from the entity—

10 “(i) during the time period in which  
11 the violations occurred; or

12 “(ii) in the one to three year time pe-  
13 riod preceding the date on which the viola-  
14 tions were discovered; and

15 “(B) imprisoned for not more than 5  
16 years.”.

17 (b) CLERICAL AMENDMENT.—The table of contents  
18 for the Equal Credit Opportunity Act (15 U.S.C. 1691  
19 et seq.) is amended by inserting after the item relating  
20 to section 706 the following:

“706A. Criminal penalties.”.

21 **SEC. 324. REVIEW OF LOAN APPLICATIONS.**

22 (a) IN GENERAL.—Subtitle C of the Consumer Fi-  
23 nancial Protection Act of 2010 (12 U.S.C. 5531 et seq.)  
24 is amended by adding at the end the following:

1 **“SEC. 1038. REVIEW OF LOAN APPLICATIONS.**

2 “(a) IN GENERAL.—The Bureau shall carry out re-  
3 views of loan applications and the process of taking loan  
4 applications being used by covered persons to ensure such  
5 applications and processes do not violate the Equal Credit  
6 Opportunity Act or any other Federal consumer financial  
7 law.

8 “(b) PROHIBITION AND ENFORCEMENT.—If the Bu-  
9 reau determines under subsection (a) that any loan appli-  
10 cation or process of taking a loan application violates the  
11 Equal Credit Opportunity Act or any other Federal con-  
12 sumer financial law, the Bureau shall—

13 “(1) prohibit the covered person from using  
14 such application or process; and

15 “(2) take such enforcement or other actions  
16 with respect to the covered person as the Bureau de-  
17 termines appropriate.”.

18 (b) CLERICAL AMENDMENT.—The table of contents  
19 in section 1 of the Dodd-Frank Wall Street Reform and  
20 Consumer Protection Act is amended by inserting after  
21 the item relating to section 1037 the following:

“Sec. 1038. Review of loan applications.”.

22 **SEC. 325. MORTGAGE DATA COLLECTION.**

23 (a) IN GENERAL.—Section 304(b)(4) of the Home  
24 Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(b)(4))  
25 is amended by striking “census tract, income level, racial

1 characteristics, age, and gender” and inserting “the appli-  
2 cant or borrower’s zip code, census tract, income level,  
3 race, color, religion, national origin, sex, marital status,  
4 sexual orientation, gender identity, and age”.

5 (b) PROTECTION OF PRIVACY INTERESTS.—Section  
6 304(h)(3)(A) of the Home Mortgage Disclosure Act of  
7 1975 (12 U.S.C. 2803(h)(3)(A)) is amended—

8 (1) in clause (i), by striking “and” at the end;

9 (2) by redesignating clause (ii) as clause (iii);

10 and

11 (3) by inserting after clause (i) the following:

12 “(ii) zip code, census tract, and any  
13 other category of data described in sub-  
14 section (b)(4), as the Bureau determines to  
15 be necessary to satisfy the purpose de-  
16 scribed in paragraph (1)(E), and in a man-  
17 ner consistent with that purpose; and”.

18 **Subtitle C—Promoting and Advanc-**  
19 **ing Communities of Color**  
20 **Through Inclusive Lending**

21 **SEC. 331. STRENGTHENING DIVERSE AND MISSION-DRIVEN**  
22 **COMMUNITY FINANCIAL INSTITUTIONS.**

23 (a) MINORITY LENDING INSTITUTION SET-ASIDE IN  
24 PROVIDING ASSISTANCE.—



1           (1) IN GENERAL.—Section 108 of the Riegle  
2           Community Development and Regulatory Improve-  
3           ment Act of 1994 (12 U.S.C. 4707) is amended by  
4           adding at the end the following:

5           “(i) MINORITY LENDING INSTITUTION SET-ASIDE IN  
6           PROVIDING ASSISTANCE.—Notwithstanding any other  
7           provision of law, in providing any assistance to community  
8           development financial institutions, the Fund shall reserve  
9           40 percent of such assistance for minority lending institu-  
10          tions.”.

11           (2) DEFINITIONS.—Section 103 of the Riegle  
12          Community Development and Regulatory Improve-  
13          ment Act of 1994 (12 U.S.C. 4702) is amended by  
14          adding at the end the following:

15           “(22) MINORITY LENDING INSTITUTION.—The  
16          term ‘minority lending institution’ has the meaning  
17          given that term under section 523(c) of division N  
18          of the Consolidated Appropriations Act, 2021.”.

19           (b) OFFICE OF MINORITY LENDING INSTITU-  
20          TIONS.—Section 104 of the Riegle Community Develop-  
21          ment and Regulatory Improvement Act of 1994 (12  
22          U.S.C. 4703) is amended by adding at the end the fol-  
23          lowing:

24           “(l) CDFI OFFICE OF MINORITY LENDING INSTITU-  
25          TIONS.—There is established within the Fund an Office

1 of Minority Lending Institutions, which shall oversee as-  
2 sistance provided by the Fund to minority lending institu-  
3 tions.”.

4 (c) REPORTING ON MINORITY LENDING INSTITU-  
5 TIONS.—Section 117 of the Riegle Community Develop-  
6 ment and Regulatory Improvement Act of 1994 (12  
7 U.S.C. 4716) is amended by adding at the end the fol-  
8 lowing:

9 “(g) REPORTING ON MINORITY LENDING INSTITU-  
10 TIONS.—Each report required under subsection (a) shall  
11 include a description of the extent to which assistance  
12 from the Fund are provided to minority lending institu-  
13 tions.”.

14 (d) SUBMISSION OF DATA RELATING TO DIVERSITY  
15 BY COMMUNITY DEVELOPMENT FINANCIAL INSTITU-  
16 TIONS.—Section 104 of the Riegle Community Develop-  
17 ment and Regulatory Improvement Act of 1994 (12  
18 U.S.C. 4703), as amended by subsection (b), is further  
19 amended by adding at the end the following:

20 “(m) SUBMISSION OF DATA RELATING TO DIVER-  
21 SITY.—

22 “(1) DEFINITIONS.—In this subsection—

23 “(A) the term ‘executive officer’ has the  
24 meaning given the term in section 230.501(f) of  
25 title 17, Code of Federal Regulations, as in ef-

1           fect on the date of enactment of this subsection;  
2           and

3                   “(B) the term ‘veteran’ has the meaning  
4           given the term in section 101 of title 38, United  
5           States Code.

6                   “(2) SUBMISSION OF DISCLOSURE.—Each Fund  
7           applicant and recipient shall provide the following:

8                           “(A) Data, based on voluntary self-identi-  
9                           fication, on the racial, ethnic, and gender com-  
10                           position of—

11                                   “(i) the board of directors of the insti-  
12                                   tution;

13                                   “(ii) nominees for the board of direc-  
14                                   tors of the institution; and

15                                   “(iii) the executive officers of the in-  
16                                   stitution.

17                           “(B) The status of any member of the  
18           board of directors of the institution, any nomi-  
19           nee for the board of directors of the institution,  
20           or any executive officer of the institution, based  
21           on voluntary self-identification, as a veteran.

22                           “(C) Whether the board of directors of the  
23           institution, or any committee of that board of  
24           directors, has, as of the date on which the insti-  
25           tution makes a disclosure under this paragraph,

1 adopted any policy, plan, or strategy to promote  
2 racial, ethnic, and gender diversity among—

3 “(i) the board of directors of the insti-  
4 tution;

5 “(ii) nominees for the board of direc-  
6 tors of the institution; or

7 “(iii) the executive officers of the in-  
8 stitution.

9 “(3) ANNUAL REPORT.—Not later than 18  
10 months after the date of enactment of this sub-  
11 section, and annually thereafter, the Fund shall sub-  
12 mit to the Committee on Banking, Housing, and  
13 Urban Affairs of the Senate and the Committee on  
14 Financial Services of the House of Representatives,  
15 and make publicly available on the website of the  
16 Fund, a report—

17 “(A) on the data and trends of the diver-  
18 sity information made available pursuant to  
19 paragraph (2); and

20 “(B) containing all administrative or legis-  
21 lative recommendations of the Fund to enhance  
22 the implementation of this title or to promote  
23 diversity and inclusion within community devel-  
24 opment financial institutions.”.

1 (e) OFFICE OF DIVERSE AND MISSION-DRIVEN COM-  
2 MUNITY FINANCIAL INSTITUTIONS.—

3 (1) ESTABLISHMENT.—There is established  
4 within the Department of the Treasury the Office of  
5 Diverse and Mission-Driven Community Financial  
6 Institutions.

7 (2) LEADERSHIP.—The Office of Diverse and  
8 Mission-Driven Community Financial Institutions  
9 shall be led by a Deputy Assistant Secretary for Di-  
10 verse and Mission-Driven Community Financial In-  
11 stitutions, who shall be appointed by the Secretary  
12 of the Treasury, in consultation with the Depart-  
13 ment of the Treasury’s Director of Office of Minor-  
14 ity and Women Inclusion.

15 (3) FUNCTIONS.—The Office of Diverse and  
16 Mission-Driven Community Financial Institutions,  
17 pursuant to the direction of the Secretary, shall have  
18 the authority—

19 (A) to monitor and issue reports regard-  
20 ing—

21 (i) community development financial  
22 institutions, minority depository institu-  
23 tions, and minority lending institutions;  
24 and

1 (ii) the role such institutions play in  
2 the financial system of the United States,  
3 including the impact they have on pro-  
4 viding financial access to low- and mod-  
5 erate-income communities, communities of  
6 color, and other underserved communities;

7 (B) to serve as a resource and Federal liai-  
8 son for current and prospective community de-  
9 velopment financial institutions, minority depos-  
10 itory institutions, and minority lending institu-  
11 tions engaging with the Department of the  
12 Treasury, the Community Development Finan-  
13 cial Institutions Fund (“CDFI Fund”), other  
14 Federal government agencies, including by pro-  
15 viding contact information, resources, technical  
16 assistance, and other support for entities wish-  
17 ing—

18 (i) to become certified as a community  
19 development financial institution, and  
20 maintain the certification;

21 (ii) to obtain a banking charter, de-  
22 posit insurance, or otherwise carry on  
23 banking activities in a safe, sound, and re-  
24 sponsible manner;

- 1 (iii) to obtain financial support
- 2 through private sector deposits, invest-
- 3 ments, partnerships, and other means;
- 4 (iv) to expand their operations
- 5 through internal growth and acquisitions;
- 6 (v) to develop and upgrade their tech-
- 7 nology, cybersecurity resilience, compliance
- 8 systems, data reporting systems, and their
- 9 capacity to support their communities, in-
- 10 cluding through partnerships with third-
- 11 party companies;
- 12 (vi) to obtain grants, awards, invest-
- 13 ments and other financial support made
- 14 available through the CDFI Fund, the
- 15 Board of Governors of the Federal Reserve
- 16 System, the Central Liquidity Facility, the
- 17 Federal Home Loan Banks, and other
- 18 Federal programs;
- 19 (vii) to participate as a financial inter-
- 20 mediary with respect to various Federal
- 21 and State programs and agencies, includ-
- 22 ing the State Small Business Credit Initia-
- 23 tive and programs of the Small Business
- 24 Administration; and

1 (viii) to participate in Financial Agent  
2 Mentor-Protégé Program of the Depart-  
3 ment of the Treasury and other Federal  
4 programs designed to support private sec-  
5 tor partnerships;

6 (C) to provide resources to the public wish-  
7 ing to learn more about minority depository in-  
8 stitutions, community development financial in-  
9 stitutions, and minority lending institutions, in-  
10 cluding helping the Secretary implement the re-  
11 quirements under section 334, publishing re-  
12 ports issued by the Office on the website of the  
13 Department of the Treasury and providing  
14 hyperlinks to other relevant reports and mate-  
15 rials from other Federal agencies;

16 (D) to provide policy recommendations to  
17 the Secretary, the CDFI Fund, other relevant  
18 Federal agencies, and Congress on ways to fur-  
19 ther strengthen Federal support for community  
20 development financial institutions, minority de-  
21 pository institutions, and minority lending insti-  
22 tutions;

23 (E) to assist the Secretary in carrying out  
24 the Secretary's responsibilities under section  
25 308 of the Financial Institutions Reform, Re-



1           covery, and Enforcement Act of 1989 (12  
2           U.S.C. 1463 note) to preserve and promote mi-  
3           nority depository institutions in consultation  
4           with the Chairman of the Board of Governors  
5           of the Federal Reserve System, the Comptroller  
6           of the Currency, the Chairman of the National  
7           Credit Union Administration, and the Chair-  
8           person of the Board of Directors of the Federal  
9           Deposit Insurance Corporation;

10           (F) to carry out other duties of the Sec-  
11           retary of the Treasury required by this Act and  
12           the amendments made by this Act, and to per-  
13           form such other related duties and authorities  
14           as may be assigned by the Secretary.

15           (f) STRENGTHENING FEDERAL EFFORTS AND  
16 INTERAGENCY COORDINATION TO PROMOTE DIVERSE  
17 AND MISSION-DRIVEN COMMUNITY FINANCIAL INSTITU-  
18 TIONS.—

19           (1) SENIOR OFFICIALS DESIGNATED.—The  
20           Chairman of the Board of Governors of the Federal  
21           Reserve System, the Comptroller of the Currency,  
22           the Chairman of the National Credit Union Admin-  
23           istration, the Chairperson of the Board of Directors  
24           of the Federal Deposit Insurance Corporation, and  
25           the Director of the Bureau of Consumer Financial

1 Protection shall each, in consultation with their re-  
2 spective Director of Office of Minority and Women  
3 Inclusion, designate a senior official to be their re-  
4 spective agency's officer responsible for promoting  
5 minority depository institutions, community develop-  
6 ment financial institutions, and minority lending in-  
7 stitutions, including to fulfill obligations under sec-  
8 tion 308 of the Financial Institutions Reform, Re-  
9 covery, and Enforcement Act of 1989 (12 U.S.C.  
10 1463 note) to preserve and promote minority depository  
11 institutions.

12 (2) INTERAGENCY WORKING GROUP.—The Dep-  
13 uty Assistant Secretary for Diverse and Mission-  
14 Driven Community Financial Institutions shall regu-  
15 larly convene meetings, no less than once a quarter,  
16 of an interagency working group to be known as the  
17 “Interagency Working Group to Promote Diverse  
18 and Mission-Driven Community Financial Institu-  
19 tions”, which shall consist of the senior officials des-  
20 ignated by their respective agencies under paragraph  
21 (1), along with the Director of the Community De-  
22 velopment Financial Institutions Fund and such  
23 other government officials as the Deputy Assistant  
24 Secretary may choose to invite, to examine and dis-  
25 cuss the state of minority depository institutions,

1 community development financial institutions, and  
2 minority lending institutions, and actions the rel-  
3 evant agencies can take to preserve, promote, and  
4 strengthen these institutions.

5 (3) ANNUAL REPORT TO CONGRESS.—Not later  
6 than 1 year after the date of the enactment of this  
7 subsection, and annually thereafter, the Secretary of  
8 the Treasury, the Chairman of the Board of Gov-  
9 ernors of the Federal Reserve System, the Comp-  
10 troller of the Currency, the Chairman of the Na-  
11 tional Credit Union Administration, the Chairperson  
12 of the Board of Directors of the Federal Deposit In-  
13 surance Corporation, and the Director of the Bureau  
14 of Consumer Financial Protection shall submit a  
15 joint report to the Committee on Financial Services  
16 of the House of Representatives and the Committee  
17 on Banking, Housing, and Urban Affairs of the Sen-  
18 ate regarding the work that has been done the prior  
19 year to preserve, promote, and strengthen commu-  
20 nity development financial institutions, minority de-  
21 pository institutions, and minority lending institu-  
22 tions, along with any policy recommendations on ac-  
23 tions various government agencies and Congress  
24 should take to preserve, promote, and strengthen  
25 community development financial institutions, mi-

1           nority depository institutions, and minority lending  
2           institutions.

3   **SEC. 332. CAPITAL INVESTMENTS, GRANTS, AND TECH-**  
4                           **NOLOGY SUPPORT FOR MDIS AND CDFIS.**

5           (a) AUTHORIZATION OF APPROPRIATION.—There is  
6 authorized to be appropriated to the Emergency Capital  
7 Investment Fund \$4,000,000,000.

8           (b) CONFORMING AMENDMENTS TO ALLOW FOR AD-  
9           DITIONAL PURCHASES OF CAPITAL.—Section 104A of the  
10 Riegle Community Development and Regulatory Improve-  
11 ment Act of 1994 (12 U.S.C. 4703a) is amended—

12                   (1) in subsection (c), by striking paragraph (2);  
13           and

14                   (2) in subsection (e), by striking paragraph (2).

15           (c) USE OF FUNDS FOR CDFI FINANCIAL AND  
16 TECHNICAL ASSISTANCE.—Section 104A of the Riegle  
17 Community Development and Regulatory Improvement  
18 Act of 1994 (12 U.S.C. 4703a) is amended by adding at  
19 the end the following:

20           “(p) USE OF FUNDS FOR CDFI FINANCIAL AND  
21 TECHNICAL ASSISTANCE.—The Secretary may transfer  
22 amounts in the Emergency Capital Investment Fund to  
23 the Fund for the purpose of providing financial and tech-  
24 nical assistance grants to community development finan-  
25 cial institutions certified by the Secretary.”.

1 (d) TECHNOLOGY GRANTS FOR MDIS AND CDFIS.—  
2 Section 104A of the Riegle Community Development and  
3 Regulatory Improvement Act of 1994 (12 U.S.C. 4703a),  
4 as amended by subsection (c), is further amended by add-  
5 ing at the end the following:

6 “(q) TECHNOLOGY GRANTS FOR MDIS AND  
7 CDFIS.—

8 “(1) STUDY AND REPORT ON CERTAIN TECH-  
9 NOLOGY CHALLENGES.—

10 “(A) STUDY.—The Secretary shall carry  
11 out a study on the technology challenges im-  
12 pacting minority depository institutions and  
13 community development financial institutions  
14 with respect to—

15 “(i) internal technology capabilities  
16 and capacity of the institutions to process  
17 loan applications and otherwise serve cur-  
18 rent and potential customers through the  
19 internet, mobile phone applications, and  
20 other tools;

21 “(ii) technology capabilities and ca-  
22 pacity of the institutions, provided in part-  
23 nership with third party companies, to  
24 process loan applications and otherwise  
25 serve current and potential customers

1 through the internet, mobile phone applica-  
2 tions, and other tools;

3 “(iii) cybersecurity; and

4 “(iv) challenges and solutions related  
5 to algorithmic bias in the deployment of  
6 technology.

7 “(B) REPORT.—Not later than 1 year  
8 after the date of the enactment of this sub-  
9 section, the Secretary shall submit a report to  
10 the Committee on Financial Services of the  
11 House of Representatives and the Committee  
12 on Banking, Housing, and Urban Affairs of the  
13 Senate that includes the results of the study re-  
14 quired under subparagraph (A).

15 “(2) TECHNOLOGY GRANT PROGRAM.—

16 “(A) PROGRAM AUTHORIZED.—The Sec-  
17 retary shall carry out a technology grant pro-  
18 gram to make grants to minority depository in-  
19 stitutions and community development financial  
20 institutions to address technology challenges  
21 impacting such institutions.

22 “(B) APPLICATION.—To be eligible to be  
23 awarded a grant under this paragraph, a mi-  
24 nority depository institution or community de-  
25 velopment financial institution shall submit an

1 application to the Secretary at such time, in  
2 such manner, and containing such information  
3 as the Secretary may require.

4 “(C) USE OF FUNDS.—A minority deposi-  
5 tory institution or community development fi-  
6 nancial institution that is awarded a grant  
7 under this paragraph may use the grant funds  
8 to—

9 “(i) enhance or adopt technologies  
10 that—

11 “(I) shorten loan approval proc-  
12 esses;

13 “(II) improve customer experi-  
14 ence;

15 “(III) provide additional services  
16 to customers;

17 “(IV) facilitate compliance with  
18 applicable laws, regulations, and pro-  
19 gram requirements, including testing  
20 to ensure that the use of technology  
21 does not result in discrimination, and  
22 helping to satisfy data reporting re-  
23 quirements; and

1                   “(V) help ensure privacy of cus-  
2                   tomer records and cybersecurity resil-  
3                   ience or

4                   “(ii) carry out such other activities as  
5                   the Secretary determines appropriate.

6                   “(3) FUNDING.—The Secretary may use  
7                   amounts in the Emergency Capital Investment Fund  
8                   to make grants under paragraph (2), but not to ex-  
9                   ceed \$250,000,000 in the aggregate.”.

10                  (e) PILOT PROGRAM FOR ESTABLISHING DE NOVO  
11                  CDFIS AND MDIS.—Section 104A of the Riegle Commu-  
12                  nity Development and Regulatory Improvement Act of  
13                  1994 (12 U.S.C. 4703a), as amended by subsections (c)  
14                  and (d), is further amended by adding at the end the fol-  
15                  lowing:

16                  “(r) PILOT PROGRAM FOR ESTABLISHING DE NOVO  
17                  CDFIS AND MDIS.—

18                         “(1) IN GENERAL.—The Secretary of the  
19                         Treasury, in consultation with the Fund and the ap-  
20                         propriate Federal banking agencies, shall establish a  
21                         pilot program to provide competitive grants to a per-  
22                         son for the purpose of providing capital for such per-  
23                         son to establish a minority depository institution or  
24                         a community development financial institution.



1           “(2) APPLICATION.—A person desiring a grant  
2           under this subsection shall submit to the Secretary  
3           an application in such form and containing such in-  
4           formation as the Secretary determines appropriate.

5           “(3) DISBURSEMENT.—Before disbursing grant  
6           amounts to a person selected to receive a grant  
7           under this subsection, the Secretary shall ensure  
8           that such person has received approval from the ap-  
9           propriate Federal banking agency (or such other  
10          Federal or State agency from whom approval is re-  
11          quired) to establish a minority depository institution  
12          or a community development financial institution, as  
13          applicable.

14          “(4) FUNDING.—The Secretary may use  
15          amounts in the Emergency Capital Investment Fund  
16          to make grants under paragraph (2), but not to ex-  
17          ceed \$100,000,000 in the aggregate.”.

18          (f) GUIDANCE FOR SUBCHAPTER S AND MUTUAL  
19          BANKS.—Not later than 30 days after the date of enact-  
20          ment of this Act, the Board of Governors of the Federal  
21          Reserve System and the Secretary shall issue guidance re-  
22          garding how Emergency Capital Investment Program in-  
23          vestments (whether made before or after the date of enact-  
24          ment of this Act) are considered for purposes of various  
25          prudential requirements, including debt to equity, leverage

1 ratio, and double leverage ratio requirements with respect  
2 to subchapter S and mutual bank recipients of such invest-  
3 ments.

4 **SEC. 333. SUPPORTING YOUNG ENTREPRENEURS PRO-**  
5 **GRAM.**

6 Section 108 of the Riegle Community Development  
7 and Regulatory Improvement Act of 1994 (12 U.S.C.  
8 4707), as amended by section 2(a)(1), is further amended  
9 by adding at the end the following:

10 “(j) SUPPORTING YOUNG ENTREPRENEURS PRO-  
11 GRAM.—

12 “(1) IN GENERAL.—The Fund shall establish a  
13 Supporting Young Entrepreneurs Program under  
14 which the Fund may provide financial awards to the  
15 community development financial institutions that  
16 the Fund determines have the best programs to help  
17 young entrepreneurs get the start up capital needed  
18 to start a small business.

19 “(2) NO MATCHING REQUIREMENT.—The  
20 matching requirement under subsection (e) shall not  
21 apply to awards made under this subsection.

22 “(3) FUNDING.—In carrying out this sub-  
23 section, the Fund may use—

1           “(A) amounts in the Emergency Capital  
2           Investment Fund, but not to exceed  
3           \$100,000,000 in the aggregate; and

4           “(B) such other funds as may be appro-  
5           priated by Congress to the Fund to carry out  
6           the Supporting Young Entrepreneurs Pro-  
7           gram.”.

8   **SEC. 334. MAP OF MINORITY DEPOSITORY INSTITUTIONS**  
9                           **AND COMMUNITY DEVELOPMENT FINANCIAL**  
10                           **INSTITUTIONS.**

11       (a) **IN GENERAL.**—The Secretary of the Treasury, in  
12       consultation with the CDFI Fund and the Federal bank-  
13       ing agencies, shall establish an interactive, searchable map  
14       showing the geographic locations of the headquarters and  
15       branch locations of minority depository institutions and  
16       community development financial institutions that have  
17       been certified by the Secretary. Such map shall also pro-  
18       vide a link to the website of each such minority depository  
19       institution and community development financial institu-  
20       tion.

21       (b) **DEFINITIONS.**—In this section:

22           (1) **CDFI FUND.**—The term “CDFI Fund”  
23       means the Community Development Financial Insti-  
24       tutions Fund established under section 104(a) of the

1 Riegle Community Development and Regulatory Im-  
2 provement Act of 1994.

3 (2) COMMUNITY DEVELOPMENT FINANCIAL IN-  
4 STITUTION.—The term “community development fi-  
5 nancial institution” has the meaning given in section  
6 103 of the Riegle Community Development and Reg-  
7 ulatory Improvement Act of 1994.

8 (3) FEDERAL BANKING AGENCY.—The term  
9 “Federal banking agency”—

10 (A) has the meaning given in section 3 of  
11 the Federal Deposit Insurance Act; and

12 (B) means the National Credit Union Ad-  
13 ministration.

14 (4) MINORITY DEPOSITORY INSTITUTION.—The  
15 term “minority depository institution” has the  
16 meaning given in section 308(b) of the Financial In-  
17 stitutions Reform, Recovery, and Enforcement Act  
18 of 1989.

19 **SEC. 335. REPORT ON CERTIFIED COMMUNITY DEVELOP-**  
20 **MENT FINANCIAL INSTITUTIONS.**

21 Section 117(a) of the Riegle Community Develop-  
22 ment and Regulatory Improvement Act of 1994 (12  
23 U.S.C. 4716(a)) is amended—

24 (1) by striking “The Fund” and inserting the  
25 following:

1 “(1) IN GENERAL.—The Fund”;

2 (2) by striking “and the Congress” and insert-  
3 ing “, the Congress, and the public”; and

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

5 “(2) REPORT ON CERTIFIED COMMUNITY DE-  
6 VELOPMENT FINANCIAL INSTITUTIONS.—The annual  
7 report required under paragraph (1) shall include a  
8 report on community development financial institu-  
9 tions (‘CDFIs’) that have been certified by the Sec-  
10 retary of the Treasury, including a summary with  
11 aggregate data and analysis, to the fullest extent  
12 practicable, regarding—

13 “(A) a list of the types of organizations  
14 that are certified as CDFIs, and the number of  
15 each type of organization;

16 “(B) the geographic location and capacity  
17 of different types of certified CDFIs;

18 “(C) the primary lines of business for dif-  
19 ferent types of certified CDFIs, as well as any  
20 secondary lines of business;

21 “(D) human resources and staffing infor-  
22 mation for different types of certified CDFIs,  
23 including—

24 “(E) the types of development services pro-  
25 vided by different types of certified CDFIs;

1           “(F) the target markets of different types  
2 of certified CDFIs and the amount of products  
3 and services offered by CDFIs to those target  
4 markets, including—

5           “(i) the number and amount of loans  
6 and loan guarantees made in those target  
7 markets;

8           “(ii) the number and amount of other  
9 investments made in those target markets;  
10 and

11           “(iii) the number and amount of de-  
12 velopment services offered in those target  
13 markets; and

14           “(G) such other information as the Direc-  
15 tor of the Fund may determine necessary to  
16 promote transparency of the impact of different  
17 types of CDFIs, while carrying out this report  
18 in a manner that seeks to minimize data report-  
19 ing requirements from certified CDFIs when  
20 feasible, including utilizing information gath-  
21 ered from other regulators under section  
22 104(1).”.

1 **SEC. 336. CONSULTATION AND MINIMIZATION OF DATA RE-**  
2 **QUESTS.**

3 Section 104 of the Riegle Community Development  
4 and Regulatory Improvement Act of 1994 (12 U.S.C.  
5 4703) is amended by adding at the end the following:

6 “(1) CONSULTATION AND MINIMIZATION OF DATA  
7 REQUESTS.—

8 “(1) IN GENERAL.—In carrying out its duties,  
9 the Fund shall—

10 “(A) periodically, and no less frequent  
11 than once a year, consult with the applicable  
12 Federal regulator of certified CDFIs and appli-  
13 cants to be a certified CDFI (‘applicants’);

14 “(B) seek to gather any relevant informa-  
15 tion on certified CDFIs and applicants from the  
16 applicable Federal regulator to minimize dupli-  
17 cative data collection requests made by the  
18 Fund of certified CDFIs and applicants and to  
19 expedite certification, re-certification, or other  
20 relevant processes administered by the Fund.

21 “(2) APPLICABLE FEDERAL REGULATOR DE-  
22 FINED.—In this subsection, the term ‘applicable  
23 Federal regulator’ means—

24 “(A) with respect to a certified CDFI or  
25 an applicant that is regulated by both an appro-  
26 priate Federal banking agency and the Bureau

1 of Consumer Financial Protection, the Bureau  
2 of Consumer Financial Protection;

3 “(B) with respect to a certified CDFI or  
4 an applicant that is not regulated by the Bu-  
5 reau of Consumer Financial Protection, the ap-  
6 propriate Federal banking agency for such ap-  
7 plicant; or

8 “(C) the Bureau of Consumer Financial  
9 Protection, with respect to a certified CDFI or  
10 an applicant—

11 “(i) that is not regulated by an appro-  
12 priate Federal banking agency; and

13 “(ii) that offers or provides consumer  
14 financial products or services (as defined in  
15 section 1002 of the Consumer Financial  
16 Protection Act of 2010 (12 U.S.C.  
17 5481)).”.

18 **SEC. 337. ACCESS TO THE DISCOUNT WINDOW OF THE FED-**  
19 **ERAL RESERVE SYSTEM FOR MDIS AND**  
20 **CDFIS.**

21 The Board of Governors of the Federal Reserve Sys-  
22 tem shall establish a process under which minority deposi-  
23 tory institutions and community development financial in-  
24 stitutions may have access to the discount window, at the  
25 seasonal credit interest rate most recently published on



1 the Federal Reserve Statistical Release on selected inter-  
2 est rates (daily or weekly).

3 **SEC. 338. STUDY ON SECURITIZATION BY CDFIS.**

4 (a) IN GENERAL.—The Secretary of the Treasury, in  
5 consultation with the Community Development Financial  
6 Institutions Fund and such other Federal agencies as the  
7 Secretary determines appropriate, shall carry out a study  
8 on—

9 (1) the use of securitization by CDFIs;

10 (2) any barriers to the use of securitization as  
11 a source of liquidity by CDFIs; and

12 (3) any authorities available to the Government  
13 to support the use of securitization by CDFIs to the  
14 extent it helps serve underserved communities.

15 (b) REPORT.—Not later than the end of the 1-year  
16 period beginning on the date of enactment of this Act, the  
17 Secretary shall issue a report to the Committee on Finan-  
18 cial Services of the House of Representatives and the  
19 Committee on Banking, Housing, and Urban Affairs of  
20 the Senate containing—

21 (1) all findings and determinations made in car-  
22 rying out the study required under subsection (a);  
23 and

24 (2) any legislative or administrative rec-  
25 ommendations of the Secretary that would promote

1 the responsible use of securitization to help CDFIs  
2 in reaching more underserved communities.

3 (c) CDFI DEFINED.—The term “CDFI” has the  
4 meaning given the term “community development finan-  
5 cial institution” under section 103 of the Riegle Commu-  
6 nity Development and Regulatory Improvement Act of  
7 1994.

8 **TITLE IV—DIVERSITY IN FINAN-**  
9 **CIAL INSTITUTIONS AND COR-**  
10 **PORATIONS**

11 **Subtitle A—Promoting New and**  
12 **Diverse Depository Institutions**

13 **SEC. 411. STUDY AND STRATEGIC PLAN.**

14 (a) IN GENERAL.—The Federal banking regulators  
15 shall jointly—

16 (1) conduct a study about the challenges faced  
17 by proposed depository institutions, including pro-  
18 posed minority depository institutions, seeking de  
19 novo depository institution charters; and

20 (2) submit to the Committee on Financial Serv-  
21 ices of the House of Representatives and the Com-  
22 mittee on Banking, Housing, and Urban Affairs of  
23 the Senate and publish publically, not later than 18  
24 months after the date of the enactment of this sec-  
25 tion—

1 (A) an analysis based on the study con-  
2 ducted pursuant to paragraph (1);

3 (B) any findings from the study conducted  
4 pursuant to paragraph (1); and

5 (C) any legislative recommendations that  
6 the Federal banking regulators developed based  
7 on the study conducted pursuant to paragraph  
8 (1).

9 (b) STRATEGIC PLAN.—

10 (1) IN GENERAL.—Not later than 18 months  
11 after the date of the enactment of this section, the  
12 Federal banking regulators shall jointly submit to  
13 the Committee on Financial Services of the House of  
14 Representatives and the Committee on Banking,  
15 Housing, and Urban Affairs of the Senate and pub-  
16 lish publically a strategic plan based on the study  
17 conducted pursuant to subsection (a) and designed  
18 to help proposed depository institutions (including  
19 proposed minority depository institutions) success-  
20 fully apply for de novo depository institution char-  
21 ters in a manner that promotes increased availability  
22 of banking and financial services, safety and sound-  
23 ness, consumer protection, community reinvestment,  
24 financial stability, and a level playing field.

1           (2) CONTENTS OF STRATEGIC PLAN.—The stra-  
2           tegic plan described in paragraph (1) shall—

3                   (A) promote the chartering of de novo de-  
4           pository institutions, including—

5                           (i) proposed minority depository insti-  
6                           tutions; and

7                           (ii) proposed depository institutions  
8                           that could be certified as community devel-  
9                           opment financial institutions; and

10                   (B) describe actions the Federal banking  
11           regulators may take that would increase the  
12           number of depository institutions located in ge-  
13           ographic areas where consumers lack access to  
14           a branch of a depository institution.

15           (c) PUBLIC INVOLVEMENT.—When conducting the  
16           study and developing the strategic plan required by this  
17           section, the Federal banking regulators shall invite com-  
18           ments and other feedback from the public to inform the  
19           study and strategic plan.

20           (d) DEFINITIONS.—In this section:

21                   (1) DEPOSITORY INSTITUTION.—The term “de-  
22           pository institution” has the meaning given in sec-  
23           tion 3 of the Federal Deposit Insurance Act, and in-  
24           cludes a “Federal credit union” and a “State credit

1 union” as such terms are defined, respectively,  
2 under section 101 of the Federal Credit Union Act.

3 (2) COMMUNITY DEVELOPMENT FINANCIAL IN-  
4 STITUTION.—The term “community development fi-  
5 nancial institution” has the meaning given in section  
6 103 of the Riegle Community Development and Reg-  
7 ulatory Improvement Act of 1994.

8 (3) FEDERAL BANKING REGULATORS.—The  
9 term “Federal banking regulators” means the Board  
10 of Governors of the Federal Reserve System, the  
11 Comptroller of the Currency, the Federal Deposit  
12 Insurance Corporation, the National Credit Union  
13 Administration, and the Director of the Bureau of  
14 Consumer Financial Protection.

15 (4) MINORITY DEPOSITORY INSTITUTION.—The  
16 term “minority depository institution” has the  
17 meaning given in section 308(b) of the Financial In-  
18 stitutions Reform, Recovery, and Enforcement Act  
19 of 1989.

## 20 **Subtitle B—Promoting Diversity** 21 **and Inclusion in Banking**

### 22 **SEC. 421. DIVERSITY AND INCLUSION RATINGS.**

23 (a) IN GENERAL.—The Dodd-Frank Wall Street Re-  
24 form and Consumer Protection Act (12 U.S.C. 5301 et

1 seq.) is amended by inserting after section 342 the fol-  
2 lowing:

3 **“SEC. 342A. DIVERSITY AND INCLUSION RATINGS.**

4 “(a) IN GENERAL.—The Board of Governors, the  
5 Comptroller of the Currency, the Corporation, and the Na-  
6 tional Credit Union Administration Board, in assigning a  
7 rating to a depository institution under the Uniform Fi-  
8 nancial Institutions Rating System (or an equivalent rat-  
9 ing by any such agency under a comparable rating system)  
10 shall include a diversity and inclusion component that ex-  
11 amines—

12 “(1) whether the depository institution has ef-  
13 fective policies in place to encourage diversity and  
14 inclusion in the hiring practices of the institution;

15 “(2) whether the depository institution provides  
16 training to the employees of the institution, that is  
17 appropriate to the size and resources of the institu-  
18 tion, on diversity and inclusion; and

19 “(3)(A) with respect to a depository institution  
20 with total consolidated assets of \$1,000,000,000 or  
21 less, whether such depository institution has des-  
22 ignated an individual to serve as a Diversity and In-  
23 clusion Officer who reports to the Chief Executive  
24 Officer of the institution on all diversity and inclu-  
25 sion matters; or

1           “(B) with respect to a depository institution  
2 with total consolidated assets of more than  
3 \$1,000,000,000, whether such depository institu-  
4 tion—

5                   “(i) has designated an individual to serve  
6 as a Diversity and Inclusion Officer; and

7                   “(ii) has established a committee for diver-  
8 sity and inclusion that holds meetings quarterly  
9 and that includes in its membership the Diver-  
10 sity and Inclusion Officer designated under  
11 clause (i) and the Chief Executive Officer of the  
12 institution.

13           “(b) APPLICATION TO MINORITY DEPOSITORY INSTI-  
14 TUTIONS.—In carrying out subsection (a) with respect to  
15 minority depository institutions, the Board of Governors,  
16 the Comptroller of the Currency, the Corporation, and the  
17 National Credit Union Administration Board shall—

18                   “(1) assign such institutions the most favorable  
19 rating with respect to the diversity and inclusion  
20 component described under subsection (a); and

21                   “(2) exempt such institutions from any exam-  
22 ination procedures related to the diversity and inclu-  
23 sion component described under subsection (a).

24           “(c) DEFINITIONS.—In this section:

1           “(1) DEPOSITORY INSTITUTION.—The term ‘de-  
2           pository institution’ means a depository institution  
3           or a credit union.

4           “(2) MINORITY DEPOSITORY INSTITUTION.—  
5           The term ‘minority depository institution’ means an  
6           entity that is—

7                   “(A) a minority depository institution, as  
8                   defined in section 308 of the Financial Institu-  
9                   tions Reform, Recovery, and Enforcement Act  
10                  of 1989 (12 U.S.C. 1463 note); or

11                  “(B) considered to be a minority depository  
12                  institution by—

13                           “(i) the appropriate Federal banking  
14                           agency; or

15                           “(ii) the National Credit Union Ad-  
16                           ministration, in the case of an insured  
17                           credit union.”.

18           (b) CLERICAL AMENDMENT.—The table of contents  
19           for the Dodd-Frank Wall Street Reform and Consumer  
20           Protection Act is amended by inserting after the item re-  
21           lating to section 342 the following:

          “Sec. 342A. Diversity and inclusion ratings.”.



1     **Subtitle C—Improving Corporate**  
2     **Governance Through Diversity**

3     **SEC. 431. SUBMISSION OF DATA RELATING TO DIVERSITY**  
4             **BY ISSUERS.**

5             Section 13 of the Securities Exchange Act of 1934  
6 (15 U.S.C. 78m) is amended by adding at the end the  
7 following:

8             “(s) SUBMISSION OF DATA RELATING TO DIVER-  
9 SITY.—

10             “(1) DEFINITIONS.—In this subsection—

11                 “(A) the term ‘executive officer’ has the  
12 meaning given the term in section 230.501(f) of  
13 title 17, Code of Federal Regulations, as in ef-  
14 fect on the date of enactment of this subsection;  
15 and

16                 “(B) the term ‘veteran’ has the meaning  
17 given the term in section 101 of title 38, United  
18 States Code.

19             “(2) SUBMISSION OF DISCLOSURE.—Each  
20 issuer required to file an annual report under sub-  
21 section (a) shall disclose in any proxy statement and  
22 any information statement relating to the election of  
23 directors filed with the Commission the following:

1           “(A) Data, based on voluntary self-identi-  
2           fication, on the racial, ethnic, and gender com-  
3           position of—

4                   “(i) the board of directors of the  
5           issuer;

6                   “(ii) nominees for the board of direc-  
7           tors of the issuer; and

8                   “(iii) the executive officers of the  
9           issuer.

10           “(B) The status of any member of the  
11           board of directors of the issuer, any nominee  
12           for the board of directors of the issuer, or any  
13           executive officer of the issuer, based on vol-  
14           untary self-identification, as a veteran.

15           “(C) Whether the board of directors of the  
16           issuer, or any committee of that board of direc-  
17           tors, has, as of the date on which the issuer  
18           makes a disclosure under this paragraph,  
19           adopted any policy, plan, or strategy to promote  
20           racial, ethnic, and gender diversity among—

21                   “(i) the board of directors of the  
22           issuer;

23                   “(ii) nominees for the board of direc-  
24           tors of the issuer; or

1                   “(iii) the executive officers of the  
2                   issuer.

3                   “(3) ALTERNATIVE SUBMISSION.—In any 1-  
4                   year period in which an issuer required to file an an-  
5                   nual report under subsection (a) does not file with  
6                   the Commission a proxy statement or an information  
7                   statement relating to the election of directors, the  
8                   issuer shall disclose the information required under  
9                   paragraph (2) in the first annual report of issuer  
10                  that the issuer submits to the Commission after the  
11                  end of that 1-year period.

12                  “(4) ANNUAL REPORT.—Not later than 18  
13                  months after the date of enactment of this sub-  
14                  section, and annually thereafter, the Commission  
15                  shall submit to the Committee on Financial Services  
16                  of the House of Representatives and the Committee  
17                  on Banking, Housing, and Urban Affairs of the Sen-  
18                  ate, and publish on the website of the Commission,  
19                  a report that analyzes the information disclosed  
20                  under paragraphs (2) and (3) and identifies any  
21                  trends with respect to such information.

22                  “(5) BEST PRACTICES.—

23                  “(A) IN GENERAL.—The Director of the  
24                  Office of Minority and Women Inclusion of the  
25                  Commission shall, not later than 3 years after

1 the date of enactment of this subsection, and  
2 every 3 years thereafter, publish best practices  
3 for compliance with this subsection.

4 “(B) COMMENTS.—The Director of the Of-  
5 fice of Minority and Women Inclusion of the  
6 Commission may, pursuant to subchapter II of  
7 chapter 5 of title 5, United States Code, solicit  
8 public comments related to the best practices  
9 published under subparagraph (A).”.

10 **SEC. 432. DIVERSITY ADVISORY GROUP.**

11 (a) DEFINITIONS.—For the purposes of this section:

12 (1) ADVISORY GROUP.—The term “Advisory  
13 Group” means the Diversity Advisory Group estab-  
14 lished under subsection (b).

15 (2) COMMISSION.—The term “Commission”  
16 means the Securities and Exchange Commission.

17 (3) ISSUER.—The term “issuer” has the mean-  
18 ing given the term in section 3(a) of the Securities  
19 Exchange Act of 1934 (15 U.S.C. 78c(a)).

20 (b) ESTABLISHMENT.—The Commission shall estab-  
21 lish a Diversity Advisory Group, which shall be composed  
22 of representatives from—

23 (1) the Federal Government and State and local  
24 governments;

25 (2) academia; and

1 (3) the private sector.

2 (c) STUDY AND RECOMMENDATIONS.—The Advisory  
3 Group shall—

4 (1) carry out a study that identifies strategies  
5 that can be used to increase gender, racial, and eth-  
6 nic diversity among members of boards of directors  
7 of issuers; and

8 (2) not later than 270 days after the date on  
9 which the Advisory Group is established, submit to  
10 the Commission, the Committee on Financial Serv-  
11 ices of the House of Representatives, and the Com-  
12 mittee on Banking, Housing, and Urban Affairs of  
13 the Senate a report that—

14 (A) describes any findings from the study  
15 conducted under paragraph (1); and

16 (B) makes recommendations regarding  
17 strategies that issuers could use to increase  
18 gender, racial, and ethnic diversity among  
19 board members.

20 (d) ANNUAL REPORT.—Not later than 1 year after  
21 the date on which the Advisory Group submits the report  
22 required under subsection (c)(2), and annually thereafter,  
23 the Commission shall submit to the Committee on Finan-  
24 cial Services of the House of Representatives and the  
25 Committee on Banking, Housing, and Urban Affairs of

1 the Senate a report that describes the status of gender,  
2 racial, and ethnic diversity among members of the boards  
3 of directors of issuers.

4 (e) PUBLIC AVAILABILITY OF REPORTS.—The Com-  
5 mission shall make all reports of the Advisory Group avail-  
6 able to issuers and the public, including on the website  
7 of the Commission.

8 (f) INAPPLICABILITY OF FEDERAL ADVISORY COM-  
9 MITTEE ACT.—The Federal Advisory Committee Act (5  
10 U.S.C. App.) shall not apply with respect to the Advisory  
11 Group or the activities of the Advisory Group.

## 12 **Subtitle D—Ensuring Diversity in** 13 **Community Banking**

### 14 **SEC. 441. SHORT TITLE.**

15 This subtitle may be cited as the “Ensuring Diversity  
16 in Community Banking Act”.

### 17 **SEC. 442. SENSE OF CONGRESS ON FUNDING THE LOAN-**

### 18 **LOSS RESERVE FUND FOR SMALL DOLLAR**

### 19 **LOANS.**

20 The sense of Congress is the following:

21 (1) The Community Development Financial In-  
22 stitutions Fund (the “CDFI Fund”) is an agency of  
23 the Department of the Treasury, and was estab-  
24 lished by the Riegle Community Development and  
25 Regulatory Improvement Act of 1994. The mission

1 of the CDFI Fund is “to expand economic oppor-  
2 tunity for underserved people and communities by  
3 supporting the growth and capacity of a national  
4 network of community development lenders, inves-  
5 tors, and financial service providers”. A community  
6 development financial institution (a “CDFI”) is a  
7 specialized financial institution serving low-income  
8 communities and a Community Development Entity  
9 (a “CDE”) is a domestic corporation or partnership  
10 that is an intermediary vehicle for the provision of  
11 loans, investments, or financial counseling in low-in-  
12 come communities. The CDFI Fund certifies CDFIs  
13 and CDEs. Becoming a certified CDFI or CDE al-  
14 lows organizations to participate in various CDFI  
15 Fund programs as follows:

16 (A) The Bank Enterprise Award Program,  
17 which provides FDIC-insured depository institu-  
18 tions awards for a demonstrated increase in  
19 lending and investments in distressed commu-  
20 nities and CDFIs.

21 (B) The CDFI Program, which provides  
22 Financial and Technical Assistance awards to  
23 CDFIs to reinvest in the CDFI, and to build  
24 the capacity of the CDFI, including financing  
25 product development and loan loss reserves.

1 (C) The Native American CDFI Assistance  
2 Program, which provides CDFIs and spon-  
3 soring entities Financial and Technical Assist-  
4 ance awards to increase lending and grow the  
5 number of CDFIs owned by Native Americans  
6 to help build capacity of such CDFIs.

7 (D) The New Market Tax Credit Program,  
8 which provides tax credits for making equity in-  
9 vestments in CDEs that stimulate capital in-  
10 vestments in low-income communities.

11 (E) The Capital Magnet Fund, which pro-  
12 vides awards to CDFIs and nonprofit affordable  
13 housing organizations to finance affordable  
14 housing solutions and related economic develop-  
15 ment activities.

16 (F) The Bond Guarantee Program, a  
17 source of long-term, patient capital for CDFIs  
18 to expand lending and investment capacity for  
19 community and economic development purposes.

20 (2) The Department of the Treasury is author-  
21 ized to create multi-year grant programs designed to  
22 encourage low-to-moderate income individuals to es-  
23 tablish accounts at federally insured banks, and to  
24 improve low-to-moderate income individuals' access  
25 to such accounts on reasonable terms.



1           (3) Under this authority, grants to participants  
2           in CDFI Fund programs may be used for loan-loss  
3           reserves and to establish small-dollar loan programs  
4           by subsidizing related losses. These grants also allow  
5           for the providing recipients with the financial coun-  
6           seling and education necessary to conduct trans-  
7           actions and manage their accounts. These loans pro-  
8           vide low-cost alternatives to payday loans and other  
9           nontraditional forms of financing that often impose  
10          excessive interest rates and fees on borrowers, and  
11          lead millions of Americans to fall into debt traps.  
12          Small-dollar loans can only be made pursuant to  
13          terms, conditions, and practices that are reasonable  
14          for the individual consumer obtaining the loan.

15          (4) Program participation is restricted to eligi-  
16          ble institutions, which are limited to organizations  
17          listed in section 501(c)(3) of the Internal Revenue  
18          Code and exempt from tax under 501(a) of such  
19          Code, federally insured depository institutions, com-  
20          munity development financial institutions and State,  
21          local, or Tribal government entities.

22          (5) According to the CDFI Fund, some pro-  
23          grams attract as much as \$10 in private capital for  
24          every \$1 invested by the CDFI Fund. The Adminis-  
25          tration and the Congress should prioritize appropria-

1       tion of funds for the loan loss reserve fund and tech-  
2       nical assistance programs administered by the Com-  
3       munity Development Financial Institution Fund.

4   **SEC. 443. DEFINITIONS.**

5       In this subtitle:

6           (1) COMMUNITY DEVELOPMENT FINANCIAL IN-  
7       STITUTION.—The term “community development fi-  
8       nancial institution” has the meaning given under  
9       section 103 of the Riegle Community Development  
10      and Regulatory Improvement Act of 1994 (12  
11      U.S.C. 4702).

12          (2) MINORITY DEPOSITORY INSTITUTION.—The  
13      term “minority depository institution” has the  
14      meaning given under section 308 of the Financial  
15      Institutions Reform, Recovery, and Enforcement Act  
16      of 1989 (12 U.S.C. 1463 note), as amended by this  
17      Act.

18   **SEC. 444. INCLUSION OF WOMEN’S BANKS IN THE DEFINI-**  
19                   **TION OF MINORITY DEPOSITORY INSTITU-**  
20                   **TION.**

21      Section 308(b)(1) of the Financial Institutions Re-  
22      form, Recovery, and Enforcement Act of 1989 (12 U.S.C.  
23      1463 note) is amended—

24           (1) by redesignating subparagraphs (A), (B),  
25      and (C) as clauses (i), (ii), and (iii), respectively;

1 (2) by striking “means any” and inserting the  
2 following: “means—

3 “(A) any”; and

4 (3) in clause (iii) (as so redesignated), by strik-  
5 ing the period at the end and inserting “; or”; and

6 (4) by inserting at the end the following new  
7 subparagraph:

8 “(B) any bank described in clause (i), (ii),  
9 or (iii) of section 19(b)(1)(A) of the Federal  
10 Reserve Act—

11 “(i) more than 50 percent of the out-  
12 standing shares of which are held by 1 or  
13 more women; and

14 “(ii) the majority of the directors on  
15 the board of directors of which are  
16 women.”.

17 **SEC. 445. ESTABLISHMENT OF IMPACT BANK DESIGNATION.**

18 (a) IN GENERAL.—Each Federal banking agency  
19 shall establish a program under which a depository institu-  
20 tion with total consolidated assets of less than  
21 \$10,000,000,000 may elect to be designated as an impact  
22 bank if the total dollar value of the loans extended by such  
23 depository institution to low-income borrowers is greater  
24 than or equal to 50 percent of the assets of such bank.

1 (b) NOTIFICATION OF ELIGIBILITY.—Based on data  
2 obtained through examinations of depository institutions,  
3 the appropriate Federal banking agency shall notify a de-  
4 pository institution if the institution is eligible to be des-  
5 ignated as an impact bank.

6 (c) APPLICATION.—Regardless of whether or not it  
7 has received a notice of eligibility under subsection (b),  
8 a depository institution may submit an application to the  
9 appropriate Federal banking agency—

10 (1) requesting to be designated as an impact  
11 bank; and

12 (2) demonstrating that the depository institu-  
13 tion meets the applicable qualifications.

14 (d) LIMITATION ON ADDITIONAL DATA REQUIRE-  
15 MENTS.—The Federal banking agencies may only impose  
16 additional data collection requirements on a depository in-  
17 stitution under this section if such data is—

18 (1) necessary to process an application sub-  
19 mitted by the depository institution to be designated  
20 an impact bank; or

21 (2) with respect to a depository institution that  
22 is designated as an impact bank, necessary to ensure  
23 the depository institution’s ongoing qualifications to  
24 maintain such designation.

1 (e) REMOVAL OF DESIGNATION.—If the appropriate  
2 Federal banking agency determines that a depository in-  
3 stitution designated as an impact bank no longer meets  
4 the criteria for such designation, the appropriate Federal  
5 banking agency shall rescind the designation and notify  
6 the depository institution of such rescission.

7 (f) RECONSIDERATION OF DESIGNATION; AP-  
8 PEALS.—Under such procedures as the Federal banking  
9 agencies may establish, a depository institution may—

10 (1) submit to the appropriate Federal banking  
11 agency a request to reconsider a determination that  
12 such depository institution no longer meets the cri-  
13 teria for the designation; or

14 (2) file an appeal of such determination.

15 (g) RULEMAKING.—Not later than 1 year after the  
16 date of the enactment of this Act, the Federal banking  
17 agencies shall jointly issue rules to carry out the require-  
18 ments of this section, including by providing a definition  
19 of a low-income borrower.

20 (h) REPORTS.—Each Federal banking agency shall  
21 submit an annual report to the Congress containing a de-  
22 scription of actions taken to carry out this section.

23 (i) FEDERAL DEPOSIT INSURANCE ACT DEFINI-  
24 TIONS.—In this section, the terms “depository institu-  
25 tion”, “appropriate Federal banking agency”, and “Fed-

1 eral banking agency” have the meanings given such terms,  
2 respectively, in section 3 of the Federal Deposit Insurance  
3 Act (12 U.S.C. 1813).

4 **SEC. 446. MINORITY DEPOSITORIES ADVISORY COMMIT-**  
5 **TEES.**

6 (a) ESTABLISHMENT.—Each covered regulator shall  
7 establish an advisory committee to be called the “Minority  
8 Depositories Advisory Committee”.

9 (b) DUTIES.—Each Minority Depositories Advisory  
10 Committee shall provide advice to the respective covered  
11 regulator on meeting the goals established by section 308  
12 of the Financial Institutions Reform, Recovery, and En-  
13 forcement Act of 1989 (12 U.S.C. 1463 note) to preserve  
14 the present number of covered minority institutions, pre-  
15 serve the minority character of minority-owned institu-  
16 tions in cases involving mergers or acquisitions, provide  
17 technical assistance, and encourage the creation of new  
18 covered minority institutions. The scope of the work of  
19 each such Minority Depositories Advisory Committee shall  
20 include an assessment of the current condition of covered  
21 minority institutions, what regulatory changes or other  
22 steps the respective agencies may be able to take to fulfill  
23 the requirements of such section 308, and other issues of  
24 concern to covered minority institutions.

25 (c) MEMBERSHIP.—

1           (1) IN GENERAL.—Each Minority Depositories  
2     Advisory Committee shall consist of no more than  
3     10 members, who—

4           (A) shall serve for one two-year term;

5           (B) shall serve as a representative of a de-  
6     pository institution or an insured credit union  
7     with respect to which the respective covered  
8     regulator is the covered regulator of such de-  
9     pository institution or insured credit union; and

10          (C) shall not receive pay by reason of their  
11     service on the advisory committee, but may re-  
12     ceive travel or transportation expenses in ac-  
13     cordance with section 5703 of title 5, United  
14     States Code.

15          (2) DIVERSITY.—To the extent practicable,  
16     each covered regulator shall ensure that the mem-  
17     bers of the Minority Depositories Advisory Com-  
18     mittee of such agency reflect the diversity of covered  
19     minority institutions.

20     (d) MEETINGS.—

21          (1) IN GENERAL.—Each Minority Depositories  
22     Advisory Committee shall meet not less frequently  
23     than twice each year.

24          (2) NOTICE AND INVITATIONS.—Each Minority  
25     Depositories Advisory Committee shall—

1 (A) notify the Committee on Financial  
2 Services of the House of Representatives and  
3 the Committee on Banking, Housing, and  
4 Urban Affairs of the Senate in advance of each  
5 meeting of the Minority Depositories Advisory  
6 Committee; and

7 (B) invite the attendance at each meeting  
8 of the Minority Depositories Advisory Com-  
9 mittee of—

10 (i) one member of the majority party  
11 and one member of the minority party of  
12 the Committee on Financial Services of the  
13 House of Representatives and the Com-  
14 mittee on Banking, Housing, and Urban  
15 Affairs of the Senate; and

16 (ii) one member of the majority party  
17 and one member of the minority party of  
18 any relevant subcommittees of such com-  
19 mittees.

20 (e) NO TERMINATION OF ADVISORY COMMITTEES.—  
21 The termination requirements under section 14 of the  
22 Federal Advisory Committee Act (5 U.S.C. app.) shall not  
23 apply to a Minority Depositories Advisory Committee es-  
24 tablished pursuant to this section.

25 (f) DEFINITIONS.—In this section:



1           (1) COVERED REGULATOR.—The term “covered  
2 regulator” means the Comptroller of the Currency,  
3 the Board of Governors of the Federal Reserve Sys-  
4 tem, the Federal Deposit Insurance Corporation,  
5 and the National Credit Union Administration.

6           (2) COVERED MINORITY INSTITUTION.—The  
7 term “covered minority institution” means a minor-  
8 ity depository institution (as defined in section  
9 308(b) of the Financial Institutions Reform, Recov-  
10 ery, and Enforcement Act of 1989 (12 U.S.C. 1463  
11 note)).

12           (3) DEPOSITORY INSTITUTION.—The term “de-  
13 pository institution” has the meaning given under  
14 section 3 of the Federal Deposit Insurance Act (12  
15 U.S.C. 1813).

16           (4) INSURED CREDIT UNION.—The term “in-  
17 sured credit union” has the meaning given in section  
18 101 of the Federal Credit Union Act (12 U.S.C.  
19 1752).

20           (g) TECHNICAL AMENDMENT.—Section 308(b) of the  
21 Financial Institutions Reform, Recovery, and Enforce-  
22 ment Act of 1989 (12 U.S.C. 1463 note) is amended by  
23 adding at the end the following new paragraph:

24           “(3) DEPOSITORY INSTITUTION.—The term ‘de-  
25 pository institution’ means an ‘insured depository in-

1       stitution’ (as defined in section 3 of the Federal De-  
2       posit Insurance Act (12 U.S.C. 1813)) and an in-  
3       sured credit union (as defined in section 101 of the  
4       Federal Credit Union Act (12 U.S.C. 1752)).”.

5       **SEC. 447. FEDERAL DEPOSITS IN MINORITY DEPOSITORY**  
6                                   **INSTITUTIONS.**

7       (a) IN GENERAL.—Section 308 of the Financial In-  
8       stitutions Reform, Recovery, and Enforcement Act of  
9       1989 (12 U.S.C. 1463 note) is amended—

10                   (1) by adding at the end the following new sub-  
11       section:

12                   “(d) FEDERAL DEPOSITS.—The Secretary of the  
13       Treasury shall ensure that deposits made by Federal agen-  
14       cies in minority depository institutions and impact banks  
15       are collateralized or insured, as determined by the Sec-  
16       retary. Such deposits shall include reciprocal deposits as  
17       defined in section 337.6(e)(2)(v) of title 12, Code of Fed-  
18       eral Regulations (as in effect on March 6, 2019).”; and

19                   (2) in subsection (b), as amended by section  
20       6(g), by adding at the end the following new para-  
21       graph:

22                   “(4) IMPACT BANK.—The term ‘impact bank’  
23       means a depository institution designated by the ap-  
24       propriate Federal banking agency pursuant to sec-

1       tion 445 of the Ensuring Diversity in Community  
2       Banking Act.”.

3       (b) TECHNICAL AMENDMENTS.—Section 308 of the  
4       Financial Institutions Reform, Recovery, and Enforce-  
5       ment Act of 1989 (12 U.S.C. 1463 note) is amended—

6             (1) in the matter preceding paragraph (1), by  
7       striking “section—” and inserting “section:”; and

8             (2) in the paragraph heading for paragraph (1),  
9       by striking “FINANCIAL” and inserting “DEPOSI-  
10       TORY”.

11       **SEC. 448. MINORITY BANK DEPOSIT PROGRAM.**

12       (a) IN GENERAL.—Section 1204 of the Financial In-  
13       stitutions Reform, Recovery, and Enforcement Act of  
14       1989 (12 U.S.C. 1811 note) is amended to read as follows:

15       **“SEC. 1204. EXPANSION OF USE OF MINORITY DEPOSITORY**  
16             **INSTITUTIONS.**

17       “(a) MINORITY BANK DEPOSIT PROGRAM.—

18             “(1) ESTABLISHMENT.—There is established a  
19       program to be known as the ‘Minority Bank Deposit  
20       Program’ to expand the use of minority depository  
21       institutions.

22             “(2) ADMINISTRATION.—The Secretary of the  
23       Treasury, acting through the Fiscal Service, shall—

24             “(A) on application by a depository institu-  
25       tion or credit union, certify whether such depos-

1           itory institution or credit union is a minority  
2           depository institution;

3                 “(B) maintain and publish a list of all de-  
4           pository institutions and credit unions that have  
5           been certified pursuant to subparagraph (A);  
6           and

7                 “(C) periodically distribute the list de-  
8           scribed in subparagraph (B) to—

9                         “(i) all Federal departments and  
10                        agencies;

11                       “(ii) interested State and local govern-  
12                       ments; and

13                       “(iii) interested private sector compa-  
14                       nies.

15                 “(3) INCLUSION OF CERTAIN ENTITIES ON  
16           LIST.—A depository institution or credit union that,  
17           on the date of the enactment of this section, has a  
18           current certification from the Secretary of the  
19           Treasury stating that such depository institution or  
20           credit union is a minority depository institution shall  
21           be included on the list described under paragraph  
22           (2)(B).

23                 “(b) EXPANDED USE AMONG FEDERAL DEPART-  
24           MENTS AND AGENCIES.—

1           “(1) IN GENERAL.—Not later than 1 year after  
2 the establishment of the program described in sub-  
3 section (a), the head of each Federal department or  
4 agency shall develop and implement standards and  
5 procedures to prioritize, to the maximum extent pos-  
6 sible as permitted by law and consistent with prin-  
7 ciples of sound financial management, the use of mi-  
8 nority depository institutions to hold the deposits of  
9 each such department or agency.

10           “(2) REPORT TO CONGRESS.—Not later than 2  
11 years after the establishment of the program de-  
12 scribed in subsection (a), and annually thereafter,  
13 the head of each Federal department or agency shall  
14 submit to Congress a report on the actions taken to  
15 increase the use of minority depository institutions  
16 to hold the deposits of each such department or  
17 agency.

18           “(c) DEFINITIONS.—For purposes of this section:

19           “(1) CREDIT UNION.—The term ‘credit union’  
20 has the meaning given the term ‘insured credit  
21 union’ in section 101 of the Federal Credit Union  
22 Act (12 U.S.C. 1752).

23           “(2) DEPOSITORY INSTITUTION.—The term ‘de-  
24 pository institution’ has the meaning given in section

1 3 of the Federal Deposit Insurance Act (12 U.S.C.  
2 1813).

3 “(3) MINORITY DEPOSITORY INSTITUTION.—  
4 The term ‘minority depository institution’ has the  
5 meaning given that term under section 308 of this  
6 Act.”.

7 (b) CONFORMING AMENDMENTS.—The following pro-  
8 visions are amended by striking “1204(c)(3)” and insert-  
9 ing “1204(c)”:

10 (1) Section 808(b)(3) of the Community Rein-  
11 vestment Act of 1977 (12 U.S.C. 2907(b)(3)).

12 (2) Section 40(g)(1)(B) of the Federal Deposit  
13 Insurance Act (12 U.S.C. 1831q(g)(1)(B)).

14 (3) Section 704B(h)(4) of the Equal Credit Op-  
15 portunity Act (15 U.S.C. 1691e–2(h)(4)).

16 **SEC. 449. DIVERSITY REPORT AND BEST PRACTICES.**

17 (a) ANNUAL REPORT.—Each covered regulator shall  
18 submit to Congress an annual report on diversity includ-  
19 ing the following:

20 (1) Data, based on voluntary self-identification,  
21 on the racial, ethnic, and gender composition of the  
22 examiners of each covered regulator, disaggregated  
23 by length of time served as an examiner.

1           (2) The status of any examiners of covered reg-  
2           ulators, based on voluntary self-identification, as a  
3           veteran.

4           (3) Whether any covered regulator, as of the  
5           date on which the report required under this section  
6           is submitted, has adopted a policy, plan, or strategy  
7           to promote racial, ethnic, and gender diversity  
8           among examiners of the covered regulator.

9           (4) Whether any special training is developed  
10          and provided for examiners related specifically to  
11          working with depository institutions and credit  
12          unions that serve communities that are predomi-  
13          nantly minorities, low income, or rural, and the key  
14          focus of such training.

15          (b) BEST PRACTICES.—Each Office of Minority and  
16          Women Inclusion of a covered regulator shall develop, pro-  
17          vide to the head of the covered regulator, and make pub-  
18          licly available best practices—

19                (1) for increasing the diversity of candidates  
20                applying for examiner positions, including through  
21                outreach efforts to recruit diverse candidate to apply  
22                for entry-level examiner positions; and

23                (2) for retaining and providing fair consider-  
24                ation for promotions within the examiner staff for  
25                purposes of achieving diversity among examiners.

1 (c) COVERED REGULATOR DEFINED.—In this sec-  
2 tion, the term “covered regulator” means the Comptroller  
3 of the Currency, the Board of Governors of the Federal  
4 Reserve System, the Federal Deposit Insurance Corpora-  
5 tion, and the National Credit Union Administration.

6 **SEC. 450. INVESTMENTS IN MINORITY DEPOSITORY INSTI-  
7 TUTIONS AND IMPACT BANKS.**

8 (a) CONTROL FOR CERTAIN INSTITUTIONS.—Section  
9 7(j)(8)(B) of the Federal Deposit Insurance Act (12  
10 U.S.C. 1817(j)(8)(B)) is amended to read as follows:

11 “(B) ‘control’ means the power, directly or indi-  
12 rectly—

13 “(i) to direct the management or policies  
14 of an insured depository institution; or

15 “(ii)(I) with respect to an insured depository  
16 institution, of a person to vote 25 per cen-  
17 tum or more of any class of voting securities of  
18 such institution; or

19 “(II) with respect to an insured depository  
20 institution that is an impact bank (as des-  
21 ignated pursuant to section 445 of the Ensuring  
22 Diversity in Community Banking Act) or a  
23 minority depository institution (as defined in  
24 section 308(b) of the Financial Institutions Re-  
25 form, Recovery, and Enforcement Act of 1989),



1           of an individual to vote 30 percent or more of  
2           any class of voting securities of such an impact  
3           bank or a minority depository institution.”.

4           (b) RULEMAKING.—The Federal banking agencies  
5 (as defined in section 3 of the Federal Deposit Insurance  
6 Act (12 U.S.C. 1813)) shall jointly issue rules for de novo  
7 minority depository institutions and de novo impact banks  
8 (as designated pursuant to section 445) to allow 3 years  
9 to meet the capital requirements otherwise applicable to  
10 minority depository institutions and impact banks.

11          (c) REPORT.—Not later than 1 year after the date  
12 of the enactment of this Act, the Federal banking agencies  
13 shall jointly submit to Congress a report on—

14           (1) the principal causes for the low number of  
15           de novo minority depository institutions during the  
16           10-year period preceding the date of the report;

17           (2) the main challenges to the creation of de  
18           novo minority depository institutions and de novo  
19           impact banks; and

20           (3) regulatory and legislative considerations to  
21           promote the establishment of de novo minority de-  
22           pository institutions and de novo impact banks.

1 **SEC. 451. REPORT ON COVERED MENTOR-PROTEGE PRO-**  
2 **GRAMS.**

3 (a) REPORT.—Not later than 6 months after the date  
4 of the enactment of this Act and annually thereafter, the  
5 Secretary of the Treasury shall submit to Congress a re-  
6 port on participants in a covered mentor-protege program,  
7 including—

8 (1) an analysis of outcomes of such program;

9 (2) the number of minority depository institu-  
10 tions that are eligible to participate in such program  
11 but do not have large financial institution mentors;  
12 and

13 (3) recommendations for how to match such mi-  
14 nority depository institutions with large financial in-  
15 stitution mentors.

16 (b) DEFINITIONS.—In this section:

17 (1) COVERED MENTOR-PROTEGE PROGRAM.—

18 The term “covered mentor-protege program” means  
19 a mentor-protege program established by the Sec-  
20 retary of the Treasury pursuant to section 45 of the  
21 Small Business Act (15 U.S.C. 657r).

22 (2) LARGE FINANCIAL INSTITUTION.—The term  
23 “large financial institution” means any entity—

24 (A) regulated by the Comptroller of the  
25 Currency, the Board of Governors of the Fed-  
26 eral Reserve System, the Federal Deposit In-

1 insurance Corporation, or the National Credit  
2 Union Administration; and

3 (B) that has total consolidated assets  
4 greater than or equal to \$50,000,000,000.

5 **SEC. 452. CUSTODIAL DEPOSIT PROGRAM FOR COVERED**  
6 **MINORITY DEPOSITORY INSTITUTIONS AND**  
7 **IMPACT BANKS.**

8 (a) IN GENERAL.—Not later than one year after the  
9 date of the enactment of this Act, the Secretary of the  
10 Treasury shall issue rules establishing a custodial deposit  
11 program under which a covered bank may receive deposits  
12 from a qualifying account.

13 (b) REQUIREMENTS.—In issuing rules under sub-  
14 section (a), the Secretary of the Treasury shall—

15 (1) consult with the Federal banking agencies;

16 (2) ensure each covered bank participating in  
17 the program established under this section—

18 (A) has appropriate policies relating to  
19 management of assets, including measures to  
20 ensure the safety and soundness of each such  
21 covered bank; and

22 (B) is compliant with applicable law; and

23 (3) ensure, to the extent practicable that the  
24 rules do not conflict with goals described in section  
25 308(a) of the Financial Institutions Reform, Recov-

1       ery, and Enforcement Act of 1989 (12 U.S.C. 1463  
2       note).

3       (c) LIMITATIONS.—

4           (1) DEPOSITS.—With respect to the funds of an  
5       individual qualifying account, an entity may not de-  
6       posit an amount greater than the insured amount in  
7       a single covered bank.

8           (2) TOTAL DEPOSITS.—The total amount of  
9       funds deposited in a covered bank under the custo-  
10      dial deposit program described under this section  
11      may not exceed the lesser of—

12           (A) 10 percent of the average amount of  
13      deposits held by such covered bank in the pre-  
14      vious quarter; or

15           (B) \$100,000,000 (as adjusted for infla-  
16      tion).

17      (d) REPORT.—Each quarter, the Secretary of the  
18      Treasury shall submit to Congress a report on the imple-  
19      mentation of the program established under this section  
20      including information identifying participating covered  
21      banks and the total amount of deposits received by covered  
22      banks under the program.

23      (e) DEFINITIONS.—In this section:

24           (1) COVERED BANK.—The term “covered bank”  
25      means—

1 (A) a minority depository institution that  
2 is well capitalized, as defined by the appropriate  
3 Federal banking agency; or

4 (B) a depository institution designated  
5 pursuant to section 445 of the Ensuring Diver-  
6 sity in Community Banking Act that is well  
7 capitalized, as defined by the appropriate Fed-  
8 eral banking agency.

9 (2) INSURED AMOUNT.—The term “insured  
10 amount” means the amount that is the greater of—

11 (A) the standard maximum deposit insur-  
12 ance amount (as defined in section 11(a)(1)(E)  
13 of the Federal Deposit Insurance Act (12  
14 U.S.C. 1821(a)(1)(E))); or

15 (B) such higher amount negotiated be-  
16 tween the Secretary of the Treasury and the  
17 Federal Deposit Insurance Corporation under  
18 which the Corporation will insure all deposits of  
19 such higher amount.

20 (3) FEDERAL BANKING AGENCIES.—The terms  
21 “appropriate Federal banking agency” and “Federal  
22 banking agencies” have the meaning given those  
23 terms, respectively, under section 3 of the Federal  
24 Deposit Insurance Act.

1           (4) QUALIFYING ACCOUNT.—The term “quali-  
2           fying account” means any account established in the  
3           Department of the Treasury that—

4                     (A) is controlled by the Secretary; and

5                     (B) is expected to maintain a balance  
6           greater than \$200,000,000 for the following 24-  
7           month period.

8   **SEC. 453. STREAMLINED COMMUNITY DEVELOPMENT FI-**  
9                     **NANCIAL INSTITUTION APPLICATIONS AND**  
10                    **REPORTING.**

11       (a) APPLICATION PROCESSES.—Not later than 12  
12 months after the date of the enactment of this Act and  
13 with respect to any person having assets under  
14 \$3,000,000,000 that submits an application for deposit in-  
15 surance with the Federal Deposit Insurance Corporation  
16 that could also become a community development financial  
17 institution, the Federal Deposit Insurance Corporation, in  
18 consultation with the Administrator of the Community  
19 Development Financial Institutions Fund, shall—

20                    (1) develop systems and procedures to record  
21           necessary information to allow the Administrator to  
22           conduct preliminary analysis for such person to also  
23           become a community development financial institu-  
24           tion; and

1           (2) develop procedures to streamline the appli-  
2           cation and annual certification processes and to re-  
3           duce costs for such person to become, and maintain  
4           certification as, a community development financial  
5           institution.

6           (b) IMPLEMENTATION REPORT.—Not later than 18  
7           months after the date of the enactment of this Act, the  
8           Federal Deposit Insurance Corporation shall submit to  
9           Congress a report describing the systems and procedures  
10          required under subsection (a).

11          (c) ANNUAL REPORT.—

12           (1) IN GENERAL.—Section 17(a)(1) of the Fed-  
13           eral Deposit Insurance Act (12 U.S.C. 1827(a)(1))  
14           is amended—

15           (A) in subparagraph (E), by striking  
16           “and” at the end;

17           (B) by redesignating subparagraph (F) as  
18           subparagraph (G);

19           (C) by inserting after subparagraph (E)  
20           the following new subparagraph:

21           “(F) applicants for deposit insurance that  
22           could also become a community development fi-  
23           nancial institution (as defined in section 103 of  
24           the Riegle Community Development and Regu-  
25           latory Improvement Act of 1994), a minority

1 depository institution (as defined in section 308  
2 of the Financial Institutions Reform, Recovery,  
3 and Enforcement Act of 1989), or an impact  
4 bank (as designated pursuant to section 445 of  
5 the Ensuring Diversity in Community Banking  
6 Act); and”.

7 (2) APPLICATION.—The amendment made by  
8 this subsection shall apply with respect to the first  
9 report to be submitted after the date that is 2 years  
10 after the date of the enactment of this Act.

11 **SEC. 454. TASK FORCE ON LENDING TO SMALL BUSINESS**

12 **CONCERNS.**

13 (a) IN GENERAL.—Not later than 6 months after the  
14 date of the enactment of this Act, the Administrator of  
15 the Small Business Administration shall establish a task  
16 force to examine methods for improving relationships be-  
17 tween the Small Business Administration and community  
18 development financial institutions, minority depository in-  
19 stitutions, and impact banks (as designated pursuant to  
20 section 445) to increase the volume of loans provided by  
21 such institutions to small business concerns (as defined  
22 under section 3 of the Small Business Act (15 U.S.C.  
23 632)).

24 (b) REPORT TO CONGRESS.—Not later than 18  
25 months after the establishment of the task force described



1 in subsection (a), the Administrator of the Small Business  
2 Administration shall submit to Congress a report on the  
3 findings of such task force.

4 **Subtitle E—Expanding Opportunity for Minority Depository**  
5 **Institutions**  
6

7 **SEC. 461. ESTABLISHMENT OF FINANCIAL AGENT MENTOR-**  
8 **PROTÉGÉ PROGRAM.**

9 (a) IN GENERAL.—Section 308 of the Financial In-  
10 stitutions Reform, Recovery, and Enforcement Act of  
11 1989 (12 U.S.C. 1463 note) is amended by adding at the  
12 end the following new subsection:

13 “(d) FINANCIAL AGENT MENTOR-PROTÉGÉ PRO-  
14 GRAM.—

15 “(1) IN GENERAL.—The Secretary of the  
16 Treasury shall establish a program to be known as  
17 the ‘Financial Agent Mentor-Protégé Program’ (in  
18 this subsection referred to as the ‘Program’) under  
19 which a financial agent designated by the Secretary  
20 or a large financial institution may serve as a men-  
21 tor, under guidance or regulations prescribed by the  
22 Secretary, to a small financial institution to allow  
23 such small financial institution—

24 “(A) to be prepared to perform as a finan-  
25 cial agent; or

1           “(B) to improve capacity to provide serv-  
2           ices to the customers of the small financial in-  
3           stitution.

4           “(2) OUTREACH.—The Secretary shall hold  
5           outreach events to promote the participation of fi-  
6           nancial agents, large financial institutions, and small  
7           financial institutions in the Program at least once a  
8           year.

9           “(3) EXCLUSION.—The Secretary shall issue  
10          guidance or regulations to establish a process under  
11          which a financial agent, large financial institution,  
12          or small financial institution may be excluded from  
13          participation in the Program.

14          “(4) REPORT.—The Office of Minority and  
15          Women Inclusion of the Department of the Treasury  
16          shall include in the report submitted to Congress  
17          under section 342(e) of the Dodd-Frank Wall Street  
18          Reform and Consumer Protection Act information  
19          pertaining to the Program, including—

20                 “(A) the number of financial agents, large  
21                 financial institutions, and small financial insti-  
22                 tutions participating in such Program; and

23                 “(B) the number of outreach events de-  
24                 scribed in paragraph (2) held during the year  
25                 covered by such report.

1 “(5) DEFINITIONS.—In this subsection:

2 “(A) FINANCIAL AGENT.—The term ‘fi-  
3 nancial agent’ means any national banking as-  
4 sociation designated by the Secretary of the  
5 Treasury to be employed as a financial agent of  
6 the Government.

7 “(B) LARGE FINANCIAL INSTITUTION.—  
8 The term ‘large financial institution’ means any  
9 entity regulated by the Comptroller of the Cur-  
10 rency, the Board of Governors of the Federal  
11 Reserve System, the Federal Deposit Insurance  
12 Corporation, or the National Credit Union Ad-  
13 ministration that has total consolidated assets  
14 greater than or equal to \$50,000,000,000.

15 “(C) SMALL FINANCIAL INSTITUTION.—  
16 The term ‘small financial institution’ means—

17 “(i) any entity regulated by the  
18 Comptroller of the Currency, the Board of  
19 Governors of the Federal Reserve System,  
20 the Federal Deposit Insurance Corpora-  
21 tion, or the National Credit Union Admin-  
22 istration that has total consolidated assets  
23 lesser than or equal to \$2,000,000,000; or

24 “(ii) a minority depository institu-  
25 tion.”.

1 (b) EFFECTIVE DATE.—This section and the amend-  
2 ments made by this section shall take effect 90 days after  
3 the date of the enactment of this Act.

4 **TITLE V—COMMUNITY**  
5 **DEVELOPMENT**  
6 **Subtitle A—CDFI Bond Guarantee**  
7 **Program Improvement**

8 **SEC. 511. SENSE OF CONGRESS.**

9 It is the sense of Congress that the authority to guar-  
10 antee bonds under section 114A of the Community Devel-  
11 opment Banking and Financial Institutions Act of 1994  
12 (12 U.S.C. 4713a) (commonly referred to as the “CDFI  
13 Bond Guarantee Program”) provides community develop-  
14 ment financial institutions with a sustainable source of  
15 long-term capital and furthers the mission of the Commu-  
16 nity Development Financial Institutions Fund (established  
17 under section 104(a) of such Act (12 U.S.C. 4703(a)) to  
18 increase economic opportunity and promote community  
19 development investments for underserved populations and  
20 distressed communities in the United States.

1 **SEC. 512. GUARANTEES FOR BONDS AND NOTES ISSUED**  
2 **FOR COMMUNITY OR ECONOMIC DEVELOP-**  
3 **MENT PURPOSES.**

4 Section 114A of the Community Development Bank-  
5 ing and Financial Institutions Act of 1994 (12 U.S.C.  
6 4713a) is amended—

7 (1) in subsection (c)(2), by striking “, multi-  
8 plied by an amount equal to the outstanding prin-  
9 cipal balance of issued notes or bonds”;

10 (2) in subsection (e)(2)(B), by striking  
11 “\$100,000,000” and inserting “\$25,000,000”; and

12 (3) in subsection (k), by striking “September  
13 30, 2014” and inserting “the date that is 4 years  
14 after the date of enactment of the CDFI Bond  
15 Guarantee Program Improvement Act of 2022”.

16 **SEC. 513. REPORT ON THE CDFI BOND GUARANTEE PRO-**  
17 **GRAM.**

18 Not later than 1 year after the date of enactment  
19 of this Act, and not later than 3 years after such date  
20 of enactment, the Secretary of the Treasury shall issue  
21 a report to the Committee on Financial Services of the  
22 House of Representatives and the Committee on Banking,  
23 Housing, and Urban Affairs of the Senate on the effective-  
24 ness of the CDFI bond guarantee program established  
25 under section 114A of the Community Development Bank-

1 ing and Financial Institutions Act of 1994 (12 U.S.C.  
2 4713a).

3 **Subtitle B—Expanding Financial**  
4 **Access for Underserved Commu-**  
5 **nities**

6 **SEC. 521. CREDIT UNION SERVICE TO UNDERSERVED**  
7 **AREAS.**

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

10 (1) in subsection (c)(2)—

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

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

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

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

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

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

1           “(1) IN GENERAL.—If an existing Federal cred-  
2           it 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  
10          than 2 years after the date on which a Federal cred-  
11          it union’s application described under paragraph (1)  
12          is approved, the credit union, as part of the ordinary  
13          course of the examination cycle and supervision  
14          process, shall submit a report to the Administration  
15          that includes—

16                 “(A) an estimate of the number of mem-  
17                 bers of the credit union who are members by  
18                 reason 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. 522. MEMBER BUSINESS LENDING IN UNDERSERVED**  
2 **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. 523. 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 ge-  
21 ographic 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) groups of contiguous census tracts in  
4 which at least 85 percent individually qualify as  
5 low-income communities, as defined under sec-  
6 tion 45D(e) of the Internal Revenue Code of  
7 1986; or

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

14 **SEC. 524. REPORTS BY THE NATIONAL CREDIT UNION AD-**  
15 **MINISTRATION.**

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

24 (b) UPDATE.—The National Credit Union Adminis-  
25 tration shall issue an updated report on the implementa-

1 tion of the amendments made by this subtitle to the com-  
2 mittees described under subsection (a) on the date that  
3 is 5 years after the date on which the Administration  
4 issues the initial report under subsection (a).

