

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 7003
OFFERED BY MS. WATERS OF CALIFORNIA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Expanding Financial
3 Access for Underserved Communities Act”.

4 SEC. 2. CREDIT UNION SERVICE TO UNDERSERVED AREAS.

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

7 (1) in subsection (c)(2)—

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

11 (B) by amending subparagraph (A) to read
12 as follows:

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

16 (C) in subparagraph (B), by inserting “not
17 later than 2 years after having such under-

1 served area added to the credit union’s char-
2 ter,” before “the credit union”; and

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

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

6 “(1) IN GENERAL.—If an existing Federal cred-
7 it union applies to the Board to alter or expand the
8 field of membership of the credit union to serve an
9 underserved area, the credit union shall submit a
10 business and marketing plan with such application
11 that explains the credit union’s ability and intent to
12 serve the population of the underserved area through
13 the change in field of membership.

14 “(2) REPORT BY CREDIT UNION.—Not later
15 than 2 years after the date on which a Federal cred-
16 it union’s application described under paragraph (1)
17 is approved, the credit union, as part of the ordinary
18 course of the examination cycle and supervision
19 process, shall submit a report to the Administration
20 that includes—

21 “(A) an estimate of the number of mem-
22 bers of the credit union who are members by
23 reason of the application;

24 “(B) a description of the types of financial
25 services utilized by members of the credit union

1 who are members by reason of the application;
2 and

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

6 **SEC. 3. MEMBER BUSINESS LENDING IN UNDERSERVED**
7 **AREAS.**

8 Section 107A(c)(1)(B) of the Federal Credit Union
9 Act (12 U.S.C. 1757a(c)(1)(B)) is amended—

10 (1) in clause (iv), by striking “or” at the end;

11 (2) in clause (v), by striking the period and in-
12 serting “; or”; and

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

14 “(vi) that is made to a member or as-
15 sociated borrower that lives in or operates
16 in an underserved area.”.

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

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

20 (1) in paragraph (8), by striking “; and” and
21 inserting a period;

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

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

1 “(10) The term ‘underserved area’ means a ge-
2 ographic area consisting of one or more population
3 census tracts or one or more counties, that encom-
4 pass or are located within—

5 “(A) an investment area, as defined under
6 section 103(16) of the Community Development
7 Banking and Financial Institutions Act of
8 1994;

9 “(B) groups of contiguous census tracts in
10 which at least 85 percent individually qualify as
11 low-income communities, as defined under sec-
12 tion 45D(e) of the Internal Revenue Code of
13 1986; or

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

20 **SEC. 5. REPORTS BY THE NATIONAL CREDIT UNION ADMIN-**
21 **ISTRATION.**

22 (a) INITIAL REPORT.—Not later than 3 years after
23 the date of enactment of this Act, but no sooner than 2
24 years after the date of enactment of this Act, the National
25 Credit Union Administration shall issue a report to the

1 Committee on Financial Services of the House of Rep-
2 resentatives and the Committee on Banking, Housing, and
3 Urban Affairs of the Senate on the implementation of the
4 amendments made by this Act.

5 (b) UPDATE.—The National Credit Union Adminis-
6 tration shall issue an updated report on the implementa-
7 tion of the amendments made by this Act to the commit-
8 tees described under subsection (a) on the date that is 5
9 years after the date on which the Administration issues
10 the initial report under subsection (a).

