

116TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the CARES Act to establish community investment programs,  
and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. WARNER (for himself, Mr. BOOKER, Ms. HARRIS, and Mr. SCHUMER) in-  
troduced the following bill; which was read twice and referred to the Com-  
mittee on \_\_\_\_\_

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## **A BILL**

To amend the CARES Act to establish community  
investment programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Jobs and Neighbor-  
5 hood Investment Act”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to—

8 (1) establish programs to revitalize and provide  
9 long-term financial products and service availability

1 for, and provide investments in, low- and moderate-  
2 income and minority communities;

3 (2) respond to the unprecedented loss of Black-  
4 owned businesses and unemployment; and

5 (3) otherwise enhance the stability, safety and  
6 soundness of community financial institutions that  
7 support low- and moderate-income and minority  
8 communities.

9 **SEC. 3. CONSIDERATIONS; REQUIREMENTS FOR CREDI-**  
10 **TORS.**

11 (a) **IN GENERAL.**—In exercising the authorities  
12 under this Act and the amendments made by this Act,  
13 the Secretary of the Treasury shall take into consider-  
14 ation—

15 (1) increasing the availability of affordable  
16 credit for consumers, small businesses, and nonprofit  
17 organizations, including for projects supporting af-  
18 fordable housing, community-serving real estate, and  
19 other projects, that provide direct benefits to low-  
20 and moderate-income communities, low-income and  
21 underserved individuals, and minorities;

22 (2) providing funding to minority-owned or mi-  
23 nority-led eligible institutions and other eligible insti-  
24 tutions that have a strong track record of serving  
25 minority small businesses;

1           (3) protecting and increasing jobs in the United  
2 States;

3           (4) increasing the opportunity for small busi-  
4 ness, affordable housing and community develop-  
5 ment in geographic areas and demographic segments  
6 with poverty and high unemployment rates that ex-  
7 ceed the average in the United States;

8           (5) ensuring that all low- and moderate-income  
9 community financial institutions may apply to par-  
10 ticipate in the programs established under this Act  
11 and the amendments made by this Act, without dis-  
12 crimination based on geography;

13           (6) providing transparency with respect to use  
14 of funds provided under this Act and the amend-  
15 ments made by this Act;

16           (7) promoting and engaging in financial edu-  
17 cation to would-be borrowers; and

18           (8) providing funding to eligible institutions  
19 that serve consumers, small businesses, and non-  
20 profit organizations to support affordable housing,  
21 community-serving real estate, and other projects  
22 that provide direct benefits to low- and moderate-in-  
23 come communities, low-income individuals, and mi-  
24 norities directly affected by the COVID-19 pan-  
25 demic.

1           (b) REQUIREMENT FOR CREDITORS.—Any creditor  
2 participating in a program established under this Act or  
3 the amendments made by this Act shall fully comply with  
4 all applicable statutory and regulatory requirements relat-  
5 ing to fair lending.

6 **SEC. 4. SENSE OF CONGRESS.**

7           It is the sense of Congress that the investments made  
8 by the Secretary of the Treasury under this Act and the  
9 amendments made by this Act should be designed to maxi-  
10 mize the benefit to low- and moderate-income and minor-  
11 ity communities and contemplate losses to capital of the  
12 Treasury.

13 **SEC. 5. NEIGHBORHOOD INVESTMENT PROGRAMS.**

14           Title IV of the CARES Act (Public Law 116–136)  
15 is amended—

16           (1) in section 4002 (15 U.S.C. 9041)—

17                   (A) by redesignating paragraphs (7)  
18 through (10) as paragraphs (8) through (11),  
19 respectively; and

20                   (B) by inserting after paragraph (6) the  
21 following:

22                   “(7) LOW- AND MODERATE-INCOME COMMU-  
23 NITY FINANCIAL INSTITUTION.—The term ‘low- and  
24 moderate-income community financial institution’  
25 means any financial institution that is—

1           “(A) a community development financial  
2 institution, as defined in section 103 of the Rie-  
3 gle Community Development and Regulatory  
4 Improvement Act of 1994 (12 U.S.C. 4702); or

5           “(B) a minority depository institution, as  
6 defined in section 308 of the Financial Institu-  
7 tions Reform, Recovery, and Enforcement Act  
8 of 1989 (12 U.S.C. 1463 note), for which the  
9 majority of the community served by the minor-  
10 ity depository institution is minority, as defined  
11 in such section.”;

12           (2) in section 4003 (15 U.S.C. 9042), by add-  
13 ing at the end the following:

14           “(i) NEIGHBORHOOD CAPITAL INVESTMENT PRO-  
15 GRAM.—

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

17           “(A) the term ‘community development fi-  
18 nancial institution’ has the meaning given the  
19 term in section 103 of the Riegle Community  
20 Development and Regulatory Improvement Act  
21 of 1994 (12 U.S.C. 4702);

22           “(B) the term ‘Fund’ means the Commu-  
23 nity Development Financial Institutions Fund  
24 established under section 104(a) of the Riegle

1           Community Development and Regulatory Im-  
2           provement Act of 1994 (12 U.S.C. 4703(a));

3           “(C) the term ‘minority’ means any Black  
4           American, Native American, Hispanic Amer-  
5           ican, or Asian American; and

6           “(D) the term ‘Program’ means the Neigh-  
7           borhood Capital Investment Program estab-  
8           lished under paragraph (2).

9           “(2) ESTABLISHMENT.—The Secretary shall es-  
10          tablish a Neighborhood Capital Investment Program  
11          to support low- and moderate-income community fi-  
12          nancial institutions to provide loans and forbearance  
13          to borrowers in low- and moderate-income commu-  
14          nities, especially for borrowers who are historically  
15          disadvantaged, including minorities, and borrowers  
16          in rural and urban low-income and underserved com-  
17          munities.

18          “(3) INVESTMENTS.—Under the Program, the  
19          Secretary shall establish a fund to facilitate direct  
20          capital investments, including purchases and modi-  
21          fications of those purchases, of senior preferred non-  
22          voting stock, subordinated debentures, and other fi-  
23          nancial instruments (including equity equivalent cap-  
24          ital and secondary capital investments described in  
25          section 216(o)(2)(C) of the Federal Credit Union

1 Act (12 U.S.C. 1790d(o)(2)(C)) from low- and mod-  
2 erate-income community financial institutions on  
3 such terms as are determined by the Secretary in ac-  
4 cordance with this subtitle.

5 “(4) APPLICATION.—

6 “(A) ACCEPTANCE.—The Secretary shall  
7 begin accepting applications for capital invest-  
8 ments under the Program not later than the  
9 end of the 30-day period beginning on the date  
10 of enactment of this subsection, with priority in  
11 distribution given to low- and moderate-income  
12 community financial institutions that are mi-  
13 nority-owned or minority-led lenders.

14 “(B) REQUIREMENT TO PROVIDE A NEIGH-  
15 BORHOOD INVESTMENT LENDING PLAN.—

16 “(i) IN GENERAL.—At the time that  
17 an applicant submits an application to the  
18 Secretary for a capital investment under  
19 the Program, the applicant shall provide  
20 the Secretary, along with the appropriate  
21 Federal banking agency, an investment  
22 and lending plan that—

23 “(I) demonstrates that not less  
24 than 30 percent of the lending of the  
25 applicant over the past 2 fiscal years

1 was made directly to low- and mod-  
2 erate income borrowers, to borrowers  
3 that create direct benefits for low- and  
4 moderate-income populations, to other  
5 targeted populations as defined by the  
6 Fund, or any combination thereof, as  
7 measured by the total number and  
8 dollar amount of loans;

9 “(II) describes how the business  
10 strategy and operating goals of the  
11 applicant will address community de-  
12 velopment needs, which includes the  
13 needs of small businesses, consumers,  
14 nonprofit organizations, community  
15 development, and other projects pro-  
16 viding direct benefits to low- and mod-  
17 erate-income communities, low-income  
18 individuals, and minorities within the  
19 minority, rural, and urban low-income  
20 and underserved areas served by the  
21 applicant;

22 “(III) includes a plan to provide  
23 linguistically and culturally appro-  
24 priate outreach, where appropriate;



1                   “(IV) includes an attestation by  
2                   the applicant that the applicant does  
3                   not own, service, or offer any financial  
4                   products at an annual percentage rate  
5                   of more than 36 percent interest, as  
6                   defined in section 987(i)(4) of title  
7                   10, United States Code, and is com-  
8                   pliant with State interest rate laws;  
9                   and

10                   “(V) includes details on how the  
11                   applicant plans to expand or maintain  
12                   significant lending or investment ac-  
13                   tivity in low- or moderate-income mi-  
14                   nority communities, to historically dis-  
15                   advantaged borrowers, and to minori-  
16                   ties that have significant unmet cap-  
17                   ital or financial services needs.

18                   “(ii) COMMUNITY DEVELOPMENT  
19                   LOAN FUNDS.—An applicant that is not an  
20                   insured community development financial  
21                   institution or otherwise regulated by a  
22                   Federal financial regulator shall submit  
23                   the plan described in clause (i) only to the  
24                   Secretary.

1                   “(iii) DOCUMENTATION.—In the case  
2                   of an applicant that is certified as a com-  
3                   munity development financial institution as  
4                   of the date of enactment of this subsection,  
5                   for purposes of clause (i)(I), the Secretary  
6                   may rely on documentation submitted the  
7                   Fund as part of certification compliance  
8                   reporting.

9                   “(5) INCENTIVES TO INCREASE LENDING AND  
10                  PROVIDE AFFORDABLE CREDIT.—

11                  “(A) REQUIREMENTS ON PREFERRED  
12                  STOCK AND OTHER FINANCIAL INSTRUMENT.—  
13                  Any financial instrument issued to Treasury by  
14                  a low- and moderate-income community finan-  
15                  cial institution under the Program shall provide  
16                  the following:

17                         “(i) No dividends, interest or other  
18                         payments shall exceed 2 percent per  
19                         annum.

20                         “(ii) After the first 24 months from  
21                         the date of the capital investment under  
22                         the Program, annual payments may be re-  
23                         quired, as determined by the Secretary and  
24                         in accordance with this section, and ad-  
25                         justed downward based on the amount of

1 affordable credit provided by the low- and  
2 moderate-income community financial in-  
3 stitution to borrowers in minority, rural,  
4 and urban low-income and underserved  
5 communities.

6 “(iii) During any calendar quarter  
7 after the initial 24-month period referred  
8 to in clause (ii), the annual payment rate  
9 of a low- and moderate-income community  
10 financial institution shall be adjusted  
11 downward to reflect the following schedule,  
12 based on lending by the institution relative  
13 to the baseline period:

14 “(I) If the institution in the most  
15 recent annual period prior to the in-  
16 vestment provides significant lending  
17 or investment activity in low- or mod-  
18 erate-income minority communities,  
19 historically disadvantaged borrowers,  
20 and to minorities that have significant  
21 unmet capital or financial services,  
22 the annual payment rate shall not ex-  
23 ceed 0.5 percent per annum.

24 “(II) If the amount of lending  
25 within minority, rural, and urban low-

1 income and underserved communities  
2 and to low- and moderate-income bor-  
3 rowers has increased dollar for dollar  
4 based on the amount of the capital in-  
5 vestment, the annual payment rate  
6 shall not exceed 1 percent per annum.

7 “(III) If the amount of lending  
8 within minority, rural, and urban low-  
9 income and underserved communities  
10 and to low- and moderate-income bor-  
11 rowers has increased by twice the  
12 amount of the capital investment, the  
13 annual payment rate shall not exceed  
14 0.5 percent per annum.

15 “(B) CONTINGENCY OF PAYMENTS BASED  
16 ON CERTAIN FINANCIAL CRITERIA.—

17 “(i) DEFERRAL.—Any annual pay-  
18 ments under this subsection shall be de-  
19 ferred in any quarter or payment period if  
20 any of the following is true:

21 “(I) The low- and moderate-in-  
22 come community institution fails to  
23 meet the Tier 1 capital ratio or simi-  
24 lar ratio as determined by the Sec-  
25 retary.

1                   “(II) The low- and moderate-in-  
2                   come community financial institution  
3                   fails to achieve positive net income for  
4                   the quarter or payment period.

5                   “(III) The low- and moderate-in-  
6                   come community financial institution  
7                   determines that the payment would be  
8                   detrimental to the financial health of  
9                   the institution.

10                  “(ii) TESTING DURING NEXT PAY-  
11                  MENT PERIOD.—Any deferred annual pay-  
12                  ment under this subsection shall be tested  
13                  against the metrics described in clause (i)  
14                  at the beginning of the next payment pe-  
15                  riod, and such payments shall continue to  
16                  be deferred until the metrics described in  
17                  that clause are no longer applicable.

18                  “(6) RESTRICTIONS.—

19                  “(A) IN GENERAL.—Each low- and mod-  
20                  erate-income community financial institution  
21                  may only issue financial instruments or senior  
22                  preferred stock under this subsection with an  
23                  aggregate principal amount that is—

1 “(i) not more than 15 percent of risk-  
2 weighted assets for an institution with as-  
3 sets of more than \$2,000,000,000;

4 “(ii) not more than 25 percent of  
5 risk-weighted assets for an institution with  
6 assets of not less than \$500,000,000 and  
7 not more than \$2,000,000,000; and

8 “(iii) not more than 30 percent of  
9 risk-weighted assets for an institution with  
10 assets of less than \$500,000,000.

11 “(B) HOLDING OF INSTRUMENTS.—Hold-  
12 ing any instrument of a low- and moderate-in-  
13 come community financial institution described  
14 in subparagraph (A) shall not give the Treasury  
15 or any successor that owns the instrument any  
16 rights over the management of the institution.

17 “(C) SALE OF INTEREST.—With respect to  
18 a capital investment made into a low- and mod-  
19 erate-income community financial institution  
20 under this subsection, the Secretary—

21 “(i) except as provided in clause (iv),  
22 during the 10-year period following the in-  
23 vestment, may not sell the interest of the  
24 Secretary in the capital investment to a  
25 third party;

1           “(ii) shall provide the low- and mod-  
2           erate-income community financial institu-  
3           tion a right of first refusal to buy back the  
4           investment under terms that do not exceed  
5           a value as determined by an independent  
6           third party; and

7           “(iii) shall not sell more than a 5 per-  
8           cent ownership interest in the capital in-  
9           vestment to a single third party; and

10           “(iv) with the permission of the insti-  
11           tution, may gift or sell the interest of the  
12           Secretary in the capital investment for a  
13           de minimus amount to—

14           “(I) a mission aligned nonprofit  
15           affiliate of an applicant that is an in-  
16           sured community development finan-  
17           cial institution, as defined in section  
18           103 of the Riegle Community Devel-  
19           opment and Regulatory Improvement  
20           Act of 1994 (12 U.S.C. 4702); or

21           “(II) 1 or more mission-aligned  
22           nonprofit organizations selected by the  
23           institution that are not affiliated with  
24           the institution.

1                   “(v) CALCULATION OF OWNERSHIP  
2                   FOR MINORITY DEPOSITORY INSTITU-  
3                   TIONS.—The calculation and determination  
4                   of ownership thresholds for a depository  
5                   institution to qualify as a minority deposi-  
6                   tory institution described in section  
7                   4002(7)(B) shall exclude any dilutive effect  
8                   of equity investments by the Federal Gov-  
9                   ernment, including under the Program or  
10                  through the Fund.

11                  “(7) AVAILABLE AMOUNTS.—In carrying out  
12                  the Program, the Secretary shall use such sums as  
13                  may be necessary, but not less than \$7,000,000,000,  
14                  from amounts made available under subsection (b),  
15                  notwithstanding the limitations on the use of such  
16                  funds under paragraphs (1) through (4) of such sub-  
17                  section (b).

18                  “(8) TREATMENT OF CAPITAL INVESTMENTS.—  
19                  Any capital investment under the Program shall re-  
20                  ceive Tier 1 capital treatment, as defined by the  
21                  Federal Financial Institutions Examination Council,  
22                  or shall be treated as a secondary capital investment  
23                  described in section 216(o)(2)(C) of the Federal  
24                  Credit Union Act (12 U.S.C. 1790d(o)(2)(C)).



1           “(9) OUTREACH TO MINORITIES.—The Sec-  
2           retary shall require low- and moderate-income com-  
3           munity financial institutions receiving capital invest-  
4           ments under the Program to provide linguistically  
5           and culturally appropriate outreach and advertising  
6           describing the availability and application process of  
7           receiving loans made possible by the Program  
8           through organizations, trade associations, and indi-  
9           viduals that represent or work within or are mem-  
10          bers of minority communities.

11           “(10) INAPPLICABILITY OF RESTRICTIONS.—  
12          The restrictions and limitations described in sub-  
13          paragraphs (E) and (F) of paragraph (2) and para-  
14          graph (3)(A)(ii) of subsection (c) of section 4003  
15          and in section 4004 shall not apply to the Program.

16           “(11) TERMINATION OF INVESTMENT AUTHOR-  
17          ITY.—The authority to make capital investments in  
18          low- and moderate-income community financial insti-  
19          tutions, including commitments to purchase pre-  
20          ferred stock or other instruments, provided under  
21          the Program shall terminate on the date that is 36  
22          months after the date of enactment of this sub-  
23          section.

1           “(12) COLLECTION OF DATA.—Notwithstanding  
2           the Equal Opportunity Credit Act (15 U.S.C. 1691  
3           et seq.)—

4                   “(A) any low- and moderate-income com-  
5                   munity financial institution may collect data de-  
6                   scribed in section 701(a)(1) of that Act (15  
7                   U.S.C. 1691(a)(1)) from borrowers and appli-  
8                   cants for credit for the purpose of monitoring  
9                   compliance under the plan required under para-  
10                  graph (4)(B); and

11                  “(B) a low- and moderate-income commu-  
12                  nity financial institution that collects the data  
13                  described in subparagraph (A) shall not be sub-  
14                  ject to adverse action related to that collection  
15                  by the Bureau of Consumer Financial Protec-  
16                  tion or any other Federal agency.

17           “(13) DEPOSIT OF FUNDS.—All funds received  
18           by the Secretary in connection with purchases made  
19           pursuant this subsection, including interest pay-  
20           ments, dividend payments, and proceeds from the  
21           sale of any financial instrument, shall be deposited  
22           into the Fund and used to provide financial and  
23           technical assistance pursuant to section 108 of the  
24           Riegle Community Development and Regulatory Im-

1       provement Act of 1994 (12 U.S.C. 4707), except  
2       that subsection (e) of that section shall be waived.”.

3       “(j) NEIGHBORHOOD LOAN PROGRAM.—

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

5                       “(A) the term ‘financial institution’ means  
6                       any entity regulated by the Comptroller of the  
7                       Currency, the Board of Governors of the Fed-  
8                       eral Reserve System, or the Federal Deposit In-  
9                       surance Corporation;

10                      “(B) the term ‘intermediary’ means any  
11                      entity engaged in aggregating loans originated  
12                      by low- and moderate-income community finan-  
13                      cial institutions; and

14                      “(C) the term ‘Program’ means the Neigh-  
15                      borhood Loan Program established under para-  
16                      graph (2).

17               “(2) ESTABLISHMENT.—The Secretary, in con-  
18       junction with the Board of Governors of the Federal  
19       Reserve System, shall establish a Neighborhood  
20       Loan Program to create facilities under section  
21       13(3) of the Federal Reserve Act (12 U.S.C. 343(3))  
22       to provide liquidity and encourage equity equivalent  
23       capital investments for low- and moderate-income  
24       community financial institutions serving low- and  
25       moderate-income and minority communities.

1           “(3) MINIMIZATION OF BURDEN.—Any guid-  
2           ance, regulations, frequently asked question, or other  
3           written or verbal communications provided by the  
4           Secretary or the Board of Governors of the Federal  
5           Reserve System in connection with the Program  
6           shall be designed to minimize any burden to the rel-  
7           evant low- and moderate-income community finan-  
8           cial institution and to ensure that the Program is  
9           actively utilized by the low- and moderate-income  
10          community financial institution for which the Pro-  
11          gram is being created.

12           “(4) SMALL BUSINESS COMMUNITY LOAN PAR-  
13          TICIPATIONS.—

14           “(A) IN GENERAL.—The facilities created  
15          under paragraph (2) shall purchase 90 percent  
16          of the balance of eligible small business loans  
17          described in subparagraph (B), either directly  
18          from low- and moderate-income community fi-  
19          nancial institutions, or from intermediaries, to  
20          increase access to credit and build wealth in  
21          low- and moderate-income and minority commu-  
22          nities.

23           “(B) CRITERIA FOR ELIGIBLE SMALL  
24          BUSINESS LOANS.—An eligible small business

1 loan described in this subparagraph shall  
2 have—

3 “(i) a maximum loan balance of  
4 \$250,000;

5 “(ii) reasonable loan origination and  
6 service fees; and

7 “(iii) other terms as prescribed by the  
8 Secretary.

9 “(C) ELIGIBILITY.—To be eligible under  
10 subparagraph (A), a low- and moderate-income  
11 community financial institution shall hold not  
12 less than 10 percent of each eligible small busi-  
13 ness loan described in subparagraph (B), or 10  
14 percent of the loans as represented in a loan  
15 pool described in subparagraph (D).

16 “(D) LOAN POOL.—Each loan pool de-  
17 scribed in subparagraph (A)—

18 “(i) shall be composed of not less than  
19 50 loans that amount to not less than  
20 \$1,000,000;

21 “(ii) shall be originated by a low- and  
22 moderate-income community financial in-  
23 stitution for a commercially reasonable fee  
24 charged by the facility created under the  
25 Program;

1                   “(iii) shall be serviced by a low- and  
2                   moderate-income community financial in-  
3                   stitution for a commercially reasonable fee  
4                   charged by a facility created under the  
5                   Program; and

6                   “(iv) shall be representative of the  
7                   risk in the total loan portfolio of the low-  
8                   and moderate-income community financial  
9                   institution.

10                  “(E) PRIORITIZATION.—Low- and mod-  
11                  erate-income community financial institutions  
12                  shall prioritize the purchase of eligible small  
13                  business loans described in subparagraph (B)  
14                  that are made to minority-owned small busi-  
15                  nesses.

16                  “(5) EQUITY EQUIVALENT LOAN PARTICIPA-  
17                  TIONS.—

18                  “(A) IN GENERAL.—The facilities created  
19                  under paragraph (2) shall purchase 90 percent  
20                  participations in loans made by financial insti-  
21                  tutions to low- and moderate-income community  
22                  financial institutions that meet the eligibility re-  
23                  quirements in this paragraph.

24                  “(B) ELIGIBILITY.—To be eligible under  
25                  subparagraph (A), a financial institution shall

1 retain not less than 10 percent of each loan de-  
2 scribed in subparagraph (C).

3 “(C) LOANS.—A loan described in this  
4 subparagraph shall be—

5 “(i) for not more than \$10,000,000;

6 “(ii) originated after March 15, 2020;

7 “(iii) serviced by a financial institu-  
8 tion; and

9 “(iv) treated as an equity equivalent  
10 investment, as defined by the Comptroller  
11 of the Currency, the Board of Governors of  
12 the Federal Reserve System, or the Fed-  
13 eral Deposit Insurance Corporation.

14 “(6) APPLICATION DATE.—The Secretary shall  
15 begin accepting applications under the Program not  
16 later than the end of the 30-day period beginning on  
17 the date of enactment of this subsection.

18 “(7) INAPPLICABILITY OF RESTRICTIONS.—The  
19 restrictions and limitations described in subpara-  
20 graphs (E) and (F) of paragraph (2) and paragraph  
21 (3)(A)(ii) of subsection (b) of section 4003 and in  
22 section 4004 shall not apply to the Program.

23 “(8) AVAILABLE AMOUNTS.—In carrying out  
24 the Program, the Secretary shall use such sums as  
25 may be necessary, but not less than \$8,000,000,000,

1 from amounts made available under paragraph (4)  
2 of subsection (b), notwithstanding the limitations on  
3 the use of such funds under that paragraph.

4 “(9) TERMINATION.—The Program shall termi-  
5 nate on the date that is 48 months after the date  
6 of enactment of this subsection.

7 “(k) APPLICATION OF THE MILITARY LENDING  
8 ACT.—

9 “(1) IN GENERAL.—No low- and moderate-in-  
10 come community financial institution that receives  
11 an equity investment under subsection (i) or sells a  
12 loan participation under subsection (j) shall, for so  
13 long as the investment or participation continues,  
14 make any loan at an annualized percentage rate  
15 above 36 percent, as determined in accordance with  
16 section 987(b) of title 10, United States Code (com-  
17 monly known as the ‘Military Lending Act’).

18 “(2) NO EXEMPTIONS PERMITTED.—The ex-  
19 emption authority of the Bureau under section  
20 105(f) of the Truth in Lending Act (15 U.S.C.  
21 1604(f)) shall not apply with respect to this sub-  
22 section.”.

23 **SEC. 6. SUPPORTING THE CDFI FUND.**

24 (a) APPROPRIATIONS.—Of the amounts made avail-  
25 able to the Secretary of the Treasury under section 4027



1 of the CARES Act (Public Law 116–136),  
2 \$2,900,000,000 shall be made available to the Fund to  
3 carry out this section.

4 (b) SET ASIDES.—Of the amounts made available  
5 under subsection (a), the following amounts shall be set  
6 aside:

7 (1) Up to \$1,000,000,000, to remain available  
8 until September 30, 2021, to support, prepare for,  
9 and respond to the economic impact of the  
10 coronavirus, provided that the Fund shall—

11 (A) provide grants funded under this para-  
12 graph using a formula that takes into account  
13 criteria such as certification status, financial  
14 and compliance performance, portfolio and bal-  
15 ance sheet strength, a diversity of CDFI busi-  
16 ness model types, and program capacity, of  
17 which not less than \$25,000,000 may be for  
18 grants to benefit Native American, Native Ha-  
19 waiian, and Alaska Native communities; and

20 (B) make funds available under this para-  
21 graph not later than 60 days after the date of  
22 enactment of this Act.

23 (2) Up to \$1,000,000,000, to remain available  
24 until expended, to provide grants to CDFIs—

1 (A) to expand lending or investment activ-  
2 ity in low- or moderate-income minority commu-  
3 nities and to minorities that have significant  
4 unmet capital or financial services needs; and

5 (B) using a formula that takes into ac-  
6 count criteria such as certification status, finan-  
7 cial and compliance performance, portfolio and  
8 balance sheet strength, a diversity of CDFI  
9 business model types, and program capacity, as  
10 well as experience making loans and invest-  
11 ments to those areas and populations identified  
12 in this paragraph.

13 (3) Up to \$400,000,000, to remain available  
14 until expended, for technical assistance, technology,  
15 and training under sections 108(a)(1)(B) and 109,  
16 respectively, of the Riegle Community Development  
17 and Regulatory Improvement Act of 1994 (12  
18 U.S.C. 4707(a)(1)(B), 4708), with a preference for  
19 minority-led and minority-owned CDFIs that pri-  
20 marily serve low- and moderate-income communities.

21 (4) Up to \$500,000,000, to remain available  
22 until expended, to provide grants to recipients that  
23 are minority-led and minority-owned CDFIs.

24 (c) ADMINISTRATIVE EXPENSES.—Funds made  
25 available under this section may be used for administrative

1 expenses, including administration of Fund programs and  
2 the New Markets Tax Credit Program under section 45D  
3 of the Internal Revenue Code.

4 (d) EMERGENCY DESIGNATION.—

5 (1) IN GENERAL.—The amounts provided under  
6 this section are designated as an emergency require-  
7 ment pursuant to section 4(g) of the Statutory Pay-  
8 As-You-Go Act of 2010 (2 U.S.C. 933(g)).

9 (2) DESIGNATION IN SENATE.—In the Senate,  
10 this section is designated as an emergency require-  
11 ment pursuant to section 4112(a) of H. Con. Res.  
12 71 (115th Congress), the concurrent resolution on  
13 the budget for fiscal year 2018.

14 (e) DEFINITIONS.—In this section:

15 (1) CDFI.—The term “CDFI” means a com-  
16 munity development financial institution, as defined  
17 in section 103 of the Riegle Community Develop-  
18 ment and Regulatory Improvement Act of 1994 (12  
19 U.S.C. 4702).

20 (2) FUND.—The term “Fund” means the Com-  
21 munity Development Financial Institutions Fund es-  
22 tablished under section 104(a) of the Riegle Commu-  
23 nity Development and Regulatory Improvement Act  
24 of 1994 (12 U.S.C. 4703(a)).

1           (3) MINORITY.—The term “minority” means  
2           any Black American, Native American, Hispanic  
3           American, or Asian American.

4   **SEC. 7. FEDERAL DEPOSITS IN MINORITY DEPOSITORY IN-**  
5                           **STITUTIONS.**

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

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

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

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

22                 (2) in the paragraph heading for paragraph (1),  
23                 by striking “FINANCIAL” and inserting “DEPOSI-  
24                 TORY”.

1 **SEC. 8. MINORITY BANK DEPOSIT PROGRAM.**

2 (a) IN GENERAL.—Section 1204 of the Financial In-  
3 stitutions Reform, Recovery, and Enforcement Act of  
4 1989 (12 U.S.C. 1811 note) is amended to read as follows:

5 **“SEC. 1204. EXPANSION OF USE OF MINORITY BANKS AND**  
6 **MINORITY CREDIT UNIONS.**

7 “(a) MINORITY BANK DEPOSIT PROGRAM.—

8 “(1) ESTABLISHMENT.—There is established a  
9 program to be known as the ‘Minority Bank Deposit  
10 Program’ to expand the use of minority banks and  
11 minority credit unions.

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

14 “(A) on application by a depository institu-  
15 tion or credit union, certify whether such depos-  
16 itory institution or credit union is a minority  
17 bank or minority credit union;

18 “(B) maintain and publish a list of all de-  
19 pository institutions and credit unions that have  
20 been certified pursuant to subparagraph (A);  
21 and

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

24 “(i) all Federal departments and  
25 agencies;

1                   “(ii) interested State and local govern-  
2                   ments; and

3                   “(iii) interested private sector compa-  
4                   nies.

5                   “(3) INCLUSION OF CERTAIN ENTITIES ON  
6                   LIST.—A depository institution or credit union that,  
7                   on the date of the enactment of this section, has a  
8                   current certification from the Secretary of the  
9                   Treasury stating that such depository institution or  
10                  credit union is a minority bank or minority credit  
11                  union shall be included on the list described under  
12                  paragraph (2)(B).

13                  “(b) EXPANDED USE AMONG FEDERAL DEPART-  
14                  MENTS AND AGENCIES.—

15                  “(1) IN GENERAL.—Not later than 1 year after  
16                  the establishment of the program described in sub-  
17                  section (a), the head of each Federal department or  
18                  agency shall develop and implement standards and  
19                  procedures to ensure, to the maximum extent pos-  
20                  sible as permitted by law, the use of minority banks  
21                  and minority credit unions to serve the financial  
22                  needs of each such department or agency.

23                  “(2) REPORT TO CONGRESS.—Not later than 2  
24                  years after the establishment of the program de-  
25                  scribed in subsection (a), and annually thereafter,

1 the head of each Federal department or agency shall  
2 submit to Congress a report on the actions taken to  
3 increase the use of minority banks and minority  
4 credit unions to serve the financial needs of each  
5 such department or agency.

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

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

11 “(2) DEPOSITORY INSTITUTION.—The term ‘de-  
12 pository institution’ has the meaning given the term  
13 ‘insured depository institution’ in section 3 of the  
14 Federal Deposit Insurance Act (12 U.S.C. 1813).

15 “(3) MINORITY.—The term ‘minority’ means  
16 any Black American, Native American, Hispanic  
17 American, or Asian American.

18 “(4) MINORITY BANK.—The term ‘minority  
19 bank’ means a minority depository institution as de-  
20 fined in section 308 of this Act.

21 “(5) MINORITY CREDIT UNION.—The term ‘mi-  
22 nority credit union’ means any credit union for  
23 which more than 50 percent of the membership (in-  
24 cluding board members) of such credit union are mi-  
25 nority individuals, as determined by the National

1 Credit Union Administration pursuant to section  
2 308 of this Act.”.

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

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

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

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

12 **SEC. 9. INVESTMENTS IN MINORITY DEPOSITORY INSTITU-**  
13 **TIONS.**

14 (a) CONTROL FOR INSURED DEPOSITORY INSTITU-  
15 TIONS.—Section 7(j)(8)(B) of the Federal Deposit Insur-  
16 ance Act (12 U.S.C. 1817(j)(8)(B)) is amended to read  
17 as follows:

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

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

22 “(ii) of a person to vote 25 per centum or  
23 more of any class of voting securities of an in-  
24 sured depository institution.”.



1 (b) RULEMAKING.—The appropriate Federal banking  
2 agency (as defined in section 3 of the Federal Deposit In-  
3 surance Act (12 U.S.C. 1813)) shall jointly issue rules for  
4 de novo minority depository institutions to allow 3 years  
5 to meet the capital requirements otherwise applicable to  
6 minority depository institutions.

7 (c) REPORT.—Not later than 1 year after the date  
8 of enactment of this Act, the appropriate Federal banking  
9 agencies (as defined in section 3 of the Federal Deposit  
10 Insurance Act (12 U.S.C. 1813)) shall jointly submit to  
11 Congress a report on—

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

15 (2) the main challenges to the creation of de  
16 novo minority depository institutions; and

17 (3) regulatory and legislative considerations to  
18 promote the establishment of de novo minority de-  
19 pository institutions.

20 **SEC. 10. CUSTODIAL DEPOSIT PROGRAM FOR COVERED MI-**  
21 **NORITY DEPOSITORY INSTITUTIONS.**

22 (a) ESTABLISHMENT.—The Secretary of the Treas-  
23 ury shall establish a custodial deposit program (in this sec-  
24 tion referred to as the “Program”) under which a covered

1 bank shall receive monthly deposits from a qualifying ac-  
2 count.

3 (b) APPLICATION.—A covered bank shall submit to  
4 the Secretary an application to participate in the Program  
5 at such time, in such manner, and containing such infor-  
6 mation as the Secretary may determine.

7 (c) PROGRAM OPERATIONS.—

8 (1) DESIGNATION OF CUSTODIAL ENTITIES.—

9 The Secretary shall designate eligible custodial enti-  
10 ties to make monthly deposits with covered banks se-  
11 lected for participation in the Program on behalf of  
12 a qualifying account.

13 (2) CUSTODIAL ACCOUNTS.—

14 (A) IN GENERAL.—The Secretary shall es-  
15 tablish a custodial deposit account for each  
16 qualifying account with the eligible custodial en-  
17 tity designated to make deposits with covered  
18 banks for each such qualifying account.

19 (B) AMOUNT.—The Secretary shall deposit  
20 a total amount not greater than 5 percent of a  
21 qualifying account into any custodial deposit ac-  
22 counts established under subparagraph (A).

23 (C) DEPOSITS WITH PROGRAM PARTICI-  
24 PANTS.—

1 (i) MONTHLY DEPOSITS.—Each  
2 month, each eligible custodial entity des-  
3 ignated by the Secretary shall deposit an  
4 amount not greater than the insured  
5 amount, in the aggregate, from each custo-  
6 dial deposit account, in a single covered  
7 bank.

8 (ii) LIMITATION.—With respect to the  
9 funds of an individual qualifying account,  
10 the eligible custodial entity may not de-  
11 posit an amount greater than the insured  
12 amount in a single covered bank.

13 (iii) INSURED AMOUNT DEFINED.—In  
14 this subparagraph, the term “insured  
15 amount” means the amount that is the  
16 greater of—

17 (I) the standard maximum de-  
18 posit insurance amount (as defined in  
19 section 11(a)(1)(E) of the Federal  
20 Deposit Insurance Act (12 U.S.C.  
21 1821(a)(1)(E))); or

22 (II) such higher amount nego-  
23 tiated between the Secretary and the  
24 Corporation under which the Corpora-

1                   tion will insure all deposits of such  
2                   higher amount.

3                   (D) LIMITATIONS.—The total amount of  
4 funds deposited under the Program in a covered  
5 bank may not exceed the lesser of—

6                   (i) 10 percent of the average amount  
7 of deposits held by such covered bank in  
8 the previous quarter; or

9                   (ii) \$100,000,000.

10                  (3) INTEREST.—

11                  (A) IN GENERAL.—Each eligible custodial  
12 entity designated by the Secretary shall—

13                  (i) collect interest from each covered  
14 bank in which such custodial entity depos-  
15 its funds pursuant to paragraph (2); and

16                  (ii) disburse such interest to the Sec-  
17 retary each month.

18                  (B) INTEREST RATE.—The rate of any in-  
19 terest collected under this paragraph may not  
20 exceed 50 percent of the discount window pri-  
21 mary credit interest rate most recently pub-  
22 lished on the Federal Reserve Statistical Re-  
23 lease on selected interest rates (daily or week-  
24 ly), commonly referred to as the H.15 release  
25 (commonly known as the “Federal funds rate”).

1           (4) STATEMENTS.—Each eligible custodial enti-  
2           ty designated by the Secretary shall submit to the  
3           Secretary monthly statements that include the total  
4           amount of funds deposited with, and interest rate  
5           received from, each covered bank by the eligible cus-  
6           todial entity on behalf of qualifying entities.

7           (5) RECORDS.—The Secretary shall issue a  
8           quarterly report to Congress and make publicly  
9           available a record identifying all covered banks par-  
10          ticipating in the Program and amounts deposited  
11          under the Program in covered banks.

12          (d) REQUIREMENTS RELATING TO DEPOSITS.—De-  
13          posits made with covered banks under this section may  
14          not—

15                (1) be considered by the Corporation to be  
16                funds obtained, directly or indirectly, by or through  
17                any deposit broker for deposit into 1 or more deposit  
18                accounts (as described under section 29 of the Fed-  
19                eral Deposit Insurance Act (12 U.S.C. 1831f)); or

20                (2) be subject to insurance fees from the Cor-  
21                poration that are greater than insurance fees for  
22                typical demand deposits not obtained, directly or in-  
23                directly, by or through any deposit broker (com-  
24                monly known as “core deposits”).

25          (e) MODIFICATIONS.—

1           (1) IN GENERAL.—The Secretary shall provide  
2           a 3-month period for public notice and comment be-  
3           fore making any material change to the operation of  
4           the Program.

5           (2) EXCEPTION.—The requirements of para-  
6           graph (1) shall not apply if the Secretary makes a  
7           material change to the Program to comply with safe-  
8           ty and soundness standards or other law.

9           (f) TERMINATION.—

10           (1) BY COVERED BANK.—A covered bank se-  
11           lected for participation in the Program pursuant to  
12           subsection (c) may terminate participation in the  
13           Program by providing the Secretary a notification  
14           60 days prior to termination.

15           (2) BY SECRETARY.—The Secretary may termi-  
16           nate the participation of a covered bank in the Pro-  
17           gram if the Secretary determines the covered bank—

18                   (A) violated any terms of participation in  
19           the Program;

20                   (B) failed to comply with Federal bank se-  
21           crecy laws, as documented in writing by the pri-  
22           mary regulator of the covered bank;

23                   (C) failed to remain well capitalized; or

1 (D) failed comply with safety and sound-  
2 ness standards, as documented in writing by  
3 the primary regulator of the covered bank.

4 (g) DEFINITIONS.—In this section:

5 (1) CORPORATION.—The term “Corporation”  
6 means the Federal Deposit Insurance Corporation.

7 (2) COVERED BANK.—The term “covered bank”  
8 means a minority depository institution that is regu-  
9 lated by the Corporation or the National Credit  
10 Union Administration that is well capitalized (as de-  
11 fined in section 38(b) of the Federal Deposit Insur-  
12 ance Act (12 U.S.C. 1831o(b))).

13 (3) ELIGIBLE CUSTODIAL ENTITY.—The term  
14 “eligible custodial entity” means—

15 (A) an insured depository institution (as  
16 defined in section 3 of the Federal Deposit In-  
17 surance Act (12 U.S.C. 1813)),

18 (B) an insured credit union (as defined in  
19 section 101 of the Federal Credit Union Act  
20 (12 U.S.C. 1752)), or

21 (C) or a well capitalized State-chartered  
22 trust company,  
23 designated by the Secretary under subsection (c)(1).

24 (4) FEDERAL BANK SECRECY LAWS.—The term  
25 “Federal bank secrecy laws” means—

1 (A) section 21 of the Federal Deposit In-  
2 surance Act (12 U.S.C. 1829b);

3 (B) section 123 of Public Law 91-508;  
4 and

5 (C) subchapter II of chapter 53 of title 31,  
6 United States Code.

7 (5) QUALIFYING ACCOUNT.—The term “quali-  
8 fying account” means any account established in the  
9 Department of the Treasury that—

10 (A) is controlled by the Secretary; and

11 (B) is expected to maintain a balance  
12 greater than \$200,000,000 for the following  
13 calendar month.

14 (6) SECRETARY.—The term “Secretary” means  
15 the Secretary of the Treasury.

16 (7) WELL CAPITALIZED.—The term “well cap-  
17 italized” has the meaning given in section 38 of the  
18 Federal Deposit Insurance Act (12 U.S.C. 1831o).

19 **SEC. 11. ESTABLISHMENT OF FINANCIAL AGENT PARTNER-**  
20 **SHIP PROGRAM.**

21 (a) IN GENERAL.—Section 308 of the Financial In-  
22 stitutions Reform, Recovery, and Enforcement Act of  
23 1989 (12 U.S.C. 1463 note) is amended by adding at the  
24 end the following:

25 “(d) FINANCIAL AGENT PARTNERSHIP PROGRAM.—



1 “(1) 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 to be em-  
5 ployed as a financial agent of the Government.

6 “(B) LARGE FINANCIAL INSTITUTION.—  
7 The term ‘large financial institution’ means any  
8 entity regulated by the Comptroller of the Cur-  
9 rency, the Board of Governors of the Federal  
10 Reserve System, the Federal Deposit Insurance  
11 Corporation, or the National Credit Union Ad-  
12 ministration that has total consolidated assets  
13 of not less than \$50,000,000,000.

14 “(C) SMALL COMMUNITY FINANCIAL INSTI-  
15 TUTION.—The term ‘small community financial  
16 institution’ means any financial institution  
17 that—

18 “(i) has total consolidated assets of  
19 less than \$3,000,000,000;

20 “(ii) is an entity regulated by the  
21 Comptroller of the Currency, the Board of  
22 Governors of the Federal Reserve System,  
23 the Federal Deposit Insurance Corpora-  
24 tion, or the National Credit Union Admin-  
25 istration; and

1 “(iii) is—

2 “(I) a community development fi-  
3 nancial institution, as defined in sec-  
4 tion 103 of the Riegle Community De-  
5 velopment and Regulatory Improve-  
6 ment Act of 1994 (12 U.S.C. 4702);

7 or

8 “(II) a minority depository insti-  
9 tution, as defined in subsection (b).

10 “(D) PROGRAM.—The term ‘Program’  
11 means the Financial Agent Partnership Pro-  
12 gram established under paragraph (2).

13 “(E) SECRETARY.—The term ‘Secretary’  
14 means the Secretary of the Treasury.

15 “(2) ESTABLISHMENT.—The Secretary shall es-  
16 tablish a program to be known as the Financial  
17 Agent Partnership Program under which a financial  
18 agent designated by the Secretary or a large finan-  
19 cial institution may serve as a partner, under guid-  
20 ance or regulations prescribed by the Secretary, and  
21 at the request of a small community financial insti-  
22 tution, to allow the small community financial insti-  
23 tution—

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

1           “(B) to improve capacity to provide serv-  
2           ices to the customers of the institution; and

3           “(C) to participate in contracts awarded by  
4           the Secretary under the National Bank Acts of  
5           1863 and 1864.

6           “(3) FINANCIAL PARTNERSHIPS.—

7           “(A) IN GENERAL.—Any large financial in-  
8           stitution participating in a program with the  
9           Treasury, if not already required to include a  
10          small community financial institution, shall  
11          offer not more than 5 percent of every contract  
12          under that program to a small community fi-  
13          nancial institution.

14          “(B) ACCEPTANCE OF RISK.—As a re-  
15          quirement of participation in any financial ar-  
16          rangement under the Program, a small commu-  
17          nity financial institution shall accept the risk of  
18          the transaction equivalent to the percentage of  
19          any fee the institution receives under the Pro-  
20          gram.

21          “(C) PARTNER.—A large financial institu-  
22          tion partner may work with small community fi-  
23          nancial institutions, if necessary, to train pro-  
24          fessionals to understand any risks involved in a  
25          contract under the Program.

1 “(4) OUTREACH.—The Secretary shall—

2 “(A) issue guidance or regulations to es-  
3 tablish a process under which a financial agent,  
4 large financial institution, or small community  
5 financial institution may participate in the Pro-  
6 gram; and

7 “(B) not less frequently than once per  
8 year, hold outreach events to promote the par-  
9 ticipation of financial agents, large financial in-  
10 stitutions, and small community financial insti-  
11 tutions in the Program.

12 “(5) REPORT.—The Office of Minority and  
13 Women Inclusion of the Department of the Treasury  
14 shall include in the report submitted to Congress  
15 under section 342(e) of the Dodd-Frank Wall Street  
16 Reform and Consumer Protection Act (12 U.S.C.  
17 5452(e)) information pertaining to the Program, in-  
18 cluding—

19 “(A) the number of financial agents, large  
20 financial institutions, and small community fi-  
21 nancial institutions participating in the Pro-  
22 gram; and

23 “(B) the number of contracts awarded by  
24 the Secretary where a small community finan-  
25 cial institution participated in a financial agent

1 agreement awarded to a large financial institu-  
2 tion; and

3 “(C) the number of outreach events de-  
4 scribed in paragraph (4) held during the year  
5 covered by such report.”.

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

9 **SEC. 12. APPLICATION OF CARES ACT TO LOW- AND MOD-**  
10 **ERATE-INCOME COMMUNITY FINANCIAL IN-**  
11 **STITUTIONS.**

12 Title IV of the CARES Act (Public Law 116–136)  
13 is amended—

14 (1) in section 4012(b)—

15 (A) in paragraph (2), by striking “The in-  
16 terim” and inserting “Except as provided in  
17 paragraph (3), the interim”; and

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

19 “(3) EXCEPTION FOR LOW- AND MODERATE-IN-  
20 COME COMMUNITY FINANCIAL INSTITUTIONS.—Not-  
21 withstanding paragraph (2), with respect to a quali-  
22 fying community bank that is a low- and moderate-  
23 income community financial institution, the interim  
24 rule issued under paragraph (1) shall be effective  
25 during the period beginning on the date on which

1 the appropriate Federal banking agencies issue the  
2 rule and ending on December 31, 2022.”; and

3 (2) in section 4013(a)(1)—

4 (A) by striking “means the period” and in-  
5 serting “means—

6 “(A) except as provided in subparagraph  
7 (B), the period”;

8 (B) in subparagraph (A), as so designated,  
9 by striking the period at the end and inserting  
10 “; and”; and

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

12 “(B) with respect to a low- and moderate-  
13 income community financial institution, the pe-  
14 riod beginning on March 1, 2020 and ending on  
15 December 31, 2022.”.

16 **SEC. 13. SUBMISSION OF DATA RELATING TO DIVERSITY BY**  
17 **COMMUNITY DEVELOPMENT FINANCIAL IN-**  
18 **STITUTIONS.**

19 Section 104 of the Riegle Community Development  
20 and Regulatory Improvement Act of 1994 (12 U.S.C.  
21 4703) is amended by adding at the end the following:

22 “(1) SUBMISSION OF DATA RELATING TO DIVER-  
23 SITY.—

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

1           “(A) the term ‘executive officer’ has the  
2 meaning given the term in section 230.501(f) of  
3 title 17, Code of Federal Regulations, as in ef-  
4 fect on the date of enactment of this subsection;  
5 and

6           “(B) the term ‘veteran’ has the meaning  
7 given the term in section 101 of title 38, United  
8 States Code.

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

11           “(A) Data, based on voluntary self-identi-  
12 fication, on the racial, ethnic, and gender com-  
13 position of—

14           “(i) the board of directors of the insti-  
15 tution;

16           “(ii) nominees for the board of direc-  
17 tors of the institution; and

18           “(iii) the executive officers of the in-  
19 stitution.

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

1           “(C) Whether the board of directors of the  
2 institution, or any committee of that board of  
3 directors, has, as of the date on which the insti-  
4 tution makes a disclosure under this paragraph,  
5 adopted any policy, plan, or strategy to promote  
6 racial, ethnic, and gender diversity among—

7                   “(i) the board of directors of the insti-  
8 tution;

9                   “(ii) nominees for the board of direc-  
10 tors of the institution; or

11                   “(iii) the executive officers of the in-  
12 stitution.

13           “(3) ANNUAL REPORT.—Not later than 18  
14 months after the date of enactment of this sub-  
15 section, and annually thereafter, the Fund shall sub-  
16 mit to the Committee on Banking, Housing, and  
17 Urban Affairs of the Senate and the Committee on  
18 Financial Services of the House of Representatives,  
19 and make publicly available on the website of the  
20 Fund, a report on the data and trends of the diver-  
21 sity information made available pursuant to para-  
22 graph (2).”.

23 **SEC. 14. REPORTS.**

24           The Secretary shall provide to the appropriate com-  
25 mittees of Congress—



1           (1) within 30 days of the end of each month  
2           commencing with the first month in which trans-  
3           actions are made under a program established under  
4           this Act or the amendments made by this Act, a  
5           written report describing all of the transactions  
6           made during the reporting period pursuant to the  
7           authorities granted under this Act or the amend-  
8           ments made by this Act; and

9           (2) after the end of March and the end of Sep-  
10          tember, commencing September 30, 2021, a written  
11          report on all projected costs and liabilities, all oper-  
12          ating expenses, including compensation for financial  
13          agents, and all transactions made by the Community  
14          Development Financial Institutions Fund, which  
15          shall include participating institutions and amounts  
16          each institution has received under each program de-  
17          scribed in paragraph (1).

18 **SEC. 15. INSPECTOR GENERAL OVERSIGHT.**

19          (a) **IN GENERAL.**—The Inspector General of the De-  
20          partment of the Treasury shall conduct, supervise, and co-  
21          ordinate audits and investigations of any program estab-  
22          lished under this Act or the amendments made by this  
23          Act.

24          (b) **REPORTING.**—The Inspector General of the De-  
25          partment of the Treasury shall issue a report not less fre-

1 quently than 2 times per year to Congress and the Sec-  
2 retary of the Treasury relating to the oversight provided  
3 by the Office of the Inspector General, including any rec-  
4 ommendations for improvements to the programs de-  
5 scribed in subsection (a).

6 **SEC. 16. STUDY AND REPORT WITH RESPECT TO IMPACT**  
7 **OF PROGRAMS ON LOW- AND MODERATE-IN-**  
8 **COME AND MINORITY COMMUNITIES.**

9 (a) **STUDY.**—The Secretary of the Treasury shall  
10 conduct a study of the impact of the programs established  
11 under this Act or any amendment made by this Act on  
12 low- and moderate-income and minority communities.

13 (b) **REPORT.**—Not later than 18 months after the  
14 date of enactment of this Act, the Secretary shall submit  
15 to Congress a report on the results of the study conducted  
16 pursuant to subsection (a), which shall include, to the ex-  
17 tent possible, the results of the study disaggregated by  
18 ethnic group.

19 (c) **INFORMATION PROVIDED TO THE SECRETARY.**—  
20 Eligible institutions that participate in any of the pro-  
21 grams described in subsection (a) shall provide the Sec-  
22 retary of the Treasury with such information as the Sec-  
23 retary may require to carry out the study required by this  
24 section.