

116TH CONGRESS
1ST SESSION

H. R. 3845

To authorize a grant program that strengthens the capacity of community development financial institutions through alignment with national service participants.

IN THE HOUSE OF REPRESENTATIVES

JULY 18, 2019

Mr. KILMER (for himself, Mr. MOOLENAAR, Mr. MCADAMS, Mr. STIVERS, Miss RICE of New York, Ms. PORTER, Mr. HIMES, Ms. TLAIB, Mr. SCHNEIDER, Mr. PERLMUTTER, and Mrs. MURPHY) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To authorize a grant program that strengthens the capacity of community development financial institutions through alignment with national service participants.

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 “Economic Mobility
5 Corps Act of 2019”.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—Congress finds the following:

1 (1) There exists a network of over 1,000 Treas-
2 ury-certified community development financial insti-
3 tutions located in all 50 States, the District of Co-
4 lumbia, Guam, and the Commonwealth of Puerto
5 Rico.

6 (2) Community development financial institu-
7 tions are mission-driven financial lenders that pro-
8 vide critical and responsible financial products and
9 services that benefit low-income and distressed com-
10 munities, economically disadvantaged people, and
11 community businesses.

12 (3) Community development financial institu-
13 tions need more talent and human capacity to better
14 meet the needs of the low-income and distressed
15 communities, economically disadvantaged popula-
16 tions, and community businesses that they serve.

17 (4)(A) National service programs, carried out
18 through the Corporation for National and Commu-
19 nity Service, are national, State, and local service
20 programs provided through a network that connects
21 over 70,000 Americans each year in intensive service
22 to improve lives, strengthen communities, and in-
23 spire civic engagement.

1 (B) Economic opportunity is one of the Cor-
2 poration's focus areas for national service corps or
3 programs.

4 (5)(A) Community development financial insti-
5 tutions and national service programs each engage
6 local residents and community partners to improve
7 community safety, health, housing, and economic op-
8 portunities, and to meet community-identified needs.

9 (B) Residents of low-income communities, espe-
10 cially youth and young adults, can be empowered
11 through their national service, and can help provide
12 future leadership for community development finan-
13 cial institutions and for the communities they serve.

14 (6) The Corporation for National and Commu-
15 nity Service has engaged in partnerships, similar to
16 the partnership created under this Act, with Federal
17 agencies such as the Department of Transportation,
18 the Department of Education, the Department of
19 Justice, and the Forest Service.

20 (b) PURPOSES.—The purposes of this Act are to—

21 (1) create a partnership between the Corpora-
22 tion for National and Community Service and the
23 Department of the Treasury to connect the work of
24 covered community development financial institu-
25 tions with passionate and dedicated national service

1 participants, including volunteers in the National
2 Senior Service Corps;

3 (2) strengthen the capacity of covered commu-
4 nity development financial institutions to provide
5 services, which services may include financial coun-
6 seling, financial services, job placement, small busi-
7 ness financing, affordable rental housing financing,
8 commercial facility financing, community facility fi-
9 nancing, single family home financing, and fore-
10 closure prevention services;

11 (3) expand the direct services provided by cov-
12 ered community development financial institutions;
13 and

14 (4) deploy national service participants, includ-
15 ing volunteers in the National Senior Service Corps,
16 in impactful national service that aligns with objec-
17 tives in the Corporation’s economic opportunity
18 focus area.

19 **SEC. 3. DEFINITIONS.**

20 In this Act:

21 (1) **CHIEF EXECUTIVE OFFICER.**—The term
22 “Chief Executive Officer” means the Chief Executive
23 Officer of the Corporation for National and Commu-
24 nity Service appointed under section 193 of the Na-

1 tional and Community Service Act of 1990 (42
2 U.S.C. 12651c).

3 (2) COVERED COMMUNITY DEVELOPMENT FI-
4 NANCIAL INSTITUTION.—The term “covered commu-
5 nity development financial institution” means any
6 nonprofit entity that meets the definition of a com-
7 munity development financial institution in section
8 103 of the Community Development Banking and
9 Financial Institutions Act of 1994 (12 U.S.C. 4702)
10 and is certified as a community development finan-
11 cial institution by the Department of the Treasury.

12 (3) ELIGIBLE ENTITY.—The term “eligible enti-
13 ty” means—

14 (A) a covered community development fi-
15 nancial institution with an approved application
16 under section 5; or

17 (B) an organization, with an approved ap-
18 plication under section 5, that places partici-
19 pants with covered community development fi-
20 nancial institutions and provides technical man-
21 agement to those institutions.

22 (4) PARTICIPANT.—

23 (A) IN GENERAL.—The term “participant”
24 means an individual in an approved national
25 service position.

(B) RULE.—A participant shall not be considered to be an employee of an eligible entity or a covered community development financial institution receiving assistance under this Act.

(5) PLACEMENT SITE.—The term “placement site” means the location of the covered community development financial institution at which a participant shall be placed for service.

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

SEC. 4. INTERAGENCY AGREEMENT FOR THE ECONOMIC MOBILITY CORPS ACT OF 2019.

(a) INTERAGENCY AGREEMENT.—

(1) IN GENERAL.—The Chief Executive Officer shall enter into an interagency agreement under section 121(b)(6) of the National and Community Service Act of 1990 (42 U.S.C. 12571(b)(6)) with the Secretary that is similar to an interagency agreement described in section 121(b)(1) of such Act (42 U.S.C. 12571(b)(1)), regarding the grant program described in section 5, except that funds appropriated under this Act may be used as if appropriated for the purposes for which funds may be provided through grants under section 121(a) of the

1 National and Community Service Act of 1990 (42
2 U.S.C. 12571(a)). Except as otherwise provided in
3 this Act, the provisions of the National and Commu-
4 nity Service Act of 1990 (42 U.S.C. 12501 et seq.),
5 other than paragraphs (1) through (5) of section
6 121(b) of that Act (42 U.S.C. 12571(b)), that apply
7 to a national service program supported under that
8 section 121(b) shall apply to the grant program de-
9 scribed in section 5.

10 (2) AMENDMENT TO THE NCSA.—Section
11 121(b) of such Act (42 U.S.C. 12571(b)) is amend-
12 ed by adding at the end the following:

13 “(6) COMMUNITY DEVELOPMENT FINANCIAL IN-
14 STITUTION GRANT INTERAGENCY AGREEMENT.—
15 Notwithstanding paragraph (1), the Corporation
16 shall enter into an interagency agreement similar to
17 an interagency agreement described in paragraph
18 (1) with the Secretary of the Treasury under this
19 subsection regarding the community development fi-
20 nancial institution grant program described in sec-
21 tion 5 of the Economic Mobility Corps Act of
22 2019.”.

23 (b) APPROVED NATIONAL SERVICE POSITIONS.—

24 (1) IN GENERAL.—The Chief Executive Officer
25 shall approve positions for Economic Mobility Corps

1 projects as approved national service positions in ac-
2 cordance with subtitle C of title I of the National
3 and Community Service Act of 1990 (42 U.S.C.
4 12571 et seq.).

5 (2) DISTRIBUTION OF ASSISTANCE AND AP-
6 PROVED POSITIONS UNAFFECTED.—Nothing in this
7 Act shall be construed to affect the distribution of
8 assistance or approved national service positions
9 under section 129 of the National and Community
10 Service Act of 1990 (42 U.S.C. 12581). Funds ap-
11 propriated under section 8 shall be used for the
12 costs associated with that assistance or those posi-
13 tions, for the program carried out under section 5.

14 (c) TREATMENT OF FUNDS APPROPRIATED.—

15 (1) NATIONAL SERVICE TRUST.—For purposes
16 of subsections (a)(1) and (b) of section 145 of the
17 National and Community Service Act of 1990 (42
18 U.S.C. 12601(a)(1)), a portion of the funds appro-
19 priated under this Act, as determined by the Chief
20 Executive Officer based on the number of partici-
21 pants selected for Economic Mobility Corps projects,
22 shall be treated, respectively, as funds appropriated
23 to the Corporation and made available to carry out
24 subtitle D of title I of the National and Community
25 Service Act of 1990 (42 U.S.C. 12601 et seq.) and

1 as funds appropriated to the Trust established under
2 such section.

3 (2) AUDITS.—For purposes of section 149(c) of
4 the National and Community Service Act of 1990
5 (42 U.S.C. 12606(c)), funds appropriated under this
6 Act shall be treated as appropriated funds for ap-
7 proved national service positions.

8 **SEC. 5. ECONOMIC MOBILITY CORPS GRANT PROGRAM.**

9 (a) IN GENERAL.—The Chief Executive Officer, in
10 consultation with the Secretary, shall award grants, on a
11 competitive basis, to eligible entities to enable such eligible
12 entities to place participants at placement sites for the
13 purpose of engaging them in Economic Mobility Corps
14 projects.

15 (b) APPLICATIONS.—To be eligible to receive a grant
16 under this Act, an entity shall submit an application re-
17 garding an Economic Mobility Corps project to the Chief
18 Executive Officer at such time, in such manner, and con-
19 taining such information, as the Chief Executive Officer
20 may require, including—

21 (1) a description of the long-term goals and ob-
22 jectives for the project involved and the benchmarks
23 that the eligible entity will use to determine whether
24 to place participants with a covered community de-
25 velopment financial institution and to evaluate the

1 performance of the covered community development
2 financial institution in carrying out the project; and

3 (2) the number of participants intended to be
4 placed with the covered community development fi-
5 nancial institution, in accordance with thresholds set
6 by the Chief Executive Officer, with respect to both
7 the minimum and maximum numbers of participants
8 that can be placed with a covered community devel-
9 opment financial institution, including such an insti-
10 tution that is an eligible entity.

11 (c) PRIORITY.—In making grants under this Act, the
12 Chief Executive Officer, in consultation with the Sec-
13 retary, shall give preferential consideration to entities pro-
14 posing to serve rural communities or veterans.

15 (d) USE OF FUNDS.—

16 (1) ORIENTATION AND RECRUITMENT.—An eli-
17 gible entity that receives a grant under this section
18 shall use the funds made available through the
19 grant—

20 (A) to develop a training orientation, in
21 which each selected participant will take part;
22 and

23 (B) to identify and encourage individuals,
24 including those who are residents in the com-
25 munity to be served or otherwise reflect the de-

1 mographics of the community, to serve as par-
2 ticipants in community investment, including
3 the activities described in paragraph (3), in the
4 projects.

5 (2) ASSISTANCE.—An eligible entity that re-
6 ceives a grant under this section for an Economic
7 Mobility Corps project shall use the grant funds to
8 provide assistance, consistent with subtitle C of title
9 I of the National and Community Service Act of
10 1990 (42 U.S.C. 12571 et seq.), for the project, in-
11 cluding assistance for participants selected for the
12 project in carrying out the activities described in
13 paragraph (3).

14 (3) ACTIVITIES.—In carrying out those activi-
15 ties, each selected participant shall—

16 (A) strengthen the capacity of, and expand
17 the direct services provided by, the covered
18 community development financial institution,
19 which services may include financial counseling,
20 financial services, job placement, small business
21 financing, affordable rental housing financing,
22 commercial facility financing, community facil-
23 ity financing, single family home financing, and
24 foreclosure prevention services; and

25 (B) provide such direct services.

1 **SEC. 6. REPORTING REQUIREMENTS.**

2 (a) IN GENERAL.—As a condition on receipt of any
3 funds for a project under this Act, each eligible entity shall
4 agree to prepare and submit a report at such time, in such
5 manner, and containing such information as the Chief Ex-
6 ecutive Officer, in consultation with the Secretary, may
7 require.

8 (b) CONTENT.—In preparing the report the eligible
9 entity shall, at a minimum—

10 (1) collect and present data on the degree to
11 which the covered community development financial
12 institution has made progress toward meeting the
13 long-term goals and objectives described in the enti-
14 ty's application and the performance of the covered
15 community development financial institution on the
16 benchmarks described in the application;

17 (2) collect and present demographic data about
18 the participants; and

19 (3) describe the target area and, if appropriate,
20 target population engaged and served by the covered
21 community development financial institution, includ-
22 ing whether the covered community development fi-
23 nancial institution serves a rural community or vet-
24 erans.

1 **SEC. 7. ECONOMIC MOBILITY VISTA ACTIVITIES.**

2 Section 103(a)(9) of the Domestic Volunteer Service
3 Act of 1973 (42 U.S.C. 4953(a)(9)) is amended to read
4 to read as follows:

5 “(9) in developing and carrying out—

6 “(A) financial literacy, financial planning,
7 budgeting, saving, and reputable credit accessi-
8 bility programs in low-income communities, in-
9 cluding those programs that educate individuals
10 about financing home ownership and higher
11 education; and

12 “(B) foreclosure prevention programs (in-
13 cluding programs at community development fi-
14 nancial institutions under section 103 of the
15 Community Development Banking and Finan-
16 cial Institutions Act of 1994 (12 U.S.C. 4702)
17 and at other nonprofit organizations), which
18 programs are in low-income communities and
19 educate individuals about financing home own-
20 ership and higher education;”.

21 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

22 There are authorized to be appropriated to the Cor-
23 poration, \$1,000,000, for fiscal year 2020 and each of the
24 4 succeeding fiscal years.

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