

116TH CONGRESS
1ST SESSION

S. 884

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

IN THE SENATE OF THE UNITED STATES

MARCH 26, 2019

Mr. COONS (for himself and Mr. CASSIDY) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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:

8 (1) There exists a network of over 1,000 Treas-
9 ury-certified community development financial insti-

1 tutions located in all 50 States, the District of Co-
2 lumbia, Guam, and the Commonwealth of Puerto
3 Rico.

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

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

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

22 (B) Economic opportunity is one of the Cor-
23 poration's focus areas for national service corps or
24 programs.

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

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

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

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

18 (1) create a partnership between the Corpora-
19 tion for National and Community Service and the
20 Department of the Treasury to connect the work of
21 covered community development financial institu-
22 tions with passionate and dedicated national service
23 participants, including volunteers in the National
24 Senior Service Corps;

(2) strengthen the capacity of covered community development financial institutions to provide services, which services may include financial counseling, financial services, job placement, small business financing, affordable rental housing financing, commercial facility financing, community facility financing, single family home financing, and foreclosure prevention services;

(3) expand the direct services provided by covered community development financial institutions; and

(4) deploy national service participants, including volunteers in the National Senior Service Corps, in impactful national service that aligns with objectives in the Corporation's economic opportunity focus area.

SEC. 3. DEFINITIONS.

In this Act:

(1) CHIEF EXECUTIVE OFFICER.—The term “Chief Executive Officer” means the Chief Executive Officer of the Corporation for National and Community Service appointed under section 193 of the National and Community Service Act of 1990 (42 U.S.C. 12651c).

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

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

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

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

20 (4) PARTICIPANT.—

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

24 (B) RULE.—A participant shall not be
25 considered to be an employee of an eligible enti-

1 ty or a covered community development finan-
 2 cial institution receiving assistance under this
 3 Act.

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

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

10 **SEC. 4. INTERAGENCY AGREEMENT FOR THE ECONOMIC**
 11 **MOBILITY CORPS ACT OF 2018.**

12 (a) INTERAGENCY AGREEMENT.—

13 (1) IN GENERAL.—The Chief Executive Officer
 14 shall enter into an interagency agreement under sec-
 15 tion 121(b)(6) of the National and Community Serv-
 16 ice Act of 1990 (42 U.S.C. 12571(b)(6)) with the
 17 Secretary that is similar to an interagency agree-
 18 ment described in section 121(b)(1) of such Act (42
 19 U.S.C. 12571(b)(1)), regarding the grant program
 20 described in section 5, except that funds appro-
 21 priated under this Act may be used as if appro-
 22 priated for the purposes for which funds may be
 23 provided through grants under section 121(a) of the
 24 National and Community Service Act of 1990 (42
 25 U.S.C. 12571(a)). Except as otherwise provided in

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

8 (2) AMENDMENT TO THE NCSA.—Section
 9 121(b) of such Act (42 U.S.C. 12571(b)) is amend-
 10 ed by adding at the end the following:

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

21 (b) APPROVED NATIONAL SERVICE POSITIONS.—

22 (1) IN GENERAL.—The Chief Executive Officer
 23 shall approve positions for Economic Mobility Corps
 24 projects as approved national service positions in ac-
 25 cordance with subtitle C of title I of the National

1 and Community Service Act of 1990 (42 U.S.C.
2 12571 et seq.).

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

12 (c) TREATMENT OF FUNDS APPROPRIATED.—

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

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

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

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

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

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

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

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

13 (d) USE OF FUNDS.—

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

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

21 (B) to identify and encourage individuals,
22 including those who are residents in the com-
23 munity to be served or otherwise reflect the de-
24 mographics of the community, to serve as par-
25 ticipants in community investment, including

1 the activities described in paragraph (3), in the
2 projects.

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

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

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

23 (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 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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