

1.1 ..... moves to amend H.F. No. 1751 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **EXODUS LENDING; APPROPRIATION.**

1.4 \$150,000 in fiscal year 2024 and \$150,000 in fiscal year 2025 are appropriated from the  
1.5 general fund to the commissioner of commerce for a grant to Exodus Lending to expand  
1.6 program and operational capacity to assist individuals with financial stability through small  
1.7 dollar consumer loans including, but not limited to, resolving consumer short-term loans  
1.8 carrying interest rates greater than 36 percent. The appropriations in this section are onetime  
1.9 and are available until June 30, 2027.

1.10 Sec. 2. **CHARACTER-BASED INNOVATIVE LOAN PROGRAM;**  
1.11 **APPROPRIATION.**

1.12 (a) For the purposes of this section the following terms have the meanings given:

1.13 (1) "barriers to financial inclusion" means a person's banking history, credit history and  
1.14 credit score requirements, scarcity of bank branches in lower income and communities of  
1.15 color, and low or irregular income flows;

1.16 (2) "character-based lending" means the practice of issuing loans based on a borrower's  
1.17 involvement in and ties to community-based organizations that provide client services,  
1.18 including, but not limited to, financial coaching; and

1.19 (3) "mainstream financial products" means financial products that are provided most  
1.20 commonly by regulated financial institutions including, but not limited to, credit cards and  
1.21 installment loans.

1.22 (b) \$200,000 in fiscal year 2024 is appropriated from the general fund to the commissioner  
1.23 of commerce for a grant to Exodus Lending to assist in the development of a character-based

2.1 small dollar loan program. This is a onetime appropriation and is available until June 30,  
2.2 2027.

2.3 (c) Loans issued under the program must be: (1) interest- and fee-free; and (2) made to  
2.4 Minnesotans facing significant barriers to mainstream financial products. Program  
2.5 participants must be recruited through a statewide network of trusted community-based  
2.6 partners. Loan payments by borrowers must be reported to the credit bureaus."