

117TH CONGRESS
2D SESSION

H. R. 7049

To amend the Truth in Lending Act to require Property Assessed Clean Energy financiers to receive the consent of mortgage holders and other lien holders before providing financing.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2022

Mr. SHERMAN introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend the Truth in Lending Act to require Property Assessed Clean Energy financiers to receive the consent of mortgage holders and other lien holders before providing financing.

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 “Mortgage Borrower
5 Protection Act of 2022”.

1 **SEC. 2. PROPERTY ASSESSED CLEAN ENERGY FINANCING**
2 **CONSENT REQUIREMENT.**

3 Section 128 of the Truth in Lending Act (15 U.S.C.
4 1638) is amended by adding at the end the following:

5 “(g) **PROPERTY ASSESSED CLEAN ENERGY FINANC-**
6 **ING CONSENT REQUIREMENT.**—

7 “(1) **IN GENERAL.**—With respect to a dwelling
8 of a consumer that is the subject of a residential
9 mortgage loan or other recorded lien, it shall be un-
10 lawful to extend Property Assessed Clean Energy fi-
11 nancing to the dwelling owner with respect to such
12 dwelling without first receiving the written consent
13 of each owner of each residential mortgage loan and
14 other recorded lien, either directly from the owner or
15 from a servicer.

16 “(2) **EXCEPTION.**—Consent shall not be re-
17 quired under paragraph (1) from an owner of a resi-
18 dential mortgage loan or other recorded lien if
19 amounts that become due and payable under the ap-
20 plicable Property Assessed Clean Energy financing
21 will not have priority over such residential mortgage
22 loan or other recorded lien.

23 “(3) **PENALTY.**—With respect to any Property
24 Assessed Clean Energy financing extended in viola-
25 tion of this subsection—

1 “(A) such Property Assessed Clean Energy
2 financing shall be null and void; and

3 “(B) the consumer shall not be required to
4 repay any amounts received under the Property
5 Assessed Clean Energy financing.

6 “(4) DEFINITION OF PROPERTY ASSESSED
7 CLEAN ENERGY FINANCING.—In this subsection, the
8 term ‘Property Assessed Clean Energy financing’
9 has the meaning given that term under section
10 129C(b)(3)(C)(i).”.

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