117th CONGRESS  
1st Session  

H. R. 3009

To amend the Truth in Lending Act and the Real Estate Settlement Procedures Act of 1974 to establish language access requirements for creditors and servicers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. GARCIA of Texas introduced the following bill; which was referred to the Committee on __________________

A BILL

To amend the Truth in Lending Act and the Real Estate Settlement Procedures Act of 1974 to establish language access requirements for creditors and servicers, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

This Act may be cited to as the “Improving Language Access in Mortgage Servicing Act of 2021”.


SEC. 2. LANGUAGE ACCESS REQUIREMENTS AND RESOURCES.

(a) IN GENERAL.—Chapter 2 of title I of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129H the following:

“§ 129I. Language access requirements.

“(a) STANDARD LANGUAGE PREFERENCE FORM.—

Not later than 90 days after the date of the enactment of this section, the Director of the Bureau of Consumer Financial Protection shall, after consulting with the Secretary of Agriculture, the Director of the Federal Housing Finance Agency, the Secretary of Veterans Affairs, and the Commissioner of the Federal Housing Authority, by rule, establish a standard language preference form which includes a standard language preference question asked in each of the 8 languages most commonly spoken by individuals with limited English proficiency, as determined by the Director of the Bureau of Consumer Financial Protection using information published by the Director of the Bureau of the Census.

“(b) REQUIREMENTS FOR CREDITORS.—

“(1) USE OF STANDARD LANGUAGE PREFERENCE FORM BY CREDITORS.—

“(A) INCLUSION IN APPLICATION.—Each creditor shall include, in any written application used in connection with a residential mortgage
loan, the standard language preference form est-
established by the Director of the Bureau under
subsection (a).

“(B) INCLUSION OF DISCLOSURE.—Each
creditor may include with such standard lan-
guage preference form a disclosure stating that
documents and services may not be available in
the preferred language indicated by the con-
sumer on the standard language preference
form.

“(C) DOCUMENTATION AND TRANSFER OF
PREFERRED LANGUAGE INFORMATION.—If a
creditor, or assignee of a creditor receives infor-
mation about a language preference of a con-
sumer through the standard language pref-
ERENCE form, orally, or otherwise, including from
another creditor or a servicer, such creditor or
assignee shall document this language pref-
ERENCE in each file or electronic file of informa-
tion associated with such consumer and shall
transfer such information and the standard lan-
guage preference form to any servicer of the
loan and to any creditor that may own the loan
in the future.
“(2) Provision of Translated Documents.—If a Federal agency or a State or local agency in the State or locality in which the residential property is located has produced a translation of a document used in association with a residential mortgage loan in the preferred language of a consumer documented by a creditor pursuant to paragraph (1)(C), such creditor shall—

“(A) provide such translation in addition to any English version of such document that would have been provided to such consumer who indicated such preferred language; and

“(B) include a notice on the English and translated versions indicating that the English version is the official and operative document and the translated version is for informational purposes only.

“(3) Oral Interpretation Services.—

“(A) In General.—If a creditor receives information about a language preference of a consumer through the standard language preference form, orally, or otherwise, including from another creditor or a servicer such creditor shall provide oral interpretation services to such consumer.
“(B) Oral Interpretation Services.—

If a creditor is required under subparagraph (A) to provide oral interpretation services to a consumer, such creditor shall provide oral interpretation services in the preferred language of the consumer for all oral communications between the such creditor and the consumer and these oral interpretation services may be provided by qualified staff of the creditor or a third party.

“(4) Notice of Available Language Services.—If a creditor receives information about a language preference of a consumer through the standard language preference form, orally, or otherwise, including from another creditor or a servicer such creditor shall, not later than 10 business days after receiving such information, notify such consumer in writing, in the preferred language of the consumer, of any language services available, including the services required under paragraphs (2) and (3).

“(5) Transfer of Language Preference Information.—If a creditor transfers the servicing associated with a residential mortgage loan, such creditor shall notify the transferee servicer of any
known language preference of the consumer associated with such residential mortgage loan.

“(6) INFORMATION ON WEBSITE.—Each creditor shall on the website of the creditor publish—

“(A) all documents translated by Federal Housing Finance Agency and the Bureau of Consumer Financial Protection under subsection (c);

“(B) links to the websites maintained by the Secretary of Housing and Urban Development and the Director of the Bureau of Consumer Financial Protection that identify housing counselors approved by the Department of Housing and Urban Development; and

“(C) a link to the language resources website established by the Director of the Bureau of Consumer Financial Protection, the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, the Secretary of Agriculture, and the Secretary of Veterans Affairs under section 1(e) of the Improving Language Access in Mortgage Servicing Act of 2021.

“(c) TRANSLATION OF MORTGAGE DOCUMENTS.—

With respect to each document published by the Federal
Housing Finance Agency, the Bureau of Consumer Financial Protection, the Department of Housing and Urban Development, the Department of Veterans Affairs, and the Department of Agriculture and used in association with a residential mortgage loan transaction, including origination and servicing documents, the Director of the Bureau of Consumer Financial Protection and the Director of the Federal Housing Finance Agency shall jointly—

“(1) not later than 180 days after the date of the enactment of this section, publish versions of such documents translated into each of the 8 languages most commonly spoken by individuals with limited English proficiency, as determined by the Director of the Bureau of Consumer Financial Protection using information published by the Director of the Bureau of the Census; and

“(2) not later than 3 years after the date of the enactment of this section, publish versions of such documents translated into at least 4 additional languages spoken by individuals with limited English proficiency that are regionally prevalent in the United States, as determined by the Director of the Bureau of Consumer Financial Protection using information published by the Director of the Bureau of the Census.
“(d) RULEMAKING.—The Director may issue such rules as the Director determines necessary to implement this section.”.

(b) REQUIREMENTS FOR SERVICERS.—Section 6 of the Real Estate Settlement Procedures Act of 1974 is amended by adding at the end the following:

“(n) LANGUAGE ACCESS REQUIREMENTS.—

“(1) IN GENERAL.—

“(A) INCLUSION IN NOTICES.—Each servicer shall include the standard language preference form with—

“(i) any notice required under section 1024.39(b) of title 12, Code of Federal Regulations;

“(ii) any notice required under section (c);

“(iii) any notice required under section 1024.41(b)(2) of title 12, Code of Federal Regulations;

“(iv) any notice required under section 1024.41(c)(2)(iii) of title 12, Code of Federal Regulations; and

“(v) any other additional notice as the Director of the Bureau of Consumer Financial Protection determines necessary.
“(B) INCLUSION OF DISCLOSURES.—A servicer may include with the standard language preference form a disclosure stating that documents and services may not be available in the preferred language of the borrower indicated by the consumer on the standard language preference form.

“(C) DOCUMENTATION AND TRANSFER OF PREFERRED LANGUAGE INFORMATION.—If a servicer or an assignee of a servicer receives information about a language preference of a borrower through the standard language preference form, orally, or otherwise, including from another servicer or creditor, such servicer or assignee shall document this language preference in each file or electronic file of information associated with such borrower and shall transfer such information and the standard language preference form to any other servicer that may service the loan in the future.

“(2) REQUIRED LANGUAGE SERVICES FOR SERVICERS.—

“(A) PROVISION OF TRANSLATED DOCUMENTS.—If a Federal agency, or a State or local agency in the State or locality in which
the property subject to the federally related mortgage loan is to be located has produced a translation of a document used in associated with a federally related mortgage loan in the preferred language of a borrower as documented by the servicer pursuant to paragraph (1)(C), the servicer shall—

“(i) provide such translation in addition to any English version of such document that would have been provided to such borrower; and

“(ii) include a notice on the English and translated versions, in the preferred language of the borrower, indicating that the English version is the official and operative document and the translated version is for informational purposes only.

“(B) ORAL INTERPRETATION SERVICES.—

“(v) IN GENERAL.—If a servicer receives information about a language preference of a borrower through the standard language preference form, orally, or otherwise, including from another servicer or creditor such servicer shall provide oral interpretation services to such borrower.
“(vi) **Oral Interpretation Services.**—If a servicer is required under subparagraph (A) to provide oral interpretation services to a borrower, such servicer shall provide oral interpretation services in the preferred language of the borrower for all oral communications between the such servicer and the borrower and these oral interpretation services may be provided by qualified staff of the borrower or a third party.

“(3) **Notice of Available Language Services.**—If a servicer receives information about a language preference of a borrower through the standard language preference form, orally, or otherwise, including from another creditor such servicer shall, not later than 10 business days after receiving such information, notify such borrower in writing, in the preferred language of the borrower, of any language services available, including the services required under paragraph (2).

“(4) **Transfer of Language Preference Information.**—If a servicer transfers the servicing associated with a federally related mortgage loan, such servicer shall notify the transferee servicer of
any known language preference of the borrower associated with such federally related mortgage loan.

“(5) STANDARD LANGUAGE PREFERENCE FORM DEFINED.—The term ‘standard language preference form’ means the standard language preference form established by the Director of the Bureau under section 129I of the Truth in Lending Act.

“(7) INFORMATION ON WEBSITE.—Each servicer shall on the website of the servicer publish—

“(A) all documents translated by Federal Housing Finance Agency and the Bureau of Consumer Financial Protection under subsection (c);

“(B) links to the websites maintained by the Secretary of Housing and Urban Development and the Director of the Bureau of Consumer Financial Protection that identify housing counselors approved by the Department of Housing and Urban Development; and

“(C) a link to the language resources website established by the Director of the Bureau of Consumer Financial Protection, the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance
Agency, the Secretary of Agriculture, and the Secretary of Veterans Affairs under section 1(e) of the Improving Language Access in Mortgage Servicing Act of 2021.

“(9) RULEMAKING.—The Director of the Bureau of Consumer Financial Protection may issue such rules as the Director determines necessary to implement this section.”.

(e) CLERICAL AMENDMENT.—The table of sections in chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq) is amended by inserting after the item relating to section 129H the following:

“129I. Preferred language requirements.”.

(d) REPORT.—Not later than 1 year after the date of the enactment of this section, and each year thereafter, the Director of the Bureau of Consumer Financial Protection, the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall submit a report to the Congress that contains—

(1) regulatory recommendations to enhance mortgage origination and servicing processes for persons with a preferred language that is not English;
(2) a description of any legislative changes needed to provide authority necessary to implement the regulatory recommendations; and

(3) a description of any progress on the implementation of any legislative or regulatory recommendation made in a previous report.

(e) LANGUAGE RESOURCE WEBSITE.—

(1) IN GENERAL.—The Director of the Bureau of Consumer Financial Protection, the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall jointly not later than 1 year after the date of the enactment of this section establish and maintain a website that provides language resources for creditors and servicers.

(2) WEBSITE REQUIREMENTS.—The website developed pursuant to paragraph (1) shall include—

(A) the translations of documents published pursuant to section 129I(c) of the Truth in Lending Act;

(B) a glossary of terms relating to residential mortgage loans and federally related mortgage loans, provided in each commonly spoken language;
(C) guidance for creditors and servicers working with persons who have a preferred language that is not English; and

(D) examples of notices that may be used by creditors and servicers to inform persons of available language services, provided in accordance with section 6(n)(2) of the Real Estate Settlement Procedures Act of 1974 and section 129I of the Truth in Lending Act.

(f) ADVISORY GROUP.—

(1) In general.—The Director of the Bureau of Consumer Financial Protection shall establish an advisory group consisting of stakeholders, including industry groups, consumer groups, civil rights groups, and groups that have experience improving language access in housing finance transactions, to provide advice to the Director about—

(A) issues that arise relating to mortgage origination and servicing processes for persons with a preferred language that is not English; and

(B) the development of the standard language preference form by the Director under section 129I(a) of the Truth in Lending Act;
(C) updates to the language resource website established by the Director of the Bureau of Consumer Financial Protection, the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, the Secretary of Agriculture, and the Secretary of Veterans Affairs under subsection (e).

(2) REQUIRED CONSULTING.—The Director of the Bureau of Consumer Financial Protection shall consult with the advisory group established pursuant to paragraph (1) with respect to any issues that arise relating to mortgage origination and servicing processes for persons with a preferred language that is not English.

(g) HOUSING COUNSELING AGENCY LANGUAGE RESOURCES.—

(1) ENHANCED SEARCH CAPABILITIES.—

(A) HUD.—The Secretary of Housing and Urban Development shall not later than 1 year after the date of the enactment of this section update the website maintained by the Secretary that identifies housing counselors approved by the Department of Housing and Urban Development, to allow for searching for housing
counseling agencies based on the language services they provide.

(B) **BUREAU.**—The Director of the Bureau of Consumer Financial protection shall not later than 1 year after the date of the enactment of this section update the website maintained by the Director that identifies housing counselors approved by the Department of Housing and Urban Development, to allow for searching for housing counseling agencies based on the language services they provide.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary of the Department of Housing and Urban Development, such sums as are necessary to support language training for HUD-approved housing counselors, counseling agencies, and their staff.

(h) **DEFINITIONS.**—In this section—

(1) The term “creditor” has the meaning given the term in section 103 of the Truth in Lending Act and shall include any assignee of a creditor.

(2) The term “director” means the Director of the Bureau of Consumer Financial Protection.
(3) The term “servicer” has the meaning given the term in section 6(i) of the Real Estate Settlement Procedures Act of 1974.

(4) The term “residential mortgage loan” has the meaning given the term in section 103 of the Truth in Lending Act.

(5) The term “federally related mortgage loan” has the meaning given the term in section 3 of the Real Estate Settlement Procedures Act of 1974.