

[DISCUSSION DRAFT]

117TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

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

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IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Truth in Lending Act to require Property Assessed Clean Energy financiers to receive the consent of mortgage 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 “Improving Federal  
5 Oversight of PACE Financing Act of 2021”.

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, it shall be unlawful to extend Prop-  
10 erty Assessed Clean Energy financing with respect  
11 to such dwelling without first receiving the consent  
12 of the applicable creditor, assignee, or servicer of the  
13 residential mortgage loan, if such financing will or  
14 could result in a lien or obligation on the dwelling  
15 that has priority over any preexisting lien securing  
16 the residential mortgage loan.

17 “(2) **DEFINITION.**—In this subsection, the term  
18 ‘Property Assessed Clean Energy financing’ has the  
19 meaning given that term under section  
20 129C(b)(3)(C)(i).”.