

115TH CONGRESS  
1ST SESSION

# H. R. 1958

To amend the Truth in Lending Act to include retrofit loans such as property assessed clean energy loans, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 2017

Mr. SHERMAN (for himself and Mr. ROYCE of California) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Truth in Lending Act to include retrofit loans such as property assessed clean energy loans, and for other purposes.

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 “Protecting Americans  
5 from Credit Entanglements Act of 2017” or the “PACE  
6 Act of 2017”.

7 **SEC. 2. REAL PROPERTY RETROFIT LOANS.**

8 (a) IN GENERAL.—Section 103 of the Truth in Lend-  
9 ing Act (15 U.S.C. 1602) is amended—

1           (1) in subsection (g), in the last sentence, by in-  
2           serting “and a person who lends money to con-  
3           sumers for real property retrofit loans” before “for  
4           purposes”;

5           (2) by redesignating subsection (cc) (relating to  
6           definitions relating to mortgage origination and resi-  
7           dential mortgage loans) and (dd) as subsections (dd)  
8           and (ee), respectively; and

9           (3) adding at the end the following:

10          “(ff) The term ‘consumer credit transaction’ includes  
11 a real property retrofit loan extended to a consumer.

12          “(gg) The term ‘real property retrofit loan’ means a  
13 financing instrument—

14           “(1) secured by an interest in real property;

15           “(2) that is repayable in installments through  
16 payments made concurrently with the payment of  
17 property taxes on the real property; and

18           “(3) that is used to finance real property retro-  
19 fits, including property assessed clean energy loans  
20 for the purposes of energy efficiency upgrades, re-  
21 newable energy installations, windproofing or seismic  
22 retrofits, water conservation upgrades, septic tanks,  
23 or other similar real property improvements or retro-  
24 fits to a particular parcel of property.”.

1       (b) REAL PROPERTY RETROFIT LOAN DISCLO-  
2 SURE.—Section 128 of the Truth in Lending Act (15  
3 U.S.C. 1638) is amended by adding at the end the fol-  
4 lowing:

5       “(g) REAL PROPERTY RETROFIT LOAN DISCLO-  
6 SURE.—At the time of application for a real property ret-  
7 rofit loan, the creditor shall disclose that the real property  
8 retrofit loan will result in a lien on the real property secur-  
9 ing the loan”.

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