

Calendar No. 281

117TH CONGRESS
2^D SESSION

H. R. 3009

[Report No. 117-370, Part I]

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

MAY 7, 2021

Ms. GARCIA of Texas introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JUNE 15, 2022

Additional sponsor: Mr. GREEN of Texas

JUNE 15, 2022

Reported from the Committee on Financial Services with an amendment

JUNE 15, 2022

Committee on Veterans' Affairs discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on May 7, 2021]

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 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 Language*
 5 *Access in Mortgage Servicing Act of 2021”.*

6 **SEC. 2. LANGUAGE ACCESS REQUIREMENTS AND RE-**
 7 **SOURCES.**

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

11 **“§ 129I. Language access requirements.**

12 *“(a) STANDARD LANGUAGE PREFERENCE FORM.—Not*
 13 *later than 90 days after the date of the enactment of this*
 14 *section, the Director of the Bureau of Consumer Financial*
 15 *Protection shall, after consulting with the Secretary of Agri-*
 16 *culture, the Director of the Federal Housing Finance Agen-*
 17 *cy, the Secretary of Veterans Affairs, and the Commissioner*
 18 *of the Federal Housing Authority, by rule, establish a*
 19 *standard language preference form which includes a stand-*
 20 *ard language preference question asked in each of the 8 lan-*
 21 *guages most commonly spoken by individuals with limited*
 22 *English proficiency, as determined by the Director of the*
 23 *Bureau using information published by the Director of the*
 24 *Bureau of the Census.*

25 **“(b) REQUIREMENTS FOR CREDITORS.—**

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

3 “(A) *INCLUSION IN APPLICATION.*—*Each*
4 *creditor shall include, in any written applica-*
5 *tion used in connection with a residential mort-*
6 *gage loan, the standard language preference form*
7 *established by the Director of the Bureau under*
8 *subsection (a).*

9 “(B) *INCLUSION OF DISCLOSURE.*—*Each*
10 *creditor may include with such standard lan-*
11 *guage preference form a disclosure stating that*
12 *documents and services may not be available in*
13 *the preferred language indicated by the consumer*
14 *on the standard language preference form.*

15 “(C) *DOCUMENTATION AND TRANSFER OF*
16 *PREFERRED LANGUAGE INFORMATION.*—*If a*
17 *creditor, or assignee of a creditor receives infor-*
18 *mation about a language preference of a con-*
19 *sumer through the standard language preference*
20 *form, orally or in writing in connection with a*
21 *residential mortgage loan, as determined by the*
22 *Director of the Bureau, including from another*
23 *creditor or a servicer, such creditor or assignee*
24 *shall document this language preference in each*
25 *file or electronic file of information associated*

1 *with such consumer and shall transfer such in-*
2 *formation and the standard language preference*
3 *form to any servicer of the loan and to any cred-*
4 *itor that may own the loan in the future.*

5 “(2) *PROVISION OF TRANSLATED DOCUMENTS.—*

6 *If a Federal agency or a State or local agency in the*
7 *State or locality in which the residential property is*
8 *located has produced a translation of a document*
9 *used in association with a residential mortgage loan*
10 *in the preferred language of a consumer documented*
11 *by a creditor pursuant to paragraph (1)(C), such*
12 *creditor shall—*

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

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

22 “(3) *ORAL INTERPRETATION SERVICES.—*

23 “(A) *IN GENERAL.—If a creditor receives*
24 *information about a language preference of a*
25 *consumer through the standard language pref-*

1 *erence form, orally or in writing in connection*
2 *with a residential mortgage loan, as determined*
3 *by the Director of the Bureau, including from*
4 *another creditor or a servicer, such creditor shall*
5 *provide oral interpretation services to such con-*
6 *sumer.*

7 *“(B) ORAL INTERPRETATION SERVICES.—If*
8 *a creditor is required under subparagraph (A) to*
9 *provide oral interpretation services to a con-*
10 *sumer, such creditor shall ensure qualified oral*
11 *interpretation services, as defined by the Director*
12 *of the Bureau, are made available in the pre-*
13 *ferred language of the consumer for all oral com-*
14 *munications between the such creditor and the*
15 *consumer and these oral interpretation services*
16 *may be provided by qualified staff of the creditor*
17 *or a qualified third party.*

18 *“(4) NOTICE OF AVAILABLE LANGUAGE SERV-*
19 *ICES.—If a creditor receives information about a lan-*
20 *guage preference of a consumer through the standard*
21 *language preference form, orally or in writing in con-*
22 *nection with a residential mortgage loan, as deter-*
23 *mined by the Director of the Bureau, including from*
24 *another creditor or a servicer, such creditor shall not*
25 *later than 10 business days after receiving such infor-*

1 *mation, notify such consumer in writing, in the pre-*
2 *ferred language of the consumer, of any language*
3 *services available, including the services required*
4 *under paragraphs (2) and (3).*

5 *“(5) TRANSFER OF LANGUAGE PREFERENCE IN-*
6 *FORMATION.—If a creditor transfers the servicing as-*
7 *sociated with a residential mortgage loan, such cred-*
8 *itor shall notify the transferee servicer of any known*
9 *language preference of the consumer associated with*
10 *such residential mortgage loan.*

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

13 *“(A) links to and explanatory information*
14 *about the websites maintained by the Secretary*
15 *of Housing and Urban Development and the Di-*
16 *rector of the Bureau of Consumer Financial Pro-*
17 *tection that identify housing counselors approved*
18 *by the Department of Housing and Urban Devel-*
19 *opment; and*

20 *“(B) a link to and explanatory information*
21 *about the language resources website established*
22 *by the Director of the Bureau of Consumer Fi-*
23 *nancial Protection, the Secretary of Housing and*
24 *Urban Development, the Director of the Federal*
25 *Housing Finance Agency, the Secretary of Agri-*

1 *culture, and the Secretary of Veterans Affairs*
2 *under section 1(e) of the Improving Language*
3 *Access in Mortgage Servicing Act of 2021.*

4 “(c) *TRANSLATION OF MORTGAGE DOCUMENTS.*—*With*
5 *respect to each document published by the Federal Housing*
6 *Finance Agency, the Bureau of Consumer Financial Protec-*
7 *tion, the Department of Housing and Urban Development,*
8 *the Department of Veterans Affairs, and the Department*
9 *of Agriculture and used in association with a residential*
10 *mortgage loan transaction, including origination and serv-*
11 *icing documents, the Director of the Bureau of Consumer*
12 *Financial Protection and the Director of the Federal Hous-*
13 *ing Finance Agency shall jointly—*

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

22 “(2) *not later than 3 years after the date of the*
23 *enactment of this section, publish versions of such*
24 *documents translated into at least 4 additional lan-*
25 *guages spoken by individuals with limited English*

1 *proficiency that are regionally prevalent in the*
 2 *United States, as determined by the Director of the*
 3 *Bureau of Consumer Financial Protection using in-*
 4 *formation published by the Director of the Bureau of*
 5 *the Census.*

6 “(d) *RULEMAKING.—The Director may issue such*
 7 *rules as the Director determines necessary to implement this*
 8 *section.*”.

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

12 “(n) *LANGUAGE ACCESS REQUIREMENTS.—*

13 “(1) *IN GENERAL.—*

14 “(A) *INCLUSION IN NOTICES.—Each*
 15 *servicer shall include the standard language pref-*
 16 *erence form with—*

17 “(i) *any notice required under section*
 18 *1024.39(b) of title 12, Code of Federal Reg-*
 19 *ulations;*

20 “(ii) *any notice required under section*
 21 *(c);*

22 “(iii) *any notice required under sec-*
 23 *tion 1024.41(b)(2) of title 12, Code of Fed-*
 24 *eral Regulations;*

1 “(iv) any notice required under section
2 1024.41(c)(2)(iii) of title 12, Code of Fed-
3 eral Regulations; and

4 “(v) any other additional notice as the
5 Director of the Bureau of Consumer Finan-
6 cial Protection determines necessary.

7 “(B) INCLUSION OF DISCLOSURES.—A
8 servicer may include with the standard language
9 preference form a disclosure stating that docu-
10 ments and services may not be available in the
11 preferred language of the borrower indicated by
12 the consumer on the standard language pref-
13 erence form.

14 “(C) DOCUMENTATION AND TRANSFER OF
15 PREFERRED LANGUAGE INFORMATION.—If a
16 servicer or an assignee of a servicer receives in-
17 formation about a language preference of a bor-
18 rower through the standard language preference
19 form, orally or in writing in connection with a
20 federally related mortgage, as determined by the
21 Director of the Bureau, including from another
22 servicer or creditor, such servicer or assignee
23 shall document this language preference in each
24 file or electronic file of information associated
25 with such borrower and shall transfer such infor-

1 *mation and the standard language preference*
 2 *form to any other servicer that may service the*
 3 *loan in the future.*

4 “(2) *REQUIRED LANGUAGE SERVICES FOR*
 5 *SERVICERS.—*

6 “(A) *PROVISION OF TRANSLATED DOCU-*
 7 *MENTS.—If a Federal agency, or a State or local*
 8 *agency in the State or locality in which the*
 9 *property subject to the federally related mortgage*
 10 *loan is to be located has produced a translation*
 11 *of a document used in associated with a federally*
 12 *related mortgage loan in the preferred language*
 13 *of a borrower as documented by the servicer pur-*
 14 *suant to paragraph (1)(C), the servicer shall—*

15 “(i) *provide such translation in addi-*
 16 *tion to any English version of such docu-*
 17 *ment that would have been provided to such*
 18 *borrower; and*

19 “(ii) *include a notice on the English*
 20 *and translated versions, in the preferred*
 21 *language of the borrower, indicating that*
 22 *the English version is the official and oper-*
 23 *ative document and the translated version*
 24 *is for informational purposes only.*

25 “(B) *ORAL INTERPRETATION SERVICES.—*

1 “(i) *IN GENERAL.*—If a servicer re-
2 ceives information about a language pref-
3 erence of a borrower through the standard
4 language preference form, orally or in writ-
5 ing in connection with a federally related
6 mortgage, as determined by the Director of
7 the Bureau, including from another creditor
8 or a servicer, such servicer shall provide
9 oral interpretation services to such bor-
10 rower.

11 “(ii) *ORAL INTERPRETATION SERV-*
12 *ICES.*—If a servicer is required under sub-
13 paragraph (A) to provide oral interpreta-
14 tion services to a borrower, such servicer
15 shall ensure qualified oral interpretation
16 services, as defined by the Director of the
17 Bureau, are made available in the preferred
18 language of the borrower for all oral com-
19 munications between the such servicer and
20 the borrower and these oral interpretation
21 services may be provided by qualified staff
22 of the borrower or a qualified third party.

23 “(3) *NOTICE OF AVAILABLE LANGUAGE SERV-*
24 *ICES.*—If a servicer receives information about a lan-
25 guage preference of a borrower through the standard

1 *language preference form, orally or in writing in con-*
2 *nection with a federally related mortgage, as deter-*
3 *mined by the Director of the Bureau, including from*
4 *another creditor or a servicer, such servicer shall, not*
5 *later than 10 business days after receiving such infor-*
6 *mation, notify such borrower in writing, in the pre-*
7 *ferred language of the borrower, of any language serv-*
8 *ices available, including the services required under*
9 *paragraph (2).*

10 “(4) *TRANSFER OF LANGUAGE PREFERENCE IN-*
11 *FORMATION.—If a servicer transfers the servicing as-*
12 *sociated with a federally related mortgage loan, such*
13 *servicer shall notify the transferee servicer of any*
14 *known language preference of the borrower associated*
15 *with such federally related mortgage loan.*

16 “(5) *STANDARD LANGUAGE PREFERENCE FORM*
17 *DEFINED.—The term ‘standard language preference*
18 *form’ means the standard language preference form*
19 *established by the Director of the Bureau under sec-*
20 *tion 129I of the Truth in Lending Act.*

21 “(6) *INFORMATION ON WEBSITE.—Each servicer*
22 *shall on the website of the servicer publish—*

23 “(A) *links to and information about the*
24 *websites maintained by the Secretary of Housing*
25 *and Urban Development and the Director of the*

1 *Bureau of Consumer Financial Protection that*
 2 *identify housing counselors approved by the De-*
 3 *partment of Housing and Urban Development;*
 4 *and*

5 *“(B) a link to and information about the*
 6 *language resources website established by the Di-*
 7 *rector of the Bureau of Consumer Financial Pro-*
 8 *tection, the Secretary of Housing and Urban De-*
 9 *velopment, the Director of the Federal Housing*
 10 *Finance Agency, the Secretary of Agriculture,*
 11 *and the Secretary of Veterans Affairs under sec-*
 12 *tion 1(e) of the Improving Language Access in*
 13 *Mortgage Servicing Act of 2021.*

14 *“(7) RULEMAKING.—The Director of the Bureau*
 15 *of Consumer Financial Protection may issue such*
 16 *rules as the Director determines necessary to imple-*
 17 *ment this section.”.*

18 *(c) CLERICAL AMENDMENT.—The table of sections in*
 19 *chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et*
 20 *seq) is amended by inserting after the item relating to sec-*
 21 *tion 129H the following:*

“129I. Language access requirements.”.

22 *(d) REPORT.—Not later than 1 year after the date of*
 23 *the enactment of this section, and each year thereafter, the*
 24 *Director of the Bureau of Consumer Financial Protection,*
 25 *the Secretary of Housing and Urban Development, the Di-*

1 *rector of the Federal Housing Finance Agency, the Sec-*
2 *retary of Agriculture, and the Secretary of Veterans Affairs*
3 *shall submit a report to the Congress that contains—*

4 (1) *regulatory recommendations to enhance*
5 *mortgage origination and servicing processes for per-*
6 *sons with a preferred language that is not English;*

7 (2) *a description of any legislative changes need-*
8 *ed to provide authority necessary to implement the*
9 *regulatory recommendations; and*

10 (3) *a description of any progress on the imple-*
11 *mentation of any legislative or regulatory rec-*
12 *ommendation made in a previous report.*

13 *(e) LANGUAGE RESOURCE WEBSITE.—*

14 (1) *IN GENERAL.—The Director of the Bureau of*
15 *Consumer Financial Protection, the Secretary of*
16 *Housing and Urban Development, the Director of the*
17 *Federal Housing Finance Agency, the Secretary of*
18 *Agriculture, and the Secretary of Veterans Affairs*
19 *shall jointly not later than 1 year after the date of*
20 *the enactment of this section establish and maintain*
21 *a website that provides language resources for credi-*
22 *tors, servicers, and consumers.*

23 (2) *WEBSITE REQUIREMENTS.—The website de-*
24 *veloped pursuant to paragraph (1) shall include—*

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

4 (B) a glossary of terms relating to residen-
5 tial mortgage loans and federally related mort-
6 gage loans, provided in each commonly spoken
7 language;

8 (C) guidance for creditors and servicers
9 working with persons who have a preferred lan-
10 guage that is not English; and

11 (D) examples of notices that may be used by
12 creditors and servicers to inform persons of
13 available language services, provided in accord-
14 ance with section 6(n)(2) of the Real Estate Set-
15 tlement Procedures Act of 1974 and section 129I
16 of the Truth in Lending Act.

17 (f) ADVISORY GROUP.—

18 (1) IN GENERAL.—The Director of the Bureau of
19 Consumer Financial Protection shall establish an ad-
20 visory group consisting of stakeholders, including in-
21 dustry groups, consumer groups, civil rights groups,
22 and groups that have experience improving language
23 access in housing finance transactions, to provide ad-
24 vice to the Director about—

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

5 (B) the development of the standard lan-
 6 guage preference form by the Director under sec-
 7 tion 129I(a) of the Truth in Lending Act;

8 (C) updates to the language resource website
 9 established by the Director of the Bureau of Con-
 10 sumer Financial Protection, the Secretary of
 11 Housing and Urban Development, the Director
 12 of the Federal Housing Finance Agency, the Sec-
 13 retary of Agriculture, and the Secretary of Vet-
 14 erans Affairs under subsection (e).

15 (2) *REQUIRED CONSULTING.*—The Director of
 16 the Bureau of Consumer Financial Protection shall
 17 consult with the advisory group established pursuant
 18 to paragraph (1) with respect to any issues that arise
 19 relating to mortgage origination and servicing proc-
 20 esses for persons with a preferred language that is not
 21 English.

22 (g) *HOUSING COUNSELING AGENCY LANGUAGE RE-*
 23 *SOURCES.*—

24 (1) *ENHANCED SEARCH CAPABILITIES.*—

1 (A) *HUD.*—*The Secretary of Housing and*
 2 *Urban Development shall not later than 1 year*
 3 *after the date of the enactment of this section up-*
 4 *date the website maintained by the Secretary*
 5 *that identifies housing counselors approved by*
 6 *the Department of Housing and Urban Develop-*
 7 *ment, to allow for searching for housing coun-*
 8 *seling agencies based on the language services*
 9 *they provide.*

10 (B) *BUREAU.*—*The Director of the Bureau*
 11 *of Consumer Financial protection shall not later*
 12 *than 1 year after the date of the enactment of*
 13 *this section update the website maintained by the*
 14 *Director that identifies housing counselors ap-*
 15 *proved by the Department of Housing and*
 16 *Urban Development, to allow for searching for*
 17 *housing counseling agencies based on the lan-*
 18 *guage services they provide.*

19 (2) *AUTHORIZATION OF APPROPRIATIONS.*—
 20 *There is authorized to be appropriated to the Sec-*
 21 *retary of the Department of Housing and Urban De-*
 22 *velopment, such sums as are necessary to support lan-*
 23 *guage training for HUD-approved housing counselors,*
 24 *counseling agencies, and their staff.*

25 (h) *DEFINITIONS.*—*In this section—*

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

4 (2) *The term “director” means the Director of*
5 *the Bureau of Consumer Financial Protection.*

6 (3) *The term “servicer” has the meaning given*
7 *the term in section 6(i) of the Real Estate Settlement*
8 *Procedures Act of 1974.*

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

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

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