

119TH CONGRESS
1ST SESSION

H. R. 4489

To amend the Truth in Lending Act to require certain creditors to disclose dealer fees in solar financing transactions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 17, 2025

Mr. CASTRO of Texas (for himself and Ms. NORTON) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Truth in Lending Act to require certain creditors to disclose dealer fees in solar financing transactions, 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 “Sunshine on Solar
5 Lending Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Homeowners are increasingly installing
9 solar energy systems, including battery storage sys-

1 tems and other related systems, to reduce electricity
2 costs and maintain power during grid outages.

3 (2) The high upfront cost of purchasing and in-
4 stalling solar energy systems often requires con-
5 sumers to obtain financing, typically through loans
6 or leases facilitated by solar installers and originated
7 by third-party creditors.

8 (3) Solar financing arrangements are frequently
9 marketed by third-party sales representatives or in-
10 stallers who partner with creditors to offer loans at
11 the point of sale. In some cases, these arrangements
12 include dealer fees that are not clearly disclosed to
13 consumers, leading to inflated financing costs and a
14 lack of transparency regarding the true cost of cred-
15 it.

16 (4) The “Seller’s Point” exemption under Reg-
17 ulation Z is sometimes improperly used to exclude
18 dealer fees from the calculation of the finance
19 charge in solar financing transactions. The use of
20 this exemption has led to confusion and inconsistent
21 treatment of such fees, particularly in transactions
22 involving third-party financing and indirect com-
23 pensation structures.

24 (5) The Truth in Lending Act applies to credi-
25 tors, as defined in the Act, that offer or extend cred-

1 it for solar energy systems. All such creditors are re-
 2 quired to comply with the disclosure and consumer
 3 protection provisions of the Act.

4 (6) This Act is necessary to clarify and rein-
 5 force the application of the Truth in Lending Act to
 6 solar financing transactions, ensure consistent treat-
 7 ment of dealer fees as finance charges where appli-
 8 cable, and promote transparency and accountability
 9 in credit transactions related to solar energy sys-
 10 tems.

11 **SEC. 3. DISCLOSURE OF DEALER FEES IN SOLAR FINANC-**
 12 **ING TRANSACTIONS.**

13 Section 106 of the Truth in Lending Act (15 U.S.C.
 14 1605) is amended—

15 (1) in subsection (a), by adding at the end the
 16 following:

17 “(7) in any consumer credit transaction for
 18 solar financing, as defined in subsection (h), any
 19 seller’s points or other charges imposed by the cred-
 20 itor upon a noncreditor seller for providing credit to
 21 the consumer or for providing credit on certain
 22 terms.”; and

23 (2) by adding at the end the following:

24 “(g) DISCLOSURE OF DEALER FEES FOR SOLAR FI-
 25 NANCING TRANSACTIONS.—

1 “(1) IN GENERAL.—A creditor for a solar fi-
2 nancing transaction shall clearly and conspicuously
3 disclose in writing to the consumer—

4 “(A) any fee charged to a third party by
5 the creditor relating to the solar financing
6 transaction;

7 “(B) any fee imposed directly or indirectly
8 by the creditor or a third party, that is payable
9 directly or indirectly by the consumer, relating
10 to the solar financing transaction;

11 “(C) the identification of any third party
12 that is a party to the solar financing trans-
13 action; and

14 “(D) a comparison of the amount financed
15 by the solar financing transaction, including the
16 amount of any finance charges with—

17 “(i) the total cash price for each prod-
18 uct obtained by the consumer through the
19 solar financing transaction, including in-
20 frastructure and labor costs; and

21 “(ii) the total cash price for each serv-
22 ice obtained by the consumer through the
23 solar financing transaction, including
24 maintenance and repair costs.

1 “(2) IN-PERSON TRANSACTIONS.—With respect
2 to a solar financing transaction negotiated (in part
3 or in whole) with the consumer in person, a creditor
4 or third party (as applicable) shall provide the con-
5 sumer with a paper copy of the disclosures described
6 in paragraph (1).

7 “(3) ARBITRATION.—A solar financing trans-
8 action may not include terms which require arbitra-
9 tion or any other nonjudicial procedure as the meth-
10 od for resolving any controversy or settling any
11 claims arising out of the transaction.

12 “(h) SOLAR FINANCING TRANSACTION DEFINED.—
13 In this section, the term ‘solar financing transaction’
14 means a consumer credit transaction to finance the pur-
15 chase, installation, or associated costs of a solar energy
16 system, including solar panels, inverters, battery storage
17 systems, electric vehicle charging stations, and any related
18 infrastructure required for the operation of such solar en-
19 ergy system.”.

20 **SEC. 4. EFFECTIVE DATE; APPLICABILITY.**

21 This Act and the amendments made by this Act shall
22 take effect not later than 60 days after the date of the
23 enactment of this Act and shall apply with respect to a
24 solar financing transaction (as defined in subsection (h))
25 of section 106 of the Truth in Lending Act (15 U.S.C.

- 1 1605), as added by this Act) entered into on or after such
- 2 effective date.

