

they no longer need it, I am pleased that we are finally moving this technical corrections bill that will benefit consumers and the industry.

I joined my colleagues in cosponsoring this needed Private Mortgage Insurance Technical Corrections and Clarification Act so that we can clarify some meanings and make corrections to terms, rights for consumers and responsibilities for mortgage lenders under the Homeowners' Protection Act of 1998. We worked together then, as we did today, with interested consumer and mortgage industry groups to come up with a bill that worked to the benefit of all parties.

Unfortunately, when we passed the Homeowner's Protection Act, we were unable to prevail on one issue, and that was to actually have a regulator to work out some of the details of the statute and the underlying policy. That has left us with the need to clarify some smaller points in the statute, as is being proposed in this bill before the House of Representatives today. This point is highlighted by provisions such as those in Section 6, where we are coming back to define what the term "refinanced" means. That clearly is a definition that the Federal Reserve Board or the Department of Housing and Urban Development could have handled without further Congressional action. There are more meaningful and key clarifications contained in H.R. 3637.

For example, the bill, H.R. 3637, will clarify that PMI cancellation rights exist not only on the cancellation date, but on any later date as well, so long as the borrower meets all the other cancellation requirements (including being current on loan payments). This was clearly our intent and is a needed fix resolved in this measure. H.R. 3637 also will make clear that a good payment history should be calculated on the later of the cancellation date or the date the borrower requests cancellation. In this way, the borrower cannot be frozen in a category of not having a good payment history at the first cancellation date, and therefore never eligible for cancellation—even if he or she had repaired and improved their payment history.

The bill eases lenders' burdens by assuring a timely, yet sensible termination time of the first day of the following month after a borrower become current. This change eliminates the need for a lender to check and cancel PMI every day of the month following a consumer's potential eligibility. It also clarifies that cancellation/termination rights are based on most recent amortization schedule for Adjustable Rate Mortgages and other products where the amortization schedule may change over the course of a loan's life.

Two other important technical corrections include assuring that the goal post cannot continually be shifted by changing a currently undefined "midpoint." H.R. 3637 will clarify that the midpoint is the halfway point between the first date of the loan and the last day of the period over which the loan is scheduled to be amortized. Finally, our bill also makes clear that the appraised value at the time of the refinancing, and not the value at original purchase, should be used to determine the loan to value ratio and cancellation/termination rights.

Mr. Speaker, I want to express my thanks to my Democratic and Republican colleagues who have all worked together to bring this technical corrections bill before the House today and I urge other Members to support this necessary legislation.

Mrs. ROUKEMA. Mr. Speaker, I yield myself such time as I may consume.

We have worked closely with the gentleman from New York (Mr. LAFALCE) and the gentleman from Minnesota (Mr. VENTO) on a fine bipartisan basis. I deeply appreciate their contribution and their work. But I also want to acknowledge again with more specificity the leadership of the gentleman from Utah (Mr. HANSEN), who was the first to identify and act upon the issue. I think it is very important that he brought it to the forefront and to our attention and the need for the changes here.

Fundamentally, I do want to underscore, in conclusion, that not only do we have bipartisan support here; but we have real action about real money on a monthly basis for Americans to recognize and take part in the American dream, which has always been fundamental to our American democracy, namely, homeownership, a home of their own. I am pleased to have accepted the strong support on a bipartisan basis.

Mr. BENTSEN. Mr. Speaker, as a member of the House Banking Committee, I rise in strong support of H.R. 3637, legislation that will make technical corrections and clarifications to the Homeowners Protection Act. This law ensures that homeowners have the right to cancel their Private Mortgage Insurance (PMI) on their home mortgages once the homeowner attains a certain level of equity in the home (usually 22%, but in some cases 20%). Provisions included in this legislation were also included in H.R. 1776 which was approved by the House, with my support, on April 3.

This legislation clarifies that PMI cancellation rights for adjustable rate mortgages (ARMs) are based on the amortization schedule that is currently in affect. This will ensure that consumers get full benefit of any adjustments that have been made based upon recent calculations. In addition, this legislation ensures that balloon mortgages are also treated as ARMs so that consumers will receive the full benefit of any interest changes that are favorable to them.

This bill ensures that consumers with a "good payment history" have the right to cancel their PMI. In the past, there has been some confusion about what this term means. This legislation would make technical corrections so there is less ambiguity about this term. This measure includes a proviso that clarifies that these PMI cancellation rights only apply to mortgages originated after the 1998 law's enactment date. Finally, this bill ensures that consumers can cancel their PMI after the cancellation date as long as they have paid all of their PMI charges. The original law did not provide their consumer protection provision. As a result, consumers had only one opportunity to cancel their PMI.

I strongly urge my colleague to support this corrective legislation that will protect consumers and improve the Homeowners Protection Act.

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Mr. LAFALCE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. ROUKEMA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KUYKENDALL). The question is on the motion offered by the gentlewoman from New Jersey (Mrs. ROUKEMA) that the House suspend the rules and pass the bill, H.R. 3637.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded for the time being on motions to suspend the rules. Pursuant to clause 8, rule XX, the Chair will now put the question on each of the first three motions on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 297, by the yeas and nays;

H. Res. 443, by the yeas and nays; and

H.R. 3544, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

LEWIS & CLARK RURAL WATER SYSTEM ACT OF 2000

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 297, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. DOOLITTLE) that the House suspend the rules and pass the bill, H.R. 297, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 400, nays 13, not voting 21, as follows:

[Roll No. 217]

YEAS—400

Abercrombie	Berry	Calvert
Aderholt	Biggart	Camp
Allen	Bilbray	Canady
Andrews	Bilirakis	Cannon
Armey	Bishop	Capps
Baca	Blagojevich	Cardin
Bachus	Bliley	Carson
Baird	Blumenauer	Castle
Baker	Blunt	Chabot
Baldacci	Boehert	Chambliss
Baldwin	Boehner	Clay
Ballenger	Bonilla	Clayton
Barcia	Bonior	Clement
Barr	Bono	Clyburn
Barrett (NE)	Borski	Coburn
Barrett (WI)	Boswell	Collins
Bartlett	Boucher	Combest
Barton	Boyd	Condit
Bass	Brady (PA)	Conyers
Bateman	Brown (FL)	Cook
Becerra	Bryant	Cooksey
Bentsen	Burr	Costello
Bereuter	Burton	Coyne
Berkley	Buyer	Cramer
Berman	Callahan	Crane