



September 26, 2025

Federal Housing Finance Agency  
400 7<sup>th</sup> Street SW  
Washington, DC 20219  
via Agency Website Comment Portal

**RE: Notice of Proposed Rulemaking Repealing the Fair Lending, Fair Housing, and Equitable Housing Finance Plans Regulation (RIN 2590–AB53)**

The Trump Administration’s attack on Diversity, Equity, and Inclusion (DEI) at the expense of smart housing policy in the midst of an unprecedented national housing crisis is reckless, ill-informed and counter to what a majority of citizens voted for. The proposal by the Federal Housing Finance Agency (FHFA) to rescind the regulations governing Fair Housing, Fair Lending, and Equitable Housing Finance Plans (“the Plans”) for Fannie Mae and Freddie Mac (“the GSEs”) is not only self-destructive towards the goal of increasing the housing supply, it also violates the FHFA’s statutory duties under the Fair Housing Act – all simply because the policy contains the word “equity.”

Woodstock Institute advocates for consumer financial protection and community economic development policies, particularly those impacting low- and moderate-income populations and communities of color – groups that have historically experienced gaps in financial services access or even intentional barriers to access. The Administration’s position that past discrimination is not reason enough to focus federal agencies’ energies on ensuring fair access and treatment flies in the face of the current and continuing experience of borrowers in urban and rural communities across the country.

Having said that, it is important to note that the “underserved communities” designation in the Plans does not rely on evidence of past discrimination and goes far beyond protected class status like race or sex. It can also refer to groups that, according to data, have “had difficulty accessing the benefits of Enterprise programs.” These groups range from the urban Latino residents of Houston, Texas to the rural White residents of Booneville, Kentucky – and everyone in between. Rather than discarding these Plans, this Administration should leverage them to address housing needs for underserved communities and make good on its commitment to work on the housing crisis our country currently faces. The GSEs comprise a majority of the secondary

market for mortgages and are important players in addressing the housing crisis – these Plans can support that.

The proposed repeal erroneously claims that the Plans should be rescinded because they are redundant and not required by statute. On the contrary, these Plans operationalize the FHFA’s duties under the Fair Housing Act, which states that, “all executive departments and agencies shall administer their programs and activities relating to housing and urban development **(including any Federal agency having regulatory or supervisory authority over financial institutions)** in a manner affirmatively to further the purposes of this subchapter and shall cooperate with the Secretary to further such purposes” (42 U.S.C. §3608 (d); emphasis added). In case it wasn’t clear that all federal agencies had a duty to follow and uphold the Fair Housing Act, the bolded portion of that quote was even added in by amendment in 1988 ([PL 100-430](#)) during the Reagan Administration.

As a federal agency with regulatory or supervisory authority over financial institutions – in this case, the GSEs – the FHFA has a statutory duty to implement the Fair Housing Act and rules like the Plans are necessary to fulfill that duty. Similarly, while the Department of Housing and Urban Development (HUD) is the primary agency responsible for the Fair Housing Act, it does not develop regulations specific to the GSEs. FHFA’s role in overseeing the GSEs is unique, so the Plans are not redundant of regulations under other agencies.

The proposed repeal also mistakenly claims that the data reporting requirements under the Plans are redundant because FHFA is authorized under a separate statute to require regulated entities to submit reports. Again, the Plans are actually implementing data reporting, not merely authorizing it. The data reporting requirements do provide a specific benefit to the public in terms of transparency and accountability; they provide visibility into the activities of the GSEs that the public otherwise does not get.

With this proposed repeal, the Administration is effectively throwing the baby out with what it sees as the “DEI” bathwater. The Plans implement the FHFA’s statutory duties under the Fair Housing Act and serve as a tool to help address the Administration’s stated priority of solving the housing crisis. Woodstock Institute urges the FHFA to discard this proposed repeal and maintain the Fair Housing, Fair Lending, and Equitable Housing Finance Plan regulations. Should you have any questions regarding this comment letter, please contact Senior Regulatory Policy Associate Jane Doyle, [jdoyle@woodstockinst.org](mailto:jdoyle@woodstockinst.org).