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PUBLIC COMMENT ON ENTERPRISE DUTY TO SERVE

Preserving Public Accountability, Traceable Performance, and FHFA Correction Authority

Agency	Federal Housing Finance Agency
RIN	2590-AB64
Federal Register	FR Doc. 2026-12750 | 91 FR 37848; corrected by FR Doc. 2026-12943 | 91 FR 38566
Rulemaking	Enterprise Duty to Serve Underserved Markets
Comment Focus	Proposed 12 CFR 1283.4 through 1283.6: Plan content, public engagement, reporting, evaluation, and ratings
Commenter	Daron L. Davis, Independent Governance Researcher

I submit this comment as an independent governance researcher whose work examines institutional authority, governance control, public accountability, and the preservation of enforceable institutional obligations across distributed systems.

I support FHFA's objective of enabling Fannie Mae and Freddie Mac to serve manufactured housing, affordable-housing preservation, and rural housing markets through greater innovation and reduced unnecessary administrative burden. The proposed rule contains important accountability protections, including three-year Plans, needs assessments, specific actions, measurable targets, reasoned responses to substantial public comments, ongoing monitoring, quarterly and annual reporting to FHFA, component and market-level ratings, program-management review, and statutory enforcement authority.

My recommendations do not ask FHFA to recreate those protections. They address the governance gaps that may remain when performance information is generated by the Enterprises, public reporting shifts from FHFA to Enterprise websites, quarterly reports are no longer published, and multiple actions, targets, outcomes, ratings, modifications, and enforcement judgments must be connected across time.

1. Strengthen the Traceability of Plan Targets Under Proposed 1283.4

Proposed 1283.4(b) appropriately requires a needs and opportunities assessment, specific actions, measurable targets, program-requirement descriptions, public-engagement information, mortgage-product lists, and summary reference tables. To make these elements reviewable across the three-year Plan period, FHFA should require each material target to identify:

- the baseline condition and evidence source;
- the intended underserved-community outcome, not only the planned activity;
- the geographic, market, and population scope;
- the responsible Enterprise unit;
- the applicable statutory program requirement or evaluation component;
- the measurement period and reporting source; and
- the relationship between the target and the identified need or opportunity.

These additions would not convert every Plan target into an independently enforceable obligation. They would make targets measurable and reviewable within FHFA evaluation, ratings, noncompliance determinations, and statutory enforcement where applicable.

2. Preserve a FHFA-Controlled Public Record Under Proposed 1283.5

The proposal would continue quarterly reporting to FHFA but publish only annual reports, with each Enterprise hosting and maintaining its own reports. Enterprise publication can reinforce direct accountability, but it should not displace FHFA as the authoritative public regulator and custodian of the performance record.

FHFA should maintain a permanent, FHFA-controlled public archive containing final Plans, modifications, annual performance reports, ratings, and material FHFA determinations. The archive should remain accessible even if Enterprise websites, page structures, document locations, or reporting formats change.

FHFA should also establish standardized reporting formats and data definitions so that the public can compare Enterprise commitments, performance, and outcomes across markets and years. Published records should identify corrected, superseded, or restated information and preserve prior versions as public performance provenance.

3. Retain Public Visibility Into In-Year Performance

The proposal concludes that publishing quarterly reports creates administrative burden because annual reports contain the same information. Even when annual reports are comprehensive, the loss of all public in-year reporting reduces visibility into delayed actions, emerging shortfalls, changing market conditions, and corrective responses before the performance year closes.

FHFA should therefore publish standardized quarterly structured data, a concise progress summary, or another low-burden public extract showing completion of actions, progress toward targets, material deviations, and identified corrective steps. This approach would preserve public visibility without requiring the current multi-report publication format.

4. Create a Traceable Public-Engagement Response Record

The proposed requirement that each Enterprise provide a reasoned response to substantial points raised during public comment is a meaningful improvement. FHFA should require the response to appear in a structured record that identifies:

- the substantial point raised;
- the Enterprise response;
- whether the proposed Plan changed;
- the reason for acceptance, partial acceptance, or rejection; and
- FHFA's treatment of unresolved material concerns during objection or non-objection review.

This record would make public engagement an accountability function rather than a general description of outreach activity.

5. Connect Plans, Performance, Ratings, and Correction Under Proposed 1283.6

The proposed component and market-level rating structure can provide a stronger assessment of whether Enterprise conduct produces meaningful support for underserved markets. Its public value depends on a visible evidentiary chain connecting approved commitments to FHFA judgment.

For each underserved market, FHFA should publish or identify the traceable relationship among:

- the approved Plan action and target;
- the action actually completed and outcome reported;
- any material deviation, shortfall, mitigating action, or special-circumstance modification;
- the applicable evaluation component and component rating;
- the resulting market-level rating;
- FHFA findings concerning management accountability and program requirements; and
- any corrective direction, noncompliance determination, or statutory enforcement decision.

FHFA should also publicly explain material waivers, deadline extensions, Plan modifications, or rating adjustments and preserve the prior record so that performance goals cannot be changed without visible justification.

6. Require Disaggregated Outcome Measures

Annual and rating records should include disaggregated measures sufficient to identify whether aggregate performance conceals continuing exclusion or weak service in particular rural regions, manufactured-housing communities, high-needs populations, or affordable-housing preservation contexts. Innovation should be evaluated according to measurable and durable service outcomes, not merely the creation of a product, pilot, partnership, or outreach activity.

Recommendation

FHFA should finalize the proposed accountability architecture while adding the following controls:

1. baseline, outcome, geographic, population, responsibility, and evidence fields for material Plan targets under 1283.4;

2. a permanent FHFA-controlled archive for Plans, modifications, performance reports, ratings, and material determinations;
3. standardized reporting formats, data definitions, and version history across both Enterprises;
4. a low-burden public quarterly progress record despite the proposed end of quarterly report publication;
5. a structured public-engagement response record connecting substantial comments to Plan treatment and FHFA review;
6. a traceable evidentiary chain from approved targets through outcomes, ratings, correction, and enforcement under 1283.6; and
7. disaggregated underserved-community outcome measures sufficient to detect hidden gaps in aggregate performance.

Reduced administrative burden should improve execution rather than weaken public governability. The final rule should ensure that formal Duty to Serve responsibility remains aligned with actual Enterprise conduct and that FHFA retains visible, durable, and publicly explainable monitoring, correction, rating, and enforcement authority.

References and Related Conceptual Records

Federal Housing Finance Agency. Enterprise Duty to Serve Underserved Markets. Proposed 12 CFR Part 1283; RIN 2590-AB64; 91 FR 37848 (June 24, 2026).

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