Mr. Clinton Jones
General Counsel
Attention: Comments/RIN 2590–AB64
Federal Housing Finance Agency 400
Seventh Street SW Washington, DC 20219

Re: Comments on Proposed Rule — Enterprise Duty to Serve Underserved Markets, RIN 2590– AB64, 91 FR 37848 (June 24, 2026)

Submitted by: Aaliyah de Toeni Zhu, Founder, Financial Literacy Diaries

Date: July 24, 2026

Dear Mr. Jones:

Financial Literacy Diaries (FLD) appreciates the opportunity to comment on the Federal Housing Finance Agency's (FHFA) proposed rule regarding the Enterprise Duty to Serve Underserved Markets (Duty to Serve) framework. FLD is a financial education organization working at the intersection of adult learning theory and consumer financial policy. Its founder has served in an advisory capacity to a board member of Fairfax County Adult and Community Education, one of the largest public adult education providers in Virginia.

**Scope**

These comments address three narrow points: the assessment basis for the outreach component under proposed § 1283.6(b)(2), the summary reference tables required under § 1283.4(b)(7) (Question 5), and the proposed public feedback period under § 1283.4(c)(2) (Question 7).

**I. Proposed § 1283.6(b)(2): the outreach component includes an educational activity that the rule does not define or establish criteria for assessing.**

The preamble describes FHFA's review of the outreach component as covering the Enterprise's actions to listen, collaborate, educate, and respond to market participants. The educational prong is the only one of the four that describes an activity with an intended effect on a third party: a borrower or prospective borrower either acquires knowledge, or does not. Yet neither proposed § 1283.6(b)(2) nor the definitions at § 1283.2 establish what constitutes borrower education for this purpose or what would distinguish a component rating of "1" from a rating of "3."

This matters more under the proposed framework than it did under the existing one. FHFA states that the current approach may incentivize Enterprises to identify a high volume of low-impact activities rather than a smaller volume of ambitious, high-impact ones, and the proposed shift to outcome-based assessment is designed to correct that. Educational activity is unusually susceptible to the failure mode FHFA describes: it is easy to count sessions delivered, materials distributed, or attendees reached, and considerably harder to establish that anything was learned or that borrower behavior changed. Absent stated criteria, an Enterprise can present volume metrics and FHFA has no articulated basis on which to rate them as anything other than favorable.

FHFA's own regulatory posture supplies the reason to address this. The proposed rule replaces prescribed activities with any eligible action precisely because FHFA intends to evaluate results rather than inputs. An unrated activity category is inconsistent with that design. The concern is not that education is undervalued but that it is unratable as currently drafted.

FLD recommends that FHFA, either in the final rule or in the evaluation guidance contemplated at § 1283.6, state the basis on which borrower-facing educational activity claimed under the outreach component will be assessed. At minimum, that basis should distinguish between reach and effect, and should recognize that education directed at adult borrowers is not interchangeable with education directed at students.

Adult financial education operates under different conditions. Learners arrive with existing financial histories, immediate transactional decisions, and external burdens that may block the learning process. Instructional approaches developed for classroom settings do not transfer to these conditions, and evaluation criteria that do not account for the difference will not distinguish effective borrower education from ineffective borrower education. This recommendation is offered as a standard for assessing activity the Enterprises already undertake and already claim, not as a new obligation. It requires no addition to the Enterprises' burden.

**II. Question 5: an additional summary table linking each action to the identified need it addresses.**

FHFA asks whether additional summary reference tables would enhance transparency, comparability, and accountability. FLD recommends one.

Proposed § 1283.4(b)(1) newly requires each Plan to include an assessment of liquidity and investment capital needs, risks, and market opportunities, and § 1283.4(b)(2) requires the specific actions the Enterprise intends to take to address them. FHFA states that it expects actions to explicitly and logically tie to the needs and opportunities assessment. The two required tables, however, organize actions by component category and by loan purchase target. Notably, neither displays the relationship between an identified need and the action responding to it.

A third table listing each planned action alongside the specific need from the § 1283.4(b)(1) assessment it is intended to address would make that relationship reviewable on its face. The value is concentrated where it is most needed: for loan purchases, the tie between need and action is largely visible in the numbers, but for outreach and loan product development, it is presently discernible only by reading the Plan narrative in full. This is the same transparency gap identified in Section I above, addressed through a mechanism FHFA already uses.

The administrative cost is minimal. The Enterprises must already produce both the needs assessment and the actions; the table restates an alignment the rule requires them to have established.

**III. Question 7: the proposed 45-day public feedback period.**

FHFA asks whether the proposed timing provides sufficient opportunity for the public to review proposed Plans and submit comments. FLD's view is that 45 days is not sufficient, and that the reduction works against a separate improvement the proposed rule makes.

The reduction from the 60-day period is justified in the preamble on the grounds that public stakeholders and FHFA have gained familiarity with the Duty to Serve Program since 2016. Institutional familiarity is unevenly distributed. Large trade associations and national advocacy organizations with dedicated regulatory staff can absorb a shortened window. On the contrary, small practitioner organizations, community-based lenders, and local housing organizations frequently delegate responses to staff who are also delivering services. Losing these insights from engaged staff – the ones closest to those receiving services – would be highly detrimental.

The reduction is also in tension with proposed § 1283.4(b)(5), which replaces the existing discretionary standard with a requirement that Enterprises describe significant input received, how they considered it, and how they addressed it. FHFA describes this change as promoting accountability and giving the public a clearer understanding of the constraints informing Enterprise determinations. Compressing the window reduces the quality of what the Enterprises will have to engage with, which diminishes the value of the requirement FHFA is adding.

FLD recommends retaining the 60-day period. If FHFA concludes that a shorter default period is necessary to preserve the six-month review cycle, an alternative would be to retain 45 days while committing to publish the plans and open the input period on a fixed, announced date, so that stakeholders can plan capacity in advance rather than responding to an unpredictable posting.

**Conclusion**

FLD supports FHFA's move toward outcome-based evaluation and appreciates the opportunity to comment. The recommendations above are directed at making that framework operate as intended: ensuring that every component of the evaluation has a stated basis for assessment, that the link between identified need and planned action is transparent on the face of the Plan, and that the public input the rule newly requires the Enterprises to answer is substantive enough to be worth answering.

Sincerely,

Aaliyah de Toeni Zhu

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