December 16, 2016

Alfred M. Pollard

General Counsel

Federal Housing Finance Agency

400 7th St. SW, 8th Fl.

Washington, DC 20219

Re: Attention: Comments/ RIN/2590–AA78

Dear Mr. Pollard:

We write today to applaud Director Mel Watt and the Federal Housing Finance Agency (FHFA) for its Notice of Proposed Rulemaking (NPRM) to amend its regulations for diversity & inclusion for women and people of color at its regulated entities. The Offices of Minority and Women Inclusion (OMWIs) at FHFA, and its regulated entities, Fannie Mae, Freddie Mac, and the Federal Home Loan Banks, are the beacon for best practices for diversity & inclusion in the financial services industry. The NPRM strengthens their position by promoting diversity & inclusion in all business and activities at all levels, including management, employment, and contracting. The National Urban League looks forward to working with Director Watt and FHFA to further strengthen and help implement the best practices subscribed in the rule and beyond.

I am the president of the National Urban League, the largest historic civil rights and advocacy organization focused on economic empowerment in the country. Founded in 1910, we have nearly 90 affiliates in 35 states that provide direct services to over 2 million people annually. For over 40 years, the National Urban League has been one of the nation’s premier providers of housing counseling services, assisting over 200,000 clients since 2008. Our programs empower communities and change lives. The National Urban League Washington Bureau actively engages in policy and advocacy to ensure low- to moderate-income families and people of color have the opportunity to attain the American Dream. We strive to increase diversity & inclusion in the workforce. It is one of our top priorities. We are best known for spearheading the adoption of affirmative action policies – in many circles. Our work in this space continues today in partnership with other strong civil rights organizations to achieve diversity & inclusion.

We ask you to reference our efforts to achieve diversity & inclusion at the Federal Reserve. A group of progressive economists and I recently met with Chair Yellen and a number governors this summer. I also met with New York Federal Reserve President Bill Dudley regarding the matter. Diversity in the financial services is of the utmost importance due to the industry’s poor track record. Everyone should have the opportunity to have high paying jobs and have access to innovative contracting opportunities throughout the entire business model of the regulated entities across the board.

We were pleased to learn about FHFA’s NPRM for its OMWI amendments and that FHFA has a true commitment to diversity & inclusion and is pushing the ball forward. The Final Joint Standards under Section 342 of Dodd-Frank, the landmark financial reform bill, had absolutely no teeth and were weak to say the least. The Final Joint Standards do not require the regulated entities to comply with any new standards or require them to report on their efforts or effectiveness. FHFA’s OMWIs require the regulated entities to provide relevant information to allow FHFA to assess whether they are working to achieve diversity, in-practice. FHFA’s OMWI are striving to be the best in best practices for diversity and inclusion. Your efforts have had far-reaching, positive effects and will continue on with these OMWI amendments.

The OMWI amendments push the line closer to parity. We applaud Director Watt and FHFA for leading the way. We like FHFA’s focus on the strategic plan, board accountability, prime and subcontracting, and supporting lenders who serve communities of color and minority-owned businesses. There were a couple of provisions that raised our eyebrow that seem to lessen reporting requirements; we will research those matters more and follow up with you. Again thank you for your efforts. Please remember the programs that we offer and keep them in mind. Feel free to follow up with Kyle Williams, Director of Financial & Housing Policy at our Washington Bureau, at (202) 629-5765 or [kwilliams@nul.org](mailto:kwilliams@nul.org), with any questions or concerns.

Best regards,



Marc Morial

President and CEO

National Urban League