

From: Santiago Rodriguez
Proposal: 1465 -- Standards for Assessing the Diversity Policies and Practices of Regulated Entities
Subject: Section 342 of DFA -- Joint Standards for Assessing the Diversity Policies and Practices

Comments:

Date: Dec 19, 2013

Proposal: Proposed Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies [OP-1465]

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RE: Santiago Rodriguez - Citizen Commentary

Proposing Joint Standards for Assessing Diversity Policies and Practices of Regulated Entities Pursuant to Section 342 of the Dodd-Frank Act

With respect to Section 342(b)(4) of the Dodd-Frank Act:

"RULE OF CONSTRUCTION." Nothing in paragraph (2)(C) may be construed to mandate any requirement on or otherwise affect the lending policies and practices of any regulated entity, or to require any specific action based on the findings of the assessment."

While Section 342(b)(4) does not mandate "specific action" pursuant with the findings of a diversity assessment, the legislation does not constrict "assessments" in and of themselves. Clearly, diversity assessments are an on-going expectation of the Dodd-Frank Act.

Arguments weighing in on the prohibitive costs of administering such assessments have been raised; however, the opportunity costs of failing to act have already been demonstrated in a multitude of ways. The result of such economic distress is the creation of the Dodd-Frank Act in and of itself.

As a private citizen, I cite the following high-level concerns that warrant a more careful examination by the regulators designated to regulate:

Title VII, 1964 Civil Rights Act, Doctrine of Disparate Impact, warrants careful examination and findings.

Title VIII, 1968 Civil Rights Act, Fair Housing Act, warrants careful examination and findings.

One would argue Title VIII is out-of-scope, however, reining in paragraph (2)(C) via 342(b)(4) opens up

a slew of inquiry on the ramifications of creating rules and then reining in those very rules.
As a shareholder, I want to know that the institutions I'm investing in are staffed as needed for the evolving changes in the marketplace.

It is a fact and not supposition, that companies with diverse talent pools create higher returns on equity.

In light of this argument, diversity assessments are an important practice from an employee, customer and shareholder concern.

I do not possess the resources to expound any further but would hope the regulatory bodies contribute more time to study on the pressing issue of diversity in our financial industry.

Respectfully,
Santiago Rodriguez
Plainfield, IL

EC: Honorable Senator Richard Durbin
EC: Honorable Senator Mark Kirk
EC: Honorable Representative Bill Foster