

recognized by the Division of Market Regulation of the Securities and Exchange Commission as a nationally recognized statistical rating organization for the purposes of the capital rules for broker-dealers”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective 2 years after July 21, 2010, see section 939(g) of Pub. L. 111-203, set out as a note under section 24a of this title.

#### § 4520. Minority and women inclusion; diversity requirements

##### (a) Office of Minority and Women Inclusion

Each regulated entity shall establish an Office of Minority and Women Inclusion, or designate an office of the entity, that shall be responsible for carrying out this section and all matters of the entity relating to diversity in management, employment, and business activities in accordance with such standards and requirements as the Director shall establish.

##### (b) Inclusion in all levels of business activities

Each regulated entity shall develop and implement standards and procedures to ensure, to the maximum extent possible, the inclusion and utilization of minorities (as such term is defined in section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note)) and women, and minority- and women-owned businesses (as such terms are defined in section 1441a(r)(4)<sup>1</sup> of this title) (including financial institutions, investment banking firms, mortgage banking firms, asset management firms, broker-dealers, financial services firms, underwriters, accountants, brokers, investment consultants, and providers of legal services) in all business and activities of the regulated entity at all levels, including in procurement, insurance, and all types of contracts (including contracts for the issuance or guarantee of any debt, equity, or mortgage-related securities, the management of its mortgage and securities portfolios, the making of its equity investments, the purchase, sale and servicing of single- and multi-family mortgage loans, and the implementation of its affordable housing program and initiatives). The processes established by each regulated entity for review and evaluation for contract proposals and to hire service providers shall include a component that gives consideration to the diversity of the applicant.

##### (c) Applicability

This section shall apply to all contracts of a regulated entity for services of any kind, including services that require the services of investment banking, asset management entities, broker-dealers, financial services entities, underwriters, accountants, investment consultants, and providers of legal services.

##### (d) Inclusion in annual reports

Each regulated entity shall include, in the annual report submitted by the entity to the Director pursuant to section 1723a(k) of this title, section 1456(c) of this title, and section 1440 of

this title, as applicable, detailed information describing the actions taken by the entity pursuant to this section, which shall include a statement of the total amounts paid by the entity to third party contractors since the last such report and the percentage of such amounts paid to businesses described in subsection (b) of this section.

##### (e) Outreach

Each regulated entity shall establish a minority outreach program to ensure the inclusion (to the maximum extent possible) in contracts entered into by the enterprises of minorities and women and businesses owned by minorities and women, including financial institutions, investment banking firms, underwriters, accountants, brokers, and providers of legal services.

##### (f) Diversity in Agency workforce

The Agency shall take affirmative steps to seek diversity in its workforce at all levels of the agency consistent with the demographic diversity of the United States, which shall include—

(1) heavily recruiting at historically Black colleges and universities, Hispanic-serving institutions, women’s colleges, and colleges that typically serve majority minority populations;

(2) sponsoring and recruiting at job fairs in urban communities, and placing employment advertisements in newspapers and magazines oriented toward women and people of color;

(3) partnering with organizations that are focused on developing opportunities for minorities and women to place talented young minorities and women in industry internships, summer employment, and full-time positions; and

(4) where feasible, partnering with inner-city high schools, girls’ high schools, and high schools with majority minority populations to establish or enhance financial literacy programs and provide mentoring.

(Pub. L. 102-550, title XIII, § 1319A, Oct. 28, 1992, 106 Stat. 3950; Pub. L. 110-289, div. A, title I, §§ 1116, 1161(a)(2), July 30, 2008, 122 Stat. 2681, 2779.)

#### Editorial Notes

##### REFERENCES IN TEXT

Section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, referred to in subsec. (b), is section 1204(c) of Pub. L. 101-73, which is set out as a note under section 1811 of this title.

Section 1441a(r)(4) of this title, referred to in subsec. (b), was repealed by Pub. L. 111-203, title III, § 364(b), July 21, 2010, 124 Stat. 1555.

##### AMENDMENTS

2008—Pub. L. 110-289, § 1116(1), substituted “Minority and women inclusion; diversity requirements” for “Equal opportunity in solicitation of contracts” in section catchline.

Subsec. (a). Pub. L. 110-289, § 1161(a)(2)(A), which directed amendment of this section by striking out subsec. (a) designation and “In general” in subsec. (a) heading, could not be executed because of the prior amendment by Pub. L. 110-289, § 1116(2), (4). See below.

Pub. L. 110-289, § 1116(2), (4), added subsec. (a) and redesignated former subsec. (a) as (e).

Subsec. (b). Pub. L. 110-289, § 1161(a)(2)(B), which directed the striking out of subsec. (b), was not executed

<sup>1</sup> See References in Text note below.

to reflect the probable intent of Congress. The amendment was probably intended to strike out subsec. (b) as it existed prior to being struck out by Pub. L. 110-289, § 1116(3). See below.

Pub. L. 110-289, § 1116(3), (4), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: "Not later than the expiration of the 180-day period beginning on October 28, 1992, each enterprise shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report describing the actions taken by the enterprise pursuant to subsection (a) of this section."

Subsecs. (c), (d). Pub. L. 110-289, § 1116(4), added subsecs. (c) and (d).

Subsec. (e). Pub. L. 110-289, § 1116(2), redesignated subsec. (a) as (e) and substituted "Outreach" for "In general" in heading and "Each regulated entity" for "Each enterprise" in text.

Subsec. (f). Pub. L. 110-289, § 1116(5), added subsec. (f).

## § 4521. Annual reports by Director

### (a) General report

The Director shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, not later than June 15 of each year, a written report, which shall include—

(1) a description of the actions taken, and being undertaken, by the Director to carry out this chapter;

(2) a description of the financial safety and soundness of each regulated entity, including the results and conclusions of the annual examinations of the regulated entities conducted under section 4517(a) of this title;

(3) any recommendations for legislation to enhance the financial safety and soundness of the regulated entities;

(4) a description of—

(A) whether the procedures established by each regulated entity pursuant to section 4012a(b)(3) of title 42 are adequate and being complied with, and

(B) the results and conclusions of any examination, as determined necessary by the Director, to determine the compliance of the regulated entities with the requirements of section 4012a(b)(3) of title 42, which shall include a description of the methods used to determine compliance and the types and sources of deficiencies (if any), and identify any corrective measures that have been taken to remedy any such deficiencies,

except that the information described in this paragraph shall be included only in each of the first, third, and fifth annual reports under this subsection required to be submitted after the expiration of the 1-year period beginning on September 23, 1994; and<sup>1</sup>

(5) the assessment of the Board or any of its members with respect to—

(A) the safety and soundness of the regulated entities;

(B) any material deficiencies in the conduct of the operations of the regulated entities;

(C) the overall operational status of the regulated entities; and

(D) an evaluation of the performance of the regulated entities in carrying out their respective missions;

(6) operations, resources, and performance of the Agency; and

(7) such other matters relating to the Agency and the fulfillment of its mission.

### (b) Report on enforcement actions

Not later than March 15 of each year, the Director shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a written report describing, for the preceding calendar year, the requests by the Director to the Attorney General for enforcement actions under subchapter III and describing the disposition of each request, which shall include statements of—

(1) the total number of requests made by the Director;

(2) the number of requests that resulted in the commencement of litigation by the Department of Justice;

(3) the number of requests that did not result in the commencement of litigation by the Department of Justice;

(4) with respect to requests that resulted in the commencement of litigation—

(A) the number of days between the date of the request and the commencement of the litigation; and

(B) the number of days between the date of the commencement and termination of the litigation; and

(5) the number of litigation requests pending at the beginning of the calendar year, the number of requests made during the calendar year, the number of requests for which action was completed during the calendar year, and the number of requests pending at the end of the calendar year.

(Pub. L. 102-550, title XIII, § 1319B, Oct. 28, 1992, 106 Stat. 3950; Pub. L. 103-325, title V, § 529(c), Sept. 23, 1994, 108 Stat. 2267; Pub. L. 110-289, div. A, title I, §§ 1103(b), 1161(a)(6), July 30, 2008, 122 Stat. 2665, 2779.)

## Editorial Notes

### REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(1), was in the original "this title", meaning title XIII of Pub. L. 102-550, Oct. 28, 1992, 106 Stat. 3941, which is classified principally to this chapter. For complete classification of title XIII to the Code, see Short Title note set out under section 4501 of this title and Tables.

### AMENDMENTS

2008—Subsec. (a). Pub. L. 110-289, § 1161(a)(6), substituted "Committee on Financial Services" for "Committee on Banking, Finance and Urban Affairs" in introductory provisions.

Subsec. (a)(2) to (4). Pub. L. 110-289, § 1103(b)(1)-(4), substituted "regulated entity" for "enterprise" and "regulated entities" for "enterprises" wherever appearing and substituted a semicolon for ";" and "and" at end of par. (3) and "1994; and" for "1994." at end of par. (4).

Subsec. (a)(5) to (7). Pub. L. 110-289, § 1103(b)(5), added pars. (5) to (7).

Subsec. (b). Pub. L. 110-289, § 1161(a)(6), substituted "Committee on Financial Services" for "Committee on

<sup>1</sup> So in original. The word "and" probably should not appear.