



## HUD SHOULD WITHDRAW PROPOSED RULE TO GUT IMPORTANT DISCRIMINATION PROTECTIONS AND FULLY ENFORCE THE FAIR HOUSING ACT

**Request for Public Comment, Docket No. FR-6540-P-01, RIN 2529-AB09**

***Comments Due February 13, 2026***

The U.S. Department of Housing and Urban Development's (HUD) has [proposed a rule](#), that would substantially weaken the Fair Housing Act and leave consumers exposed to rampant discrimination in the credit and housing market. See Implementation of the Fair Housing Act's Disparate Impact Standard, Docket No. FR-6540-P-01, [91 Fed. Reg. 1475](#) (January 14, 2026). Take action now to tell HUD to withdraw this harmful proposal.

For over 50 years the Fair Housing Act (FHA) has been used to fight discrimination in the sale, rental or financing of homes, as well as other housing-related activities, on the basis of race, color, religion, national origin, sex, disability and familial status. HUD has long interpreted the FHA to prohibit practices that have an unjustified discriminatory effect, regardless of intent, known as the "disparate impact" standard. HUD issued a rule in 2013, "Implementation of the Fair Housing Act's Discriminatory Effects Standard" to that effect. In 2015, the Supreme Court, in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project, Inc.* (Inclusive Communities) ruled that disparate impact claims are cognizable under the Fair Housing Act.

Now HUD [proposes](#) to eliminate the discriminatory effects regulations. Such erasure would make it harder for HUD to enforce the FHA, hamper the ability of consumers to submit complaints and seek relief in court for discrimination, and sow uncertainty for housing providers, mortgage lenders, and other entities.

Civil rights and fair housing advocates, consumer attorneys and government enforcers have used the FHA's disparate impact standard to challenge a wide variety of discriminatory practices in housing, insurance, and consumer finance, including seeking relief for:

- Mortgage applicants saddled with predatory high cost loans;
- Rental applicants screened out of housing opportunities by biased tenant screening algorithms, including applicants with criminal records;
- People with disabilities denied accessible housing or a reasonable accommodation; and
- Immigrants and Limited English Proficient (LEP) populations facing housing or credit discrimination.

The disparate impact standard is critical because discrimination is often not overt - few housing providers, lenders or other industry actors will openly admit to biased practices. HUD should withdraw this [proposed rule](#), reaffirm the current standard and step up enforcement under the Fair Housing Act to dismantle discriminatory policies and practices that deny all people access to housing and economic opportunity.