



Final Rule on Housing Counseling Certification for Community Planning and Development Stakeholders

Audio is available only by conference call

Please call: (800) 700-7784

Participant Access Code: 415971

to join the conference call portion of the webinar

February 6, 2017



Webinar Logistics

- Audio is being recorded. The playback number and presentation materials will be available on the HUD Exchange at:
www.hudexchange.info/counseling
- OHC and CPD LISTSERVs will be sent out when the Training has been posted to the Training Archives. Posting will usually be within 7-10 days.
- Attendee lines will muted during presentation.
- Handouts were sent out prior to webinar. They are also available in the Control Panel. Just click on document name to download.



Questions & Comments



- There will be Q&A periods, as well as discussions opportunities.
 - If so, The operator will give you instructions on how to ask questions or make your comments.
 - If unmuted during Q&A, please do not use a speaker phone

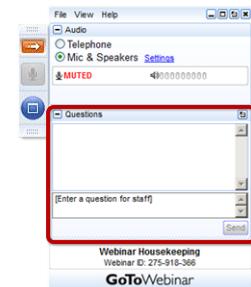


Other Ways to Ask Questions

Your Participation

Please submit your text questions and comments using the Questions Panel. We will answer some of them during the webinar.

You can also send questions and comments to housing.counseling@hud.gov with **webinar topic is subject line.**



Please Mute Your Phones During Discussions

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- It is critical that you mute your phone during these discussions.
 - Most phones have a Mute function so please use it.
 - *6 will also mute and unmute your phone.



Brief Survey

- Please complete the brief survey at the end of this session.
- Your responses will help OHC better plan and present our webinars.



Certificate of Training

- If you logged into the webinar, you will receive a “thank you for attending” email from GoToWebinar within 48 hours.
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- Print out and save that email for your records.

Thank you for attending our XX hour Webinar on XX. We hope you enjoyed our event. This is your CERTIFICATE OF TRAINING. Please print out and save this email for your records. Please send your questions, comments and feedback to: housing.counseling@hud.gov.

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PRESENTERS

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Agenda

- HUD Housing Counseling Program
- Housing Counseling Program Updates
- Housing Counselor Certification
- Community Planning and Development Directors comments
- Resources

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HUD Office of Housing Counseling

“The mission of the Office of Housing Counseling is to help families to obtain, sustain and retain their homes.

We will accomplish this mission through a strong network of HUD-approved housing counseling agencies and counselors.”

- Network of approximately 2,000 housing counseling agencies
- Monitors compliance with HUD regulations and oversees independence, conflicts of interest, content and process standards
- Connects clients with appropriate housing counseling agencies
- Administers grant awards for qualified applicants

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What is Housing Counseling?

- HUD standards
 - In person, phone, internet are acceptable as long as client and counselor can have an individualized dialogue
 - Guidance and advice are tailored to client’s needs
 - Includes creating a client budget, financial analysis, an action plan, and referrals to relevant resources such as down payment assistance programs or legal services

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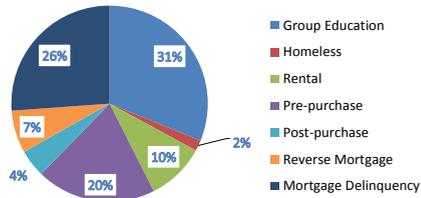
What is Group Education?

- HUD Standards
 - Provided for one or more people (classroom, online, conference call or other delivery method)
 - Major differences from one-on-one counseling:
 - Not customized for individual needs
 - Does not offer individual financial analysis or a client action plan
 - Can be a foundation for individual counseling sessions
 - HUD agencies must offer counseling for each group education participant

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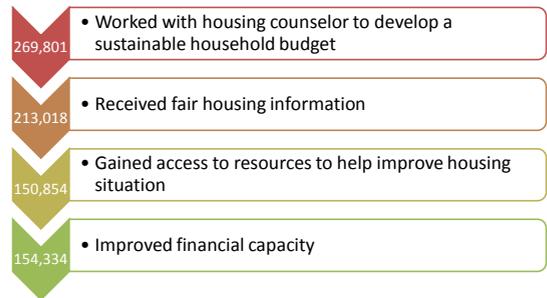
Housing Counseling Activity 10/1/15 to 6/30/16



Total Counseling Activity - 945,096 Clients

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Impact of One-on-One Counseling 10/1/15 to 6/30/16



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Awareness & Visibility Project

- Research
- Beat the Odds posters – Sent out in December
- Toolkits (coming soon) – For Lenders – For Real Estate Professionals
- Upcoming Stakeholder webinars and meetings



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Housing Counselor Certification Final Rule

- Final rule published December 14, 2016 – Federal Register citation: 81 FR 90632
- Final compliance date for housing counselor certification is 36 months after examination becomes available
- HUD will publish a Federal Register Notice to announce the start of testing

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Benefits of Certification

Broader knowledge = better counseling	Create professional recognition for housing counselors	Elevate the value of the program for consumers
Consumers avoid scammers and con artists	A credential for counselors	Consumers benefit from HUD approved agencies
Housing counseling offered in connection with HUD programs meets OHC standards	Programs and counselors eligible for grants and scholarships	Increased visibility and awareness of housing counseling

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Key Provisions

- All housing counseling provided under or in connection with all HUD programs must be performed by a HUD certified Housing Counselor
- A HUD certified housing counselor is a housing counselor who has passed the HUD Certification examination and works for a HUD-approved housing counseling agency

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Counselor Certification

- Pass the certification exam covering six major topics
 - **Only have to pass certification examination once**
- Work for an agency approved to participate in HUD's housing counseling – will be verified through a Federal system
- **Counselors can become certified as soon as the examination is available**
- All agencies must comply by 36 months after the examination becomes available (Final Compliance Date)

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Six Major Topics of Testing

Financial management

Property maintenance

Responsibilities of homeownership and tenancy

Fair housing laws and requirements

Housing affordability

Avoidance of, and responses to, rental and mortgage delinquency and avoidance of eviction and mortgage default

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Certification Exam

- Counselors must register for and take the examination through www.hudhousingcounselors.com
 - There is a free study guide and a free practice exam will be available on this site.
- Can take examination on-line or at a proctoring service
- Cost estimated to be \$100 to \$140 – subject to change
- Available in English and Spanish
- Can take multiple times until counselor passes – must pay fee each time

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HUD Programs Impacted by Final Rule

- Final Rule applies to all organizations that deliver housing counseling required by or provided in connection with all HUD programs
 - Counseling in connection with programs such as CDBG, PIH, and HOME may be affected
- The final rule narrowly defines housing counseling

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What is Not Housing Counseling

- Services that provide housing information, or placement or referral services
- Routine administrative activities (e.g., program eligibility determinations, intake, case management)
- Case management that provides housing services as incidental to a larger case management (HOPWA, ESG, COC) and does not fund housing counseling
- Fair housing advice and advocacy offered in isolation from housing counseling

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Impact on Pass-Through Organizations

- Staff of entities whose roles are limited to funding, overseeing or administering a housing counseling program and who do not provide housing counseling services directly to clients are not required to become HUD-certified housing counselors

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Options for Agencies Covered by the Final Rule

- Apply to HUD for approval or join a HUD-approved intermediary or state housing finance agency
- Partner with an existing Housing Counseling Agency to deliver housing counseling
- Modify the program in order to become compliant
- Stop delivering housing counseling services before the Final Compliance Date

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Effective January 13, 2017

Requirement that agencies participating in HUD's Housing Counseling program that provide Homeownership Counseling must address the entire process of homeownership.

Requirements related to the distribution of Home Inspection Materials.

Requirements related to the Misuse of Housing Counseling Program Grant funds that constitute a "Material Violation."

Requirements related to the prohibition against distributing Housing Counseling Program Grant Funds to organizations convicted of a violation under Federal Law related to an election for Federal Office.

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Effective 36 Months After Certification Examination Becomes Available (1 of 2)

Requirement that all individuals who provide Housing Counseling required under or in connection with a HUD program are HUD Certified Housing Counselors.

Requirement that any agency providing Housing Counseling under or in connection with a HUD program must be approved to participate in HUD's Housing Counseling program.

Requirement that all housing counseling reported on HUD Form 9902 that occurs after the Final Compliance date is performed only by HUD-certified housing counselors.

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Effective 36 Months After Certification Examination Becomes Available (2 of 2)

Intermediary/State Housing Finance Agency (HFA)/Multi State Organizations participating in HUD's Housing Counseling program must ensure all housing counseling performed by their affiliates is performed by a HUD-certified housing counselor.

Requirement that Group Education provided by an agency participating in HUD's Housing Counseling Program must be overseen by a HUD-certified housing counselor.

Agencies applying to participate in HUD's Housing Counseling Program must meet the Housing Counseling Certification Requirements.

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FREQUENTLY ASKED QUESTIONS ABOUT THE FINAL RULE

Frequently Asked Question (FAQ)

Question: When is the certification examination going to be available?

Answer: HUD will publish a notice in the Federal Register announcing the date when the certification examination is available.



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Frequently Asked Question (FAQ)

Question: Will HUD offer a practice examination, prior to testing?

Answer: A practice test, to help housing counselors prepare for and pass the examination, will be made available prior to the availability of the certification examination.

The on-line study guide and the practice examination materials will meet the Rehabilitation Act Section 508 accessibility guidelines. The study guide is also available for download onto multiple types of electronic devices.

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Frequently Asked Question (FAQ)

Question: How much will the examination cost?

Answer: The cost of the examination at a commercial proctoring site will be \$140 and online will be \$100. Each attempt at the examination incurs this cost.

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Frequently Asked Question (FAQ)

Question: Where will I register to take the examination?

Answer: www.hudhousingcounselors.com for online examinations once the test is available.

Additional information on test locations and on-line proctoring will be available on HUD's Office of Housing Counseling website www.hudhousingcounselors.com when the examination becomes available.

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Frequently Asked Question (FAQ)

Question: When do I have to become certified?

Answer: Counselors and agencies need to be in compliance with the certification requirements 36 months after the date the certification examination becomes available.

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How to Become HUD Approved

- **Qualifying Criteria**
 - Non Profit status or state or local government
 - 1 year experience providing housing counseling
 - 1 year of operation in proposed geographic service community
 - Sufficient counseling resources
- www.hudexchange.info/programs/housing-counseling/agency-application/ to review eligibility requirements
- Email housing.counseling@hud.gov to schedule an appointment

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Information for Other HUD Programs

Available at

<https://www.hudexchange.info/programs/housing-counseling/certification/>

- Frequently Asked Questions and Answers (FAQs) including FAQs specific to the following CPD programs: COC, HOPWA, ESG, CDBG and CDBG-DR, HOME, and Housing Trust Fund.
- List of HUD Programs covered by the Final Rule

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Comments from HUD Community
Planning and Development

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Office of Housing Counseling

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