



Final Transcript

HUD-US DEPT OF HOUSING & URBAN DEVELOPMENT: Housing Counselor Certification Rule

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SPEAKERS

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PRESENTATION

Moderator Ladies and gentlemen, thank you for standing by. Welcome to the Housing Counselor Certification Rule for Select PIH Program. At this time, all participants are in a listen-only mode. Later, we will conduct a question and answer session. Instructions will be given at that time.

[Operator instructions]. As a reminder, this conference is being recorded.

I now would like to turn the conference over to our host, Virginia Holman.

Please go ahead.

Virginia

Thank you. Welcome everyone to today's webinar on the Housing Counselor Certification Rule. There will be really a lot of important information for you. So, we are glad that you have joined us. Next slide.

The audio is being recorded as the operator said. We will be posting the playback number, along with the PowerPoint and a written transcript.

They will be posted on HUD Exchange under our training section on webinars, and that usually happens in about a week. The training digest, again on HUD Exchange, will be updated when that webinar is posted. I also sent out the PowerPoint to everyone who had registered this morning and it's also available in the control panel on the right-hand side of your screen. You can just click on document name and it will download. There are a variety of ways for you to get the information.

Our presenters are going to use Mentimeter for your questions. They will explain that process when we get to it. Also, at the end of the session we will take some questions and answers. We will take them over the phone, and we also have a couple of other ways for you to ask your questions.

Again, on the panel on the right-hand side of your screen there is a box labeled questions. You just type your question in there and we have staff that is reviewing those questions. If, after the webinar and anytime in the future, you have additional comments or questions, you can send them to housing.counseling@hud.gov. Just put the webinar topic in the subject line so we get it to the right person.

At this point, let me turn the webinar over to Lorraine Griscavage-Frisbee who is the Deputy Director of the Office of Outreach and Capacity Building. Lorraine?

Lorraine

Alright, well good morning everyone and thank you very much, Ginger [ph]. Also, good afternoon depending on your time zone. Thank you all very much for taking time out of your busy day to join us today. Even though we are targeting public housing authorities so that they have the opportunity to learn more about the certification requirements, we were also pleased to see that some of our housing counseling agencies in our program also signed up for this webinar. That's really great because our housing counseling agencies need to also understand how this final rule on

housing counselor certification affects other HUD programs and how they can help out. We'll talk about that later in the presentation.

The purpose of today's webinar is primarily to inform public housing authorities about our Housing Counselor Certification Rule. And, explain how it impact some of the public housing programs. We will talk about that in a little bit more detail. We also want to provide them with options. First of all, this webinar will help you determine if you are covered by the final rule. Secondly, if yes you are, what are steps you can take to comply by August 1, 2020, which is rapidly approaching.

Okay. Today's speakers: our presenters include myself and we also have Robin Penick and we're both with the Office of Outreach and Capacity Building in the Office of Housing Counseling. Our other presenters include Shawna LaRue Moraille, she's with ICF who is our technical assistance provider, and she is going to guiding us through the Mentimeter process and conducting some polls through Mentimeter. And you're also going to hear today from Jessica Porter [ph] who is with Qadale [ph], a subcontractor to ICF and a public housing programs expert. So, we are thrilled to have everybody on board.

We are also going to have people monitoring the chat box and helping us answer your questions and we definitely want to acknowledge them.

Also, our public housing subject matter experts that have joined us today.

We have Tammy Dunn, who is temporarily detailed to the Office of Housing Counseling. She works in Public and Indian housing. And also Jane Sherita [ph], who is with the Office of Outreach and Capacity Building. They are both going to be monitoring the box.

And then our public housing subject matter experts, we have Aneicy Shanal [ph] and Chad Trepinski. We want to thank both of them very much for taking time out of their day to join us as well.

Before we get started, I need to turn it over to Shawna to talk about Mentimeter.

Shawna

Thanks so much, Lorraine. Good morning or good afternoon, everyone. This is Shawna LaRue Moraille from ICF. We have a polling software that we like to use to ask questions. So, if you can go ahead and log into menti.com and that can be a separate browser on your laptop or computer or you could also separately use your phone as well. So, it depends on how you want to interact with Mentimeter. I will go ahead and show

Mentimeter so that you see a little bit about the kind of questions that we would like to ask today.

The first thing you need after you get to www.menti.com—I will do this with you as well, I know this may be new to some of you—is that you need to have a code in order to put it and its going to ask you for a six digit code. And so, you want to go ahead and put in 843500 and then hit submit. Then, if you could go ahead, and I know some of you are already doing this, go ahead and give us a thumbs up once you get into Menti so that we know that you are in the Menti software and are ready to take the first question.

I'll log in and then we will go to the first question here in a second. It's all anonymous from your computer. It really helps housing counseling, as well as the Public and Indian Housing program representatives here really plan what we are going to say throughout today's webinar, as well as in the future and you'll be able to give us feedback about this webinar through Menti. You will be able to help us with maybe some other technical assistance needs that you might have related to the certification rule. And, then also as Lorraine said earlier, there are really two different paths you can take if your Public and Indian Housing program is affected

by the certification rule. So, we have two different pathways that you see on the screen in front of you.

Okay, about a third of you are in, so I will go ahead and give it another couple of minutes. But I am going to move us on to the first question. So, just keep logging in so we will be able to gather your feedback. So, we'll go ahead and move onto the first question. Okay, great.

The first thing we want to know is whether or not you're currently participating in HUD's Housing Counseling program? So Lorraine mentioned as we started we know some of you are already HUD approved housing counseling agencies. However, some of you may not be currently participating. Again, this will help the presentation and know who our audience is today. Many of you are with Housing Authorities, which is great. We really wanted to do this webinar for you, so it would be good to know maybe your housing authority who doesn't currently participate in the program. Maybe you will in the future, hopefully we will give you some tools from this webinar to do that. I want to make sure that folks are able to answer this question.

So far, there are a lot of you that say yes. There are a few of you that have said no, and a few that are unsure, and it's okay if you are unsure. We are going to talk about participation and what that means in terms of the HUD Housing Counselor program. It may be that you are unsure because you are working for a housing authority and maybe it's a separate office within your organization that you need to talk to first to find out, are we currently participating or not. So please go ahead and provide the feedback.

Great, a couple more responses are coming in. Let me check my number.

Okay, while a couple more answers are coming in I can move on to the next question, and this is the final one for this part of Mentimeter.

So, we want to know which program you are primarily representing today.

So, the options are you are representing HUD's Housing Counseling

program. You might be representing the Family Self-Sufficiency

Program, Section 8 Home Ownership, or maybe you're primarily here

because you work on other public housing programs. So, we want to

know those of you that represent each of these various buckets to kind of,

again, help us present the material so that it make sense to everyone.

So, lots of folks coming in on Family Self-Sufficiency and that's wonderful. Getting a few more on Section 8 homeownership. This is really, just again, to gauge the presentation. So, primarily why are you here and hopefully we have many of you on Section 8 homeownership and Family Self-Sufficiency, as well as other public housing programs to help give you, like we talked about, a road map for the certification rule.

Okay, great. You can still respond. Looks like we have half and half right now it looks like maybe or two-thirds are public housing agency program focused. I'm going back to the PowerPoint, and we are going to go ahead and roll into our agenda.

Lorraine?

Lorraine

Alright, thank you very much everyone for responding and thank you Shawna for leading that. I am really happy to see housing counseling agencies are involved because you can [ph] help us to get the word out to public housing and actually other HUD programs in your community that are going to be impacted by this final rule. There is actually a total of 26 HUD programs that are covered by the final rule.

So our agenda for today, we are going to give you some background about housing counseling and our office, the kind of clients we serve, what kind of services our agencies offer, and also how we define housing counseling. That's very important in determining if your program is covered by this final rule.

We're going to offer some details specific to public and Indian housing programs; the programs that are mostly covered by this final rule in public housing. Then, we want to give you some options. If you are in fact covered, what are your agencies next steps to comply? Okay? With that, let's talk and give you a little bit of a background about our Housing Counseling Program. Next slide, please. Thank you.

Well, first of all who [audio drops] participates in our program? Well, typically they are public or non-profit 501(c) organizations. Public can be local municipalities, state housing finance agencies, sometimes we have government groups and depending on the state, government actions groups. But, we have about 1,750 agencies and branches all throughout the 50 states and also in the US Virgin Islands and Puerto Rico.

Agencies that are participating in our program, they can apply for funding through our notice of funding availability process that we have every year or every other year. But, it's optional, you're not required to. You can participate in our program if you have a small program and you're not looking for the additional responsibilities of managing the grant. You can still participate in our program.

We have different characteristics of agencies. We have network agencies that oversee affiliates and sub-grantees. Some are very large and on a national scale. One example would be NeighborWorks for a national organization with multiple members. We also have state housing finance agencies. We have about 20 states that participate in our program and run networks. Examples could be, we gave an example of MSHDA, which is the Michigan State Housing Development Authority; the Pennsylvania Housing Finance Agency; and also the State Housing Finance Agency in Kentucky. That's a couple of examples.

So, one way to participate in our program is to go ahead and join these networks if they're accepting new members. We also have multi-state organizations and they typically operate in a limited geographic area with the main office and branches. And then our last type is a local housing

counseling agency, and they come to HUD directly for approval. We do have an application process, which we'll talk about a little bit later in today's presentation. They can also apply directly to HUD for funding. So, this just kind of gives you an overview of what our member agencies look like.

Let's go ahead next and talk about, well, what kind of services do they provide? Well, what you see now on the screen is our annual report. This is our fourth quarter. We collect data from our agencies through what we call our Form 9902.

Our participating agencies average about 1 million clients a year. What you have summarized on this chart are the main activities that they provide to clients. Group education is the largest service that's provided. Typical examples of group education include pre-purchase counseling, finance and budget counseling and fair housing, those are some of the larger examples of group education.

Then we also have the housing counseling one-on-one services. We have six categories of one-on-one counseling. They include the homeless,

rental, the pre-purchase; which as you can see is by far the most popular service that is used by our clients at 27%.

We also have post purchase, which is after somebody buys the home if they want some help maybe in doing rehab or should they get a HELOC or things like that. They can come to the counseling agency for assistance on that.

Reverse mortgage, that's a special mortgage category for seniors 62 years and older where they can take out some of the equity in their home either as a lump sum or a monthly payment and they don't have to pay the mortgage back until they permanently leave their home.

Lastly, mortgage delinquency. It's just recently within the last two years that this was not the number one service requested. So, we're very excited to see that that has declined in what the clients are requesting.

So, anyway, that just kind of gets you an idea and a background of the kind of services that our agencies deliver across the country. Next slide, please.

Very important in our discussion of the final rule for housing counseling certification is, how exactly do we define housing counseling and are you doing these steps and these actions for the definition of housing counseling? We actually codified the definition in the Code of Federal Regulations 5-100. And in that we define housing counseling as “independent expert advice that is customized to the needs of the consumer to address the consumer’s housing barriers and to help achieve their housing goal.”

What we mean by independent expert advice is a housing counselor is not to steer clients to specific programs or specific lending products, for example. Housing counselor is to provide all options available to the client and help the client make the decision, but ultimately it’s the client that decides what loan they want to get, for example, or what types of assistance like down payment assistance they can apply for.

Housing counseling have to include the following elements: The first one is intake. As I mentioned, we use our 9902 form. We collect demographic data so we can report to Congress what types of clients are utilizing our services. So, intake is a critical part of this process. The other two critical components are going to be creating a client budget and

conducting a financial and housing affordability analysis. These are critical because for one thing, especially for first time homebuyers, which is a large segment of our population, we want to make sure that they are able to sustain the house and the mortgage that they are going to purchase. So, the housing counselor has a critical role to sit down with the clients and help the clients develop a sustainable budget. One that's going to sustain their housing decisions and where they want to live. And also to help them determine how much, for example, of the mortgage can they realistically afford, or what is a reasonable rent amount. So, these are some critical components.

Also, what goes hand-in-hand with this is a client action plan. The counselor and the client works together to decide what are the next steps for the client to take to meet his or her housing goal. For example, pre-purchase might be, well, take an education class. Or there might be issues with the credit report so the client would need to reach out to the credit bureau or save for a down payment for the house. A client action plan can definitely have more than one step for the client. And typically it averages about six months.

The last thing that the counselor would have to do is follow-up with the client: How are you progressing on your action plan? Do we need to revise it or are you ready to purchase?

So, it's really important to collect the outcome data through this follow-up. So, [audio drops] are the key components of housing counseling.

Next slide, please.

One of the things that we have discovered through our various outreach is we do have sometimes a disconnect between what is housing counseling and what is group education. It's really important for everyone when looking to see how they are going to comply and offer housing counseling that you understand that group education is not housing counseling.

Group education is typically a classroom setting or it can be some online courses. Group education doesn't have that one-on-one individual interaction with the client. You're not going to focus on the client's individual financial situation in a group setting. Also, [indiscernible] like eHome America and Framework [ph], they are very popular online education classes. They are not housing counseling.

So we'd just like to reinforce this point, because through our outreach we have found some participants are confusing the two.

Okay, now it's time for another Mentimeter question. Shawna? Shawna you might be on mute.

Shawna

I am on mute. Thank you so much, Lorraine. It was very helpful feedback for you to get us started her about what is housing counseling and what isn't housing counseling. So, I know that was helpful for the housing authorities on the phone. Okay, great.

So before I turn it over back to Lorraine, have you heard of the certification rule, we thought we go ahead and ask you if you have heard of this certification rule and please answer simply yes, no, or if you're unsure, totally fine to be unsure. That is what the next section will be about. If you need to log in, you might need to go back and log in with the code again, and the code at menti.com is 843500 like you see in the upper right-hand corner.

Okay, we are up to over 200 attendees. We'll just give it a couple more minutes, so please provide a response when you get a second. We are

getting a few more unsure's, that's very helpful. And a couple more folks saying, no, they haven't heard of the certification rule.

Towards the end of presentation, Robin is going to go over some online resources. The ICF team has spent a lot of time with HUD's office of housing counseling building a lot of resources available to [indiscernible]. So, we will be able to show you a lot of the resources that we have put together that you can add to this presentation that we're going over. Hopefully that's helpful to many of you.

Okay, great. We will have you continue to vote, but it looks like I think half the [ph] audience has heard of the certification rule.

Okay, great. Alright, Lorraine, tell us more about housing counseling.

Lorraine

Sounds good. Thanks, Shawna, and thanks, everybody, for responding. Well, most of you have heard about it, but I'd like to spend just a little bit more time going into a little detail about that final rule. Next slide, please. Before I do that, I want to talk a little bit about why we feel certification is also beneficial. Yes, it's a regulation, it's in the Code of Federal

Regulation, but there are also some great benefits to having HUD certified housing counselors. That's the designation that we provide to any counselors that HUD directly certified. They're going to be called HUD Certified Housing Counselors. The benefits of that include right smack in the center; we have it's now a professional credential for housing counselors. There are other benefits besides that, and one of them is it's going to help standardize the delivery of housing counseling across all HUD programs.

As I mentioned earlier, there are actually 26 HUD programs that are covered by this final rule. Whether you're in, for example, community planning and development or public and Indian housing, when you see the words "housing counseling," you know that standard definition that I covered previously is going to apply to that service.

It's also going to help consumers because they're going to be working with knowledgeable housing counselors. We also hope it helps to increase the visibility and awareness of housing counseling. We don't want housing counseling to be a best-kept secret. Okay, thank you. Next slide, please.

Alright, the specific provisions on the certification rule, and in case you are interested in some light reading, it was published on December 14, 2016. Now, it's coming effective—the certification portion of it—August 1, 2020. When we first started our outreach, it was like oh, you still have plenty of time, but that clock is ticking. You don't have plenty of time anymore, so that's why we're really happy you're tuned in today.

The key provisions are that housing counseling—and housing counseling is how we previously defined it—required under or provided in connection with any HUD program [audio drops] provided by organizations and counselors that are approved by the Secretary. In other words, HUD. HUD-approved housing counseling agencies with HUD-certified counselors are the only ones that can provide housing counseling services starting August 1, 2020.

There are two parts to the certification process. First of all, the counselor has to pass a standard written examination, and then secondly, their certification is tied to the HUD-approved agency they work for so that HUD-approved agency has to verify their employment. Once those two factors are met, then the counselor is a HUD-certified housing counseling. The nice thing is they only have to pass the test one time, and as long as

they transmit their pass data to HUD, we will retain that information indefinitely. Okay, next slide, please.

Let's talk a little bit about what we mean when we say required under or provided in connection with any program administered by HUD. There are actually four categories. These are where housing counseling is required to participate or receive benefits from a HUD program. An example is the community planning and development home program. That specifically says for a client to receive down payment assistance on their home, they have to have housing counseling.

Another example is housing counseling that is funded under a HUD program. For example, the Family Self-Sufficiency Program can provide funding for housing counseling, so that would be an example. The next one is if housing counseling is required by a grantee or a sub-grantee of a HUD program as a condition of receiving assistance.

Lastly, if the client is just served by a HUD program and referred to housing counseling, that client has to be referred to an agency that is HUD-approved and has certified housing counselors. So you're not directly providing the housing counseling, but you're referring that client

out. You still have to make sure they're going to receive the housing counseling from an agency in our program.

Okay, that concludes my portion. I'm going to turn it over to Jessica now, who is going to talk about specifics of public housing programs that are covered by this program. Jessica?

Jessica

Thank you, and good afternoon. One of the programs that we just mentioned is the Family Self-Sufficiency Program. In this program, the FSS coordinators are often providing case management, which is not under this rule.

If the FSS counselor is providing case management, they are not providing housing counseling. However, recently, the FSS NOFA allows housing FSS coordinators to actually provide housing counseling services. If the FSS coordinator is actually providing those counseling services and those services include intake, client budget, financial, and housing affordability analysis, if they're developing an action plan specifically for a client, then they are providing housing counseling, and they do need to be certified.

We know that home ownership is often a goal of the FSS participant. If the FSS coordinator actually refers the participant to housing counseling, then the agency to which the participant has been referred to, they must be housing counseling certified, but the FSS coordinator does not have to be certified. Again, if the FSS coordinator is referring a participant to housing counseling, the FSS coordinator does not have to be certified, but that referral agency does.

I know that was a little bit disjointed, but I hope that provides an explanation when in the FSS program, the FSS coordinator needs to be certified versus when the referral agency which is providing the housing counseling would be certified. Again, the key date here is that this goes into effect August 1, 2020. By August 1, 2020, either the FSS coordinator who is providing housing counseling, or that agency which is providing housing counseling as a referral from the FSS coordinator, must be certified by HUD.

Aneicy

This is Aneicy. I just want to add really quickly the vast majority of FSS programs will be referring to other agencies. The way that this rule will affect you is that you will need to be sure that the agency that you're referring to is HUD certified.

There are a few of you out there in FSS programs that still may function under the legacy FSS homeownership program which we haven't funded as FSS homeownership since the second Bush administration. However, there are a few of you out there that are actually providing housing counseling directly to FSS participants and those of you need to be certified and have your agency be certified as well.

Jessica

Thank you, Aneicy. I hope that clarifies the different types of FSS programs and the type of counseling services that need to be certified.

Okay, another program—next slide—that is required to have homeownership counseling is actually the HCD home [audio drops]. It's a requirement of that program that participants receive homeownership counseling. The family has to successfully complete that pre-assistance homeownership counseling in order to be eligible. The PHA [ph] is not required to be the actual housing counselor, but again, if they refer to an agency to assist, then that agency providing the home ownership counseling must be certified by HUD. Again, that effective date is August 1, 2020.

Next slide. There are other programs under PIH, under HUD's Public and Indian Housing, that may be impacted by this housing counseling certification rule. There are many different scenarios, so we're going to go very quickly over them, and it depends upon whether or not homeownership counseling is funded as part of these programs, and whether or not they are providing specific homeownership counseling versus the case management-type of services.

Programs that may be impacted include the conversion of distressed public housing to tenant-based assistance. It may also include the demo/dispo of public housing, and again, this all depends on whether under these programs they have provided funding for homeownership, and whether or not that homeownership counseling really falls under the definition that was provided earlier, which is very individualized and not group counseling or group services.

Finally, the ROSS program, Resident Opportunity and Self Sufficiency Program, those may be impacted under this rule.

As Lorraine has mentioned earlier, and I want to reiterate, not all housing services are the same thing as housing counseling. We provided the

definition earlier, and that is that it's very specific and that it talks about such things focusing on obstacles to overcoming a housing goal, repairing credit, rental disputes, etc. However, group counseling and services providing placement and referral services do not fall under this rule. Case management, as part of the larger case management such as counseling, how to be a good renter, things like the moving to opportunity areas program, those are housing services that do not fall under the homeownership certification rule.

Finally, we want to talk briefly about the impact of pass-through organizations and management. This, again, could be something similar to the Family Self-Sufficiency program or the HCD homeownership program where the staff who actually administers the program or manages the program does not fall under this rule because they are not directly providing housing counseling, and so they do not have to become HUD certified. When they refer to an outside organization to specifically provide these individualized services, then that organization must be an approved organization, and the counseling must be done by a HUD-certified counselor.

The term, HUD-certified counselor should really only be used by an individual or organization that has received the training and has passed the examination, and are approved by HUD.

With that, I'm going to turn it back over to Shawna.

Shawna

Okay, great. Thank you so much, Jessica. Hopefully, that contextualizes a lot of you on the line in terms of your public housing program or Section 8 homeownership program, FSS, etc. We'll go ahead and take one quick Mentimeter before I turn it over to Robin.

What would be helpful as you think about next steps that Robin's going to go over is, we want to know if your public housing program if it triggers the rule, how many housing counseling clients will need to be served? Will you have more than 50 clients that need to be served, 30 to 50, less than 30, or maybe you're simply unsure—which is totally fine—we would just like to be able to get some gauge as to how many clients may be affected because of the certification rule.

About one-third are reporting in, neck-and-neck between 50-plus and unsure; also a deep tie between less than 30 and 30 to 50. Okay, keep the votes coming in.

Those of you that said unsure, it would be very helpful as one of your next steps is to just try to figure out the number of clients that may be impacted by this. Again, that will help you make your choice. Again, there are two paths here if you are affected to participate directly or find a partner agency. I'm going to go ahead and turn it over to Robin, but please continue to vote. We do want to hear from you.

Robin Penick, from HUD's Office of Housing Counseling.

Robin

Thanks, Shawna, I appreciate that. I'm going to review some of the options that you may want to consider as a next step in regards to the certification rule. Once you have determined that yes, your program falls under the certification rule requirements, you will need to evaluate your options.

The options that you will have will be to become a HUD-approved housing counseling agency, and that would mean that you need to make an

application to HUD to become an approved agency. There are options to partner. You could partner as a provider with an intermediary or a national organization, and actually provide the housing counseling services under the partnership of that intermediary that's already approved to provide services for HUD; or, you could partner either by entering into an agreement with an existing approved agency to provide the housing counseling services for your clients. Then, the final option that we have here is that you will need to stop delivering housing counseling if you haven't met the requirements for certification by August 1, 2020.

In regards to the first option that we just talked about, getting HUD approval, we have a great website on the steps needed in order to become a HUD-approved housing counseling agency. This is just a snapshot of our webpage. Getting HUD approval adds a lot of credibility for the organization in regards to the community that you serve. There are various foundations, and lenders, and other financiers are familiar with the HUD approval for housing counseling agency, and it certainly adds credibility to your organization and the services that you provide.

We have a number of training partners, such as NeighborWorks, Rural Community Assistance Corporations, UNIDOS, and National Community

Reinvestment Coalition, who offer training and technical assistance for counselors that are in our network of agencies. OHC itself maintains a national network of our participating agencies that are listed on the HUD exchange and on HUD.gov, and certainly allows community partners to find you a lot easier, also. On this page, you'll notice that there's mention of the housing counseling agency eligibility tool, and a link to access that tool. I do want to talk about that a little bit, too.

Anyone that has a HUD exchange account can access the tool. What this tool does is that it's good for an organization to determine if they are ready to apply for HUD. This tool will walk you through the steps or the individual criteria that HUD has set for agencies to participate in our program. It's a comprehensive teaching tool with links to resources and provides a series of yes and no questions that agencies can respond to. At the end of the tool, you will get a recommendation that either yes, you are ready to apply; or no, that there are certain criteria that your agency doesn't meet and that you'll need to do some additional work on that.

If, once you get to this step where it says yes, you are ready to apply, at that point, you will want to request an appointment with an application advisor. The application advisor request can be made to

housing.counseling@hud.gov. That information is explained on our website as well.

Here's a slide. This is an example of one of the criteria listed in the tool. It's a simple yes or no answer. You would either select the green circle with a checkmark or X. You also can see on this page the Learn More area of this criteria and it provides you detailed references on how to find out what the criteria is really about and how to find an answer to it.

This is a sample timeline for counselors—not for agencies, but for counselors—to become certified. This charts out about a five-month time frame. This chart does not include the time it takes for agencies to become approved as well, so in addition to this five months for certification, you're going to need to add more time if you need to have your agency approved as well. We just think this is real important to provide so that you, as a manager of an agency, knows what type of time limits that exist in order to be compliant with the rule.

This is a shot of our website where you can search for HUD-approved housing counseling agencies. It's helpful as a resource tool for referrals. If you want to refer clients to agencies that participate in our program, this

is a good resource to find out who those agencies are. If you're interested in becoming an approved agency, this is a good tool to look at existing resources that exist in your community, how many other certified housing counseling agencies are there within your community. And, just to check out the services that exist in your locality, this is also a good tool.

This is another avenue to search for counseling agencies. This allows you to search for counseling agencies with certified housing counselors. You can enter your state or a city, and select certified, and hit the send button. It will bring you a list, return you a list of agencies that have certified housing counselors for that state or locale that you're looking for. That can be real helpful to you if you're going to be referring clients or customers.

In regards to becoming a HUD-approved housing counseling agency, we do have a webinar upcoming on March 3rd that will review the criteria and the process of becoming a HUD-approved housing counseling agency. Please take time to mark your calendars or go ahead and get registered for that webinar if you're interested.

Shawna Okay. Thanks so much, Robin. That was really helpful to describe some of the next steps. I think we'd like to go ahead and switch back to Mentimeter. We would like to know from you now you're planning to comply. Again, this assumes that your public housing program is affected by the certification rule, and you need to figure out what your options are—again, either partner or participate directly. Please provide some feedback.

We're going to open it up for questions here shortly, so I guess I'd like the operator, Tiffany, to give us instructions as to how people can queue up.

Moderator Thank you. [Operator instructions]. One moment for our first question.

Tammy Before we have our first question, we've received a really important question through the website, and I wanted to put it out there for the presenters to answer because I think this may affect a majority of people here.

Shawna Sure.

Tammy The question was from Debbie Carter, and it says, “We have one employee that has already obtained HUD certification for housing counseling. When there is a change in staff or if additional employees wish to obtain certification, would the deadline still be August 1st if we already have someone on-site to perform the counseling?”

W Lorraine or Robin?

Lorraine This is Lorraine. Yes, or, Robin. Yes, Robin, do you want to?

Robin No, go ahead, Lorraine.

Lorraine Oh, okay. Thank you. Because there’s actually more than one question here, the first question has to do with counselor certification, and it being tied to an agency.

Let’s say an employee that is currently certified with ABC Agency, that employee decides to leave the agency and go somewhere else. As soon as that counselor no longer works for the agency, the agency has to go into FHA Connection, the application coordinator, and remove that employee

from the list of counselors. When that happens, that counselor is no longer certified because the certification is tied to the agency as well.

But, that counselor has already passed the test, and when that counselor becomes employed by a new agency, the new agency will go back into FHA Connection, confirm the counselor's employment with their agency, and the counselor becomes certified again. That is one question dealing with what happens when an employee leaves or an employee joins an agency. This is true now, and after August 1, 2020, same process in place.

After August 1, 2020, there's no time limit for a counselor to become certified, but the agency itself must have at least one or more housing counselors, as many counselors certified as they need to be able to fully implement their approved work plan. If that agency has zero counselors come August 1, 2020, the agency will be placed in temporary inactive status until the agency has at least one counselor. Again, they have to have a sufficient number of certified counselors to go ahead and be able to carry out their work plan.

I hope that answered both of her questions. Before we take another one, there was a comment that came into the chat box that I wanted to also

address. The certification requirement applies to all types of housing counseling, not just pre-purchase. When I showed that chart, that pie chart with all the different services, homeless counseling, rental counseling, HECM counseling, pre-purchase, mortgage default, post purchase, all counseling, one-on-one counseling, sitting down with the client, one-on-one counseling must be accomplished with a HUD-certified housing counselor effective August 1, 2020.

Okay, thank you. I'm done.

W Thanks, Lorraine.

W Do we have any phone calls in queue?

Moderator Yes. Our first question comes from Gary Allen Glass [ph]. Please go ahead.

Gary Hi, thank you. Actually, I didn't hear part of the answer to that question, but I—just a little background—I was hired in October at a certified agency with one counselor that is already certified. Just to be clear, after the deadline August 1st, the exam will still be available. Let's say I have a

goal to take it in March or April and don't pass, to retake the exam after August 1st, it still will be given in the same format, and I still have the option, the eligibility to pass on the exam after August 1st?

Shawna Robin, would you like to answer that question?

Robin Sure. Yes, the exam will still be available after August 1st. The only other thing I would say in regards to that is that after August 1st, the counseling that you're providing would not be able to—does not meet the HUD-certified housing counseling service requirement. After August 1, 2020, if you're counseling clients that need to be counseled by a HUD-certified housing counselor, you would not be able to counsel those folks.

Gary Okay, and I wouldn't be able to until I passed the certification. Those customers or clients would have to be counseled by the one person who is already certified, correct?

Robin Correct.

Gary Okay, that's all I need to know.

Robin That exam will be available from now until the end of time, basically.

Gary Okay, very good. Thank you very much.

Robin You're welcome.

Moderator Our next question comes from Alicia Lake [ph]. Please go ahead.

Alicia Hi [indiscernible] this is like ourselves. We have an FSS program and we do homeownership. Are you required to get the HUD counseling certification to do the homeownership, or can I continue without the certification to do homeownership? Secondly, we have PHFA, Pennsylvania Housing Finance Agencies counseling certification, does that correlate anything with the HUD counseling certification; any connection with those two?

W Those are some really good questions. I want to go back and reiterate that it sounds like you're already in the program, so are you getting funding for housing counseling from Pennsylvania Housing Finance Agency?

Alicia Yes. We get counseling from PHFA, yes.

W Okay. You're already what we consider a HUD-approved or a HUD-participating agency. The key is you have to have one or more certified housing counselors come August 1, 2020. Are any of your counselors certified yet?

Alicia We have one that is certified. She strictly does the mortgages that are in foreclosure or past due.

W Okay.

Alicia I do the current mortgages, but I am not certified.

W Okay, so—

Alicia Does that mean I will need to be certified?

W Yes.

Alicia Okay.

W It builds on what Robin just said. You can't provide housing counseling in conjunction with the HUD housing counseling program unless you are certified starting August 1st.

Alicia Okay.

W That also means, for example, any grant funding your agency would get from the Pennsylvania Housing Finance Agency couldn't be used for counseling if you're not certified.

Alicia Okay.

W [Overlapping voices] the Pennsylvania runs like a—

W [Overlapping voices].

W Oh, sorry. Pennsylvania runs a robust network. They can provide you with a lot of support. I'm sorry.

Alicia Okay.

W Those requirements are requirements of the housing counseling or homeownership counseling side of things that would be requirements whether or not you had an FSS program.

Alicia Okay.

W The fact that you also have an FSS program, the FSS coordinators who are just doing standard FSS and are referring over to the side of your house that does the homeownership stuff, those folks don't need to be certified for the housing counseling.

Alicia If I'm doing both—which I am, along with HCV—I need to be certified?

W Yes. If you're doing both then you would need to be certified, yes.

Alicia Okay. Okay, no problem. Alright, thank you.

Moderator [Operator instructions].

W Okay, it sounds like we don't have any more in the queue. Are there any written questions in that we should discuss as a group?

Robin I have one. There's a question that was asked, "Can counselors who are not certified continue to teach pre- and post-purchase classes?" Lorraine, would you like to answer that?

Lorraine Yes, that's a really good question. Thank you, Robin. One of the things, and we really didn't go into a lot of detail about group education in this presentation, but part of the final rule says that group education must be overseen by a HUD-certified housing counselor. The question becomes, what does overseen mean? Overseen means that a HUD-certified housing counselor has to approve the curriculum for the group education.

If the housing counselor is going to be teaching at the class and a HUD-certified counselor has approved the curriculum, then that would be acceptable.

Robin Thank you, Lorraine.

Lorraine Good question.

Robin I have another question in the chat box. It is regarding homeownership voucher program, where they work with five to six families per year, and they complete housing counseling via this state housing group training prior to applying within two years. Does that count as housing counseling under the certification rule?

Jessica Robin, this is Section 8 to homeownership, and they work with five or six families, and they require that those families go through a state housing finance agency umbrella course, like some type of group education. The question is whether or not all of that is going to have this certification rule affect them, correct?

Robin Or, does that satisfy the housing counseling requirement, or housing counselor certification rule?

I was going to talk about the slide that we had in the presentation, where we showed that group education does not equal housing counseling.

Jessica Yes, and I can go back to that.

Robin If you're sending your participants to a state agency that may or may not be a HUD-participating agency—so that's one item you would need to check is to see if, in fact, your state agency that you're referring to is a HUD-participating agency. You are also referring for group education as opposed to housing counseling, so if you are requiring housing counseling, if your program requires housing counseling, then the group education would not meet the certification requirements.

Jessica I just wanted to add onto that that the Section 8 housing choice voucher program under regulation, and it's under Section 982.630, says specifically that the family has to satisfactorily complete the pre-assistance homeownership counseling. I would suggest that this must go through the definition of homeownership counseling that requires the HUD-certified counselor.

Shawna Thanks, Jessica. I also just showed on this slide the elements that have to be included. As folks said on this presentation, housing counseling is individualized, and so you may have some group education that's provided, but it has to be provided in conjunction with the individualized housing counseling. Hopefully, that's a little clearer. Thanks, Robin.

Any other questions in the queue? I can also do another Mentimeter question. I want to make sure we're good with folks' time. What would you like to do?

Robin I have another question to ask unless there's a phone call that someone is waiting to—

Shawna Okay.

Moderator No questions on the line waiting.

Shawna Go ahead.

Robin One of the questions was, "How long does it take to get the HUD housing counselor certificate if it was passed in mid-December?" I can answer that one in that once you pass the housing counseling exam, you have to apply for certification. The application process, then after you apply, your agency has to verify within the system that you work for the agency. That, at the most should take about a week, so you should already have your certificate if you passed the exam December 15th, and your agency has approved your employment.

Tammy This is Tammy, we have a couple of questions that are dealing with the same thing, is "If the intake coordinator needs to be certified?" I can answer that one. The intake coordinator, if they're not providing counseling, does not have to be certified.

Shawna Thanks.

Robin Lorraine, if an agency is considering applying for participation in our program, do you have a standard amount of time that that application process takes?

Lorraine Yes, that's a really good question, Robin. We have a process set up so that folks speak to an application advisor first to determine they will be eligible for the program. This typically happens after you go through the eligibility tool that Robin talked about. Then, when you do submit your formal application, it usually takes between 60 and 90 days to process that application.

Robin Thanks, Lorraine.

Shawna

Okay, great. I know there are a couple of people that I know have dropped off, so I want to be careful with everyone's time. We did [audio drops] to this question. Some of you answered unsure, and we would like you to be able to provide us with a couple of quick phrases, or maybe it's a specific thing that you need, or resource that HUD across these offices are participating could help you with.

If you're unsure in terms of the last question, which is planning to comply with HUD certification rule, you had a few people that said unsure. Just anybody, what would help you decide how to participate? What do you need? What would be helpful? If you could just provide that, and then we can take a look at those while we're checking to see if anyone has written in some questions.

Okay, great. Alright, well, keep the answers coming in. We would like to know what would help you make a decision. Any other questions in the queue that folks want to cover?

Moderator

There are no questions on the phone.

Shawna

Okay, great.

Tammy There's one that I may want somebody to cover this. It says, "How does a new non-profit obtain a housing counseling certificate to assist families and individuals who are in need of education and support?"

Lorraine I think they're referring to what we were talking about, the application process. You can either apply directly to HUD to participate in the housing counseling program or join through an intermediary or state housing finance network if they are accepting new members and you do meet the eligibility requirements.

Robin, anything to add to that?

Robin I have nothing to add.

W While we are waiting, Aneicy or Chad, do you have anything you'd like to add?

Aneicy No. I think this covers it all. Just the same thing that I said before; for the vast majority of FSS programs, I think this will not be a requirement because you don't actually provide the services yourself, or it won't be a

requirement to get certified yourself. Do make sure that as you're doing referrals, whatever agency partner you have in place, I would reach out to them and just make sure that they are aware of this requirement and moving towards it if they're not already certified so that you can continue to refer to them after August 1st, because that will be required. It's really just setting a standard of service so that we make sure that all of our residents are getting the best quality information that they possibly can.

I wanted to mention just through the foreclosure crisis that we went through, what we did find is that although families all over the country were suffering foreclosures, at least anecdotally, those who had gone to organizations that participated in the HUD housing counseling program had a far, far, far, significantly smaller percentage of moving into foreclosure. The programs that are certified by HUD were able to steer residents—not just public housing residents, but all of our communities—away from those predatory lenders and bad lending practices into something that was going to be actually sustainable.

That's just one little piece of why this is so important; that we're really making sure that folks who we are helping to move into homeownership are getting there in a way that they can continue to be successful at that

because the last thing that we would want is someone to move into homeownership and then not be able to stay, and end up in a worse place. I know this may feel like a lot, this certification, but I think ultimately it's going to be a really good thing for the people that we serve.

Lorraine Thank you very much.

Shawna Great. I'll just show a couple of the slides here that we have prepared where you can find all things certification. Here's our landing page with a lot of links to the final rule; how to apply all the certification. This goes through what Robin covered related to if somebody loses a counselor, and how do they make sure that they are connected through FHA connection to the next counselor that gets certified. I'm going to show you this HUD-covered programs in a second. We have lots of great information here, and also some frequently asked questions, where each of the public housing programs goes into what is required.

Here is the other HUD-covered program page. We do have scenarios for each of the public housing programs here. We'll be adding to those as well, so you can check back.

There's also some great links here to that housing counseling agency eligibility tool, as well as intro to housing counseling. There are a lot of resources. If this is your first exposure to housing counseling, there are a lot of resources and training, and things that you can do as part of your next steps.

I'm just going to make sure that we have this open in terms of the webinar meeting, the expectations. I'm not planning to show that myself. I just want to make sure we didn't have any more questions in the queue, or anything else we wanted to discuss today.

Moderator [Operator instructions].

Shawna Okay, great.

Moderator There are no questions at this time.

Shawna Okay, great. Are there any more questions in the queue that we should cover as a group?

Moderator There are a few coming in right now.

Shawna Oh, okay. We'll just hold for a second. Alright, and before folks jump off, just please make sure you give us feedback on the webinar, the GoToWebinar link that's still open. Are they still coming in?

Moderator Yes.

Shawna Okay.

Moderator We have Avis Collins [ph]. Please go ahead. Avis, your line is open.

Avis Question. Earlier, you mentioned that an agency would be placed in inactive status if they have no certified counselor effective 8-1-2020. If there's no one—which there should be—but if there's no one certified by that time, how will the agency be affected by the funding?

Lorraine That's a really good question. If you don't have any certified counselors August 1, 2020, you will not be able to charge the HUD grant for housing counseling because in order for it to be an eligible grant activity it has to be performed by a certified counselor.

Avis Okay.

Shawna Lorraine, she was—Avis just provide the answer if you're already currently participating, so I don't know if you're currently participating or not.

Avis Yes. We're currently participating.

Shawna Okay, great.

Avis Honestly, I'm not sure if the counselor is certified, so that's why I was asking that question.

Shawna Okay, great. Perfect. Thank you.

Moderator There are no further questions at this time.

Shawna Okay, great. Any other questions?

Lorraine I think we can conclude the webinar now, then. Thank you very much, everyone, for taking time out and joining us. We hope we've provided

you with valuable information. Those of you that are already in our program, make sure your counselors get certified before August 1, 2020.

Thank you.

Shawna

Thanks, Lorraine. Just a reminder, you will get a certificate because you logged into this webinar that's not printed out separately. Please print and save this for your records.

Those of you that currently participate in HUD housing counseling program, I know you are used to this, but you can get credit for this training after everything is posted to the webinar archives, so take a look at that in the future.

Then, thanks, everyone, for participating, and I'll still leave the Mentimeter open so that you can provide your feedback. If anyone still has questions, you can always email HUD's housing counseling program at housing.counseling@hud.gov.

Thanks, everyone.

Moderator

That does conclude our conference for today. Thank you for your participation and for using AT&T TeleConference. You may now disconnect.