



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

MAR 11 2013

Dear HUD Housing Counseling Program Participant:

As you are likely aware, due to the inability of Congress to pass legislation on balanced deficit reduction to avoid sequestration, the President was required by law to issue a sequestration order on March 1, 2013, canceling approximately \$85 billion in budgetary resources across the Federal government for the remainder of the Federal fiscal year. Because you are a partner with the Department of Housing and Urban Development we wanted to provide you with timely and clear information about how these unfortunate budget cuts impact us, and in turn what it means for housing counseling grants funds in FY 2013.

At this time, the Department of Housing and Urban Development is taking every step to mitigate the effects of these cuts. However, based on our initial analysis, funding for all Housing Counseling grants (including training grants) would be cut by as much as \$2.125 million.

Thank you for your continued partnership with the Department of Housing and Urban Development and for your cooperation as we work together to manage these unfortunate circumstances.

Sincerely,

A handwritten signature in blue ink that reads "Carol J. Galante".

Carol J. Galante
Assistant Secretary for Housing
Federal Housing Commissioner