

OTHER HUD PROGRAMS COVERED UNDER HUD'S FINAL RULE FOR HOUSING COUNSELING CERTIFICATION

HUD published the Final Rule for Housing Counseling Certification December 14, 2016. This rule implements statutory requirements that housing counseling required under or provided in connection with all HUD programs must be provided by HUD certified agencies and HUD certified housing counselors. This final rule will standardize housing counseling requirements over all HUD programs. With the certification requirements, the benefits to the renter, the prospective homebuyer, or the existing homeowner are increased assurance of a more knowledgeable housing counselor providing more effective housing counseling services. HUD expects that more knowledgeable housing counselors will lead to better identification of housing issues, more knowledgeable referrals and resolution of barriers, and a greater ability to avoid scams. This requirement covers not only participants in HUD's Housing Counseling Program but also participants in other HUD programs including the HOME Investment Partnerships Act (HOME), Community Development Block Grant (CDBG) Program, and some Public and Indian Housing and FHA Single Family programs.

A list of HUD programs and guidance for other HUD programs that are affected by this requirement is available on HUD's Housing Counseling website at <https://www.hudexchange.info/programs/housing-counseling/certification/> and are also listed below. Guidance will be updated as appropriate to add or remove HUD programs. Covered stakeholders will have until August 1, 2020 to comply with the housing counselor certification requirement. A separate Federal Register Notice was issued by HUD announcing availability of the certifications examination.

Key Definitions

Housing Counseling is independent, expert advice customized to the need of the consumer to address the consumer's housing barriers and to help achieve their housing goals and must include the following processes: intake; financial and housing affordability analysis; an action plan, except for reverse mortgage counseling; and a reasonable effort to have follow-up communication with the client when possible.

Services that provide housing information, or placement or referral services, (for example, mobility-related services for the Housing Choice Voucher (HCV) program), **do not constitute housing counseling** and would not necessitate an individual providing these services to become a HUD-certified housing counselor working for an agency approved to participate in HUD's Housing Counseling program under this rule. Routine administrative activities (e.g., program eligibility determinations, intake, case management, property management, and the collection of rent or loans) are also **not housing counseling**. Holistic case management for persons with special needs, for persons undergoing relocation in the course of a HUD program (including relocation and other advisory services provided pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and other Federal laws), or for social services programs that also provide housing services as incidental to a larger case management program are **not housing counseling**. Additionally, fair housing advice and advocacy offered in isolation from housing counseling (i.e. without providing for an intake; financial and housing affordability analysis; an action plan to address other housing needs or goals; and follow up) **does not constitute housing counseling**.

HUD Certified Housing Counselor is a housing counselor who has passed the HUD Certification examination, works for a participating agency, and is certified by HUD as competent to provide housing counseling services pursuant to this part.

Required under or provided in connection with any program administered by HUD. Any Housing Counseling, including homeownership counseling or rental housing counseling, required under or provided in connection with any program administered by HUD shall be provided only by organizations and counselors certified by the Secretary. *Required under or provided in connection with any program administered by HUD* means:

1. Housing Counseling required by statute, regulation, Notice of Funding Availability, or otherwise required by HUD;
2. Housing Counseling that is funded under a HUD program;
3. Housing Counseling that is required by a grantee or subgrantee of a HUD program as a condition of receiving assistance under the HUD program; or
4. Housing Counseling to which a family assisted under a HUD program is referred, by a grantee or subgrantee of the HUD program.

Applicable Programs

The following list of programs provide housing counseling as described in the four categories in § 5.111. Therefore, after August 1, 2020, housing counseling provided in connection with any program identified below must be provided by HUD-certified housing counselors that work for an agency approved to participate in HUD's Housing Counseling program:

- (1) The following HUD programs are those where housing counseling is required by statute, regulation, Notice of Funding Availability, or otherwise required by HUD:
 - Housing Counseling Program (12 U.S.C. 1701x);
 - Housing Choice Voucher Homeownership Option (42 U.S.C. 1437f(y));
 - HOME Investment Partnerships – Homeownership only (42 U.S.C. 12701 et seq.);
 - Housing Trust Fund – Homeownership only (12 U.S.C. 4568(c));
 - FHA Single Family Mortgage Insurance Program (12 U.S.C. 1707 et seq.). [Back to Work Extenuating Circumstances Initiative]; and
 - Home Equity Conversion Mortgage Program (12 U.S.C. 1715z-20).

- (2) The following HUD programs are those that include "housing counseling" as an eligible funding activity or project cost. Where "housing counseling," as defined by the Final Rule for Housing Counseling Certification, is funded by the programs listed below, the housing counseling must be provided through an agency approved to participate in HUD's Housing Counseling program and a HUD-certified housing counselor, after the Final Compliance Date.
 - The Community Development Block Grant Program (42 U.S.C. 5301, et seq.), including Disaster Recovery;
 - Displacement Due to Demolition and Disposition of Public Housing (42 U.S.C. 1437p(a)(4)(D));

- Conversion of Distressed Public Housing to Tenant-Based Assistance (42 U.S.C 1437z-5(d)(2)(B));
- HOME Investment Partnership Program (42 U.S.C. 12701 et seq.)
- Housing Trust Fund (12 U.S.C. 4568(c));
- Housing Opportunities for Persons With AIDS (42 U.S.C. 12906);
- Emergency Solutions Grant (42 U.S.C. 11371, et seq.);
- The Continuum of Care program (42 U.S.C. 11381, et. seq.);
- Indian Housing Block Grants and Native Hawaiian Housing Block Grants (25 U.S.C. 4132(3), 25 U.S.C. 4229(b)(2)(A));*
- Indian Community Development Block Grant Program (42 U.S.C. 5301, et seq.);*
- Rural Housing Stability Assistance Program (P.L. 111-22);
- Housing Choice Voucher program (42 U.S.C. 1437f(o));
- Public Housing Operating Fund (42 U.S.C. 1437g(e); and
- Family Self-Sufficiency Program (FSS).

*Please note that application of the Housing Counseling Certification Rule requirements to the Native American housing programs will undergo tribal consultation before applying.

- (3) The following HUD programs are examples of those where Housing Counseling is required by a grantee or subgrantee of a HUD program as a condition of receiving assistance under the HUD program. Examples include but may not be limited to:

- Public Housing Resident Homeownership Program (42 U.S.C. 1437z-4), where Public Housing Agencies may elect to require participants in the program to participate in housing counseling as a condition of participating in the Public Housing Resident Homeownership Program. Such housing counseling would be considered “required under or provided in connection with a HUD program” and the “housing counseling” must be provided by certified individual housing counselors working for agencies approved to participate in HUD’s Housing Counseling program, as of the Final Compliance Date of the final rule.
- A State Housing Finance Agency that has elected to require consumers to obtain “housing counseling” as a condition of eligibility for its down payment program funded by CDBG. Because the down payment program is funded by CDBG funds, the “housing counseling” must be provided by certified individual housing counselors working for agencies approved to participate in HUD’s Housing Counseling program, as of the Final Compliance Date of the final rule.

- (4) The following HUD programs are examples of those where a family assisted under a HUD program is referred to Housing Counseling, by a grantee or subgrantee of the HUD program. Any HUD program where a grantee or subgrantee makes a housing counseling referral to a family assisted under the HUD program must make the referral to an agency approved to participate in HUD’s Housing Counseling program consistent with § 5.111.

- Family Self-Sufficiency Program (FSS)
- Resident Opportunity and Self-Sufficiency Program (ROSS)
- Multifamily Housing Service Coordinators Program

If a FSS coordinator, ROSS service coordinator, or Multifamily Housing Service Coordinator refers a participant to housing counseling (e.g., rental housing counseling to help participants move to market-rate rental housing, or homeownership counseling for a participant whose goal is to become a homeowner), the coordinator must refer the participant to agencies approved to participate in HUD's Housing Counseling program.

Options for Program Participants

After August 1, 2020, housing counseling provided in connection with any program identified above must be provided by HUD-certified housing counselors that work for an agency approved to participate in HUD's Housing Counseling program. Entities participating in covered HUD programs that are not currently part of HUD's Housing Counseling program may choose to become approved Housing Counseling Agencies (HCAs) through HUD's Housing Counseling Program. Agencies may also choose to partner with existing HCAs to deliver services, modify their programs to comply with this rule, or eliminate the activities they perform that would be considered housing counseling from their programs.

Resources Available to Assist Stakeholders

The Office of Housing Counseling's webpage to access all Housing Counseling Certification information and resources is: <https://www.hudexchange.info/programs/housing-counseling/certification/>. The following resources are available:

- [Federal Register Notice and Final Rule](#)
- [Frequently Asked Questions including Other HUD Programs specific questions](#)
- [Training and Testing Website for Housing Counselor Certification](#) (or directly found at <http://www.hudhousingcounselors.com>)
- [Federal Register Notice announcing Housing Counselor Certification Examination](#)
- [Online Housing Counseling Agency Eligibility Tool for participating in HUD's Housing Counseling Program](#)
- [Online training "Introduction to Housing Counseling"](#)

Frequently Asked Questions (FAQs) to assist agencies participating in other HUD programs include a general FAQs section for applicability to other program areas under the topic *Requirements for Other HUD Programs: General* and program-specific FAQs can be found under *Requirements for Other Specific HUD Programs*.

For information on eligibility requirements to participate in HUD's Housing Counseling Program and how to apply, including joining intermediary and state housing finance agency networks, please visit: <https://www.hudexchange.info/programs/housing-counseling/agency-application/>.

For questions or technical assistance on applicability of this Final Rule for Housing Counseling Certification to a particular program, please email questions to housing.counseling@hud.gov. Please put in the Subject line "Housing Counseling Certification Rule" and, if applicable, the name of the HUD program you are inquiring about (e.g., Subject: Housing Counseling Certification Rule – ROSS).