



December 20, 2023

The Honorable Julia R. Gordon  
Assistant Secretary for Housing—Federal Housing Commissioner  
451 7<sup>th</sup> Street SW  
Washington, DC 20410

**RE: Notice of Proposed Rulemaking -- Modernizing the Delivery of Housing Counseling Services** (Docket No. FR-6388-P-01)

Dear Commissioner Gordon,

On behalf of NeighborWorks America (statutorily the Neighborhood Reinvestment Corporation) I want to thank you and the Department of Housing and Urban Development (HUD) for this proposed rule to modernize the delivery channels of housing counseling services. Please note that these comments were developed in consultation with members of the NeighborWorks network but have not been submitted to or approved by NeighborWorks America's Board. They reflect the view of NeighborWorks America management and do not necessarily represent the views of its Board members, either collectively or as individuals.

NeighborWorks America (NeighborWorks) is a Congressionally chartered nonprofit organization established in 1978. We support a network of nearly 250 local and regional nonprofit affiliated housing and community development organizations. Of those NeighborWorks organizations (NWOs), 120 employ HUD-certified housing counselors providing housing counseling services. In Fiscal Year 2022, NeighborWorks and our network assisted 13,100 households in preserving homeownership; assisted 18,800 households in purchasing a home; and, counseled and educated 105,300 families and individuals on housing-related issues. In addition, as of December 2023, 80,000 people across the country had received foreclosure and eviction prevention counseling through NeighborWorks' Congressionally directed counseling program, the Housing Stability Counseling Program (HSCP), created during the pandemic to assist families at risk of losing their homes.

In addition to assisting households with their housing needs, NeighborWorks is committed to building and supporting the field of housing counseling, working at scale to ensure that high quality housing and financial education services are broadly available across the country. To achieve this goal, the NeighborWorks Center for Homeownership Education and Counseling (NCHEC) provides specialized certification and continuing education for housing and financial counseling practitioners throughout the country. Since its launch in 2004, there have been nearly 224,000 NCHEC course registrations. NCHEC certification and continuing education ensure that counselors have state-of-the-art knowledge and tools to address the full range of customer needs, from rental counseling to financial literacy and homebuyer education. These courses are offered at NeighborWorks Training Institutes, Place-Based Trainings, and through our virtual training platforms. Because we recognize how important managing pipelines and reporting can be to running an effective housing counseling operation, NeighborWorks also manages two HUD-approved CMS systems, Counselor Max® and NeighborWorks Compass® as counseling reporting and client management systems for several hundred housing counseling organizations.

NeighborWorks was grateful to HUD for the implementation of the Temporary Partial Waiver of [24 CFR 214.300\(a\)\(3\)](#), which allowed housing counseling agencies to utilize alternative methods to conduct housing counseling and education with clients in lieu of meeting in-person. The flexibility to meet the consumer with a variety of modalities was an essential tool to allow the continued provision of critical housing counseling services while also ensuring public health needs could be met during the pandemic. We support the proposal to permanently enshrine these flexibilities into the regulation. These flexibilities play an important role in increasing access and availability of service to certain populations, including rural populations and others for whom travel to a housing counseling office presents a barrier.

At the same time, NeighborWorks views the regulatory standard as a minimum, and continues to believe that some face-to-face service is extremely beneficial and should be incentivized where possible. Program design should continue to be informed on best practices and should be tailored to meet community needs and preferences. The National Industry Standards for Homeownership Education and Counseling, for example, require face-to-face service delivery in some instances.

NeighborWorks network organizations have a proven track record of making sustainable homeownership a reality for low-income and minority households offering resources and services that are tailored to communities and to overcoming barriers. Throughout the pandemic, counseling agencies continued to adapt service delivery models to better support the needs of their communities by offering more virtual services and developing new outreach and marketing strategies to reach the most vulnerable populations, including serving people in rural communities and Native Lands. As this proposed rule would make permanent the waiver to the in-person housing counseling requirement that was issued during the pandemic, it will continue to afford counseling organizations flexibility to meet the unique counseling needs of their communities.

NeighborWorks also supports the proposed rule's provision requiring participating housing counseling agencies that choose not to provide in-person services to refer clients to local providers that provide such services, when requested. While many clients may prefer to engage virtually, still others choose in-person delivery. NeighborWorks continues to maintain that it is a counseling best practice to pair an in-person meeting that will establish a knowledgeable trust relationship between clients and counselors with the conveniences that virtual or phone delivery provides in the additional counseling sessions.

NeighborWorks also supports maintaining the guardrails that require a counseling agency to have functioned for at least a year in the geographical area as set forth in the agency work plan, and that require housing counselors to possess a working knowledge of state and local housing programs available in the community. We agree that these provisions can help ensure that participating agencies provide tailored, quality counseling and critical community connections, regardless of the counseling delivery channel.

### **Conclusion**

NeighborWorks America appreciates the opportunity to offer our feedback on this proposed rule that continues to modernize the delivery of housing counseling services. We both support the flexibility afforded to counseling agencies regarding where counseling can take place and the continued availability of in-person counseling, if requested. We are pleased to work with you towards our shared mission of providing effective and expert housing counseling that meets the complex counseling needs of the nation's diverse peoples and geographies. As always, I look forward to continuing our partnership reflecting our shared interest and support for essential housing counseling and sustainable homeownership.

Sincerely,

A handwritten signature in black ink that reads "Marietta Rodriguez". The signature is written in a cursive, flowing style.

Marietta Rodriguez  
President & CEO