# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Office of Housing—Federal Housing Commissioner

[Docket No. N-95-3902; FR-3888-N-01]

# Notice Inviting National, Regional, and Multi-State Nonprofit or Public Organizations To Apply for Approval as a HUD Housing Counseling Agency

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

**ACTION:** Application for approval of national, regional and multi-state nonprofits or public entities as HUD-approved housing counseling agencies.

**SUMMARY:** This Notice describes the criteria for approval by the U.S. Department of Housing and Urban Development (HUD) of national, regional, and multi-state nonprofit or public organizations as housing counseling agencies and sets forth the application approval process.

All organizations wishing to participate in HUD's FY '95 housing counseling program must first receive HUD approval as a housing counseling agency. Although HUD has an established process for approving local counseling agencies, FY '95 will mark the first year that HUD will approve national, regional, and multi-state organizations for participation in its counseling program. National, regional, and multi-state nonprofit or public organizations that apply for HUD approval under this Notice are not necessarily guaranteed HUD housing counseling funding for FY '95. However, the HUD approval process outlined in this Notice is a prerequisite to the application for FY '95 funding by national, regional, or multi-state nonprofit or public organizations. The NOFA announcing the availability of FY '95 funds is expected to be published at a later date.

**DATES:** Complete applications must be submitted for HUD approval no later than 4:30 p.m. e.s.t. on May 10, 1995. In order to be assured of eligibility for FY '95 funding, all applications for HUD certification must be physically received by this deadline date and hour by Emelda P. Johnson, Deputy Assistant Secretary for Single Family Housing, Department of Housing and Urban Development, 451 7th Street SW., Room 9282, Washington D.C. 20410.

FOR FURTHER INFORMATION CONTACT: Written inquiries about this Notice may be mailed or faxed to the attention of Marion F. Connell, Office of Housing, Department of Housing and Urban Development, 451 7th Street SW., Room 9282, Washington D.C. 20410; fax number (202) 708–4006. Telephone inquiries may be directed to (202) 708– 0740 (voice) or (202) 708–4594 (TDD). Please note: these are *not* toll free numbers.

## SUPPLEMENTARY INFORMATION:

## **Paperwork Reduction Act Statement**

The information collection requirements contained in this notice have been approved by the Office of Management and Budget, under section 3504(h) of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501–3520), and assigned OMB control number 2502– 0261.

# I. Purpose and Substantive Description

# A. Authority and Purpose

Section 106 of the Department of Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) authorizes the Secretary of HUD to provide, or contract with public or private organizations to provide, counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership. In accordance with its responsibilities under the Fair Housing Act and other Civil Rights laws, the Department requires housing counseling agencies to be familiar with these laws. Appropriations acts for the past several years have consistently provided funds for counseling and advice under Section 106 to current and prospective tenants and homeowners. Under the counseling program, HUD funds housing counseling agencies which offer a range of services to renters, first-time homebuyers, and current homeowners.

In order to participate in the HUD program, housing counseling agencies must first be approved by the Department. In previous fiscal years, HUD provided all of its housing counseling funding directly to local housing counseling agencies. The approval process for local housing counseling agencies requires that the local agency submit information documenting minimum levels of experience and technical expertise. Once approved, these local agencies are eligible to apply for HUD funding. Currently there are 661 HUD-approved local housing counseling agencies, of which 431 received funding in FY '94.

For FY '95, HUD will fund both local counseling agencies and national,

regional, or multi-state nonprofit or public organizations. These national, regional, or multi-state nonprofit or public organizations (sometimes referred to as "intermediaries") will assist HUD to manage the use of housing counseling funds in a more efficient and effective manner. These organizations may use the HUD program to fund local affiliates which offer housing counseling services, and/or may provide counseling services directly to the public.

All national, regional, or multi-state organizations wishing to participate in the program must receive HUD approval before applying for funding. HUD will publish a separate NOFA announcing the availability of FY '95 housing counseling funding. In order to allow sufficient review time, the Department requires that all applications for approval as a HUD housing counseling agency be submitted by the date stated above. Organizations that are not HUDapproved as of the NOFA publication date will be ineligible to participate in the FY '95 program.

# B. Applicability of Handbook

The Housing Counseling Program is generally governed by HUD Handbook 7610.1, REV-3. However, since the current version of that handbook did not contemplate the inclusion of national, regional, and multi-state housing counseling agencies, its provisions are hereby superseded with respect to this new category of participants. Although the handbook does not apply to this category of participants, these participants are responsible to provide, either directly or through their affiliates, housing counseling services of the same quality as are provided by the HUDapproved independent housing agencies that are subject to the provisions of the handbook.

## C. Eligible Applicants

## (1) Type of Organization

In order to apply for HUD approval under this Notice, an organization must be a nonprofit or public agency that is authorized to provide housing counseling; and a national, regional, or multi-state organization. (Local agencies may continue to apply for approval at the appropriate HUD Field Office under existing procedures.) For purpose of determining the type of organization, national, regional, and multi-state organizations are defined as follows:

• National organizations are entities that have branches or affiliates covering more than one regional area of the country.