EFFECTS OF THE HOUSING COUNSELING FUNDING REDUCTIONS -
- A NATIONAL SURVEY OF HOUSING COUNSELORS

NATIONAL HOUSING RESOURCE CENTER
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In February and March 2012, the National Housing Resource Center conducted an informal survey of housing counseling agencies to determine the extent of recent funding reductions and their impact on counseling services.

The following slides provide an overview of the findings from their survey.
Who Responded

- 257 respondents, 92% of whom represent nonprofit housing counseling agencies.
- Respondents from agencies in 26 different states.
- Respondents from agencies providing services at the national, regional, state and local levels.

Agency Type

- National: 4%
- Regional: 5%
- State: 12%
- Local: 78%
Nearly 80% of respondents have received HUD Housing Counseling funding either now or in the past. Other funding sources include:
85% of respondents have experienced reductions in funding compared to previous years. Only 3% reported increased funding.

Cuts were across the board and affected all funding streams:

- 62% of respondents reported funding was reduced by 5%.
- 53% of respondents reported funding was reduced by 10%.
- 58% of respondents reported funding was reduced by 15%.
- 60% of respondents reported funding was reduced by 20%.
- 61% of respondents reported funding was reduced by 25%.
- 57% of respondents reported funding was reduced by 30%.
- 49% of respondents reported funding was reduced by 35%.
- 46% of respondents reported funding was reduced by 40%.
- 44% of respondents reported funding was reduced by 45%.
- 42% of respondents reported funding was reduced by 50%.
- 40% of respondents reported funding was reduced by 55%.
- 38% of respondents reported funding was reduced by 60%.
- 36% of respondents reported funding was reduced by 65%.
- 34% of respondents reported funding was reduced by 70%.
- 32% of respondents reported funding was reduced by 75%.
- 30% of respondents reported funding was reduced by 80%.
- 28% of respondents reported funding was reduced by 85%.
- 26% of respondents reported funding was reduced by 90%.
- 24% of respondents reported funding was reduced by 95%.
- 22% of respondents reported funding was reduced by 100%.

Funding Reductions

- Increased funding
- Remained the same
- Reduced funding
- Funding cut entirely
More than half of respondents had to reduce the number of clients served, and more than 40% laid off counselors.
Impact on Agencies - Cont’d

- Respondents were aware of 46 agencies that shut down due to cuts.
58% of respondents reported the number of counselors employed by their agency has decreased since October 2010, in spite of continued need for counseling in the housing market.

Respondents say they have lost more than 350 counselors due to funding cuts over the same time period.
HUD 9902 reports show that, using all funding sources, HUD-approved counseling agencies were able to serve 1 million fewer clients in the fiscal year starting October 2010 compared to the previous year.