



NFCC PRESS RELEASE

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Contact: Gail Cunningham
(940) 691-6322 - direct
(240) 672-2700 – cell
gcunningham@nfcc.org

NFCC PRESIDENT TESTIFIES ON CAPITOL HILL CITING NEED FOR INCREASED HOUSING COUNSELING AND EDUCATION

Silver Spring, MD - At the invitation of the U.S. House of Representatives' Committee on Financial Services, Susan C. Keating, president and CEO of the National Foundation for Credit Counseling (NFCC), testified Wednesday afternoon before its Subcommittee on Housing and Community Opportunity. Her remarks centered on the role of NeighborWorks and housing counseling intermediaries in preventing foreclosure.

As the largest HUD Housing Counseling Intermediary in the country, and as one of the largest recipients of funding under the National Foreclosure Mitigation Counseling Program, the NFCC is very proud of its ability to provide services across the country, especially in those areas of greatest need. The NFCC has played a significant role in helping homeowners avoid foreclosure, with demand for housing-related counseling climbing at an astounding rate over the past two years from about 179,000 sessions in 2006 to almost 617,000 in 2008 – an increase of 244 percent. Calls to the NFCC's toll-free number have increased from an average of 24,000 per month to more than 39,000 per month over that same period.

“The ability of NFCC Member Agencies to provide the full range of financial counseling and education services means that clients benefit from a holistic view of their entire financial situation rather than focusing on a single issue. Experience has taught us that consumers who are having trouble paying their mortgage are highly likely to have other financial problems, such as credit card debt, a car loan, student loans, etc. Attempting to address one issue, without addressing the others holistically, is a recipe for financial disaster for consumers,” said Keating.

Keating cited four key areas of concern in her remarks:

- The mortgage crisis reflects a national failure to promote housing counseling;
- If we are to sustain housing-related counseling, there must be long-term funding for the NFMC Program and other counseling initiatives;
- It is imperative that consumers have access to counseling services that meet their individual needs; and
- Looking forward, we must do more to prevent financial problems with broad-based financial education and literacy programs.

To review Keating's full testimony, visit www.NFCC.org.