

# What is consumer credit counseling?

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If you're struggling with debt, a **consumer credit counselor** may be able to help you. Learn what a consumer credit counselor can do and how you can find one.

## What can a credit counselor do?

**Don't pay anyone to consolidate or settle your debts.** Some companies claim they can help you deal with your debt or repair your credit. They may charge you a lot of money and not deliver on their promises.

A credit counselor can give you a free consultation. The counselor will review your finances and help you understand what options you have for getting out of debt as quickly as possible.

A credit counselor can help you:

- Get rid of late fees and over-limit charges.
- Stop collection calls.
- Lower interest rates no matter what your credit score is.

- Consolidate your bills into one smaller monthly payment.
- Pay off your debt faster.
- Improve your money habits.

### **How do I find a credit counselor?**

The National Foundation for Consumer Counseling has a [list of member agencies](http://www.nfcc.org/) (<http://www.nfcc.org/>), or call 1-800-388-2227.

The U.S. Department of Justice has a [list of government-approved credit counseling agencies](https://www.justice.gov/ust/credit-counseling-debtor-education-information) (<https://www.justice.gov/ust/credit-counseling-debtor-education-information>).

Think carefully before paying for credit counseling or a debt management program. [Shop around](https://consumer.ftc.gov/articles/how-get-out-debt#Credit%20Counseling) (<https://consumer.ftc.gov/articles/how-get-out-debt#Credit%20Counseling>). Compare a few services and get a feel for how they operate. The credit counselor should spend at least 20 to 30 minutes with you to get a full picture of your finances. An organization may say it is “nonprofit,” but that doesn’t mean its services are free or affordable.

### **Should I use a consumer credit counselor?**

You might not have to. If [your income and personal property are protected from garnishment](#), you may not need to repay your debts.

### **Should I file for bankruptcy?**

Bankruptcy should be your last resort to deal with your debt. Under federal law, you must get credit counseling from a government-approved organization within 6 months before you file for any [bankruptcy relief](#). A credit counselor may help you find other options.

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