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REAUTHORIZATION OF APPROPRIATIONS FOR THE REFUGEE ACT OF 1980

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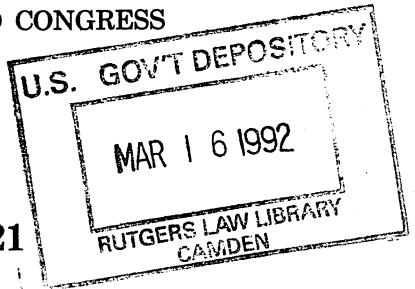
HEARING BEFORE THE SUBCOMMITTEE ON INTERNATIONAL LAW, IMMIGRATION, AND REFUGEES OF THE COMMITTEE ON THE JUDICIARY HOUSE OF REPRESENTATIVES

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REAUTHORIZATION OF APPROPRIATIONS FOR THE REFUGEE ACT OF 1980

THURSDAY, JULY 25, 1991

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON INTERNATIONAL LAW,
IMMIGRATION, AND REFUGEES,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:04 a.m., in room 2226, Rayburn House Office Building, Hon. Romano L. Mazzoli (chairman of the subcommittee) presiding.

Present: Representatives Romano L. Mazzoli, Michael J. Kopetski, Bill McCollum, Lamar S. Smith, and Craig T. James.

Also present: Eugene Pugliese, chief counsel; Leslie L. Megyeri, counsel; Judy Knott, clerk; and Carmel Fisk, minority counsel.

Mr. MAZZOLI. The subcommittee will come to order.

Will the gentleman from Florida kindly make this motion, please?

Mr. JAMES. Mr. Chairman, I ask unanimous consent that the subcommittee permit coverage of this hearing in whole or in part by television broadcast, radio broadcast, or still photography, pursuant to rule 5.

Mr. MAZZOLI. Is there objection?

[No response.]

Mr. MAZZOLI. The Chair hears none. So ordered. I thank my friend from Florida.

OPENING STATEMENT OF CHAIRMAN MAZZOLI

Mr. MAZZOLI. I just have a very brief opening statement. We begin today hearings leading to what we hope will be the reauthorization of the 1980 Refugee Act, last reauthorized in 1988. We've had great cooperation from Chairman Natcher and other members of the Appropriations Committee in keeping the programs moving despite the lack of an authorization, but we will make another effort this year. Today's testimony will help us to move in those directions.

Our first panel, which is an administration panel, is composed of Mr. James Hall, who is acting in behalf of the U.S. Refugee Coordinator. This, of course, is in the Department of State. Ms. Theresa Rusch, who is the Acting Director, Bureau for Refugee Programs within the Department of State, and Mr. Christopher Gersten, Director of the Office of Refugee Resettlement, part of the Adminis-

tration for Children and Families in the Department of Health and Human Services.

Gentlemen and lady, welcome. We're happy to have you. Mr. Hall, maybe you could proceed first.

STATEMENT OF JAMES HALL, ACTING U.S. REFUGEE COORDINATOR, DEPARTMENT OF STATE, ACCOMPANIED BY THERESA RUSCH, ACTING DIRECTOR, BUREAU FOR REFUGEE PROGRAMS

Mr. HALL. Mr. Chairman, thank you. I'm pleased to have this opportunity to appear on behalf of the administration before the subcommittee. Ambassador Lafontant-Mankarious is serving as a member of a delegation led by the Secretary of State to ASEAN [Association of South East Asean Nations] post-ministerial meeting in Kuala Lumpur. She asked me to express to you, Mr. Chairman, her congratulations and her best wishes on your resumption of the chairmanship of this subcommittee, her high esteem for you and your colleagues, and her regret that, because of her prior commitment to travel to East Asia, she could not appear before you today.

The Coordinator will be continuing on from Kuala Lumpur to Indonesia and Singapore before she returns to Washington.

As you mentioned, joining me this morning are Ms. Terry Rusch, Acting Deputy Assistant Secretary for Refugee Admissions in the State Department's Bureau of Refugee Programs, and Mr. Chris Gersten, Director of the Office of Refugee Resettlement in the Department of Health and Human Services. Ms. Rusch has been with the Bureau for Refugee Programs for almost 9 years and is an expert in the policies related to the admission of refugees to this country. She has developed a close cooperative relationship with our colleagues in the voluntary agencies, particularly those responsible for reception and placement.

Mr. Gersten is in productive consultations with our colleagues who represent States and local governments, a number of innovative cost-saving ideas for our domestic resettlement program.

I have submitted the Coordinator's testimony in written form and would request that it be admitted for the record.

Mr. MAZZOLI. Without objection, so ordered.

Mr. HALL. With your permission, sir, I would like to make a brief statement.

Mr. MAZZOLI. Please.

Mr. HALL. This hearing gives us an opportunity to focus on the Refugee Act of 1980, which at the time of enactment attracted considerable attention at home and abroad. We commemorated a decade of caring for and assisting refugees under the provisions of the act last October 30, a day the Congress in a joint resolution and the President in a proclamation recognized as Refugee Day. The day marked the country's continuing humanitarian commitment to relieving the plight of refugees and all those persecuted on account of race, religion, nationality, membership in a particular social group, or political opinion.

The Refugee Act has proven to be a flexible policy instrument which has served our domestic and foreign policy interests well. The administration does not recommend changing the 1980 act, but is open to regulatory and administrative changes. Thus, the admin-

istration urges the committee to reauthorize the Refugee Act of 1980 in its current form.

The act describes clearly the role of the U.S. Coordinator for Refugee Affairs and delineates her responsibilities. In sum, the act calls on her to coordinate all U.S. domestic and international refugee programs in a manner that ensures that policy objectives are met. It further requires her to develop an effective liaison between the Federal Government and State and local governments, voluntary agencies, mutual assistance associations, and other organizations engaged in refugee care and relief.

In discussing the numerous governmental and nongovernmental agencies with whom we have worked in the past few years, I want to express to you, Mr. Chairman, my respect, appreciation, and gratitude, and that of the Coordinator, for the dedication and accomplishments we have witnessed by all those engaged in caring for the interests of refugees. They have made a vital contribution to what we have found to be a unique calling; that is, this country's refugee program.

The Coordinator's written statement outlines some of the activities and initiatives taken by her Office. She Chairs the Interagency Policy Coordinating Committee on Refugees, which meets when necessary to discuss and make decisions on the most significant policy issues, including the administration's proposal to the Congress for admission of refugees into the United States.

The Coordinator holds regular weekly meetings with representatives of Federal agencies most directly concerned with refugee matters. In addition, a number of meetings are held in Washington and throughout the country with governmental and private organizations to discuss Federal policies and local perspectives on that. We have these outreach activities to be particularly worthwhile, a vital process in ensuring that our commitment to refugees remains strong.

Since assuming Office, the Coordinator has endeavored to focus increased attention by private organizations on refugees and to encourage thereby intensified private sector involvement in activities to relieve their plight. We salute the enormous sacrifices of voluntary agencies, mutual assistance associations, and other private organizations that are made on the basis of private resources. Our private sector initiative program was founded on the belief that a program funded entirely with private funds would enable some refugees to enter and be resettled in the United States who might otherwise not be admitted due to limitations on Government funds. By September 30, we hope to have admitted several thousand refugees under this program, including Cubans and Ethiopians.

In conclusion, Mr. Chairman, as Ambassador Lafontant-Mankarious noted in her confirmation hearings in 1989, she welcomes the separation of the Office of the U.S. Coordinator from the agencies it coordinates. The Office is a small, action-oriented entity which undertakes to minimize bureaucracy in determining where problems are and dealing with them. The Coordinator has always felt that bureaucratic obstacles should not add to the discomfort and trauma that refugees endure and to the time it takes to begin to assist them.

The Office of the Coordinator is uniquely capable, by virtue of its independence from the departments and agencies it coordinates, to accomplish the responsibilities given it in the Refugee Act of 1980 and to act as the voice of the voiceless, to appeal to the consciences of individuals at the highest levels of Government and throughout the community of those concerned for refugees.

Thank you, Mr. Chairman.

Mr. MAZZOLI. Thank you very much, Mr. Hall.

[The prepared statement of Ambassador Lafontant-Mankarious follows:]

PREPARED STATEMENT OF JEWEL LAFONTANT-MANKARIOUS, AMBASSADOR AT LARGE,
AND U.S. COORDINATOR FOR REFUGEE AFFAIRS, DEPARTMENT OF STATE

I would like to touch upon several topics concerning our domestic and international refugee programs. Specifically, I would like to:

- o discuss the reauthorization of the Refugee Act of 1980 in its current form; and

- o report to you on the role and activities of the U.S. Coordinator with regard to relations between interagency, intergovernmental, and private voluntary groups, as well as my activities abroad.

REAUTHORIZATION OF THE REFUGEE ACT OF 1980

Let me say from the outset, that this Administration has viewed the Refugee Act of 1980 as a flexible instrument of policy which has served our national interest well. At the time of enactment, the 1980 Refugee Act attracted considerable attention at home and abroad. Adopted after years of study and in light of the country's post-Vietnam experience in coping with a sustained requirement for large scale refugee resettlement programs, many observers viewed the new law as a watershed in U.S. immigration practice.

The Act declared that the policy of the United States was to encourage all nations to provide assistance and resettlement opportunities to refugees to the fullest extent possible. The objectives of the Act were to provide a permanent and systematic procedure for the admission to this country of refugees of special humanitarian concern, and to provide comprehensive and uniform provisions for the effective resettlement and absorption of those refugees who are admitted.

Throughout the last decade the, 1980 law has worked well in enabling the United States resettlement program to respond to dramatic changes in the world refugee situation. The Act's flexibility has allowed for new ideas and necessary improvements in our domestic refugee program to be implemented through regulatory and administrative means. What the Act has shown in practical terms is that resettlement happens at the community level and that it is impossible to legislate one pattern across the board which would adequately address the variety of needs at the State and local level.

The Act's flexibility has also resulted in ongoing discussions at all levels of government and among many interested private groups about the need for improvements to our domestic resettlement policy as the need arises. As the Administration has gained experience in refugee activities at home and abroad, it has become our practice to introduce changes

in operating practices from time to time in order to implement the Act's humanitarian and legal principles. I would like to note that these changes have been made after consultations with members of this Subcommittee, the full Committee, other House Members as well as with Members of the Senate. I would also like to point out, that in accordance with Title III, Section 301 (c)(1) of the Act, my office has consulted regularly with States, localities, private nonprofit voluntary agencies, and mutual assistance associations responsible for administering our domestic refugee programs.

In summary, Mr. Chairman, it is the Administration's view that the flexible nature of the Refugee Act of 1980 has worked well over the past decade. With regulatory and administrative changes taken as appropriate, the Administration does not recommend changing the 1980 Act. The Administration instead recommends to the Subcommittee that it reauthorize the Refugee Act of 1980 in its current form.

OFFICE OF THE U.S. COORDINATOR FOR REFUGEE AFFAIRS

I wish to use this opportunity to brief the Subcommittee on some of the activities and initiatives taken during my tenure as U.S. Coordinator for Refugee Affairs.

Title III, Section 301(b) of the 1980 Refugee Act, describes the policy role and responsibilities of the U.S. Coordinator for Refugee Affairs. In sum, the Act calls on the Coordinator to coordinate all U.S. domestic and international refugee admission and resettlement programs in a manner that assures that policy objectives are met. The Act further calls on the Coordinator to develop an effective and responsive liaison between the Federal Government and voluntary organizations, Governors and mayors, and others involved in refugee relief and resettlement work. My tenure has been guided by these responsibilities delineated in the Act.

In carrying out the duties of the Coordinator, I have identified six interested parties which are of primary concern to my office and with whom I interact regularly. These functional groups include:

- o various federal agencies;
- o state and local government agencies;
- o the Congress;
- o voluntary and non-profit organizations;
- o the general public; and
- o foreign governments and international organizations.

At the federal level, I chair an interagency Policy Coordinating Committee on refugee issues. This committee meets to discuss and make decisions on a wide variety of refugee policy issues including preparations for the Administration's proposal to the Congress for refugee admissions to the U.S. Committee meetings are attended by representatives from the Departments of State, Defense, Justice, Health and Human Services, the Immigration and Naturalization Service, the Office of Management and Budget, the National Security Council and other agencies.

I have also made it my practice to meet weekly with representatives from bureaus and offices within the Departments of State, Justice, Health and Human Services, the Office of Management and Budget, and the National Security Council in order to more effectively coordinate major policy initiatives that require interagency attention. These weekly meetings allow us to avoid problems in policy implementation throughout the federal bureaucracy that may arise.

In addition to federal coordination, my office has held periodic meetings for State and local leaders where the most recent federal policy changes and problems are discussed at length. These meetings bring together the federal agencies with state and local representatives demonstrating the intergovernmental scope of our refugee admissions and resettlement program. I have found these periodic gatherings a

useful channel that sensitizes all levels of government to the special needs of our country's most recent arrivals, from the time of their arrival on our shores to the time of self-sufficiency.

I am happy to report that I have consulted regularly with members of this Subcommittee as well as with other committees in the House and the Senate on major policy issues. Our most frequent contact occurs during the period of our annual consultations on refugee admissions to the U.S. We have maintained good relations during my tenure and I have always found the Hill supportive of the Administration's commitment to doing its fair share to help those in need of safe haven.

With regard to our domestic resettlement groups, I have made it my practice to be accessible to representatives of many resettlement groups, leaders of national and local voluntary agencies, refugee leaders and others concerned with our policies and programs. There have been numerous meetings with individuals and groups of various sizes which have helped me grasp the interests of several very different sectors of our domestic program. These meetings in Washington and throughout the country have also enabled me to convey to the various groups Administration policy and initiatives.

As an expression of the U.S. Government's commitment to the world refugee situation, the Congress designated October 30,

1990 as Refugee Day and requested the President to issue a proclamation in observance of this day. The President did so in a White House Ceremony making official the first Refugee Day. I was particularly interested in initiating the Refugee Day because it provided an opportunity to not only bring together all the levels of government and all private and non-profit groups, but to reach out to the general public. We have recently published the proceedings of this day-long program and my office is currently working on preparations for the second Refugee Day.

The coordination within the federal government coupled with our outreach to intergovernmental and private sector groups has been a particularly worthwhile and vital process in ensuring that our commitment to assist refugees remains strong at all levels of government. I take great satisfaction in the spirit of cooperation that now exists between the governmental and non-governmental sector in providing relief to refugees.

This Administration is committed to strengthening and implementing an effective U.S. refugee admissions and resettlement policy consistent with our domestic and international concerns. Receiving input from all concerned groups has been a high priority in fulfilling my mandate.

Internationally, I have concerned myself with having our

allies and other foreign governments commit greater resources to help the world's refugee population. I have travelled to many of the world's refugee camps to see first-hand the plight of the needy. In my travels, I have met with leaders of foreign government's and international organizations reporting on my findings and the U.S. Government's views on refugee problems. In so doing, I believe good relations with foreign governments on refugee issues have been established and maintained. These regular contacts coupled with our commitment to international organizations such as the U.N. High Commissioner for Refugees, the United Nations Relief and Works Agency (UNRWA), the International Committee of the Red Cross, among others, have enabled us to continue the lead internationally in dealing with the world refugee situation.

During May of this year I had the opportunity to travel abroad to observe the refugee situation in several key areas of policy interest to the United States. My travels took me to Moscow, Israel, Egypt and to the Iraqi-Turkish border.

A longstanding issue in our bilateral relations with the Soviet Union has been the Soviet government's restriction on its citizens' ability to emigrate. To illustrate our longrun commitment to this issue, I recall during my tenure as U.S. Representative to the United Nations in 1972, I advocated to the Soviets, on behalf of the U.S., that they open the door to those citizens who sought to leave the Soviet Union. In my recent

trip to Moscow, now almost twenty years since my U.N. tour, I met with Soviet officials again pressing the emigration issue. The Soviets indicated to me and other U.S. interlocutors that they would need our help and advice on establishing the institutions and mechanisms to deal with the problems of Soviet migration and internal refugees. I was cautiously optimistic when I learned upon my return from Moscow this May that the Supreme Soviet indeed passed a new emigration law which now brings Soviet emigration policies more into line with internationally accepted standards.

During my visit to Israel, I had an opportunity to observe Israeli resettlement programs for newly arrived Jews from Ethiopia, the Soviet Union and elsewhere. I also met with UNRWA to discuss the plight of Palestinian refugees.

While in Egypt, an important area of focus in my discussions was the large number of African refugees and displaced persons within Egypt. I stressed to officials there the importance the United States places on providing durable solutions for the future of these refugees.

One of the other major focus points of my trip abroad was to see first-hand the plight of nearly half a million Iraqi civilians, mostly Kurds, who fled to the Iraqi-Turkish border. I was very much impressed with the outstanding humanitarian approach of the soldiers, airmen, and seamen of Operation

Provide Comfort and the rapport they were able to achieve with the refugees. Thanks to U.S. leadership of international relief efforts and the cooperation of the Government of Turkey, countless lives were saved and hundreds of thousands of Kurds were returned to their homes. Upon my return from the Middle East, I followed-up within the Administration and with representatives from various international organizations on many of the issues and problems that were observed on the ground.

Another priority during my tenure has been our Private Sector Initiative (PSI). The PSI is a refugee resettlement program funded entirely with private funds. It was founded on the belief that, in a time of significant constraints on all public budgets and expenditures, a privately funded program would enable some refugees to enter and be resettled in the United States who might not otherwise be admitted because of limitations on the funded programs. In the last several years we have established several memoranda of understanding with various groups in accordance with the Presidential Determination authorizing this program. By September 30 of this year, we hope to have admitted several thousand refugees under this program, which includes Cubans and Ethiopians.

CONCLUSION

Mr. Chairman, as I noted in my confirmation hearings in June, 1989, I am pleased that the Office of the Coordinator is

separate from the agencies it coordinates. My office is a small, action-oriented entity which undertakes to minimize bureaucracy in determining where problems lie and in eliminating them. It remains my belief that the Coordinator is in the best position to represent the interests of refugees -- to encourage generosity on behalf of all who are moved by their plight and to advance on behalf of refugees the most efficient use of resources in a period of increasing constraints. I have always felt that bureaucratic obstacles should not add to the discomfort and trauma that most refugees endure.

The Office of the Coordinator is uniquely capable, by virtue of its independence from the departments and agencies it coordinates, to accomplish the responsibilities delineated in the Refugee Act of 1980. As importantly, the Act permits the Coordinator to serve in the role which prompted me to take this position and which continues to motivate me, to serve as the voice of the voiceless -- to appeal to the conscience of individuals at the highest levels of government, and throughout the community of those concerned for the benefit of refugees.

Mr. MAZZOLI. Ms. Rusch.
 Ms. RUSCH. I have no statement, sir.
 Mr. MAZZOLI. Thank you.
 Mr. Gersten.

STATEMENT OF CHRISTOPHER GERSTEN, DIRECTOR, OFFICE OF REFUGEE RESETTLEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. GERSTEN. Mr. Chairman, committee members, I'm pleased to have this opportunity to express the views of the Department of Health and Human Services on the reauthorization of the Refugee Act. I would like to submit my testimony for the record and briefly summarize my remarks.

Mr. MAZZOLI. Without objection, your testimony will be made a part of the record.

Mr. GERSTEN. Thank you.

The Refugee Resettlement Program has worked well in most States with refugees able to obtain employment and achieve self-sufficiency within the first 12 months in the United States, and frequently much sooner. Prolonged reliance on welfare is a problem that is largely confined to seven States where large numbers of refugees reside. In four of the States—Minnesota, New York, Washington, and Wisconsin—ORR has initiated projects known as key States' initiatives. We call them KSI projects. These have resulted in substantial numbers of refugee families leaving the welfare rolls as a result of increased employment. Welfare savings due to these programs exceeded \$5.7 million in the last 2 years. We are currently working on a fifth State, Massachusetts, to develop a similar project.

I would like to discuss future directions for meeting the problem of welfare dependency among refugees. First, we would like to develop alternative models to the regular State-administered resettlement program for new arrivals in selected areas of high welfare dependency. The goal of these programs would be to help refugees become self-supporting and avoid long-term reliance on the welfare system. We will be working with the States to generate interest and to provide them assistance in the development of these projects.

Second, we are working to create a system that would require greater accountability in the use of our funds on the part of States, counties, and service providers while at the same time providing States with greater flexibility in the use of these funds. The establishment of similar programs has proven highly effective in our key States' initiative projects.

Finally, Mr. Chairman, I would like to acknowledge the important role played by the U.S. Coordinator for Refugee Affairs. The efforts of this Office ensure that U.S. refugee policy is effective and comprehensive. The Coordinator's weekly meetings, attended by the INS, NSC, OMB, the State Department, and ORR, are extremely useful to our Office.

That concludes my opening statement. I will be pleased to try to answer any questions the committee may have.

Mr. MAZZOLI. Well, thank you very much both for your brevity and for your statements.

[The prepared statement of Mr. Gersten follows:]

Statement by
Chris Gersten
Director
Office of Refugee Resettlement
Administration for Children and Families
Department of Health and Human Services
before the
Subcommittee on International Law, Immigration, and Refugees
Committee on the Judiciary
U.S. House of Representatives
July 25, 1991

Mr. Chairman and Members of the Committee, I am pleased to have this opportunity to express the views of the Department of Health and Human Services on the reauthorization of the Refugee Act.

The Refugee Act was designed with the specific purpose of providing flexibility in dealing with changing circumstances in the numbers of refugees admitted to the United States, the countries from which they come, and the ways in which their needs can be addressed in their new communities. The Act was designed to provide this flexibility, and it has worked well.

Turning to the purpose of these hearings, reauthorization, we believe that refugee resettlement has worked well in almost all States, with refugees able to obtain employment and achieve self-sufficiency within their first 12 months in the United States -- and frequently much sooner. State and local economies can benefit from the work ethic, skills, and talents of their

refugee population. States can look forward to even greater benefits in the future.

In a few States, use of welfare is above the norm. We believe these costs should and can be reduced. We do not accept a high level of welfare dependency as a given in any State. A large portion of our resources and energy is devoted to solving this problem. ORR has worked hard to develop programs to restructure the delivery of services to refugees.

In four of the States which have experienced problems with welfare dependency, ORR has initiated programs funded with social service discretionary grants to restructure the delivery of services in order to increase refugee self-sufficiency. These projects, known as our Key States Initiative (KSI), have resulted in substantial numbers of refugee families leaving the welfare rolls as a result of increased employment. In these States -- Minnesota, New York, Washington, and Wisconsin -- the KSI programs are dramatically changing the face of refugee program service delivery. Welfare savings due to the Key States Initiative exceed \$5.7 million to date.

We are currently working with a fifth State, Massachusetts, to develop a Key States Initiative project similarly directed toward increasing self-support and reducing welfare use.

KSI is one of several initiatives intended to reduce welfare dependency which are funded through the 15 percent of social service funds which are used for discretionary purposes. These efforts also include activities such as the Planned Secondary Resettlement program, under which unemployed refugees relocate from areas of high welfare dependency to localities with good opportunities for self-support. Over 1,500 refugee welfare recipients have relocated from California and other States through the Planned Secondary Resettlement program. Remarkably, 95 percent have remained in their new communities and all are now self-sufficient.

Other special discretionary efforts have been directed toward especially vulnerable refugee populations -- Amerasians and former re-education camp detainees from Vietnam.

In addition, ORR is initiating this year a micro-loan program for refugees. Under this program, agencies selected and funded by ORR will provide market-rate loans of \$100 - \$5,000 to support refugees in establishing their own small businesses and thus achieving self-sufficiency. This program is targeted to refugees who have arrived in the U.S. during the past three years.

Mr. Chairman, I have discussed what we are doing at present within the resettlement program; I would now like to discuss what we see as future directions for the program.

Over the past few months, we have had a series of meetings with States, national voluntary agencies, refugee leaders, and other organizations to develop additional ways to improve the refugee program and to increase self-sufficiency among refugees.

First, we may develop alternative models to the regular State-administered resettlement program for new arrivals in selected areas of high welfare dependency, to help refugees become self-supporting and avoid long-term reliance on the welfare system. We will be working collaboratively with the States to generate interest and to provide technical assistance in the development of projects. This requires no change in law.

Second, we are working to create a system that will require greater accountability in the use of our funds on the part of States, counties, and service providers, while at the same time providing States with greater flexibility in the use of the funds. One approach we are looking at would require States to establish numerical self-sufficiency goals as measured by welfare terminations and grant reductions due to increased employment, and allow States greater latitude in how they achieve these goals, by waiving certain ORR program requirements. The

establishment of such goals has proven highly effective in our Key States Initiative projects, resulting in the adoption of different strategies by service agencies to meet these goals. As a result, large numbers of refugee families, who previously had been long-term welfare recipients, have become self-sufficient. The results have been so dramatic that we believe it is time to apply the lessons of the Key States Initiative to the State-administered program in other States.

We believe these program improvements can be done under existing program authority. We believe that the Refugee Act is serving the interests of our country well and that substantive changes are not required. The initiatives we have begun within the framework of the Act show great promise for addressing the remaining problems which confront us.

As a result, we do not see a need to change the Refugee Act now. Congress has recognized the value of the framework and the programs have continued to operate without reauthorization.

In conclusion, ORR does not see a need to change the Refugee Act, and would favor a simple extension.

Mr. Chairman, that concludes my opening statement, and I would be pleased to try to answer any questions that the Committee may have.

Mr. MAZZOLI. Mr. Hall, let me ask you, would you recommend a reauthorization in its current form; is that the idea, without any change whatsoever?

Mr. HALL. That's correct, Mr. Chairman.

Mr. MAZZOLI. You're familiar, I would think, with some of the observations which will be made later this morning by the panel which represents the refugee groups? Would you say you generally are? You've read the statement? You've been in rooms where they've given their statements before.

One thread which goes fairly consistently in at least several of the statements is the need to upgrade the Office of Refugee Coordinator in a way to put that Office, instead of in the Department of State where it currently is and has been, to put that in the White House. Now would you be comfortable in addressing that observation or that recommendation?

Mr. HALL. Yes, Mr. Chairman, I am aware of a number of the meetings that have taken place. We have participated in some of them. We have deliberately not participated in some of them, so as not to impose too heavily the weight of the Federal bureaucracy on discussions that might be more open in our absence, but I think I am aware of the thrust of a number of the recommendations.

In terms of the placement of the Office of the Coordinator, the Ambassador has discussed this with a number of people and with me. She is quite pleased with the placement of the office physically in the Department of State. As she mentioned in her statement and I mentioned in our summary, she is pleased with the separation of her functional role from the Department of State, but she's quite pleased to be sitting in the building, in the State Department. She is pleased and grateful for the support that the Secretary of State has provided her both in financial terms and in terms of resources.

The Coordinator is required to be up to date on foreign policy matters, operations in the field, as well as domestic matters, and the placement in the Department of State gives her easy access to classified telegrams, classified memoranda, and items of that nature that would not be available otherwise.

Mr. MAZZOLI. So, it's your conclusion essentially, and hers, that that would not enhance your ability to perform your mission?

Mr. HALL. The point that the Ambassador has made on that specific question is that access to the highest levels of the administration, access to the President, doesn't require a specific physical location and that her access is not hampered by being in the State Department, nor would it necessarily be enhanced by moving four blocks down—

Mr. MAZZOLI. It's really kind of interesting as a little bit of an aside, when I went through the testimony last night and this morning, it was really like Yogi Berra was saying "de ja vu" all over again because I remember being here in 1981, in this room, and hearing some of the very same comments that we're hearing today, recommendations about changes or movement in the program. So here we are. I don't know whether that means these changes aren't well founded or well thought out or just whether there's this gigantic inertia in anything that's called government that makes it so ponderous that you can't move it.

Let me move on to one other thing. The Ambassador meets weekly, and you list the various departments of Government with whom she meets. Then you've listed earlier in the statement the six groups that she meets in a more general way, because they happen not always to be in Washington, the voluntary groups and local governments and Members of Congress, and what have you.

Is there a steady schedule that she adheres to with regard to those more generalized meetings?

Mr. HALL. There is not a schedule, Mr. Chairman, in terms of a set day of the week when those meetings take place. They regularly tend to be in response to invitations from those organizations to travel to meetings or conventions that they may have throughout the United States.

Mr. MAZZOLI. One of the things that's brought up in some of the statements that we'll hear this morning is what some perceive to be the lack of perfect coordination. The idea of meeting, as the Ambassador does, with groups, public groups, government groups, MAA-type groups, could help in overcoming a problem of coordination. I would commend those perhaps on a more particular and a more scheduled basis.

The private sector initiative which the Ambassador talks about in one part of her statement, how long has that been in existence, Mr. Hall?

Mr. HALL. It began in 1987; planning for it began in 1987, and the initiative actually began in 1988.

Mr. MAZZOLI. For the record, this is a purely privately funded activity; is that correct?

Mr. HALL. That's correct. Now if I might take 1 minute to address that topic, Mr. Chairman?

Mr. MAZZOLI. Yes.

Mr. HALL. One of the things that we want to make clear is that the private sector initiative, while it is purely privately funded, does not imply that what we refer to typically as funded programs do not have a large component of private funding. I think this has been a cause of some misunderstanding related to the PSI. We do not want to delineate private from Government funded. We recognize the tremendous contributions that are made by the private sector and by private funds donated to the voluntary agencies in terms of what we generally refer to as a funded program. But, yes, the private sector initiative is defined to be privately funded.

Mr. MAZZOLI. And, one other question: Do the numbers that come into that program, are those numbers that are included in the consultation process?

Mr. HALL. Yes, they are, Mr. Chairman.

Mr. MAZZOLI. Are they put in a separate category—

Mr. HALL. Yes.

Mr. MAZZOLI [continuing]. Or are they blended in with the total program?

Mr. HALL. They are put in a separate category. When we talk about totals, we sometimes include the private sector initiative numbers in the totals, but they are part of the consultation process. They are identified as unfunded numbers, and they are identified as numbers that do not require a geographic—

Mr. MAZZOLI. That's what I was going to ask. The next question: Are these allocated geographically?

Mr. HALL. No, they are not.

Mr. MAZZOLI. And, of the thousands, is there any breakdown as to from what part of the world these numbers come in the last analysis?

Mr. HALL. Well, the majority have come from Latin American countries, of Cubans—

Mr. MAZZOLI. Cubans, Ethiopians—those are the two—

Mr. HALL. A number of Ethiopians we hope will come in this year, but the majority in the past have been Cubans.

Mr. MAZZOLI. The unallocated privately funded numbers are 10,000 in the last—

Mr. HALL. That was the ceiling that was set in the last—

Mr. MAZZOLI. Would you have any idea as of September of this year how many of those 10,000 would be used?

Mr. HALL. I think Ms. Rusch has the chart right here.

Mr. MAZZOLI. Do you have that, Ms. Rusch?

Ms. RUSCH. Well, as of June, 1,734 had arrived.

Mr. MAZZOLI. How many?

Ms. RUSCH. 1,734.

Mr. MAZZOLI. 1,734 as of June 1991?

Ms. RUSCH. Correct, for this fiscal year.

Mr. MAZZOLI. Right. And, any estimates of what's left in the balance of this fiscal year?

Mr. HALL. We would hope to have 3,000, but I will not make a prediction that we will actually reach the 3,000, Mr. Chairman.

Mr. MAZZOLI. Let me switch for a moment to Mr. Gersten. Once again—well, my time has expired and we'll come back.

The gentleman from Florida.

Mr. McCOLLUM. I have no problem, Mr. Chairman. Thank you very much.

I just want to ask a couple of general questions, if I could. I'm kind of curious, Mr. Hall, what you anticipate with respect to the next 5 years, as to what countries, what regions of the world we're likely to expect most refugees from? Do you have any feel for that?

Mr. HALL. It's very difficult to say. We would not have predicted, had we sat here last year at this time, events in the Middle East, Representative McCollum. We cannot make 5-year predictions because the consultations process requires us to consult on behalf of the President and with the Congress on a year-by-year basis to determine admissions. So, I would not want to try to make a 5-year prediction.

Mr. McCOLLUM. I really wasn't looking for numbers on that. I was just trying to get some feel if there was any sense at all in your shop as to the source of immigration and refugee matters in that respect.

Let me ask you about a particular part of the world, then, and maybe Ms. Rusch could help, if you can't, Mr. Hall. I would particularly like to know what's happening with the orderly departure program out of Vietnam. Is that going well now? Can anybody tell me that, either yourself—

Mr. HALL. Several improvements, which I will ask Ms. Rusch, if I may, to elaborate. There have been several improvements to the or-

derly departure program, including the reunification of families by the use of immigrant visas and acceleration of the program to Amerasians into the United States, whom you know, while they are not refugees, are treated as refugees under the provisions of the act, and political prisoners. If I may, I'm going to ask Ms. Rusch to elaborate on that.

Mr. McCOLLUM. Certainly.

Ms. Rusch.

Ms. RUSCH. Thank you.

As of April of this year, we were able to expand the monthly interview rate in the orderly departure program from what was about 1 year ago 5,000 to 5,500 persons a month to 10,000 persons a month. This includes both immigrants and refugees. This is entirely in keeping with our efforts in South East Asia under the comprehensive plan of action to have persons see that there is another possibility, rather than clandestine boat departures, to depart in a safe and orderly fashion from Vietnam.

The expansion to this number of interviews per month was made possible by the fact that we had a considerable backlog of current immigrant visa petitions that we had not been able to reach, increased cooperation on the part of the Vietnamese, particularly with regard to the release of reeducation camp prisoners, and some modifications in procedures between what the Immigration Service officers in the field were doing and what State Department officers were doing.

Therefore, at present we are up to 10,000 a month, about 5,000 of which are immigrant visa and parolee admission recipients, and the other 5,000 are roughly split between re-eds and Amerasians. Small numbers of family reunion people continue to come in as refugees, but most of those family reunion cases have been shifted to the immigrant visa admission track.

Mr. McCOLLUM. Where are they taken when they come? Do they come straight to the United States or do they go to some place for screening initially, or what?

Ms. RUSCH. Almost all of the processing is done inside Vietnam. The Amerasians proceed to the refugee processing center in Bataan in the Philippines for a 6-month training program of English language and cultural orientation. The reeducation camp people and the immigrants come directly to the United States.

Mr. McCOLLUM. We've had a number of discussions in my office lately about the Hmong out of Laos. I understand our policy officially is to encourage repatriation, going back to Laos. What is the status with regard to them? We still have them in camps inside Thailand, I assume; some of them coming here, going back? What can you tell me about all of that?

Ms. RUSCH. All of the above.

[Laughter.]

Ms. RUSCH. The number of Hmong remaining in camps in Thailand is about 59,000. Although we have resettled close to 100,000 highlanders in this country since 1975, the number in camps in Thailand seems to remain constant at around 50,000 to 60,000. In the last few years, the Lao Government has become very receptive and cooperative on the issue of repatriation of Laos, not just highlanders but lowlanders included, and there have been some 9,000

voluntary repatriates from camps in Thailand. Indeed, every year thousands of Lao Americans return for visits, both highlanders and lowlanders, to Laos. So, there seems to be some considerable momentum building there.

Under the auspices of the UNHCR, we are also hopeful that there will be some voluntary agency participation, additional voluntary agency participation, in repatriation and in providing assistance to people in the form of training in order to make resettlement in Laos more effective.

Mr. McCOLLUM. Well, my time is up, but I'd like to revisit that later on in another round. Thank you.

Mr. MAZZOLI. The gentleman from Florida.

Mr. JAMES. Yes, thank you.

Could you give me the number of total immigrants and refugees that came into the United States last year?

Ms. RUSCH. From all over the world?

Mr. JAMES. Yes.

Ms. RUSCH. The number of refugees was about 120,000, and the number of immigrants roughly half a million.

Mr. JAMES. How many illegal aliens is it, if you have an estimate on that, that come into the country?

Ms. RUSCH. I'm sorry, I don't. I have to refer you to the Immigration Service, and I don't know that they have a firm idea.

Mr. JAMES. It would be in the millions, wouldn't it?

Ms. RUSCH. I'm sorry—

Mr. JAMES. It would be in the millions?

Ms. RUSCH [continuing]. I have no idea.

Mr. JAMES. OK. You don't know.

Now what percentage, under the existing programs, what percentage of the money that the States are required by their laws to pay—like California, Florida, et cetera—what percentage of their benefits, their State benefits, which go to refugees and immigrants is reimbursed by the Federal Government?

Ms. RUSCH. I'm going to have to refer you to Mr. Gersten from HHS.

Mr. GERSTEN. Would you repeat that question, please?

Mr. JAMES. Do you have an estimate as to the percentage, if any, of moneys that the States advance under their various programs, whether it be health care programs or unemployment programs, or whatever, or assistance programs? To what extent does the Federal Government percentagewise reimburse or compensate the States for the immigrants and for the refugees?

Mr. GERSTEN. In the refugee program, we reimburse all States equally for a given period of time; in 1991, 12 months of special refugee cash and medical assistance. We no longer reimburse the States for those refugees who access AFDC or SSI.

Several years ago when this program started, we were reimbursing the States for up to 36 months, but with the number of cutbacks in the last 4 years, we're down to 0 months of AFDC reimbursement.

Mr. JAMES. Does anyone have the figures on Florida, what percentage of the immigrants and refugees go to Florida? About half of them go to California; right?

Mr. GERSTEN. Now only 30 percent of the refugees are going to California.

Mr. JAMES. Thirty?

Mr. GERSTEN. Yes, with the large increase in the number of Soviets coming in who go in large numbers to New York and other major metropolitan areas. It had been up around 50 percent until last year when the Soviets starting coming in in very large numbers.

You had asked earlier how many immigrants come in 1 year, and I just wanted to answer. The legal number of immigrants that comes in is roughly 600,000 to 650,000 a year in 1990.

Mr. HALL. I can give you figures for Florida based on the chart that Mr. Gersten provided us. Refugee arrivals for the top 10 States for the first 7 months of fiscal year 1990 and 1991—perhaps I'll just refer the chart to Mr. Gersten and ask him to elaborate on it.

Mr. GERSTEN. Another point I wanted to make was that HHS reimburses the States for roughly half of the AFDC coverage. Previously, our office had reimbursed the other half. So, States had no responsibility fiscally for the refugees who had access to AFDC, and now they have half the responsibility.

Mr. JAMES. I have no further questions. But, what concerns me is that we set policies up here, and the States pay the price tag, whether it be immigration, whether it be lack of or enforcement of immigration laws, or the illegal aliens. That gives me some pause and concern that we don't have some kind of equitable formulas in all instances to compensate at least for our programs in that regard.

Thank you very much.

Mr. MAZZOLI. The gentleman's time has expired. The gentleman from Texas.

Mr. SMITH. Mr. Chairman, thank you. I need to say at the outset that I'm due at another committee meeting immediately, so I'll need to leave after these short questions.

Mr. Gersten, a couple of questions for you in regard to the cost per refugee. Do you have any total figure as far as the total cost for both Federal and State aid to refugees and what it would come to per refugee, or do you just have the Federal figures?

Mr. GERSTEN. We just have the Federal share.

Mr. SMITH. And, what is the Federal figure per refugee?

Mr. GERSTEN. It is roughly \$1,700 in CMA costs in the first year for each refugee.

Mr. SMITH. OK. And, it's your guess that States would pick up more than \$1,700 or less than \$1,700?

Mr. GERSTEN. It would depend on the State. The States with a high welfare dependency and large numbers of refugees on AFDC would have perhaps larger numbers, higher numbers, than the Federal share.

Mr. SMITH. As far as welfare dependency goes, roughly half the refugees are on welfare during the first year; is that a correct figure?

Mr. GERSTEN. The figure is 48.5 percent, but that reflects the fact that California is at 80 percent. If you take California out of the equation, you get down to 31 percent nationwide.

Mr. SMITH. But, overall, it's still 50 percent? Where did most of the refugees in California come from?

Mr. GERSTEN. Mostly Southeast Asia, but there are also large numbers of Soviets in the Los Angeles area.

Mr. SMITH. You mentioned the key States initiative and the goal was twofold: One to reduce welfare dependency and the other to instill more accountability into the system. You didn't mention any details. How would that work?

Mr. GERSTEN. What we would plan to do is to institute what we call self-sufficiency guidelines and negotiate with each State refugee office an agreement in which they would agree, in exchange for the social service dollars and the targeted assistance dollars that we put in, that they would get a certain number of refugees off of welfare or welfare reductions, or refugees would not go on welfare in the first place. The States would then have the same principle in contracts with each of their service providers, so that the service-providing agencies would have a legal agreement that said in exchange for x dollars, you will get x number of refugees self-sufficient. And, if they didn't succeed, then the following year they would have a reduced caseload. If they did succeed, they would be allowed to have an increased caseload. So, there would be incentives built into the system in our relationships with the States.

Mr. SMITH. But, see, if you aren't successful and you reduce the number of cases that are assigned to you, what's the incentive to do better?

Mr. GERSTEN. The incentive is a financial incentive. The institution will be forced to shrink if it doesn't succeed. Institutions, as Congress is very well aware, want to always maintain their size or increase in size. This accountability does not exist in the system, by and large, now, but we have instituted this in these programs, these key State programs at Minnesota and Wisconsin. They have turned the programs around remarkably in those States.

Two years ago, the number of Laos Hmong on welfare in Wisconsin was 74 percent, and today that number's down to 53 percent, which we're very proud of.

Mr. SMITH. Hopefully the system is working. Thank you, Mr. Gersten.

Thank you, Mr. Chairman.

Mr. MAZZOLI. Thank you very much.

On page 4 of your testimony you talk about this greater accountability for service providers and local governments, and you talk about numerical self-sufficiency goals.

Can you give me some idea how those goals are set, and are they now being set, or is that a recommendation that you would have for us?

Mr. GERSTEN. They have been set in a couple of our demonstration projects, particularly in Minnesota and Wisconsin.

Mr. MAZZOLI. OK, those are four of the five key States that you talked about?

Mr. GERSTEN. Right. That's correct.

Mr. MAZZOLI. One being Massachusetts, and that's not yet quite on line?

Mr. GERSTEN. Right. Right.

Mr. MAZZOLI. So, in two of the States, you've initiated these goal orientation programs?

Mr. GERSTEN. Right. And, they have worked very well. In Minnesota these have been in effect now for just 1 year, and the State refugee coordinator has worked out contracts with each of the service providers. The service provider knows that they have certain goals that they have to reach, and they have worked extremely well. In Minnesota, interestingly enough, it's the refugee-based organizations, the mutual assistance associations, that are running the program.

Mr. MAZZOLI. Thank you.

The gentleman from Texas's time has expired, and I yield myself 5 minutes to continue this same subject.

I was just going to ask that question, because we'll have some MAA's up later today and we'll talk with them. Have they been generally supportive or have they felt that this is something that they just had to do because it was being imposed on them?

Mr. GERSTEN. In these two States, they have been extremely supportive of the program, but these two States we have put in extra dollars. With this key States initiative, we've put in a half million dollars into Minnesota a year and \$800,000 of our discretionary money into Wisconsin a year. So, we are really fueling these organizations with additional resources that they would not otherwise receive.

Mr. MAZZOLI. So, there's a certain amount of the carrot and the stick here?

Mr. GERSTEN. Correct.

Mr. MAZZOLI. You sort of encourage them?

Mr. GERSTEN. Exactly.

Mr. MAZZOLI. Is this quantifiable?

Mr. GERSTEN. Yes.

Mr. MAZZOLI. And, you have data that you could be able to supply us?

Mr. GERSTEN. Yes, absolutely. In all four key States initiative projects we have data on the number of self-sufficiencies, the number of refugees off of welfare, and they have been very successful.

Mr. MAZZOLI. Just out of curiosity, are these goals set in connection with the population that you're working with? Are they varying or are they all standard for all immigrant groups or refugee groups?

Mr. GERSTEN. They don't vary by refugee group, but the circumstances in each State are different. The nature of the welfare system is different, and the incentives in the program are crafted differently—

Mr. MAZZOLI. One of the other criticisms, as you would know from what will come up later this morning, is the lack of flexibility in some cases in local programs. Do you grant flexibility in this program? Along with setting standards and granting more money, do you let them develop ways to reach these goals?

Mr. GERSTEN. We've designed the program hand in hand with the State refugee office.

Mr. MAZZOLI. Does that State refugee office consult with the providers?

Mr. GERSTEN. Yes.

Mr. MAZZOLI. Is that mandated?

Mr. GERSTEN. It is done by custom. In each case, the providers, the service-providing agencies are brought into the picture to discuss the nature of the new program that will be worked out. There's no one model that fits all States. Each State has a different situation and each demonstration project we work out a unique new alternative in a given State.

Mr. MAZZOLI. And, you have some material? I'd be interested in taking a look at that.

Mr. GERSTEN. Yes.

[Mr. Gersten failed to respond to the subcommittee request.]

Mr. MAZZOLI. Let me ask you, just to clear up my mind, this is not a Wilson Fish approach, is it? Is this part of that?

Mr. GERSTEN. No, but this is a first cousin to a Wilson Fish approach. In fact, in Seattle, WA, we've had a key States initiative program for 3 years. This year we are adding and really marrying that key States initiative to a Wilson Fish demonstration project, where we will take what we've learned with the \$500,000 a year demonstration project and will generalize that to the entire refugee system, some \$6 or \$7 million statewide.

We're planning in Massachusetts to put in a key States initiative this year and then to look to adding a Wilson Fish next year. So they go together.

Mr. MAZZOLI. One last question: The 15 percent that you keep back as discretionary, is that what goes into the States in this key State initiative?

Mr. GERSTEN. Yes. That's one of the largest programs in the discretionary pie.

Mr. MAZZOLI. OK. Let me shift for just 1 second to Ms. Rusch and Mr. Hall, one or both of them. That's on the people who are called refugee-like. I guess this would mean parolees, maybe ODP people, who come into the country as if they were refugees, but they don't come in with R&P grants; they don't come in with programs that ORR runs. How many of those are there for fiscal year 1991, or will there be?

Mr. HALL. Well, I discussed Amerasians who are refugee-like, not refugees, but they do, in fact, get R&P grants. There are also asylees and parolees—

Mr. MAZZOLI. Who do not?

Mr. HALL [continuing]. Who do not receive it. Now I don't know; do you have figures on those?

Ms. RUSCH. It's possible that as many as 20,000 Soviet parolees could come in this year, but we don't have exact figures on how many of them have taken advantage of the parole offer. There is no set time limit on that availability.

There are, I believe—and I will not be misleading you too far—some 8,000 or so parolees coming our way this fiscal year from Vietnam.

Mr. MAZZOLI. Reeducation people, and so forth?

Ms. RUSCH. Mainly they are family members of persons who do qualify as refugees or immigrants who are allowed in because they are an integral part of the family unit, but they don't qualify under the refugee criteria.

In addition, there is a small number of persons who fall into that category who come in from Cuba, extended family members of former Cuban political prisoners who are admitted to the United States, and individual cases from elsewhere in the world. But, the two largest pools—

Mr. MAZZOLI. The Soviets and the Vietnamese?

Ms. RUSCH. And Vietnamese.

Mr. MAZZOLI. Are there any plans to treat them any differently, to do anything for them by way of funding?

Ms. RUSCH. Under the Migration and Refugee Act, the State Department has the authority to utilize appropriated funds on other than refugees. However, we would have to specifically request funds for that purpose for other than just an isolated case, in our view.

Mr. MAZZOLI. Sure.

Ms. RUSCH. And, thus far, we have not requested funds for that purpose. I could not rule it out for the future but we believe that serious equity issues would need to be addressed.

Mr. HALL. Mr. Chairman, if I might just add that—

Mr. MAZZOLI. Mr. Hall.

Mr. HALL [continuing]. Under the Fascell-Stone amendment to the Refugee Education Assistance Act of 1980, Cubans and Haitians who apply for parole are eligible for ORR-type assistance. Others who are adjudicated for parole are also eligible for HHS assistance.

Mr. MAZZOLI. So, you have, in addition to the ones we've talked about, you have Cubans and Haitians who could—

Mr. HALL. Who immediately upon applying for parole or applying for asylum are then eligible for HHS—

Mr. MAZZOLI. So, they're refugee-like, but they do fit more the category of refugees than the category of immigrants?

Mr. HALL. That's correct.

Mr. MAZZOLI [continuing]. Who would not receive?

Mr. HALL. Right.

Mr. MAZZOLI. So, they tend to receive?

Mr. HALL. That's correct.

Mr. MAZZOLI. Are those Cubans who seek adjustment under the Cuban Adjustment Act? Is that something different yet?

Mr. HALL. No, that's different. This is language of, I believe, 1980 and 1986, the Refugee Education Assistance Act, and the Refugee Assistant Extension Act commonly referred to as the Fascell-Stone language. It applies to Cubans and Haitians alike.

Mr. MAZZOLI. OK. The gentleman from Florida.

Mr. McCOLLUM. Thank you, Mr. Chairman.

All kinds of questions in this area could be asked. I guess we could go on for a long time. I'll try to brief, though.

I want to go back, if I could, to the Laotian question a minute, so I can finish my understanding of that. I think I fully understood what you said with regard to the Hmong and the lowlanders and the highlanders, and so forth. I'd like to ask a question about forced repatriation which I understand is a continuing issue over there among the Hmong that are in the camps. From my perspective, it seems to me the concern there is if, indeed, there is an effort to do that, it's a question of how many of them will come our

way. Can you bring me up to date with respect to that? Is there a program in coordination between Thailand and us, Laos, et cetera, for forcing this repatriation as opposed to the voluntary repatriation?

Ms. RUSCH. There was a preexisting agreement among Laos, Thailand, and UNHCR for the involuntary repatriation of Lao to Laos. That agreement was incorporated into the comprehensive plan of action. My understanding is that to date some 500 persons have been returned to Laos in an involuntary capacity.

It is also our understanding that these people have not been the subjects of any form of retribution from the Lao Government. From time to time, there have been questions raised, serious concerns raised, about the treatment of persons returning to Laos. We have been very concerned about this and have followed up in every instance, and have found that the treatment of these persons is no different from that accorded those who have voluntarily returned.

We have discussed our concern that this be handled in a humane fashion with the Thai, and it's very clear that the Thai view it very much in their interest to have the voluntary—to have any repatriation program to Laos be viewed in a positive way. We are confident that this program will continue to operate in a benign, humane fashion.

Mr. McCOLLUM. How recently have these 500 been involuntarily repatriated?

Ms. RUSCH. My sense is that's over the course of the life of the agreement, which I believe goes back to 1986.

Mr. McCOLLUM. So, it's not something that's occurred in significant numbers at the present time. It's over a period of time. What is it, largely people that just come across the river and they're turned right back over again, or something like that, as opposed to going into the camps and physically removing people?

Ms. RUSCH. These persons I believe went through the screening process and were screened out.

Mr. McCOLLUM. Before they got into the camps?

Ms. RUSCH. I'm getting a little bit out of area here. If I could get you more specifics on that.

[The information follows:]

These persons who were screened out had been living illegally either inside the camps or outside the camps in Thai villages. They were screened to determine if they had any claim to refugee status and found not to qualify.

Mr. McCOLLUM. OK. I won't go too far with you, but I have a greater concern—not that I'm not concerned with that; I am concerned with that. I'm also concerned, and perhaps more greatly so, with the thought that you told me there were still 50-something thousand in the camps over there—Hmong, I guess, alone—not to mention other lowlander-highlander situations. If we were to see a forced repatriation of large numbers or a movement in that direction, that could impact, I would think, the desire and the demands to come our way.

Ms. RUSCH. Well, our resettlement program remains open to Hmong. Most of the Hmong who remain in Thailand are still straddling the fence as to which way they want to go. More, we believe, will decide to return home if the process of repatriating is not clouded with forced repatriations under negative conditions.

There are enough voluntary repatriates, it appears, to keep the flow going back to Laos. At this point it does not appear that the Lao could handle a huge number of people being returned at one time. The Thai are aware of that.

Mr. McCOLLUM. How many people do we have in the State Department inside Laos monitoring this? You indicated that we did have some doing this.

Ms. RUSCH. We have an Embassy in Vientiane. We have a chargé d'affaires, not an Ambassador, but our relations other than that are completely normal with Laos. They have been very engaged on this issue because it is central to our improving relations with Laos that repatriation, in addition to the POW-MIA issue, be dealt with.

Mr. McCOLLUM. I know in Thailand we have some people stationed out in the field, so to speak, in sort of a consulate-type office from the State Department and looking at refugees. Is there that type of thing in Laos or is everybody home ported in Vientiane?

Ms. RUSCH. As far as I'm aware, everybody's in Vientiane.

Mr. McCOLLUM. So, if they go out to look at the situation in the field, they literally travel from the Embassy out to the provinces?

Ms. RUSCH. Right. But, we also have—people from the Embassy in Thailand who are traveling along the Thai side of the Mekong River—

Mr. McCOLLUM. Sure.

Ms. RUSCH [continuing]. And many NGO people around.

Mr. McCOLLUM. Thank you very much, Mr. Chairman.

Mr. MAZZOLI. The gentleman from Oregon.

Mr. KOPETSKI. Thank you.

Ms. RUSCH, could you give me an update on Hong Kong and the people in the camps there? What does the future hold for them?

Ms. RUSCH. Well, I think everybody knows that the whole situation of Vietnamese boat people in Hong Kong is quite tense. The number of arrivals, unlike the other first asylum countries in Southeast Asia where the numbers of boat arrivals are way down, about 10 percent of what they were last year; in Hong Kong they are way up. Most of these people are from the north and are not found to be eligible for refugee status.

The conditions of many of the camps in Hong Kong have caused the international community some concern. The Hong Kong authorities—I think it's no secret—are concerned that involuntary repatriation under the comprehensive plan of action is not acceptable.

Mr. KOPETSKI. So, who's working to resolve the issue?

Ms. RUSCH. Well, currently in the area of voluntary repatriation, there are many education campaigns not only in Hong Kong, but elsewhere in Southeast Asia to convince people that resettlement of screened-out refugees is not something that is going to happen if they just wait long enough. The British authorities are currently discussing with the Vietnamese Government the possibility of a resettlement center under international auspices inside Vietnam to which persons could be returned. The United States is not part of those discussions and has not made any commitment one way or the other as to whether or not we would support ultimately such a development.

Mr. KOPETSKI. Were we asked to participate and refused to participate in those discussions?

Ms. RUSCH. I don't believe we were asked, but, again, I will have to get back to you. I'm more of an admissions person. This is on the protection and assistance side of our shop, but I'll be happy to get back to you.

[The information follows:]

The United States was not asked to participate.

Mr. KOPETSKI. By chance, is the Canadian Government involved at all? Do you know?

Ms. RUSCH. I'm sorry, I don't know, sir.

Mr. KOPETSKI. Would you check on that and report back to us?

Ms. RUSCH. Yes.

[The information follows:]

The Canadian Government is not involved.

Mr. KOPETSKI. Thank you. That's all, Mr. Chairman.

Mr. MAZZOLI. Thank you very much.

Let me just follow up with Mr. Gersten on a couple of things. Also, later this morning we'll be hearing a fairly steady drumbeat that we ought to separate cash and medical assistance. As you're obviously aware, that's a continuing criticism of the program. Once the people get on the ground, they sign up for welfare programs. At that point the case managers have no control over the cases.

The other thing is that in order to get medical coverage, they have to sign up for welfare. They need medical coverage separate from welfare.

Have you had a chance to think those out, Mr. Gersten? Have you got any response to those observations or recommendations?

Mr. GERSTEN. We have discussed these issues at length. Removing the program from the public welfare system is one of the things that we think is critical. I'd like a chance to get back to you on the whole question of the medical issue.

Mr. MAZZOLI. Good.

[Mr. Gersten failed to respond to the subcommittee's request.]

Mr. MAZZOLI. Is someone from your place going to stay with us this morning to be taking notes at some of the later stops? I think it would be useful for them to hear directly from these agencies.

Mr. Hall and Ms. Rusch, one of the other concerns is the lack of sufficient funds. The R&P grants are currently \$500-and-some-odd. One of the witnesses says that if you were to use just the cost of living, that those grants would be well above \$1,000 now. There was one testimony about matching funds; I think it's \$1,000. Are you familiar with that, Mr. Hall?

Mr. HALL. I'm certainly familiar with the progression of the R&P grants. The matching funds are another point.

Mr. MAZZOLI. The matching funds are in your shop, Mr. Gersten?

Mr. GERSTEN. Right.

Mr. MAZZOLI. Again, the concern that that's not really sufficient to do the job, but the program apparently seems to be working very well. Is there any plan—are you aware of anything, Mr. Hall—that would change the R&P grant in sum?

Mr. HALL. No, Mr. Chairman. As far as I know, the R&P grant will move forward for the foreseeable future at the same level it is now.

Mr. MAZZOLI. Mr. Gersten, on the matching grant?

Mr. GERSTEN. Yes. The matching grant, the Federal match has declined in real dollars significantly from \$1,000 for 3 months 10 years ago to \$957 today. We realize that that causes a hardship on the voluntary agencies, but don't see any way to correct it unless the agencies would want to take fewer matching grant refugees each year, and that's not the case. They would rather take more, and we'd rather not reduce the number.

One method that we see that could possibly be helpful would be to add a Fish Wilson-like demonstration project at the end of the 4th month, and we've discussed that with a couple of very large local voluntary agencies to see if giving them control after the 4th month, from the 5th through the 12th month, where we would reimburse them for the cost that those refugees would otherwise cost the State and local governments, whether that would succeed in giving them more time to help get the refugees self-sufficient.

Mr. MAZZOLI. Well, thank you very much, all of you. We may have questions which we'll send—

Mr. McCOLLUM. Mr. Chairman, may I follow up?

Mr. MAZZOLI. Certainly. Certainly.

Mr. McCOLLUM. Mr. Chairman, I didn't mean to, but I overlooked one thing I wanted to ask Ms. Rusch about while I was thinking about it I had a letter that I had brought with me down here that's from a Mr. Twining, Director of the Office of Vietnam, Laos, and Cambodian Affairs in the State Department to the Hmong Highland Development Fund in May of this year in which he says, "Furthermore, U.S. officials follow a strict policy of not having any contact with representatives" of those groups he's referring to, the Hmong inside Laos, as insurgent groups. It lists them as insurgents inside the country.

The question that arose that I was intending to ask you about, and I didn't do it, was when you indicated that we follow those who are sent back or those who go back inside Laos. Is there a problem? Does the State Department, by this kind of a policy that I'm reading into this letter, or am I reading too much into it, restrict its people so that they don't actually—are not allowed to go and have contact with the Hmong that might be considered of "resistance?" I'm just concerned as to whether we have direct contact or are we depending on learning their condition from indirect sources, either volunteer groups or the Government of Laos itself, or some other source? In other words, do you know whether we actually send State Department people out or are allowed to do that? I'm concerned because of this. That's the reason for the question.

Ms. RUSCH. With regard to resistance persons, I don't know for a fact. I know that UNHCR is involved in this repatriation program.

Mr. McCOLLUM. OK.

Ms. RUSCH. And, they would be our logical link. Basically, our position is that we do not support the Lao insurgency groups.

Mr. McCOLLUM. Aren't the Hmong considered that officially? This letter would indicate—

Ms. RUSCH. I think they're talking about some—there are a variety of Hmong—the Hmong have a variety of opinions on the future that Laos should take and their role in that. I think some Hmong that have been returned have been within that category of insurgent, and many others have had nothing to do with it.

Mr. McCOLLUM. So, the ones that were in the category of insurgents we probably would not have contact with directly; we would depend on the UNHCR representatives to report to us on their fate; is that true?

Ms. RUSCH. That would be my assumption, but, again, let me make sure I'm not leading you astray.

Mr. McCOLLUM. No, I understand. If you could check on that and report back to us, we would appreciate it.

[The information follows:]

Although U.S. officials follow a strict policy of not having any contact with representatives of Laotian insurgent groups, we do not consider Laotians, either Highland or Lowland Lao, who voluntarily returned to Laos under the UNHCR-sponsored repatriation program to be members of these groups, even if they may have been affiliated in the past. UNHCR has the primary responsibility for monitoring returnees repatriated under its auspices. However, U.S. Embassy officials have, when the opportunity arises, visited repatriation sites and met with returnees. Additionally, U.S. officials are in regular contact with non-governmental organization representatives working in Laos.

Mr. McCOLLUM. Thank you, Mr. Chairman.

Mr. MAZZOLI. Thank you. Thank you all, ladies and gentlemen.

Our next panel is a panel of resettlement agencies: Rev. Richard Ryscavage, the executive director of the U.S. Catholic Conference; Mr. Karl Zukerman, executive director of the Hebrew Immigrant Aid Society; Dr. Tsehaye Teferra, director of the Ethiopian Community Development Council; Mr. Don Hammond, the senior vice chairman, Committee on Migration and Refugees Interaction; Mr. Ralston Deffenbaugh, Jr., executive director of the Lutheran Immigration and Refugee Service; Le Xuan Khoa, the director of the Indochina Resource Action Center, and the Rev. Patrick Delahanty, director of the Migration and Refugee Service of the Catholic Charities of the Archdiocese of Louisville.

Father Ryscavage, do you want to get started?

STATEMENT OF REV. RICHARD RYSCAVAGE, S.J., EXECUTIVE DIRECTOR, MIGRATION AND REFUGEE SERVICES, U.S. CATHOLIC CONFERENCE

Reverend RYSCAVAGE. Thank you, Mr. Chairman. Mr. Chairman, members of the subcommittee, my name is Father Richard Ryscavage, and I'm the new executive director of the office of Migration and Refugee Services for the U.S. Catholic Conference [USCC].

Briefly, I would like to call your attention to four areas of concern that are contained in my written testimony. The first two have to do with the R&P grant from the State Department. The second two involve the Office of Refugee Resettlement. All four touch on ways of saving the Government money, so I hope that will keep your interest.

Let me start by saying that overall, in general, the refugee resettlement system in the United States is working remarkably well. So, we have to be careful, it seems to me, that any changes introduced do not undermine what is, in fact, the largest and most suc-

cessful private-public partnership in the world for helping refugees. The genius of our system, it seems to me, begins with the reception and placement grant to the voluntary agencies, which over the years has saved the Government a considerable amount of money and continues to do so today.

This year at the USCC we commissioned an independent study of the cost of our resettlement system, and that study is indicating right now that, thanks to our many superb community-based affiliates, such as Father Delahanty from Louisville, on average USCC generates an additional \$1,000 to \$3,000 in contributions of cash, goods, and services for every single refugee. That means we use the R&P grant to leverage contributions equal to at least twice the amount of the grant itself.

Now the R&P was never intended to cover the cost of resettlement, and we understand that. But, there is, it seems to me, a fiscal and psychological balance that has to be maintained between the public and the private contribution. Right now it seems that the private contribution far outstrips the public part.

The R&P grant today is only \$88 more than it was in 1975. Now if you factor in inflation, in fact the R&P grant is considerably less than it was in 1975. There comes a point where the grant is too small to leverage the kind of contributions we want to generate in our system, and I think that point is on the horizon.

My second concern involves refugee-like cases not covered by the R&P grant, the so-called unfunded caseload; for example, humanitarian parolees. The Bureau for Refugee Programs at the State Department is, I understand, considering paying the International Organization for Migration for prearrival services currently being provided free by the resettlement agencies. This strikes me as having possibly alarming consequences for the Orderly Departure Program in terms of backlogs. I don't understand, I simply don't understand, if the Government is going to pay for services, why it doesn't simply pay the agencies who are doing the services right now.

Shifting to my third area of concern, in the 1980's this subcommittee spent considerable time and energy trying to monitor and improve the work of the voluntary agencies and the R&P grant. I think this resulted in a fresh, new professionalism and accountability in the voluntary agency community. I, for one—I'm sure Rally Deffenbaugh feels the same way—am happy to inherit this highly professional system that we have now, although I must say as an aside that this new professionalism also costs us a great deal in terms of administrative tasks and paperwork.

But, that aside, I would invite the committee and subcommittee in the 1990's to do for the ORR budget and programs what it did for the voluntary agencies and the R&P grant in the 1980's; that is, to look at ORR's budget and programs and monitoring and determine what improvements can be made to ensure essential services are delivered in the most effective and cost-efficient manner.

For example, to us, ORR programs for direct job placement of refugees are three times more cost-effective than investing in a lot of job training programs. Another example: I question the amount of money that's being dedicated to English language training programs in terms of early employment. I also think it would be an

enormous help to upgrade the status and placement of ORR in the Department of Health and Human Services.

And, finally, let me say a word about welfare. After 10 years' experience of our agency living under the refugee act, my organization has been bringing me to the conclusion that while some communities in some States need some transitional cash, medical, and social service supports, the welfare system is a terribly self-defeating vehicle for delivering such service. I believe it's time to take bold steps to separate the refugee from the welfare system. As an example of some possible alternatives, I have included in my testimony a welfare alternative program developed by my staff.

Finally, just let me close by saying that I know refugees are not the flashiest political priority in Washington these days, but there are deep Judaic-Christian reasons for helping the uprooted ones, and I commend the members of this subcommittee and its staff for being part of that distinguished moral tradition of trying to help those who are, in fact, the newest and the poorest Americans. Thank you, Mr. Chairman.

Mr. MAZZOLI. Thank you, Father. Thank you for reminding us, as many of you have in your statements, that what we're really dealing with here, these are not articles like widgets and fungible goods; these are, each and every one, a human being. Sometimes we tend to forget that. I think it's very laudable of all of you that to some extent in every one of your statements you've brought that to the forefront. So, it helps us in our work to keep our eye on the target.

Speaking of targets, the target is to get to the floor in the next 7 or 8 minutes for a vote. So, with your permission, we will take a short break here and then we'll return and pick up our testimony.

[Recess.]

[The prepared statement of Reverend Ryscavage follows:]

PREPARED STATEMENT OF REV. RICHARD RYSCAVAGE, S.J., EXECUTIVE DIRECTOR,
MIGRATION AND REFUGEE SERVICES, U.S. CATHOLIC CONFERENCE

Introduction

Mr. Chairman and members of the Subcommittee. I am Father Richard Ryscavage, S.J., Executive Director of the United States Catholic Conference's Office of Migration and Refugee Services. We are one of the oldest and largest private resettlement agencies. In addition to our work in resettlement, the U.S. Bishops have charged my office with developing an innovative system of legal counseling services for immigrants, asylum applicants, and the undocumented, called the Catholic Legal Immigration Network. We also have pastoral care responsibilities for over 40 different ethnic groups in the United States. This extensive experience with newcomers gives us a unique perspective on how best to integrate people into our society. I appreciate this opportunity to appear before this Subcommittee, which has played such a key role in the last decade in developing a more humane and effective U.S. immigration and refugee policy.

Let me briefly say something about the moral framework that shapes all of our agency's refugee concerns.

The Catholic Church has for centuries struggled to clarify the moral obligations of the State toward human persons. These moral obligations flow from the belief that the State, as a human creation, must serve human beings. Human beings were never meant to serve the State. In this light, the Church insists that public policy which does not promote human dignity is bad policy. We judge policy by its respect for human dignity.

This moral perspective shapes the way the Church views its partnership in government refugee programs. For example, we stress durable early employment because having a decent job bolsters the human dignity of a refugee. It is never irrelevant to draw attention to the fact that refugees are persons and that all of their rights as persons must be recognized -- including the right to work.

Even as we involve ourselves today in a technical discussion of refugee programs, we need to remember that refugees -- even though they are the newest and often the poorest Americans -- are fellow human beings whose dignity we are obligated, under God, to protect. There are deep Judeo-Christian roots attached to efforts to help refugees. I commend this Subcommittee for being part of that distinguished moral tradition.

Let me say that, in broad national strokes, the refugee resettlement program is working well. We wish to note here our appreciation for the efforts of the U.S. Coordinator for Refugee Affairs and the Director of the State Department's Bureau for Refugee Programs to respond to serious challenges at home and abroad, particularly in Africa and the Gulf.

The U.S. can be proud of its record of offering new life opportunities to over 1.4 million of the world's refugees since 1975. Most of these refugees have become self-supporting, contributing members of American society. This reauthorization process offers us an opportunity to make some changes which will improve the program and make it possible for us to do an even better job during the next 10 years.

The USCC/MRS Story

Since 1980, USCC/MRS and its 140 affiliates throughout the U.S., Puerto Rico, and Guam have assisted some 304,000 refugees without regard to their religion or race. We have also provided resettlement assistance to over 46,000 unfunded "refugee-like" immigrants and parolees. USCC/MRS can call on 18,000 parishes in the United States for refugee co-sponsorship and support. The USCC/MRS network is non-sectarian, based on a philosophy of "service" to our fellow human being. As a national network, we have been able to respond to our belief that refugee resettlement should primarily be a national program, governed by national policies and funding, with significant agency and State Department monitoring.

During the past five years, the number of refugees admitted each year to the U.S. has climbed from 68,045 in 1985 to 122,461 in 1990. The purpose of the domestic programs funded under the Refugee Act is to assist, in so far as possible, refugees to assume responsibility for themselves and their families. We assist them and expect them to become self-sufficient. We would be doing an injustice to people who are rich in human spirit if we allowed them to succumb to the mistaken myth that admission to the U.S. is followed by a period of federally funded "rest" or public support.

It is important to realize that refugees are survivors. Some are elderly and disabled; upon arrival, they are without financial means and many have large families. We cannot forget that many are children. Yet, refugees are resilient, with the proven ability to determine what they have to do to survive.

Federal refugee assistance appropriations have not kept pace with the increase in admissions. Federal dollars per refugee have in fact decreased from \$5,379 in 1985 to \$2,252 in 1990. This situation, coupled with the *mistaken perception* that all refugees are highly dependent on public welfare (less than 50% of refugees admitted to the U.S. since 1989 have accessed public assistance; many who have used such assistance have done so only for brief periods of unemployment or serious illness), has caused some to reexamine the basic Refugee Act of 1980 and how the refugee program operates.

Last year's budget agreement puts additional pressure on Congress to cut back on this small program, which serves a population with no political voice. We hope that in the Reauthorization process Congress will appreciate the importance of this humanitarian

program which offers people who have experienced significant persecution an opportunity to begin their lives again.

Congress and the states, through their welfare eligibility rules and procedures, effectively determine who is employable, and whether working families can receive supplementary assistance or Medicaid. It is our belief that U.S. policy should seek to encourage employable refugees to go to work, at the same time providing a safety net of supplementary income assistance and health care for families who are unable to make it entirely on their own during their first year in the United States.

- **The USCC/MRS Story on Employment**

Although family reunification is our guiding placement principle, USCC/MRS resettles "free cases" (i.e., refugees lacking close family or friends) in 64 sites across the country. These are areas where refugees can find a sponsor able to provide a supportive welcome and an environment conducive to achieving rapid self-sufficiency. One very successful free case site is Catholic Charities in Louisville, Kentucky, the Chairman's own district.

In 1990, USCC/MRS handled 8,114 free case refugees (61% of the national total), and 76.1% were employed or not dependent on public assistance 180 days after their arrival. Approximately 30% of these employable¹ refugees were served through the Match Grant program; the others were served primarily with R&P program and private sector resources, with some utilization of state employment service programs. The essential ingredients to this success were "case management" of these refugees by the local community-based resettlement agency; the use of private resources and volunteers; and, most essentially, the close cooperation between the private sector and the local public assistance agency.

This, along with many other experiences mentioned later, provide vivid evidence that positive outcomes are indeed possible with the right components in the early resettlement process.

¹ i.e., 18-55 without any debilitating illness or children under six to care for

We believe it is in the best interest of the U.S. to maintain responsible and generous levels of refugee admissions in order to save lives, increase regional stability, and demonstrate our commitment to universal human rights and the dignity of human life.

Although the trend in recent years has been to raise admission levels, USCC/MRS is concerned about the relatively small percentage of the world's refugees offered resettlement. We are troubled that our admission policy is not responsive to refugees from Africa, nor to those from places like Peru, Sri Lanka, China, Myanmar, and other areas where people are uprooted by situations beyond their control.

It is disconcerting to know that our government, unlike Canada or Australia, does not have in place a standard approach for admitting even a small number of refugees "at risk." These are refugees designated by the UNHCR to be in dire need of resettlement. We should be particularly mindful of cases from populations not usually considered of "special humanitarian concern to the U.S.," who are also victims of torture, sexual abuse, or severe religious discrimination. Others of concern are those literally at risk of death or severe disability because of medical conditions not treatable in the country of temporary asylum. We ask that Congress consider addressing this issue either in the consultations or in the committee report on Reauthorization.

USCC/MRS is also concerned by rigidities in our current program of refugee processing that prevent consideration of persons not in the regular refugee processing stream. Take a recent example of a group of 17 Lebanese Christians who fled to Cyprus, fearing a return to Lebanon. The U.S. would not consider their applications until the UNHCR validated their claims for refugee status. The UNHCR, in turn, claimed it was too busy to consider their request unless they were in immediate danger of expulsion to Lebanon. In another example, we find it hard to believe that, despite several violent incidents between Soviet forces and Lithuanian civilians, Lithuanian Catholics who fled that country were told that their refugee claims could only be processed through the U.S. Embassy in Moscow.

Some refugees, such as children, senior citizens or persons with health problems or handicaps due to the conditions they endured in fleeing their homelands are unable to fully provide for themselves. USCC/MRS believes the U.S. should continue to admit such vulnerable refugees, while at the same time encouraging the greater self-reliance of employable refugees.

Recommendation #2: Strengthen the Unique Private / Public Partnership

- **Public Resources and Private Contributions**

The current refugee resettlement system represents an innovative combination of public resources and private contributions which has saved the government a considerable amount of money. On average for every refugee sponsored, USCC/MRS, through its network of diocesan-based social service agencies and volunteers, generates an additional \$1,000 to \$3,000 in contributions of cash, goods, and services toward the initial resettlement costs. This amount substantially supplements the Reception and Placement grant of \$588 per capita provided to the voluntary agencies by the State Department.

Private sector support is an important component of the U.S. resettlement effort. Public investments toward the voluntary agencies' programs leverage considerable resources and allow our country to remain responsive to those refugees whose only recourse is resettlement in the U.S.

- **Professionalism of the Voluntary Agencies**

The professionalism of the voluntary agencies has greatly strengthened the resettlement process. The national voluntary agencies and their community affiliates have a proven record of responsible and prudent use of public funds in their service to the refugee community and should be designated by the Act as the preferred service providers. The Refugee Act, as a result of the interest of Congress -- particularly this Subcommittee in amendments passed in 1986 -- fosters a greater degree of professionalism on the part of participating resettlement agencies than had historically been the case. The creation of performance standards and oversight mechanisms have contributed to a more professional approach to monitoring and resettlement service delivery.

- **Need to Reconsider Administrative Requirements**

USCC/MRS has long advocated professional standards and recognizes that the refugee program is better as a result. However, there has not been a concomitant recognition on the part of the federal government of the increased costs associated with this trend toward professionalism and increased record keeping requirements.

resettlement services to Indochinese refugees. To keep up with inflation only, that grant would have to be \$1,313 for FY 92 -- instead, it will be \$588 -- and some costs, like housing and medical care, have risen more rapidly than the consumer price index. Without an increase, it becomes increasingly difficult for the private sector to garner greater volunteer support and assistance to refugees. In addition, the agencies have experienced additional costs associated with implementing new contract requirements intended to ensure greater financial and programmatic accountability and professionalism, further straining our ability to provide assistance to new arrivals.

USCC/MRS believes that, to ensure the continued viability of the public-private partnership in the refugee program, careful consideration should be given to the appropriateness of the current scope of administrative requirements. As an example, the reporting requirements legislated in 1986 and incorporated into Section 4.1(c) of the R&P Cooperative Agreement are of questionable value, yet entail costs to the agencies. These reporting requirements, coupled with expanded auditing guidelines, increase the administrative costs of the program without measurably improving its administration. For instance, it is often impossible for the voluntary agencies to obtain information about refugee welfare utilization since this data is available only to welfare offices. Yet, the 1986 amendments require the voluntary agencies to report such information.

- **Support for "Unfunded" Cases**

The Catholic Church's organizations and individuals, as well as other private sector agencies, commit substantial resources to provide resettlement services to unfunded cases as well as regularly funded cases. The preparations and procedures undertaken by voluntary agencies to arrange and facilitate refugee placements are also required in the placement of immigrant visa and humanitarian parole cases. Many of these arrivals require the same services in the community as do refugees. In fact, often these "unfunded," "non-refugees" arrive within refugee family units. However, there are no federal resources available for the reception and placement or resettlement costs of such cases.

In 1989, these unfunded cases represented 20% of USCC/MRS' caseload. In 1990, this population accounted for nearly 40% of our caseload. If this policy trend of admitting more persons as non-refugees, using refugee mechanisms, is to continue, the resource needs of the voluntary agencies as well as those of state and local governments must be addressed.

Recommendation #3: Give the Voluntary Agencies Expanded Case Management Authority

Experience gained over the years by USCC/MRS and its network points to the importance of coordinating community resources in such a way that the goal of rapid self-sufficiency for newly arriving refugees is reinforced by each service provider. For employable refugees, USCC/MRS continues to find early employment, with concurrent support services available to remove barriers, the best approach to achieving self-sufficiency.

To achieve the desired resettlement environment, USCC/MRS advocates a *case management approach* in which the voluntary agencies' case manager has authority to implement the individualized service plans developed with refugees they sponsor. We are the first point of contact for these refugees and, as such, have an implied -- if not explicit -- case management responsibility under the Cooperative Agreement. We recognize that all sectors play indispensable roles in making resettlement work. No agency knows better than USCC/MRS that we are part of an interdependent system of service delivery. ORR funded state and county social service contracts make cost-effective resettlement possible for many of our affiliates. We also acknowledge the tireless efforts of MAAs to assist members of their communities to adjust successfully to life in the U.S.

For case management to work, the voluntary agencies must have the resources necessary to support refugees on the road to self-sufficiency without reliance on public assistance. This again points to the need for either a higher resettlement grant or the development of transitional assistance programs for refugees outside the regular welfare program. There must also be a greater coordination of services to remove any barriers to employment, such as health or language difficulties.

I talked earlier about the refugee program's unique private/public partnership and the leveraging of public funds with privately donated resources that this brings. I believe that an expanded case management function, including the ability to place refugees in jobs, would encourage even more private support for the program since individuals, churches, and community associations generally "invest" more when they can see tangible achievements.

Finally, there is a need to customize services and to acknowledge that variability within the refugee community affects resettlement planning. Voluntary agencies, while nationally administered, are generally networks of community based organizations with ties

to a myriad of client groups. This gives them a unique understanding of local resources and of how diverse ethnic constituencies relate to one another. We contend that, at a time when resources are extremely limited, the voluntary agencies should be challenged to engage in more cost-effective resettlement and given an expanded case management function.

- **Chicago Project**

A demonstration of the USCC/MRS preferred case management model was successfully conducted in Chicago between 1983 and 1986. The model demonstrated the utility of giving the primary provider authority to plan with the refugee family to achieve early employment and eventual self-sufficiency by accessing certain services and, where necessary, receiving health care and income support. This project tested our contention that refugees could more rapidly achieve self-sufficiency through early employment and that public expenditures would be reduced. In fact, for those refugees sponsored by USCC/MRS in Chicago during the project, public cash assistance expenditures were reduced by nearly 50% from the level prior to the project. In addition, there was over a 50% increase in the number of refugees employed after six months. The keys to this success were:

- (1) the public sector's commitment to voluntary agency cash management authority;
- (2) intensive employment oriented service intervention early in the resettlement process;
- (3) an enhanced grant from the State Department to support staffing and cash and medical assistance costs; and
- (4) the political will of Congress, the Departments of State, and Health and Human Services, and the U.S. Coordinator for Refugee Affairs; and the strong interest of Illinois state and local governments.

While questions have been raised about the process of consultation leading up to the Chicago Project and about the adequacy of the health care coverage provided, I believe the results prove that refugee resettlement can be more efficient and effective with an appropriate intervention. The project did reduce public expenditures and, in our view, helped refugees assume more control over their lives.

Recommendation #4: Separate the Refugee from the Welfare System and Separate the Welfare System from the Refugee

When Congress crafted the Refugee Act, there was a recognition that refugees arrive with inherent *transitional* needs. Due to the circumstances of their flight, most arrive here with few possessions or material resources, and little understanding of our language and customs. Thus, the Act established special cash and medical assistance and other social service programs designed to assist refugees in their transition.

After more than ten years of experience we know that, while *transitional support* is indeed necessary, in many -- but not all -- communities, *the welfare system is not the appropriate venue for administering such assistance*, particularly to newly arriving refugees who are otherwise employable.

I believe it is time to take bold steps to both serve refugees more effectively and to reduce unnecessary public expenditures for welfare programs. Congress should consider setting aside some proportion of the total federal budget for a variety of innovative approaches to achieve these goals. Even two percent of the total budget would make such efforts feasible. Congress should also make it possible for the ORR director to reallocate RCMA funds, a proportion of social services or targeted assistance funds, or possibly even some Match Grant funds for such demonstrations. For your further consideration, appended to this testimony at Appendix A is an outline of a welfare alternative program that we recommend be initiated.

USCC/MRS and its local community based affiliates have participated in a variety of welfare alternative demonstrations -- the Chicago Project², the Refugee Demonstration Project in California, and the Oregon Refugee Early Employment Project. I would like to report here in greater detail on our experience with the first such voluntary agency-managed project administered under Wilson/Fish³ authority.

² In September 1984, before the passage of the Wilson/Fish Amendment, the Department of State funded a demonstration project designed and implemented by six voluntary agencies in Chicago, Illinois, to foster early employment among newly arriving refugees.

³ In October 1984, Congress amended the Immigration and Nationality Act [8 U.S.C. 1522(e)], directing the Secretary of HHS to develop and implement alternative resettlement projects for refugees who have been in the United States less than 36 months. The stated objectives of this amendment (referred to as the Wilson/Fish Amendment) were to (1) encourage refugee self-sufficiency, (2) reduce refugee reliance on public assistance,

• **The San Diego Wilson/Fish Project**

The voluntary agencies have testified over the years about the importance of their assuming greater responsibility for case management, income support, and other initial services to refugees. Our hope was that the Wilson/Fish welfare alternative demonstration legislation would allow voluntary agency- administered projects to be tested. However, the only such project initiated by the voluntary agencies is one currently being implemented by San Diego Catholic Charities and serving 1,000 USCC/MRS sponsored refugees.

Thanks to a \$1.4 million grant from the Office of Refugee Resettlement, and with USCC/MRS' guidance and support, Catholic Charities in San Diego has for the past 10 months been operating its Wilson/Fish welfare alternative project. With the close cooperation of the County of San Diego and under the watchful eye of the State Coordinator, it is meeting its employment and cash saving goals: nearly 10% more of the AFDC cases have found employment than prior to the project and 33% of the employable RCA cases have found employment and have not accessed public cash assistance.

The San Diego Wilson/Fish project has demonstrated the commitment of ORR and its staff to pursuing a welfare alternative demonstration project in a high welfare dependency area. When the project was funded, ORR believed it would be reimbursing states for 12 months of RCMA and 4 months of AFDC, which is, in fact, the situation this year in San Diego. Next year is anyone's guess, since the State of California seems unable to accept our proposal that ORR fund 100% of the first six months of AFDC cases, with the state funding the last six months. Under our proposal the State would save substantially -- a minimum of 10% -- on their AFDC costs for these refugees.

The San Diego welfare alternative project calls for Catholic Charities to determine transitional assistance eligibility, administer transitional support, and provide employment, work related ESL, and other services. If a refugee refuses employment without sufficient cause, sanctioning occurs. A refugee in this project cannot refuse participation in order to access other state or federal welfare programs. Any requests for medical exemptions for

and (3) foster greater coordination among voluntary resettlement agencies and service providers.

Pursuant to this legislation, in May 1985, ORR approved demonstration projects for California and for Portland, Oregon. Both projects were developed independently by the states prior to the finalization of ORR regulations for project approval and were implemented during the summer of 1985.

work, ESL, or training are checked carefully to avoid abuses. Refugees are helped to complete the medical and food stamps applications, but actual eligibility determinations are made by appropriate government workers.

The San Diego Wilson/Fish Project took five years from initial application to start-up approval. It was thanks to the determination of the local diocese and its extremely able director, Gwen Plank, and her dedicated staff, that it finally got off the ground. Although local and state welfare officials have closely cooperated with diocesan officials in this first-of-its-kind grant to a voluntary non-profit organization, we have learned some valuable lessons about not only what is right about the Wilson/Fish concept, but what should be corrected, as well:⁴

- (1) A national demonstration is not possible since ORR regulations require separate negotiations with each deliverer of public assistance -- the state, and/or the local county.
- (2) The project has to be revenue neutral (i.e., it can not cost more than the federal government would have paid if the same percentage of time-eligible refugees accessed public assistance).
- (3) Only a portion of social service funding can come to the project for services and that may reduce funding for other local community based service providers.
- (4) No discretionary funding is possible to deal with start-up costs or special local needs.

Congress would do well to reexamine this statutory authority for welfare alternatives to assess its effect on the program. Perhaps some modifications to the statute would address the administrative problems and encourage more true welfare alternative initiatives.

⁴ A 1988 GAO report on the deficiencies of the current Wilson/Fish authority succinctly states the problems with this program:

"The development of alternative approaches to refugee resettlement through these major demonstration projects has been slower than intended. The causes for this slow progress include the lack of funds and the limited incentives for public and private agencies to accommodate alternative approaches which compete with existing programs for funding, and the difficulty in obtaining workable agreements on revising project roles and responsibilities among public and private agencies." (GAO p3 NSLAD 88-91)

- **Legislatively Authorize the Voluntary Agency ("Match Grant") Program**

Since 1979, the Office of Refugee Resettlement has funded a voluntary agency-administered matching grant program to resettle refugees. Basically, the program provides matching funds on a dollar-for-dollar basis to voluntary agencies for services performed in resettling refugees beyond DOS-funded reception and placement services. These services include: English language training, employment counseling, job development and placement, recertification in the U.S. for professionals trained abroad, social services, maintenance assistance and health care.

Congress has heard testimony on numerous occasions since the program's inception demonstrating its overwhelming success and cost effectiveness. A 1982 ORR-funded study concluded that the Matching Grant program was an "effective mechanism for providing services in the manner and to a degree which would not be possible" under other resettlement programs. The same study also observed that the program "is a unique and effective partnership between the public and private sectors."

While the Match Grant program was originally designed to serve primarily Soviet refugees, it has been expanded in recent years to include other refugees as well. The program has achieved relatively high levels of employment among refugees, diverting most from public assistance. *USCC/MRS employment outcomes for refugees participating in the program exceed 70% after four months in the U.S.*

We believe that the program has effectively advanced the 1980 Refugee Act's goal of early self-sufficiency and urge that funding be continued at least at current levels and expanded as necessary. (If this twelve year old program had been indexed, it would provide \$1586 today and \$1710 in FY 1992, rather than the current \$957 per capita). We urge that the Match Grant program be considered as an alternative to current State-administered resettlement programs. This is a unique program which effectively combines private and public resources to serve all refugee groups. A statutory provision authorizing the program would give Match the stature and recognition it needs and deserves.

Recommendation #5: Separate Cash and Medical Assistance

Refugees generally take entry-level type jobs as their first employment after arrival in the United States. These jobs rarely include adequate medical coverage through employer assistance programs. Therefore, refugees, particularly those with families to care for, are reluctant to accept jobs that will leave them vulnerable to high medical costs. So as to foster early entry into the job market, USCC/MRS recommends that refugees in the U.S. less than one year be eligible for publicly-funded medical coverage, irrespective of employment status as long as certain income tests are met.

USCC/MRS strongly supports the earlier efforts of this Subcommittee to separate cash and medical assistance. There are too many examples of refugees who, upon application for medical coverage at local public assistance offices, end up being introduced to a full array of public assistance programs -- including cash assistance. A separation of cash and medical assistance programs would address this very serious problem.

We believe that the federal government should continue to cover the state share of medical costs for all needy refugees during their first year in the U.S., since their admission remains, appropriately, a federal responsibility. If this was existing law, the appropriation for refugee medical care through ORR could drop by \$40 million this year. The administrative burden on the states could also be simplified in the process.

Perhaps the Subcommittee should consider making refugees statutorily eligible for the regular Title XIX Medicaid program, thus eliminating the need for a separate line authorization and appropriation to cover the federal share of refugee Medicaid each year.

Recommendation #6: Make the Private Sector Initiative Effort More Effective

In addition to the tens of thousands of dollars in private funds already contributed to assist 122,000 "funded" and "unfunded immigrant or parolee" cases, some 11,000 Soviet, Cuban and Indochinese refugees were admitted to the U.S. through the PSI program (Private Sector Initiative) last year.

The high cost of health care proved to be a major obstacle in 1990 for the two major PSI providers. USCC/MRS commends the efforts of these and other agencies and community groups involved in aiding refugees through PSI, and we ourselves are negotiating a PSI agreement with the federal government. If refugee medical care for PSI cases was covered by the federal government, more resettlement agencies or MAAs might be in a position to expand their private sponsorship refugee resettlement efforts.

We would warn against over-reliance on PSI since our experience suggests that large numbers of deserving refugees without close family or community links, such as Kurdish, African or Middle Eastern refugees, would be virtually barred if they could enter only as privately funded refugees. PSI-type programs seem to work for more well-established ethnic communities and can incrementally increase admissions. A national refugee resettlement program requires the commitment of the federal government, in addition to careful coordination and cooperation with state and local government. The involvement of the national social service agency network and local providers who can ensure the local communities' ability to respond and welcome these newcomers without overwhelming a few resettlement sites is also necessary. From our experience as a large national network, we have always been able to find a community sponsor willing and ready to respond to new populations or crises -- often in hours.

Recommendation #7: Move the U.S. Coordinator for Refugee Affairs Office to the White House

USCC/MRS has for many years believed that the Office of the U.S. Coordinator for Refugee Affairs should be moved to the White House. Although the Coordinator has carefully made the point that this is not a State Department function, the fact that the Coordinator's office is there sends a conflicting signal. The Coordinator plays an important function in trying to bring together and improve the responsiveness of the various federal agencies involved in refugee assistance and resettlement. Because of the nature of refugee work, this often means a response to an emergency life-threatening situation where the humanitarian and security concerns of the United States are deeply affected. The Coordinator is also the lead person for any Administration in trying to educate the public about refugee issues.

For these reasons we ask Congress and the President to once again consider whether these important responsibilities could not be better accomplished by having the Coordinator's office at the White House.

Recommendation #8: Upgrade The Department of Health and Human Services' Office of Refugee Resettlement

We particularly appreciate the efforts of the Director of the Office of Refugee Resettlement of the Department of Health and Human Services, who has responded with a great deal of enthusiasm to the many challenges in refugee resettlement. The Director has initiated and welcomed informal consultations with state and local government; community based organizations and mutual assistance associations; the voluntary resettlement agencies; think tanks; and experts studying this issue. His efforts to exchange information and concerns have been very helpful.

USCC/MRS believes that Congress should upgrade the status and placement of ORR. As the principal office overseeing a \$411 million domestic program that affects the entire country, it serves the interests of the 130,000 refugees to be admitted in FY 1992. ORR also oversees programs affecting the 330,000 refugees, plus additional thousands of asylees and "entrants" admitted to our country over the past three years.

Recommendation #9: Performance Standards and Oversight of HHS/ORR Programs Needed ⁵

This Subcommittee in the early years of the refugee program under the Refugee Act spent considerable time and energy in seeking to improve the operations of the voluntary agencies in the reception and placement program. Now, given the very serious resource constraints, we invite the Subcommittee and Congress to look at the ORR budget to determine what improvements can be made to ensure that essential services are delivered in the most effective and efficient manner.

In 1991, Congress appropriated \$83 million for social services, a 10.6% increase over the 1990 amount. ORR keeps 15% of these funds for discretionary programs, which are intended to improve employment outcomes.

In 1989, the last full year for which there are published statistics, the states enrolled 62,600 employable refugees in employment services programs, spending over \$21 million at an average of \$338 per enrollee, with a placement rate of 40%, and an average starting salary of \$5.09 per hour. The average cost per placement was \$849 and the job retention rate for 90 days was 68%. In the same period, 26 states enrolled 4,655 refugees in vocational training at an average cost of \$701 per enrollee or \$3.26 million. 46% of enrollees completed training, but only 1,344 or 28.9% of the trainees obtained jobs. These jobs paid an average of \$5.19, at a cost of \$2,429 per employment and \$3,668 per 90 day retention.

From the 1989 figures, it appears that *direct placement of employable refugees is almost three times more cost effective than training.*

English language training is another area where cost benefits and greater efficiencies need to be addressed. In 1989, 40,000 refugees were enrolled in ESL training, funded in full or in part with Social Services funds. 47% completed at least one level of language instruction at a cost per completion of \$645 -- a cost similar to standard college tuition rates.

Part of the problem with current ESL training is that the waiting lists for enrollment are long in some parts of the country. This slows down the speed at which refugees become

⁵ See Appendix B for federal funding figures for refugee admission and resettlement: 1988 to 1991

self-sufficient because they often will not begin to look for work until they have completed the ESL program to which they were referred by the state case management system, no matter how long that takes. The same delays often occur when refugees need additional skills training -- once again not looking for work until the training process is completed.

The budget for Social Services has grown by \$18 million since 1989, with Congress appropriating \$83 million for social services in 1991, a 10.6% increase over the 1990 amount. Unfortunately, in an increasing number of states, social service funded programs are being restricted to refugees already on welfare. In other words, if a refugee is having trouble finding a job and our resources are inadequate, the refugee is told to go on public assistance so that he or she may be able to access federally funded employment services. This is very hard for us in the private sector to understand or accept as "good public policy."

The Targeted Assistance account⁶ has grown from 9% of the total ORR budget in 1989 to 12% in 1991 (\$34 million to \$49 million). Congress each year seeks to hold certain areas impacted by 1980 arrivals or other considerations "harmless," suggesting perhaps that this has become more of a local budgetary assistance measure than a program solely focused on short or medium term efforts to assist communities with significant populations of new refugees, entrants and asylees. How long should Congress or a community consider someone a refugee, and not a permanent resident or citizen covered by mainstream programs?

Since 1989, funding for ORR has grown only 7%, from \$382 to \$411 million, barely keeping pace with inflation. ORR faces a \$60 million shortfall in 1992 if Congress appropriates the Administration's entire \$410.0 million request. The House, to date, is suggesting \$293 million, which would remove medical care and income support for needy refugees, and weaken the protective services provided to unaccompanied refugee children.

ORR should have clear authority to exercise more oversight of its programs -- controlling administrative and programmatic costs -- and seeking greater clarification and adherence to performance standards for any entity receiving funding from, contracting, or

⁶ GAO describes this as a county assistance grant for employment and other refugee services to areas where refugees have resettled in great numbers.

subcontracting for services. We would like to see more cost/benefit documentation to reassure both Congress and the American taxpayer that we are indeed getting "the biggest bang for the buck" in every aspect of the refugee program -- from cash and medical assistance to preventive health care. While GAO this year studied the decline in domestic resettlement funding, it has not looked at the effectiveness or efficiencies of this program. Nor has it questioned a statement issued by a coalition of small states indicating that 22 states experienced RCMA deficits in 1990, while 28 states experienced surpluses.

Finally, we note that ORR no longer considers "case management" a preferred activity under RCMA. This runs counter to the years of experience we have had resettling refugees and may result in further fragmentation of services, and thus greater costs to the government.

Recommendation #10: Refugees Should Become Permanent Residents Upon Admission to the United States

Refugees now have a conditional status upon entry to the U.S. One year after admission they may adjust their status to permanent resident. The original Senate version of the legislation gave refugees permanent resident or "green card" status. Requiring 120,000 refugees to seek adjustment each year puts a further administrative burden on the INS, an already heavily burdened agency. In some areas, refugees must wait 4-6 months for adjustment interviews. Current legislation does, however, permit the year in "refugee" status to count toward the 5 years of residency required for citizenship. Maintaining this conditional status for refugees does not, in our view, have any particular benefit and only creates additional administrative burdens for INS.

Currently, refugees can file Visas 93 petitions to reunite with their immediate relatives. USCC strongly supports U.S. policy continuing to facilitate speedy and generous family reunification for those admitted as refugees, whether Congress keeps the "conditional" status or seeks to upgrade it to permanent residency.

Concluding Remarks

Mr. Chairman, I want to thank you again for this opportunity to present our views on the reauthorization of the Refugee Act of 1980. We strongly urge this Subcommittee to consider our perspective on some of the reforms needed in the U.S. Refugee Program.

We urge a simple one-year reauthorization for FY 1992, with a full and complete consideration of the reauthorization in FY 1993. I can assure you that we will continue our efforts to reach consensus among the voluntary agencies and state and local governments represented here to improve the overall resettlement program. We will continue the dialogue with the other actors in the reauthorization process, an exchange that has already begun.

Thank you for your support for refugees and your Subcommittee's past efforts to meet this country's humanitarian goals. I would be pleased to answer any questions you or the other Subcommittee members may have.

Summary of USCC/MRS Recommendations

- (1) Sustain a Generous Admissions Policy
- (2) Strengthen the Unique Private / Public Partnership
- (3) Give the Voluntary Agencies Expanded Case Management Authority
- (4) Separate the Refugee from the Welfare System and Separate the Welfare System from the Refugee
- (5) Separate Cash and Medical Assistance
- (6) Make the Private Sector Initiative Effort More Effective
- (7) Move the U.S. Coordinator for Refugee Affairs Office to the White House
- (8) Upgrade The Department of Health and Human Services' Office of Refugee Resettlement
- (9) Performance Standards and Oversight of HHS/ORR Programs Needed
- (10) Refugees Should Become Permanent Residents Upon Admission to the United States

Appendix A

New Approaches: A Time for Innovative Programs

While nationally the domestic resettlement program has produced positive results, with tens of thousands of refugees having made a smooth and rapid transition to productive lives in the U.S., refinements in the program can and should be made. USCC/MRS has been a strong advocate for welfare alternatives for employable refugees and offers the following proposal, which involves an expanded resettlement and employment services grant approach in certain communities.

The program we envision would provide income support, employment, and social and acculturation services, with expected results to include at least 75% of employable refugees in jobs within six months of their arrival and to be out of the local public assistance system.

- **Employment and Resettlement Grant – "ERG"**

The basic concept of ERG is that, if a certain community is experiencing high welfare utilization rates among refugees -- perhaps 15% or more above the national average -- this special intervention would be triggered.⁶ Through a combination of State Department and HHS/Office of Refugee Resettlement funding and improved coordination, voluntary agencies would be provided an Employment and Resettlement Grant. Preliminary estimates suggest that a \$1,500 grant is required. This grant, coupled with availability of publicly funded medical coverage, would support resettlement and employment services for six months, without recourse to the Refugee Cash Assistance program.

Another essential component of this program is case management authority. It is critical that the voluntary agency, which has worked with the newly arrived refugee to develop a resettlement/employment plan, be recognized as the exclusive case manager. Services, including public welfare programs, would be provided only on referral from the case management entity.

One aim of ERG is to improve coordination and resource utilization while, at the same time, reducing administrative costs and overlapping responsibilities in refugee resettlement at

⁶ Other criteria for triggering ERG might include instances of high impact by large arrival rates or communities experiencing economic downturns.

each level of the public and private sectors. A simplified employment and resettlement grant approach offers an opportunity for single point management; coordination of appropriate services; and income, employment, language, and other support needed during the initial six month resettlement period. Such coordination and elimination of overlapping services might also increase the public's and the Congress' confidence that services to refugee newcomers are appropriately and regularly monitored -- able to stand the test of cost/benefit analysis.

Congress could permit funds for such a grant to be taken from several sources -- for example, 150 or 550 accounts -- and require joint oversight and monitoring to ensure that the Administration's broad goals in refugee resettlement continue to be well-served by an expanded initial resettlement and employment program.

If an expanded resettlement and employment grant program improved refugee employment outcomes within the refugees' first six months in the U.S., it could save substantial sums now being spent in training (at \$2429 per refugee) and employment services (at \$849 per placement), as well as in cash assistance. For instance, a ten percent reduction in RCA utilization, based on 1990 statistics, would result in \$8 million in savings.

The ERG concept offers a new tool to facilitate comprehensive upfront resettlement services leading to early employment, while also interrupting certain patterns of "automatic eligibility" for cash assistance. The idea is to facilitate the refugee's ability to once more take responsibility for his or her life and family by attaining stable employment, rapid self-sufficiency, and full acculturation.

If successful, ERG could be phased-in to replace certain current ORR-funded programs, or even eventually RCA. We need another "alternative" service model, Congressionally sanctioned, that could be used immediately to deal with serious problems such as cash shortfalls, a sudden influx of refugees, or a local economic downturn. Any "model" should be carefully tested and must involve appropriate consultation with state and local government, community institutions, and particularly with the MAAs.

Appendix B

FEDERAL FUNDING FOR REFUGEE ADMISSION AND RESETTLEMENT				
YEAR	1991	1990	1989	1988
Admission	@ 121,000	119,316	105,692	75,754
Cash Assistance AFDC/SSI* RCA/GA	-0- n.a	*** \$83.4m	\$73.6m \$66.2m	\$48.1m \$61.1m
Medical Assistance Title XIX* RMA/GMA	-0- n.a	*** \$65.7m	\$26.1m \$39.3m	\$32.7m \$31.4m
State Adminis.	n.a	\$32.2m	\$31.5m	\$26.2m
Total CMA	\$234.2m	\$210m	\$261.8m	\$226m
Social Services	\$82.9m	\$75m	\$63m	\$65.7m
Targeted Assistance	\$48.7m	\$40m	\$34.1m	\$34.5m
Voluntary Agency Match Grant Program	\$39m	\$38m	** \$30.7m	\$7.7m
Preventive Health	\$5.6m	\$5.7m	\$5.8m	\$5.8m
Total ORR	\$410.6m	\$368.7m	\$380.5m	\$339.8m

Key:

- @ 10-15,000 shortfall in admissions projected
- * categorical
- ** \$15.8m plus \$14.9m transferred from State Department
- *** for four months only (figures not available)
- n.a (figures not yet available)

Mr. MAZZOLI. Mr. Zukerman, would you please proceed?

STATEMENT OF KARL D. ZUKERMAN, EXECUTIVE VICE PRESIDENT, HEBREW IMMIGRANT AID SOCIETY, AND REPRESENTING THE COUNCIL OF JEWISH FEDERATIONS AND THE AMERICAN JEWISH COMMITTEE

Mr. ZUKERMAN. Thank you, Mr. Chairman. I'm Karl Zukerman, the executive vice president of HIAS. I'm appearing today not only in behalf of HIAS, but on behalf of the Council of Jewish Federations—CJF is the national body of the Jewish Federations of the United States—and as well on behalf of the American Jewish Committee, which has long been interested in refugee matters, along with all the other things that they've been interested in.

You have our testimony.

Mr. MAZZOLI. All of it will be made a part of the record.

Mr. ZUKERMAN. Thank you, and I will be brief.

What we're describing is a fundamental equation. If you take an overall national focus, add to it local programmatic flexibility, you can end up with an accountable refugee resettlement program. I want to describe the elements briefly and then suggest to you how we think you might proceed.

The overall national focus includes setting a goal, restating the goal in the Refugee Act of lasting economic self-sufficiency and social integration. We recognize that early employment and reduced welfare utilization are important to the extent that they help achieve that goal, and we think that coherence and consistency, but not uniformity, will flow from an overall national goal.

Second, we think we need to continue, maybe even enhance, the current public-private partnership with sufficient Federal funding. The Federal Government's fair share needs to be returned. It has not recently been maintained.

We think, in this connection as well, that the matching grant mechanism ought to be maximized by much more flexibility in the use of private contributions and services toward the match. We've made some specific suggestions in the written testimony about that, as well as doing some increase in the grant, and if not for cash assistance purposes, we've said in the testimony that we think it could be increased for service purposes.

The second element of this equation is in local programmatic flexibility. Here we're calling, no surprise, for particularly in high welfare dependency States, a single case management system administered for up to 12 months by the folks who originally have responsibility for reception, placement, and initial resettlement; namely, the affiliates of the R&P agencies. We suggest that this approach ought to be available, but not required in the other States.

Here I speak for HIAS's point of view. We think that the local resettlement affiliate is the logical place for this program, this case management function, to be maintained. We believe, however, that there ought not be any official or unofficial limit on the number of national agencies with local affiliates who qualify under the rules for the reception and placement grant who should be permitted to participate. There may well be now in communities local agencies who have the capacity and competence under the rules set by the

State Department with the national voluntary agencies, who have the capacity to do initial reception and placement and, therefore, potentially have the capacity to take on this larger case management program. They ought to be included rather than excluded. I say this, Mr. Chairman, harking back to some earlier conversations about Refugees, Inc. Notwithstanding that my agency and its affiliates might lose some caseload in that, there are other voluntary agencies in the structure that ought to be seriously considered, if they meet the standards, for participation in the R&P program and in the case management program.

We think that this case management program would significantly improve the refugee's chance for early as possible self-sufficiency. It would ensure a single point of accountability in overseeing the provision of services to refugees and in monitoring their progress. It would give the case manager authority to act as a gatekeeper in requiring the delivery of services needed to meet the resettlement plans, goals worked out with the refugee, and in controlling access of the refugee to services.

We think, as has been described before, that the transitional income support that's provided to refugees needs to be provided outside of the public assistance system by the case management agency during that resettlement period, but we think there are other alternatives to how the cash money might be handled if a particular agency didn't want to be literally the handler of many, many thousands, sometimes millions, of dollars.

This ability, this control, this gatekeeper function, including the transitional income support, would maximize the effectiveness of the case management function, and this overall system, we hasten to add, would not require additional funds through the Federal Government's fair share of the program, but would be a rearrangement in the flow of current funds. Now we understand there are always complexities in such things, but we think it needs seriously to be done. We think ultimately this saves money because it will get more refugees self-sufficient earlier.

Next, we think medical coverage is an element of local programmatic flexibility. Medical coverage needs to be disconnected from receipt of public cash assistance. In those States where it is connected, you are in fact saying to people, we know you only need medical care, but come get welfare benefits. It makes no logical sense at all.

We think that it ought to be provided in a fashion, this separately run medical coverage for refugees, in a way that does not discourage them from taking jobs early on, including jobs which may not have medical coverage, because this will then permit them to continue in medical coverage.

Finally, we think that there will be numbers of refugees for whom self-sufficiency will not be achievable in 12 months, and provision needs to be made for that to continue. Without additional appropriations, we hasten to add, we think the Federal Government's traditional fair share rearranged can cover it.

So, those two factors produce, we think, an accountable refugee resettlement program, by which we mean that every participant knows what is expected of him, her, or it. That's the Federal, State,

and local governments, reception and placement agencies, service providers, and the refugees.

Finally, the decisionmakers, like you, will know how well the system is working and how well each of its participants is working. But the complexity of addressing these questions in the context of a pressing need for reauthorization of the act leads us to suggest that now we need a 1-year reauthorization, and that the legislative history for that 1-year reauthorization ought clearly to state that it is being done with a view to a more extensive look at this for enactment during 1992. Thank you, Mr. Chairman.

Mr. MAZZOLI. Very good. Thank you, Mr. Zukerman.

[The prepared statement of Mr. Zukerman follows.]

PREPARED STATEMENT OF KARL D. ZUKERMAN, EXECUTIVE VICE PRESIDENT, HEBREW IMMIGRANT AID SOCIETY, AND REPRESENTING THE COUNCIL OF JEWISH FEDERATIONS AND THE AMERICAN JEWISH COMMITTEE

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Mr. Chairman and distinguished members of this Subcommittee, I am Karl D. Zukerman, Executive Vice President of the Hebrew Immigrant Aid Society (HIAS), the international migration agency of the American Jewish community. Since its founding in 1880, HIAS has brought over four million Jewish and non-Jewish refugees to these shores. Each year, thousands of refugees fleeing religious persecution, discrimination and political upheaval turn to HIAS for professional assistance with all stages of the complex and lengthy migration process. In the eleven years since the enactment of the Refugee Act of 1980, we have been involved in the rescue and resettlement of over 150,000 Soviet Jewish refugees in this country.

It is my privilege, therefore, to be here today to discuss the reauthorization of the Refugee Act of 1980. My testimony is offered on behalf of two other distinguished organizations -- the Council of Jewish Federations and the American Jewish Committee. The Council of Jewish Federations is the umbrella organization which represents approximately 200 local Jewish Federations throughout the United States and Canada, through which the domestic resettlement of Soviet Jewish refugees is carried out. The American Jewish Committee is an organization which throughout its eighty-five year history has been a leading voice in refugee advocacy, for Soviet Jews as well as other refugee and immigrant populations.

Over the past year, we have been involved in a series of unprecedented discussions that have taken place among the key actors involved in refugee resettlement and advocacy within the American Jewish community, and across different sectors, including the voluntary agency community, federal, state and local governments, and community-based refugee organizations.

These individual and collective endeavors were undertaken in anticipation of a thorough review and reauthorization of the Refugee Act of 1980 during the 102nd session of Congress. Their central purpose has been to look closely at the current structure of the domestic refugee resettlement system as set forth in the Refugee Act, to identify areas within it which need improvement, and to determine how these improvements can be made within the context of the current reauthorization process.

For after ten years of experience with the Refugee Act of 1980, it is indeed appropriate that there be a serious reexamination of the policies and programs set in place by this historic piece of legislation. In the decade since its enactment, the Refugee Act has enabled the United States to rescue and resettle more than one million refugees through the unique public/private partnership which provides to refugees such crucial services as language and employment training, transitional income support, and medical assistance. The vast majority of these refugees, having arrived in this country often in a state of profound physical and emotional dislocation, have gone on to become successful, productive members of American society. These facts alone attest to the tremendous overall success of the U.S. refugee resettlement program.

Yet we must also acknowledge that there are problems with the resettlement system which the past ten years have brought to light -- problems which can and should be addressed as we consider a reauthorization of the Refugee Act of 1980.

With this in mind, it is my intention to share with you today the central concerns HIAS and the other Jewish organizations on whose behalf I speak have with regard to the way refugees currently are resettled in the United States, and to offer a number of specific recommendations for change which we in the Jewish community believe should be incorporated into any restructuring of the programs authorized by the Refugee Act of 1980.

I would like to add that we are aware of, and support recent proposals for a straight one year reauthorization, in order to allow sufficient time to continue our consideration of thorough reforms to the refugee resettlement program.

• Clarification of the Goal of Refugee Resettlement

First and foremost, we believe that the original goal of the refugee resettlement program as stated in the Refugee Act of 1980 -- "...to provide comprehensive and uniform provisions for the effective resettlement and absorption of those refugees who are admitted (to the United States)" -- must be both rearticulated and reaffirmed.

We believe that the overall goal of the refugee resettlement program must be the refugee's attainment of lasting economic self-sufficiency for him/herself and family within as short a period of time as possible, as well as full social integration within American society. Certain objectives which the federal government has pursued with considerable vigour in recent years, such as early employment for refugees, and a reduction in their use of welfare, are important, to the extent that they facilitate the overall goal of the resettlement process.

Our efforts should be directed towards helping the refugee to identify and remove any barriers to his/her attainment of economic self-sufficiency and social integration, through intensive employment counseling and training, language training, medical assistance and interim income support. In so doing, we will have an effective and meaningful domestic resettlement program which embodies the humanitarian commitment and comprehensive vision intended by the Refugee Act.

Strengthening of the Public/Private Partnership in Resettlement Program

Second, it is extremely important that we reaffirm, and in fact, strengthen the public/private partnership which has been so vital to the successes of the resettlement program thus far. The combination of public and private resources, which includes millions of dollars in cash, donated goods and services that the American Jewish community and other representatives of the private sector have contributed to resettlement efforts over the years, as well as the many services provided to refugees through state and local public programs, has strengthened the resettlement system immeasurably.

Given the effectiveness and importance of this partnership, it is deeply troubling that we now are witnessing an increasingly rapid erosion of financial support for refugee resettlement services at the federal level. This in turn has placed a disproportionate amount of responsibility upon private resettlement agencies and upon state and local governments, most of which are already desperately lacking in funds.

Since the enactment of the Refugee Act in 1980, the period of time for which the federal government reimburses state governments for Refugee Cash and Medical Assistance costs has dwindled from thirty-six months to twenty-four, and then again to twelve months. In addition, reimbursement to the states for their share of the cost incurred by those refugees accessing AFDC and Medicaid has gone from thirty-six months to zero.

It is within that dire context that the recent action taken by the House Appropriations Subcommittee on Labor/Health and Human Services/Education to cut funding by half of that recommended by the Administration for the FY 1992 Refugee Cash and Medical Assistance Program, and to place a six month limitation on the expenditure of these funds, threatens to force some states to close down their refugee assistance programs entirely. Fortunately, the House Subcommittee's counterpart on the Senate side has restored funding to the original level and removed the time limitation. However, there is a provision passed by both the Senate Subcommittee and full Committee stating that these funds are to be provided on a delayed-obligation basis. Such a delay is likely to have a severely negative impact upon the states. We cannot stress enough how important it is to the future of the entire resettlement program that the Senate funding changes remain intact and the delayed-obligation funding mechanism be removed.

In the final analysis, fairness demands that the federal government ensure that the domestic refugee resettlement program is adequately funded, for it is the federal government that decides, based upon its foreign policy and humanitarian concerns, to admit refugees to the United States each year.

• Local Flexibility and National Focus for the Resettlement Program

Third, we believe that programmatic and funding flexibility within the refugee resettlement program must be maintained and strengthened at the local level, while keeping a national focus to the program overall.

The ability to choose from among a variety of resettlement options is essential to the success of a system that encompasses a wide range of refugee populations and resettlement localities possessing many different needs and capabilities. This flexibility at the local level must, however, be accompanied by clear leadership and coordination of the resettlement program at the national level. I have already mentioned the vital need for continued federal funding of the refugee resettlement program. Just as important is the need for a commitment at the federal level to ensuring that policy decisions affecting the refugee resettlement program have both coherence and consistency.

These three concerns -- 1) the goal of lasting economic self-sufficiency and full social integration for all refugees; 2) a strong public/private sector partnership, accompanied by adequate federal funding; and 3) flexibility within the program at the local level, in conjunction with an national focus overall -- are the foundation upon which any restructuring of the current resettlement program should be based.

I would now like to move on to the specific changes that we in the Jewish community believe should be implemented within the refugee resettlement system.

Case Management and Transitional Income Support

- **We believe that a single case management system established within the refugee resettlement program and administered for up to twelve months from the time of the refugee's arrival in the United States would significantly improve employment outcomes and reduce welfare dependence for many refugees, particularly in those areas with current high rates of refugee utilization of public assistance.**

We believe that the local voluntary agency affiliate should have the right of first refusal to administer this program for those refugees admitted to the United States under its auspices, provided that the agency is able to meet minimum capacity standards and performance expectations.

We acknowledge that any other entity that is willing and able, in accordance with established requirements, to provide initial reception and placement services to refugees should be allowed to do so. Then, as an official Reception and Placement (R&P) agency, that entity should also have right of first refusal to administer the resettlement program for those refugees to whom it has provided initial services.

One of the central problems with the current structure of the resettlement program is that there is no one entity which is responsible for overseeing the provision of services to each refugee and his/her family, and for monitoring their progress towards self-sufficiency. Without this central point of reference, it is extremely difficult for those of us who assist refugees to fashion resettlement plans which maximize available resources, enlist the cooperation and participation of the refugees themselves, and improve the probability that they will attain durable self-sufficiency as rapidly as possible.

The experiences of the American Jewish community and other groups which utilize the Voluntary Agency Matching Grant Program bear witness to the importance of a resettlement model with a single point of accountability and an emphasis upon the front-loading of services. Within the Matching Grant program, four months of intensive, upfront services encompassing initial reception and placement, transitional income support, medical assistance, and employment and language training, all provided through skilled case management, are made available to refugees outside of the public assistance system. As a result we have seen a significant job placement rate, and well as a considerable reduction in the rate of welfare utilization.

However, we believe that opportunities for early self-sufficiency for all refugees can and should be improved through a resettlement program with expanded case management that would operate for a duration of up to twelve months.

For those refugees in the Matching Grant program, it would begin at the end of four months of the Matching Grant and provide up to another eight months of services to the refugee. For those not resettled under the Matching Grant, the program would begin at the end of the 30 day Reception and Placement period and continue on for up to another eleven months.

Within the twelve month model, the case manager must have the authority to act as a "gatekeeper". A gatekeeper has the ability to require the delivery of services needed to fulfill the goals of the resettlement plan he/she has developed with the refugee family, and to control the access of the refugee to services as appropriate. At the same time, the case manager must actively consult with the refugee family when implementing the resettlement plan and determining what services are to be made available. Critical to the success of any resettlement program is the extent to which it provides the structure and guidance to enable the refugee to make reasoned decisions on his/her own behalf.

In order to maximize the effectiveness of the case management function in facilitating refugee self-sufficiency and preventing excessive dependency upon the public cash assistance system, we believe transitional income support, as well as case management should be administered to refugees by the agencies which provide initial reception and placement services, particularly in those five or six states where there is a relatively high rate of refugee welfare utilization.

Transitional income support involves the provision of cash assistance to the refugee outside of the welfare system during the twelve month resettlement period in which the case manager is working with the refugee to remove any barriers to economic self-sufficiency.

We recognize that some local agencies might have difficulty in administering income support. Therefore, we support the use of other options, such as channeling this function through another public or private entity, so long as the voluntary agency retains overall case management supervision.

Employable refugees and their families enrolled in the program would either be made categorically ineligible for federally-funded public cash assistance, or alternatively, an arrangement would be made between the case management agency and the public welfare office so that employable refugees would not be able to access public cash assistance without the knowledge and consent of the case manager.

We believe that the expanded 12-month resettlement program with case management and in some cases transitional income support administered by the voluntary agency would be valuable not only in states with high rates of refugee welfare usage, but in non-impacted states as well. In these areas, state and local governments and resettlement agencies could choose to explore this program design as an option.

Our premise in recommending this program is that it does not require any additional funding, but rather, a rearrangement of the flow of funds. We believe that a twelve-month case management model will result in cost savings to the federal government by enabling a greater number of refugees to become economically self-sufficient within a shorter period of time, as well as a better resettlement of refugees overall.

Assistance Beyond the Initial Resettlement Period

It is important to acknowledge that while most refugees are capable of attaining economic self-sufficiency within a twelve month period, there are some who require an additional period of support beyond the initial twelve months. For these refugees, who may not have been able to move beyond such barriers to employment as a lack of language, job or social adjustment skills, or severe medical problems, public cash assistance and social services should remain available. Public and private service providers can then continue to work with these individuals to facilitate their progress towards self-sufficiency.

Medical Assistance

One of the more complex, expensive, and important tasks for the resettlement system is to insure that refugees receive adequate medical care. Unfortunately, the requirement in certain states that refugees access the public cash assistance system in order to be eligible for and receive medical assistance prevents some refugees from taking entry-level jobs which do not provide health insurance or have "probation periods" during which insurance is not made available.

The need to obviate this disincentive to employment is clear. Refugees should not have to access public assistance in order to receive medical care. We recommend that refugees be provided with publicly-funded medical coverage for a period of twelve months after the commencement of their employment, or until their employer provides them with medical benefits -- whichever comes first. Significant savings in public cash assistance could result as refugees would thus be encouraged to take jobs early in the resettlement process.

We recognize that issues of equity between refugees and native-born Americans inevitably arise when discussing the provision of, for instance, publicly-funded medical coverage, as discussed above. Nevertheless, it is our firm conviction that such provisions should be made, given the special needs of refugees and the humanitarian basis for the United States refugee program as a whole.

Matching Grant Program

As I have already mentioned, the Voluntary Agency Matching Grant program has proven to be an extremely effective way of marshalling both public and private sector resources in order to provide refugees with an intensive period of resettlement support. We believe that there are ways to enhance the participation of other groups besides the American Jewish community in this program.

- Greater flexibility as to what private contributions are allowed to count towards the match should be permitted. Under the current definition of matching contributions,

furniture, clothing and other personal goods donated during the first thirty days of the resettlement period are defined as services provided under the auspices of the R&P Grant, and as such, are excludable. We recommend that in-kind donations during the first thirty days be included in the match. Additionally, we recommend that the provision of case management services during the first thirty days be counted towards the match, for it is during this time that the refugee's employment plan is developed.

We also believe it would be helpful to include case management services provided to those refugees no longer under the Grant because they are accessing public cash assistance or have entered employment. This would enable the voluntary agencies to continue their work with the refugees, helping them to obtain or stay in jobs and move off public cash assistance.

- Since the inception of the Matching Grant program in 1979, the per capita allowance has not been increased from its original \$1000 level and has, in fact, been reduced to \$957. We recommend an increase in the amount of the Grant to enable the delivery of necessary services and support to refugees within the program. Federal funding to the states for refugee-related social services has recently been increased. Therefore, even if an increase in federal funding for the cash assistance portion of the Grant is not possible, we believe an increase in funding to the Matching Grant program for the social services it provides to Grant-eligible refugees can and should be made.

Mr. Chairman, I would like to conclude by returning to a crucial equation which I laid out earlier -- the need for flexibility within the refugee resettlement program at the local level, combined with a national focus overall. We want a system which permits flexibility in choosing resettlement options which best meet the specific needs of different refugee populations and resettlement localities, while at the same time ensuring that clear policies and priorities are set at the national level for the resettlement program as a whole. Then we will have something that I believe we all want -- an efficient resettlement program that allows refugees to become economically self-sufficient, and real accountability for all those who are involved in the resettlement process. This means accountability for the federal government and Congress; for state and local governments and service providers; for community-based refugee organizations and private resettlement agencies; and finally, accountability on the part of the refugees themselves.

For in the end, making refugees accountable for the decisions they must make in their new lives here is the best way to ensure that they become fully-integrated and independent members of American society. If this happens, then we can truly say that we have the most compassionate and effective resettlement system possible.

Mr. MAZZOLI. Dr. Teferra.

**STATEMENT OF DR. TSEHAYE TEFERRA, DIRECTOR, ETHIOPIAN
COMMUNITY DEVELOPMENT COUNCIL, INC.**

Dr. TEFERRA. Thank you, Mr. Chairman and members of the committee. My name is Tsehaye Teferra. I'm the director of the Ethiopian Community Development Council. It is a nonprofit organization that was established to assist Ethiopian refugees in the United States.

ECDC's perspective is somewhat unique because we are a Mutual Assistance Association and we are also a voluntary agency. We've been designated as such by the Department of State since 1990. In that capacity, we resettle African refugees through our affiliates in New York/New Jersey, Chicago, Houston, and the Washington metropolitan area.

Mr. Chairman, the fact that refugee leaders have been invited to testify on the reauthorization not only recognizes how the refugee community has matured through the past 11 years, but also underscores the important role community-based organizations have come to play in refugee resettlement. This is, indeed, an historical event for us.

During the past several months, there has been considerable discussion about reauthorization among and between various organizations. We do not all agree on the specific details of how best to overhaul the refugee act. We do, I believe, however, agree that it is of the utmost importance that people who face persecution and whose lives are in danger continue to be granted safe haven in the United States.

The objectives of the 1980 refugee act are "to provide a permanent and systematic procedure for admission of refugees of special humanitarian concern to the United States and to provide comprehensive and uniform provisions for the effective resettlement and absorption of those refugees who are admitted." These objectives I believe are still valid today.

Let me address the first part of these objectives. As you know, since the mid-1970's, Africa has become a region synonymous with refugees. Millions of people have been forced to flee their homelands due to civil conflicts, human rights violations, and other factors. Passage of the Refugee Act of 1980 enabled African refugees for the first time to be resettled as refugees in the United States. To date, over 26,000 refugees have been admitted from Africa, and we are deeply grateful to the people of the United States for this humanitarian assistance.

We understand the setting of admission ceilings for refugees is a policy issue that balances U.S. domestic and international concerns within the framework of humanitarian and foreign policy considerations and the availability of resources. Yet, Mr. Chairman, it hardly seems in the spirit of the refugee act that while Africa accounts for nearly one-third of the total refugee population worldwide, that African refugees account for only 2 percent of our admissions in the past 11 years. Thus, I urge the subcommittee, through your leadership, Mr. Chairman, to consider adding language in the reauthorization for a more equitable basis upon which

admission ceilings are determined, and that we return to the original purpose of the Refugee Act—helping those refugees with the greatest need.

Since 1980, the resources of the refugee program and the number of admissions have not been adequate. As a result, there are some drawbacks and shortcomings in the refugee resettlement program.

Implementation of the act has emphasized self-sufficiency of families and individuals. That is vital, but only the first half of a successful resettlement process. The second half, I believe, is building the capacity of the community and its organizations, so that they will be there when the initial resettlement stops. In order to do that, Mr. Chairman, I urge the committee to include in its language a partnership between all the actors in the refugee resettlement program. That includes MAA's, Volags, and other service providers. This will assist these community-based organizations to get the experience and be of greater service to the community they are part of. So there is a need to build this partnership.

In order to do that, Mr. Chairman, I would urge the committee to consider the idea of mandating at the local, State, and national levels the creation of advisory councils. In the past there have been advisory councils, but States had the option of not having such advisory councils.

The role of these advisory councils are twofold. First, they will serve as advocates for refugees. Second, they will serve to strengthen and expand the cooperative efforts that already exist between private and public agencies active in refugee resettlement. Members of such councils would be drawn from various refugee communities and MAA's, Volags, and other service providers, the public and private sectors, and corporate and private foundations.

The second thing I want to talk about is case management. It has been said again and again that there is a need to centralize the system. I have no argument with that, but we need to proceed with caution if we have to delegate this responsibility to any particular agency that is going to be exclusive of other service providers. If we can create a case management system that would have a team approach, including MAA's, sponsors, Volags, and local and State social service agencies, I believe such an approach would be advantageous. What we have now is a decentralized system. But, MAA's and other community-based organizations are concerned that they not be excluded from that process, and I share that concern. It is important because these are the people that will be in the community in the years to come.

The refugees also need to hear the same language from everybody. Unless you have brought all these actors together, there is room for interpreting the various programs differently and emphasizing different aspects. So, I emphasize that there is a need for a case management system, that will take the team approach.

The other thing that I would touch upon is the question of cash and medical assistance. As stated earlier today, what we have is both cash and medical assistance joined together. In order for someone to qualify for just medical assistance, he or she also has to qualify for cash assistance. That is becoming an incentive to stay in the welfare system. There is a need, members of the committee, to

really separate the two: The cash assistance system and the medical assistance system.

The medical assistance system would assist those who can find employment early in their resettlement process, but who cannot qualify for medical assistance through their employers. Our experience has shown that in many cases it will take up to 3 months to get medical benefits for employees. So, if we can have a system that will take care of them for the first 3 to 4 months, or until the person gets benefits from the employer, I think that would be a good incentive to urge people to find early employment.

Finally, I would like to talk about the status of ORR. Currently, ORR resides buried deep within the Department of Health and Human Services' bureaucracy in the newly created Administration for Children and Families. At this level, ORR not only lacks visibility, but also control over its own budget and the authority to determine its own program policies and priorities. Under reauthorization, I urge the committee to consider elevating ORR to a higher level within HHS in order to restore its control and decisionmaking authority. As chief spokesperson and advocate for refugee resettlement, the Director of ORR needs to be highly visible. These are the recommendations that we, through the network of our community-based organizations, have come to agree upon. We see it is important that this office should be visible at a higher level.

Last, I want to talk about the initiative that was mentioned this morning. In principle, we subscribe to the idea of having private sector initiatives, with one modification. If we could create a system that will be a partnership between the private sector and the Government. In this partnership what I would urge the committee to consider is the creation of some semifunded numbers. These semifunded numbers would use the general services that are available to the general public, such as ESL programs, through adult education or vocational training that is available to the general public, not only to refugees. The private sector will be responsible for the transportation, housing, and other social services.

I would like to make one point clear here, Mr. Chairman and members of the committee. In his testimony, Mr. Hall this morning said that the private sector would have admitted several thousand refugees under this program from Ethiopia and Cuba. I would like to make this statement in order to have the record clear. We began negotiating with the Department of State to administer a PSI program in January 1990. Unfortunately, that memorandum of understanding has as yet never been signed. Therefore, it is unlikely that we would have brought thousands of refugees before the end of September 1991. So, I want to make that point, so that you would not have the impression that we are bringing refugees before the end of September. On the average, I am told that it takes from 3 to 6 months to process a refugee. Today is July 25. We have only 2 months and 5 days left until the end of the fiscal year. Since we do not have a memorandum of understanding signed as of now, it would be impossible for us to have brought thousands of refugees. I could certainly answer any questions later you have about this PSI program and how it is to work, and so on.

Finally, I would like to conclude by saying that I am honored to have had the opportunity to share with you my thoughts. I know

many bills have been brought before you. I hope you will follow in the American tradition by authorizing the Refugee Act—an act that will reflect the original objectives set out in 1980; an act that will focus on the individual, family, and community as a whole; and an act that would incorporate the valuable MAA's and the Volags into the refugee resettlement program. Thank you.

Mr. KOPETSKI [presiding]. Thank you, Dr. Teferra.

[The prepared statement of Dr. Teferra follows:]

PREPARED STATEMENT OF DR. TSEHAYE TEFERRA, DIRECTOR, ETHIOPIAN COMMUNITY
DEVELOPMENT COUNCIL, INC.

I want to thank you, Mr. Chairman and members of the Subcommittee, for giving me the opportunity to be here today. My name is Tsehaye Teferra. I am the Director of the Ethiopian Community Development Council, Inc. (ECDC) in Arlington, Virginia.

The fact that refugee community leaders have been invited to testify on Reauthorization of the Refugee Act not only recognizes how the refugee community has matured during the past 11 years, but also underscores the important role community-based organizations have come to play in the resettlement of refugees.

About ECDC

The Ethiopian Community Development Council was established in 1983 in response to the needs of Ethiopian refugees resettling in the United States. ECDC's perspective is somewhat unique because we are both a Mutual Assistance Association (MAA) and a National Voluntary Agency (Volag). We are in fact the first community-based organization to be so designated since passage of the Refugee Act of 1980. Under contract with the Department of State, we resettle refugees here in the Washington area and through our MAA affiliates in Chicago, Houston, New York City, and New Jersey.

Locally, we provide a wide range of social services, educational programs, vocational skills training, immigration and translation services to Ethiopians and members of other refugee and immigrant communities. As a national organization, ECDC has sought to increase public awareness about the plight of African refugees, African refugee admissions, asylum policies, and domestic resettlement. In addition, we provide information,

referral, and technical assistance in resource and leadership development to a network of 35 African MAAs around the country.

Reauthorization Concerns and Recommendations

During the past several months, there has been considerable discussion about reauthorization of the Refugee Act among and between various agencies and organizations active in the resettlement of refugees. We do not all agree on the specific details of how best to overhaul the Refugee Act. We do, I believe, agree that it is of the utmost importance that people who face persecution and whose lives are in danger continue to be granted safe haven in the United States.

The objectives of the 1980 Refugee Act are "to provide a permanent and systematic procedure for admission to this country of refugees of special humanitarian concern to the United States and to provide comprehensive and uniform provisions for the effective resettlement and absorption of those refugees who are admitted." These objectives are still valid today.

Let me address the first part of these objectives--"the permanent and systematic procedure for admission to this country..." As you know, since the mid-1970s, Africa has become a region synonymous with refugees. Millions of people have been forced to flee their homelands due to civil conflicts, human rights violations, drought, and famine. Passage of the Refugee Act of 1980 enabled African refugees for the first time to be resettled in the United States. To date, over 26,000 African refugees have found safe haven in this great nation. The American

people have welcomed this most recent wave of refugees with compassion and generosity. We are deeply grateful to the many individuals and organizations around the country for their humanitarian assistance and tireless efforts on behalf of the African refugee community.

The setting of admission ceilings for refugees is a policy issue that delicately balances U.S. domestic and international concerns within the framework of humanitarian and foreign policy considerations and the availability of resources. Yet it hardly seems in the spirit of the Refugee Act that while Africa accounts for nearly one-third of the world's refugee population, African refugees account for only two percent of the over one million refugees resettled in the United States since 1980.

- Under reauthorization, Congress should consider adding language that specifies a more equitable basis upon which admission ceilings are determined, and that we return to the original purpose of helping those refugees with the greatest need.

Let me now turn to the second half of the objectives--"to provide comprehensive and uniform provisions for the effective resettlement and absorption of those refugees who are admitted." However, since 1980, resources and programs have not kept pace with refugee needs. In fact, just the opposite has occurred. Admissions numbers have not been meshed with the resources available to provide effective resettlement, and little real meat

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has been left in the program to support the effective resettlement of those admitted.

Furthermore, implementation of the Act has emphasized self-sufficiency of families and individuals. This is vital but only the first half of a successful resettlement process. The second half, that of building the capacity of the community and its organizations to support initial self-sufficiency and promote long-term development, has long been treated as an afterthought.

Building community capacity, of course, requires an investment in the training of community leaders and the development of community organizations because it is these two entities that have the greatest interest in the future of the community. They will be around once resettlement ends and long-term development begins. They will become essential in ensuring that effective resettlement and absorption occur.

This is not to deny the vital role public and private service providers and voluntary agencies play in the resettlement process. Nevertheless, the skills and resources refugee communities and community-based organizations can offer have been greatly underutilized, thus hampering long-term development and self-sufficiency.

- Under reauthorization, Congress should consider mandating that resettlement focus on both individual and collective, i.e., community, self-sufficiency in order to be truly effective.

By broadening the focus, I am not advocating the takeover of all resettlement activities by MAAs. Not all MAAs have

the interest or the capacity to provide resettlement services. But where they do have the interest, they should be given appropriate support and training to contribute to their communities.

I am suggesting that more effective partnerships between MAAs, Volags and other service providers can be nurtured in such a way that community organizations are better equipped to help their communities after initial resettlement has ended. There are numerous examples of community-based refugee groups already involved in resettlement--as Volags, subcontractors of Volags, social service providers, and volunteers, all of which can be used as models upon which to build future partnerships.

Building such partnerships is not easy and will require flexibility and innovation. To be successful, they must have input from the refugee community concerning the design and implementation of programs.

- Under reauthorization, Congress should consider instituting the creation of refugee advisory councils at the local, state and national levels to review refugee programs, set funding guidelines, and ensure that family and individual self-sufficiency and community capacity building are being implemented.

These refugee advisory councils will play two important roles. First, they will serve as advocates for refugees. Second, they will serve to strengthen and expand the cooperative efforts that already exist between private and public agencies active in refugee resettlement. Members of these councils would be drawn

from various refugee communities and MAAs, Volags, other service providers, the public and private sectors, and corporate and private foundations.

While there is need for some type of centralized case management system, there is reason to proceed with caution in delegating administrative authority to only one particular type of agency.

- Under reauthorization, Congress should consider establishing a case management system based on a team approach that both involves the various resettlement players--sponsors, Volags, MAAs, local/state social service agencies--and reinforces their partnership efforts.

This team approach would provide flexibility to meet local needs, while drawing upon diverse perspectives, experience, and expertise and avoiding duplication of services. At the same time, refugees would be getting the same message from everybody.

The vast majority of refugees arrive with limited job and English language skills. The refugee resettlement program's emphasis on early employment is designed to discourage welfare dependency. The reality is that it often has the opposite effect, and seldom translates into early economic self-sufficiency. Solutions to welfare dependency do not lie in cutting benefits. They lie in two directions: (1) professionalizing the service delivery system to respond more effectively to refugee needs through strengthened and expanded ESL, vocational skills training, support services, including child care and transportation, and

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employment programs; and (2) extending medical benefits to those who accept early employment until their employer-sponsored benefits packages become effective, generally a three-month period. This type of support would go a long way toward encouraging early employment and discouraging welfare dependency.

- Under reauthorization, Congress should consider continuing to make cash assistance and medical benefits available to newly arriving refugees for a period of not less than 12 months, not as an entitlement but as a safety net for those who cannot find early employment. Medical benefits should be provided independent of cash assistance.

I have spoken several times about the need to strengthen and expand the partnerships that exist between the public and private sectors. One way in which these two important players in the resettlement program can be brought closer and more effectively together is through the Private Sector Initiative (PSI) Program. In addition to annual admissions ceilings, the idea of making a given number of refugee admissions available to any refugee in the world under a semi-funded PSI program would well be worth pursuing.

- Under reauthorization, Congress should consider making a given number of refugee admissions available to any refugee in the world under a semi-funded PSI arranged by MAAs, Volags, and other interested groups.

Such a partnership would enable these refugees to access services, such as ESL, medical assistance, and vocational

training, available through government funding to the general population, while the private sector would cover transportation, housing, maintenance, and a wide range of social and support services.

Finally, I would like to address the issue regarding the status of the Office of Refugee Resettlement (ORR). Currently, ORR resides buried deep within the Department of Health and Human Services' bureaucracy in the newly created Administration for Children and Families. At this level, ORR not only lacks visibility, but also control over its own budget and the authority to determine its own program policies and priorities.

- Under reauthorization, Congress should consider elevating the Office of Refugee Resettlement to a higher level within the Department of Health and Human Services in order to restore its control and decision-making authority.

Concluding Remarks

Mr. Chairman, I am honored to have had the opportunity to share with you my concerns about the Reauthorization of the Refugee Act of 1980. I know many viewpoints have been brought before you and the Senate Subcommittee. I hope you will follow in the humanitarian traditions of this country by reauthorizing the Refugee Act--one that will reflect the original objectives set out in 1980, will focus on the individual, family, and community as a whole, and incorporate the valuable role MAAs and the Volags bring to the refugee resettlement program.

Thank you very much.

Mr. KOPETSKI. And now we will ask Mr. Don Hammond, who is senior vice president for the Committee on Migration and Refugee Affairs of Interaction, to present his testimony.

**STATEMENT OF DONALD HAMMOND, SENIOR VICE CHAIRMAN,
COMMITTEE ON MIGRATION AND REFUGEE AFFAIRS OF INTER-
ACTION**

Mr. HAMMOND. Thank you, sir. My name is Don Hammond, senior vice chair of the Committee on Migration and Refugee Actions of Interaction. I'm also the director of the U.S. Ministries for World Relief Corp. of the National Association of Evangelicals.

I want to thank you for the opportunity to express the views of the committee on reauthorization of the Refugee Act of 1980. The committee, as you know, is comprised jointly of the resettlement agencies as well as other agencies that provide relief and assistance to refugees both domestically and throughout the world.

I'd like to highlight just a few points from our written testimony. I will also try to be brief, as other people have. I believe that you will hear many things in my testimony which will also come out in other people's testimony, as I am speaking on behalf of a coalition that include most of the agencies represented here today.

There are several key areas that I'd like to highlight. The first area is that the stated goals of the refugee act should be restated and reaffirmed. We've heard that before today. The second is that there should be a national focus. The program should be focused on accountability at the national level with sufficient flexibility in the local communities; broad goals with negotiated national standards but with specific methodologies and implementation determined at the local level.

Third, services to refugees must be integrated and lead toward durable family self-sufficiency. Experience shows that in some areas of the country where when the services are not integrated to the same goal, problems have developed with low self-sufficiency rates and high welfare utilization.

Last, the current partnership of the public and private sector should be maintained and strengthened. The private sector is an integral component to a cost-effective resettlement program. The private contribution to the Federal dollar ranges from 2-to-1 to 5-to-1, and some estimates are even higher as indicated in some of the testimonies presented today. It's an integral relationship; we must maintain it.

Within this framework and in these areas, I'd like to just outline a couple of the recommendations that the committee would like to put before you. First is case management. The committee feels that there needs to exist a single case management system that is a discrete function from the refugee's first day of arrival. This case management system must hold responsibility to establish a plan and have authority to implement it. An important component of this case management system is a requirement for all refugee services to relate to and be fulfilled within the plan. The case manager must have the authority to implement the plan and to determine what services are accessed. This will ensure that the services are

integrated to meet the goal that's outlined in the resettlement plan.

It is our firm conviction that the entities under contract with the Department of State for initial reception and placement services should be given responsibility and authority for the case management system, or at least have the right of first refusal. This does not suggest that other service providers, public or private, are less qualified. Instead, this conviction is based on the ability and commitment of private voluntary agencies to commit significant private resources and the need to ensure that the goals and objectives are consistently followed from the very beginning of the resettlement process.

The second recommendation is for a commitment to employment services as a component of the resettlement plan. The agency strongly believes that early employment is a critical step in guiding refugees toward the goals of the Refugee Act. One of our performance measures with the Department of State, Bureau for Refugee Programs, is based on employment outcomes.

The third recommendation is the need for some kind of transitional assistance. There will be times when cash assistance is needed for refugees for whom early employment is either not achievable or not in their best interest for long-term self-sufficiency. I believe experience has shown us that it is counterproductive to have this cash assistance within the public assistance domain. The agencies, therefore, recommend that a transitional cash support system be made available for up to 12 months at the State AFDC level, access to which would be controlled by the case manager, with the actual methodology for the disbursement of funds would be determined in coordination with the local community by the States.

The fourth recommendation is part of a litany of recommendations to separate cash and medical assistance. We feel it is a very important aspect of any new change. We must take away any disincentive for early employment from the refugees after their arrival.

My last recommendation is to utilize existing models that are working in areas of the country now. While we are advocating for a national program focused on accountability through this case management model, we strongly urge you to look at these successful examples in terms of encouraging local flexibility.

Lastly, we are offering these recommendations based on the long-term health of the refugee program. In the short term, however, we're concerned with the need for a speedy authorization of the act. The House of Representatives Committee on Appropriations bill would cut refugee cash and medical assistance in half in 1992. One of the reasons for this as stated in the report language was that the refugee act was not reauthorized. Therefore, we strongly recommend a 1-year reauthorization of the act for 1992.

Our recommendations are also intended for newly arriving refugees for the first 12 months after their arrival. Some refugees, however, that have arrived and are currently in the United States are still struggling, and we feel that the principles discussed here are applicable to some families and individuals in this population. This one of the areas that MAA's and other ethnic organizations and target assistance projects can play a valuable role.

May I conclude once again by stating that refugees are individuals that have survived in harsh and often unimaginable circumstances. They want to succeed in our communities. We must design strategies to allow them to do this. Thank you.

Mr. KOPETSKI. Thank you very much for your testimony.

[The prepared statement of Mr. Hammond follows:]

PREPARED STATEMENT OF DONALD HAMMOND, SENIOR VICE CHAIRMAN, COMMITTEE ON
MIGRATION AND REFUGEE AFFAIRS OF INTERACTION

INTRODUCTION

Thank you, Mr. Chairman for the opportunity to speak before this subcommittee today on the subject of the reauthorization of the Refugee Act of 1980. My name is Donald Hammond and I am here today in a dual capacity, as the USA Ministries Director of the World Relief Corporation of the National Association of Evangelicals and as the Senior Vice-Chair and representative of the Committee on Migration and Refugee Affairs (CMRA) of InterAction. The committee appreciates the chance to offer their perspective on several aspects of the domestic resettlement program and to present their suggestions on ways to improve the program through a reauthorization of the Refugee Act.

First, however, I would like to provide a little background on the voluntary agencies and their involvement in refugee programs. The Committee on Migration and Refugee Affairs precedes the passage of the Refugee Act in 1980. Many of the voluntary agencies represented on this committee were active during the refugee and displaced persons emergency in the aftermath of WW2 and have more than 50 years of direct experience in refugee assistance at the international, national and local levels. From delivering relief supplies in refugee emergencies to managing major repatriation movements to helping refugees begin new lives in the United States, the agencies have played a key role in this country's refugee policies and programs.

Collectively, this group has resettled more than 1.2 million refugees in the past eleven years from every continent of the world. Some of the groups of people assisted over the years include: Vietnamese boat people, Cuban political prisoners, Soviet Jews, Ethiopian political dissidents, and a host of other peoples forced to flee their homes because of political, ethnic, social, or religious persecution.

All across the country the communities represented by these agencies reflect the diversity of America. Religious organizations, church groups, schools, secular and ethnic organizations, and tens of thousands of citizens have been mobilized for this humanitarian effort. Historically, the private sector has played an instrumental role in supporting refugees. The commitment is demonstrable in both financial terms and in the time and energy of local volunteers across the country. This effort has been overseen by national structures encompassing some 800 affiliate offices in all fifty states.

The passage of the Refugee Act in 1980 and the reauthorization of the Act in 1982 have provided a national structure and direction to the resettlement program that has enabled the unique partnership between the private and public sector to flourish. Overall, the domestic refugee resettlement program must be viewed as a success. Hundreds of thousands of refugees have been successfully resettled and integrated into American society. In many parts of the country, and for many refugees, the system has worked well. In other parts of the country, however, the system has not worked as satisfactorily, especially in areas with high concentrations of refugees. Budgetary constraints have increased across the country, both nationally and in individual states. In some areas refugees have taken longer to find jobs, reduce their need for federal public assistance, and become self-sufficient.

In an effort to address these problems in the current system, a wide spectrum of parties active in refugee resettlement have been engaged in extensive discussions throughout the country. These discussions within and between the various parties have greatly clarified what changes are necessary, which are programmatically viable, and which are politically feasible. The resettlement agencies have participated actively in these discussions and are encouraged by the scope and level of commitment to making the refugee program more cost-effective and conducive to the rapid and durable self-sufficiency of newly arriving refugees.

While consensus has been difficult to attain in certain areas among all of these participants, the resettlement agencies believe that enough general agreement exists on some basic principles to provide a basis and outline for restructuring the resettlement programs and responsibilities to the common advantage of the refugees, the communities which receive them, and the various service providers.

RECOMMENDATIONS

As we look ahead to the next decade, the agencies believe we can anticipate both changes in the composition of refugees coming to the United States and that a combination of private and public resources will continue to be required. To fully meet the resettlement needs of refugees, we strongly believe that there needs to a restructuring of both private and public responsibilities that focuses on accountability at the national level. In some parts of the country the current system has become fragmented; private and public sector programs are not coordinated and often are pursuing contradictory purposes. In revising the resettlement program, there needs to be a full integration of services around a common goal, with a clear chain of responsibility and accountability, that begins with a focus on early employment and progresses to the long lasting self-sufficiency for each refugee individual and family. In order to achieve this consistency and integration, the federal government should clearly define national standards and objectives that will govern the provision of services at the local level.

At the same time, it is important to recognize that flexibility at the local level has been a key factor in the success of the private-public partnership over the last decade. It would be counterproductive to deny local governments and institutions the flexibility to adapt existing programs and resources to local conditions and needs of refugees on an arbitrary basis. Accountability for federally defined goals and outcomes does not necessitate micro-management from the federal level. Furthermore,

the agencies believe that the appropriate balance between consistency at the federal level and flexibility at the local level can best be achieved through a redesigned case management system that utilizes a single point of accountability for resettlement outcomes.

1. Case management

To better facilitate refugees' self-sufficiency, there needs to exist a single case management system as a discrete function from the refugees first day of arrival that holds primary responsibility for ensuring that refugees have the opportunities and guidance necessary to reach self-sufficiency as quickly as possible. Case management should be carried out by a trained case manager who develops a resettlement plan for self-sufficiency with the family unit, including employment counselling and search, interim support as needed, identification of barriers to self-sufficiency and services required to remove these barriers. The resettlement plan would be developed with each refugee and clearly lay out a sequence and time frame for all services. The plan must be monitored, and the refugees must agree to adhere to the plan and its time frame, both of which can be modified as conditions change. As a time period, we suggest that case management be conducted for the first 12 months after arrival, although the time may be shorter according to local circumstances.

A critical component of this case management system is the requirement that all other services and service providers must respect the overall resettlement plan, including job training programs, medical assistance, language classes, and other public assistance programs. The case manager must have the authority to determine which services are accessed, in what order, and for how long. This will ensure that the various services are all focused on the same goal and time frame, and will reduce the current problems of bifurcation and fragmentation among services.

Under the current structure, the resettlement agencies, under contract with the Department of

State, are the initial service providers, responsible for a range of "reception and placement" and case management services to newly arriving refugees with the goal that the refugees will not access any public assistance for the first 30 day period after arrival. Other services, including employment counselling, ESL, and cash and medical assistance, are provided by federal and state government bodies, MAA's, and other local service providers and are geared to pick up after the reception and placement period.

It is important for the proposed case management system to have a smooth transfer between these two networks including a mechanism for coordination and consultation among the various service providers. In determining who should do the actual case management, however, it is our firm conviction that the case management functions should be allocated to the voluntary agencies at least on a right of first refusal. This does not suggest that other service providers -- private or public -- are any less qualified; indeed, some voluntary agency affiliates will prefer not to assume case management responsibilities. Instead, this conviction is based on the ability and commitment of the voluntary agencies to commit significant private resources over a long period of time and the need to ensure that the goals and objectives are consistently followed from the beginning.

2. Employment Services

A primary goal of the U.S. resettlement program is the early achievement of economic self-sufficiency. The agencies strongly believe that early employment is a critical step in helping refugees in this process and our performance measures are based on employment outcomes. Employment is often the fastest means to obviate the need for additional cash or medical assistance. As such, employment counselling and job search programs need to be closely integrated with the overall resettlement plan. However, early employment is not the only goal of the resettlement plan and does not always take into account the variables and distinct problems refugees may face in their

adjustment. The case manager, through the resettlement plan, will institute the necessary balance between the need for early employment and the need for other types of services that delay employment for a certain period of time.

3. Transitional Assistance

With refugee cases for whom early employment is not achievable or in their best short-term interests, financial support is supplied through the public assistance programs. Refugee cash assistance can and has played a valuable role in helping refugees through difficult transitions and temporary barriers to employment.

Experience has shown that easy access to these programs, however, has often been an impediment to employment, and that refugees' use of public assistance as a transitional cash assistance is often times abused, particularly in areas of high unemployment.

To overcome this misuse of the public assistance and cash support programs while retaining them as an available option if required, the agencies recommend a system of transitional cash assistance to be made available for up to twelve months at the state AFDC level, access to which would be controlled by the case manager. While funds would flow through ORR and the states, actual disbursements of cash could be managed in several ways, with the state consulting with the case management entities and other concerned parties to determine the most appropriate system.

4. Medical Assistance

A second impediment to early self-sufficiency is the lack of adequate health coverage for refugees entering the job market. The overriding need for medical assistance is often the primary factor in

deciding whether or not refugees access the public assistance system. In certain parts of the country, the links between medical assistance and welfare work against agencies efforts to help refugees move rapidly toward early employment and self-sufficiency.

We believe that medical assistance for refugees should be seen as a distinct federal responsibility, and we recommend that the provision of medical coverage be provided for a pre-determined period of time. Eligibility for medical coverage should be determined on an as-needed basis, and should be de-linked from employment outcomes or cash assistance eligibility. This will help remove the disincentive to employment resulting from the absence of medical insurance.

5. Utilize Existing Models

In certain parts of the country, the program requires significant reform as suggested in the above recommendations. In other parts of the country, however, the system is working: employment rates are high, welfare usage is low, private sector involvement and resources are playing an important role, and refugees are a dynamic part of the communities. Thus, while we advocate a national program focused around the case management model, we strongly recommend that Congress look at these various success stories around the country in terms of encouraging local flexibility.

In various Fish-Wilson demonstration projects, local resettlement programs have already implemented a more time-limited and cost-effective resettlement paradigm. Elements of the proposed case management system are being used. The integration of employment services with other case management services has been successfully implemented in several cities, including Portland, Chicago, and San Francisco. These can and should be adopted in other areas.

Mr. Chairman, our recommendations today are aimed at the long-term health of the refugee

resettlement program. Undoubtedly, you will hear similar proposals and recommendations from other witnesses. In the short-term, however, the agencies are also aware that Congress is currently debating the funding levels for fiscal year 1992. We are deeply concerned over the House of Representatives Committee on Appropriations bill that would cut Refugee Cash and Medical Assistance (RCMA) by half to \$117 million in FY92.

Federal reimbursements to states for these programs have declined steadily in the last several years. State resources are already stretched to the limit in their ability to cover these cash and medical assistance programs. The House HHS/Labor appropriations bill would have severe implications for several states' ability to maintain important programs for refugees, including support for unaccompanied refugee minors.

One of the stated reasons behind the House bill was that the Refugee Act has not been reauthorized. For this reason, we strongly urge that a one-year reauthorization bill be introduced for FY92 before the appropriations conference meets this fall.

CONCLUSION

The case management system and recommendations I have outlined today are intended for newly arriving refugees for the first 12 months in the United States. They do not explicitly relate to refugees resettled during an earlier time. In certain parts of the country this earlier population is still struggling to reach the goal of self-sufficiency and are still accessing public assistance. The principles I have discussed would, we believe, be applicable to some families and individuals in this population. This is a program area where ethnic organizations (MAA's) and targeted assistance projects under HHS/ORR can play a valuable role.

Mr. Chairman, I have shared with you the collective views of the Voluntary Agencies charged with the initial resettlement of refugees entering this country on what constitutes a necessary and feasible series of reforms. They are broad brush strokes of a picture that requires much more detailed planning. We must ensure that any changes in the Refugee Act of 1980 reflect the need for the management of specific outcomes at the national level and leave sufficient flexibility at the local level to allocate resources and develop strategies to fulfill these outcomes.

New directions for the refugee program must include mechanisms that keep the focus of the program on the partnership of private and public entities in a manner that maximizes private resources and public finances.

Refugees are individuals who have survived in harsh and often unimaginable circumstances. They want to succeed in their new country. We must design our strategies to allow this to happen.

The voluntary agency community stands ready to assist your committee in further refinement of these recommendations, as we seek to serve refugees who have fled their homelands for the freedom that you and I enjoy in the United States.

Thank you very much.

The Committee on Migration and Refugee Affairs

AMERICAN COUNCIL FOR NATIONALITIES SERVICE

CHURCH WORLD SERVICE

EPISCOPAL MIGRATION MINISTRIES

ETHIOPIAN COMMUNITY DEVELOPMENT COUNCIL

INDOCHINA RESOURCE ACTION CENTER

HEBREW IMMIGRANT AID SOCIETY (HIAS)

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

INTERNATIONAL RESCUE COMMITTEE

LUTHERAN IMMIGRATION AND REFUGEE SERVICE

MIGRATION AND REFUGEE SERVICES, UNITED STATES CATHOLIC CONFERENCE

REFUGEES INTERNATIONAL

TOLSTOY FOUNDATION

WORLD RELIEF OF THE NATIONAL ASSOCIATION OF EVANGELICALS

Mr. KOPETSKI. Now Mr. Deffenbaugh, the executive director of the Lutheran Immigration and Refugee Service, will present his testimony.

STATEMENT OF REV. RALSTON H. DEFFENBAUGH, JR., EXECUTIVE DIRECTOR, LUTHERAN IMMIGRATION AND REFUGEE SERVICE

Reverend DEFFENBAUGH. Thank you, Mr. Chairman. I want to thank you for the opportunity to testify today on behalf of the Lutheran Immigration and Refugee Service. We're a cooperative agency of the Lutheran churches in the United States, working with refugee resettlement, unaccompanied refugee minors, asylum-seekers, and immigrants coming to this country. We work through a system, a Nationwide system, of 26 regional affiliates in addition to 17 foster care programs, and we help fund 48 projects around the country that assist asylum seekers and immigrants.

The strength of our agency lies in the involvement of the private sector through the congregations, through their sponsorship, and through all the thousands of volunteers who work with our professional staff around the country. In this regard, I want to say how many gifts the refugees and the immigrants have brought to us and underline how much we have benefited, both as persons and I think as a country, from the refugees who have come to our shores.

Earlier this morning the chairman said that there would be a steady drumbeat of proposals coming from the voluntary agencies. I'm certainly part of that steady drumbeat this morning. Our written testimony is before you. In it, we identified several trends over the past few years that have impacted our ability to carry out our mission.

The first, as was eloquently said by Father Ryscavage, is the erosion of the per capita grant in the reception and placement agreement. The grant hasn't kept up with inflation, and we're put in the position as resettlement agencies of trying each year to do more with less. That's compounded by the phenomenon of the unfunded cases, mainly through the public interest parole and the humanitarian parole, as perhaps most vividly illustrated by the blended families; for example, a family coming from Vietnam, where a couple members might be refugees, a couple immigrants, and a few of them parolees.

We, as a reception agency, especially as a church-based agency, can't say to that family, "We're going to help some of you, but we're not going to help the rest of you." or "Some of you can go live here, but the others have to go live there because we can't help." No, we have to help the whole family, and we end up doing that with private funds. In effect, that involves more of an erosion in the reception and placement grant.

We reckon as an agency that we can take about 10 percent of our caseload as unfunded and still provide a good level of services; we want to, but we're finding now that for us that proportion has risen well above 10 percent and in some of our affiliates over 40 percent. I understand that for the U.S. Catholic Conference, their national caseload is over 40 percent unfunded. That involves a significant erosion in the per capita grant.

Also is the phenomenon of shifting costs from the Federal level to the States and local communities, especially as the ORR funding has not kept pace with the numbers of those being admitted. And, as happens other places in our Government now it seems, the Federal Government is telling the States and local communities to do things and not providing the money to do it.

Then we have the overreliance on the public welfare system. We find, as the others do, that cash assistance is many times a barrier to early employment, and we believe that one of the most effective and important factors contributing to successful resettlement is early employment. We want to remove any disincentives to employment.

Also, of course, there's the fragmentation of services, and we also would like to see case management systems, so that there's a clear accountability for the desired outcomes of early employment and economic self-sufficiency.

We propose several reforms in the program. We would also like to see the goals of the national program reaffirmed. We'd like a reauthorization reaffirming these broad goals of a humanitarian rescue effort of our Nation, a Nation with open doors to people in need.

We would like to see case management, as I have said. We would like also to see the medical assistance separated from transitional cash assistance. We should not have a system in this country where refugees have to face the dilemma of choosing either health coverage or choosing work.

Then we'd also like to see the reforms targeted to specific problem areas. Lots of the system works well now. There's no sense changing what's working well. We find that in many areas around the country the resettlement is going well; refugees become employed; welfare dependency rates are low, and there's a vibrant private involvement in the resettlement of refugees. Of course, in other areas of the country there are problems, but we'd like to have a system where when things are going well, they can continue to go well.

Finally, I want to underline the situation of unaccompanied refugee minors. This is a very vulnerable refugee population which has rarely been spoken of, who don't have voices of their own. I think I'm the first one to mention them today. This program is under severe budgetary pressure. For some strange reason, the unaccompanied minors have been put within the ORR budget set against the State welfare bureaucracies who obviously are well organized and have an effective voice. This, then, increases the vulnerability of the unaccompanied minors and of the financial support for programs supporting unaccompanied minors.

We would like to see reauthorization language which stresses the priority which this country places on the most vulnerable of refugee groups, the unaccompanied minors. We believe that these kids deserve a clear and high priority in the funding decisions to be made by the Federal Government.

Then, in conclusion, in view of the time it takes in order to have good debate and to be able to consider all these issues in a reauthorization, we would also like to see for the 1991 session of Congress a 1-year reauthorization, straight line reauthorization, and

then in 1992 have the more extensive reauthorization that would allow the opportunity to include some of the reforms which have been proposed. Thank you.

Mr. MAZZOLI. Thank you, Reverend Deffenbaugh.

[The prepared statement of Reverend Deffenbaugh follows:]

PREPARED STATEMENT OF REV. RALSTON H. DEFFENBAUGH, JR., EXECUTIVE DIRECTOR,
LUTHERAN IMMIGRATION AND REFUGEE SERVICE

Mr. Chairman, I want to thank you for this opportunity to testify on behalf of Lutheran Immigration and Refugee Service on the needed reforms of the domestic resettlement program. I am the Executive Director of LIRS, a cooperative agency of the Lutheran churches in the U.S., working with refugee resettlement, unaccompanied refugee minors in need of foster care services, and asylum seekers and immigrants coming to this country.

LIRS has 26 regional affiliated resettlement programs, in addition to 17 foster care programs, and helps fund 48 projects that assist asylum seekers and immigrants in social and legal services. The strength of our agency lies in the involvement of the private sector, through congregational sponsorships and countless church volunteers that work with our professional staff across the country.

LIRS received the highest rating in 1990 among private national resettlement agencies, for our performance in the Reception and Placement cooperative agreement with the Bureau of Refugee Programs, U.S. Department of State (BRP/DOS). Our regional programs consistently have high rates of employment, and concomitant low rates of welfare dependency. We attribute this success first to the professionalism of staff, coupled with the involvement of churches, pastors and lay people, and other volunteers who willingly give their time and money to assist refugees and displaced persons. The second factor contributing to the success of our programs is that the cooperative agreement with the BRP/DOS has both a national character as well as flexibility to respond to local circumstances. This dual characteristic allows LIRS and our regional affiliated resettlement programs to maximize scarce federal dollars to best meet the needs of refugees.

TRENDS IN THE U.S. REFUGEE RESETTLEMENT PROGRAM

I want to note several trends over the last few years that impact the ability of private church related agencies to carry out our mission:

1. **Erosion of the per capita grant in the Reception and Placement cooperative agreement.**

LIRS has been involved in refugee resettlement for over 50 years. From the time after World War II when one out of three refugees in the world were Lutheran, churches have carried a major burden of providing for the resettlement and adjustment of refugees in the U.S. These days our churches keep up the commitment to serve refugees, regardless of their ethnicity or religious persuasion. Over 180,000 refugees have been resettled by LIRS since our beginnings as an organization in 1939. Since 1975, we have also been in a funding relationship with the BRP/DOS.

The per capita grant in 1975 was \$500 per refugee; it is now \$588 per refugee. Clearly the U.S. government has not even kept up with inflation: resettlement agencies continue to do more with less. What is at stake in the current relationship of the cooperative agreement is the ability to maximize our partnership with the federal government, and to retain our unique contribution to this public-private partnership. As the per capita grant has been eroded by inflation, increasing bureaucratic demands of the program continue to have an impact on our ability to direct the scarce dollars to serve refugees themselves.

2. **The case of the unfunded "refugees": Privatization of the program through admission of parolees.**

LIRS strongly believes in the public-private partnership that defines the refugee resettlement program. With the national voluntary resettlement agencies, the scarce federal dollars are matched two or three times in contributions by the private sector. However, in the last few years as the program has become dominated by the direct processing of refugees from their country of origin, more and more persons who would have formerly received status as refugees are now processed as parolees ("parole in the public interest" or "humanitarian parole").

While we applaud flexibility in the admission of persons into the U.S. who may not strictly fit the narrow definition of refugee, in many cases these parolees come as part of "blended families", with some members as refugees and eligible for services. Within a single family, for example, one person may be admitted as refugee, another as immigrant, yet another as a parolee.

Since our work with refugees involves several layers of services in the pre-status determination and pre-arrival stage, voluntary agencies have many times no control or knowledge of who will come in through what status. Unlike regular immigrants, these persons are in the "refugee pipeline" by U. S. agencies, and only at a later stage are they determined not to be refugees. When these cases comprise 10% or less of the total caseload, the situation is bearable. However, when the ratio rises to

15%, and in some cases as high as 40% of the national caseload, voluntary agencies find their resources stretched to the limit.

Mr. Chairman, we believe that there are ways to address this problem.

First, there is precedent in congressional policy to fund populations that are in "refugee-like" situations: This is clearly done in overseas assistance, where refugee funds go to refugee assistance through the United Nations High Commissioner for Refugees (UNHCR), as well as internally displaced persons through the International Committee of the Red Cross (ICRC). Domestically, the Congress has also recognized the special needs of other "refugee-like" populations, such as the Cuban and Haitian entrants, and the Amerasian special immigrants.

Second, LIRS does not believe that the situation requires an abolishment of the flexible use of parole as an alternative admissions mechanism. We propose that the Congress recognize that these "refugee-like" populations are in need of a certain level of services, and that at a minimum the pre-status determination and pre-arrival services ought to be recognized and funded through per capita grants that are limited to such direct services.

3. **New federalism in the resettlement program: Shifting costs from the federal to the states and local communities.**

The domestic U.S. resettlement program continues to suffer from lack of resources. From a time in the early 1980's when federal policy was to pay for associated

costs at the local level for 36 months after admission, the current system can afford only 12 months or less. This trend is worrisome for two reasons:

First, the willingness of local governments to participate in the program will be diminished, as they have to assume more of the costs associated with delivery of services and assistance. This is happening at the same time as states, counties and cities have had to take on a much larger share of the costs to serve and assist all low income and needy families. There is the likelihood that in FY 1992, several states may opt out of the program. Some of these states are those where LIRS has good programs with high employment rates and successful resettlement occurs.

Second, the current funding levels at the Office of Refugee Resettlement, U.S. Department of Health and Human Services (ORR/HHS), only permit up to twelve months of assistance to refugees who are not eligible for the categorical programs of Aid to Families with Dependent Children (AFDC), Supplemental Social Security Income assistance (SSI) and Medicaid/Medicare.

Limiting federal involvement to non-categorically eligible refugees is counterproductive and costly in the long run. The federal policies of the national program now only can have an effect on refugees who access Refugee Cash and Medical Assistance (RCMA), and that only for twelve months or less. While it is likely that ORR/HHS will be able to maintain a 12 month program in FY 1991, the outlook for the next fiscal year is dismal: Even if the Congress funds the ORR/HHS at the level of \$410 million, there will be shortfalls forcing the government to reduce assistance levels or time eligibility to 9 months or less. Particularly affected will be the foster care

programs that resettle unaccompanied refugee minors, the most vulnerable of all refugees. This means that in the larger resettlement states, such as California and New York, 50% to 75% of the refugee population will be out of reach of any federal policy initiatives and directives, soon after the responsibilities of the federally funded Reception and Placement grant period end.

4. Over reliance on the public welfare system as the primary modality of resettlement services.

A primary and fundamental goal of the domestic U.S. resettlement program is the early achievement of economic self-sufficiency. Early employment is part of this process, and LIRS firmly believes that is it one of the most important factors contributing to successful resettlement. However, early employment in and by itself is not the only goal as it often does not take into account all the variables that a family faces in the adjustment process. Unfortunately, differentiating between early employment and economic self-sufficiency has meant in the minds of many that refugees are doomed to rely unnecessarily on public cash assistance for long periods of time.

The experience of the last ten years demonstrates to us that cash assistance through the public welfare system is many times a barrier to early employment. This is not because the public welfare system is intrinsically detrimental. Rather, the public welfare system was not designed to meet the needs of refugees, yet refugees were "grafted" into an existing system. The strategies for self-sufficiency of that system, designed as a short term safety net for low income and poor Americans, are

often inadequate and even inappropriate for the needs of refugees in the process of resettlement.

This situation is now exacerbated in large resettlement states, such as California, New York, Minnesota and Wisconsin, where 50% to 75% of refugees receiving assistance go on AFDC, no longer under the parameters of the policies of ORR/HHS or even the state administered refugee programs.

5. Fragmentation of services, accountability and responsibility for outcomes.

The domestic refugee program has evolved over the last ten years with new program initiatives often superimposed upon older and ineffective service systems. At the federal level, this fragmentation is evidenced in increased bureaucratic requirements and micromanagement of programs along funding streams; separate and sometimes incongruent expectations and responsibilities between ORR/HHS and the BRP/DOS; lack of compatibility between admission numbers administered by BRP/DOS and assistance and service dollars available through ORR/HHS; and poor integration between federal, state and voluntary agencies.

Of particular concern to LIRS has been the diminution of authority of ORR, as well as the placement and "burial" of the agency within layers of HHS management. The placement of ORR within the Administration for Children and Family Services of HHS has negatively impacted the agency's ability to obtain adequate levels of funding from the U.S. Congress, as it is put in competition with many other

legitimate low income programs under the jurisdiction of the House and Senate subcommittees on Labor, Health and Human Services and Education. These appropriations committees have very limited resources and many competing interests to deal with. History shows that the refugee program at ORR/HHS has been the loser over the last few years.

At the local level, there has not been a single point of accountability for the accomplishment of the desired outcomes of early employment and economic self-sufficiency. Voluntary resettlement agencies must often compete with state agencies, other service providers and refugee organizations for the attention of the refugee, and clients many times receive contradictory advice and messages as to what is the preferred or required course of action to follow in the implementation of a resettlement plan for the family.

REFORMS NEEDED IN THE DOMESTIC REFUGEE PROGRAM

Mr. Chairman, I will now turn my remarks to the views of LIRS on what is needed to make the domestic refugee program more effective and manageable.

1. **The goals of the national program need to be reaffirmed.**

LIRS believes that the goals of the refugee program as outlined in the Refugee Act of 1980 need to be reaffirmed. Public support for the refugee program will

be enhanced if its humanitarian goals are affirmed and it can be demonstrated that refugees do become contributing members of our society, and are not a drain on our service system. The Refugee Act of 1980 declares that

"...it is the historic policy of the United States to respond to the urgent need of persons subject to persecution in their homelands, including ... admission to this country of refugees of special humanitarian concern to the United States, and transitional assistance to refugees in the United States."

It further states that

"The objectives of this Act are to provide a permanent and systematic procedure for the admission to this country of refugees of special humanitarian concern to the United States, and to provide comprehensive and uniform provisions for the effective resettlement and absorption of those refugees who are admitted."

During the last decade, there has been a shift of emphasis from a humanitarian rescue program to a complex welfare driven assistance program. Early employment and welfare reduction no longer are seen as a means to achieve the goal of successful resettlement, but as goals in and by themselves.

A major strength of the domestic resettlement program over the last ten years is that it has been of a national character. The reauthorization of the Refugee Act of 1980 needs to reaffirm this concept, so that refugees receive comparable services no matter where they are resettled. Of particular concern to LIRS in the recent past has been the call for more local control and flexibility of the program. There is a real danger that the program could evolve and further fragment into many state administered programs, eventually resulting in a few states with large refugee populations dominating the development and implementation of policy regarding resettlement. We strongly support resettlement into varied communities in the United States, as we have seen that in many of these "smaller" states and localities resettlement works well, refugees get employed and become part of the vibrant communities that welcomed them.

This is not to say that specific localities heavily impacted by refugee arrivals should be ignored. Special provisions should be made for these cases, as has been done in the past through the discretionary funding programs of ORR. We strongly support the ability of the federal government to direct discretionary resources to communities experiencing special problems, such as the "Key States Initiative" program of ORR/HHS. Likewise, it is important to maintain and upgrade the ability of ORR/HHS to target specific refugee populations such as the Amerasians, the Vietnamese reeducation detainees, and others such as the Hmong.

In this regard, LIRS believes that a new and fresh look must be given to the Targeted Assistance program. The present statutory authority dealing with refugees who are long term dependent on welfare needs to be reassessed, as well as the

congressional tendency to earmark these funds to a few specific communities. Targeted Assistance needs to be reworked so that when special needs are identified in the resettlement process, states, local governments and resettlement agencies should have the ability to address specific needs soon after the first year of the resettlement process. We believe that a specific formula can be identified to fairly disburse funds, while at the same time addressing pressing community needs.

The federal government must shift its emphasis from job placement objectives to outcome related objectives. This means that success or failure, taking into account local employment availability and the state of the economy, must be measured in terms of outcomes that relate to welfare avoidance, welfare terminations and reductions. This recognizes the fact that in many cases different strategies will work, and the determination of the most appropriate service strategies is a local decision. Nevertheless, the overall program must be held accountable to agreed upon outcomes that define welfare utilization as a service to assist refugees achieve self-sufficiency. Transitional cash assistance should be viewed as a primary tool to achieve early employment, and not the other way around.

LIRS recommends that the reauthorization of the Refugee Act reaffirm the broad goals of the domestic resettlement program as a humanitarian rescue effort. The particular goals of resettlement must address durable economic self-sufficiency, with early employment seen as a desirable outcome within the first year after arrival. Early employment must be seen a tool, a means that will assist refugees to achieve economic self-sufficiency.

2. A single point of accountability: The case for Case Management services.

LIRS believes that the domestic resettlement program needs to be reformed so that services at the local level are coordinated through a single point of accountability. While in many localities the voluntary agencies are key players in the resettlement process, in many other areas they are bystanders among many other service providers. Many demonstration projects over the last ten years, including those funded under the congressional authority of the Fish-Wilson amendment to the 1980 Act, have conclusively proven that the provision of case management services through the private agencies is one of the key factors in assisting refugees towards achieving the objective of early employment.

What is important is the fact that case management services are most successful when provided in an integrated fashion with reception and placement services, and that they are provided upfront early in the resettlement process.

Case management is a rather ambiguous term, that means different things to various people. For LIRS, case management is defined as the primary and concrete social work function that coordinates and assures service delivery to refugees according to a mutually agreed upon service plan. It is not only a reporting mechanism, but an enabling service that will help refugees access services and assistance, as well as provides effective and frequent counseling to refugees so that they achieve economic and social self-sufficiency.

As such, case management services must have the authority and necessary control not only to work out and implement a case plan with the refugee family, but also require the cooperation of the service system that the refugee must access, such as English as a Second Language, employment services and various other adjustment and assistance services that are locally available.

Of special importance is the coordination of employment related services. Some demonstration projects have shown that this coordination is best achieved when both services are provided in house or in close proximity. Alternatively, we believe that the authority of the case manager must be upheld in delineating and implementing the agreed upon resettlement plan if the employment services are provided separately. It is also important to note that successful demonstration projects have shown that the provision of employment services produce the desired outcomes of welfare avoidance and reduction when they are provided early in the resettlement process.

3. Medical assistance services must be separated from transitional cash assistance.

The lack of adequate health coverage for refugees entering the job market is viewed by many as a major barrier against early employment. In the experience of LIRS, medical coverage also is a factor in the decision making process that refugees and case managers go through as to whether or not the public welfare system is accessed. The inseparable link between medical assistance and the public welfare system in many

localities around the country often frustrates the ability of our local affiliated agencies to help refugees move quickly towards economic self-sufficiency.

Despite the valiant efforts by some resettlement agencies to provide private health insurance and coverage, it is clear that these attempts have been insufficient and cannot be seen as a solution. The private insurance companies that have offered health plans in the past cannot provide affordable or adequate coverage for a refugee population that by definition has no actuarial history; the risks are often viewed as high and the profit returns too small.

The Congress needs to look at this problem of health coverage for eligible refugees as a distinct area of federal responsibility. Provision of refugee medical assistance should be statutorily de-linked from the eligibility for and availability of public cash assistance. For persons who are employed, special provision for four to six months transitional medical coverage should be made after employment. Such proposals are not that radical in nature, as the efforts at general welfare reform for AFDC and Medicaid have shown.

In addition, we recommend that serious analysis is pursued and alternatives are explored on a demonstration basis in the next two to three years. In particular, the experience of the "Health Maintenance Organization" (HMO) system in the Oregon "Refugee Early Employment Project" needs to be looked at, as well as the experience of some states to provide HMO alternatives for the general AFDC eligible population. If such alternatives are seriously contemplated, there must be the concomitant

commitment that any such efforts will have up front costs that are larger than what the current program spends for refugee medical assistance.

4. Target reforms to specific problem areas: Do not destroy what already works.

LIRS is concerned that while in many areas around the country the program needs some fundamental changes and reforms, in many other smaller communities resettlement is going well, refugees become employed, welfare dependency rates are very low and there is a vibrant private involvement in the resettlement of refugees.

We strongly recommend that the Congress looks at what is working well, and that reforms that are proposed do not change completely the programs in those localities where things are going well. We propose that the reauthorization of the Refugee Act strengthen the ability of the ORR/HHS to change resettlement strategies in those communities where change is needed, and leave alone those programs that are functioning well.

Instituting an outcome related accountability system will demonstrate where the program needs reform; if local communities, local voluntary agencies, refugee organizations and other service providers are already engaged in a service system that is well coordinated and that produces results in terms of welfare avoidance, terminations and reductions, those local systems must be allowed to continue to do their good work. Where the service systems are not working, coordination is not occurring, and refugees

are falling through the cracks, the Congress must institute the mechanisms for the implementing federal agency to "intervene" and help redirect the program goals, objectives and outcomes.

We do not believe it is in the best interest of refugees and the domestic resettlement program for Congress to micromanage specific percentile outcome ratios, employment rates or other such "litmus" tests of success or failures. What is needed is overall guidance, clear goals that relate to outcomes, authority for the federal agencies to implement needed changes, and a regular oversight function to monitor the implementation of reforms.

In this regard we recommend an "institutionalization" of the Fish-Wilson demonstration authority. In other words, what is needed is clear direction, as well as funding authority, to implement alternative resettlement strategies when the system is not working in given localities. At a minimum, the regulations governing the implementation of Fish-Wilson project must be streamlined so that it does not take several years to implement needed changes.

LIRS, through its regional affiliated resettlement programs, works in states across the nation. We strongly believe that refugees benefit from planned dispersal, utilizing the wide resources available in many smaller states across the United States. Although limited in our placement choices by the fact that 80% of refugees resettled through LIRS programs are family reunification cases, we endeavor always to maximize

the potential of contributions by churches and volunteers, as well as consider favorable local economic and employment conditions.

SHORT TERM RECOMMENDATIONS FOR REAUTHORIZATION IN FY 1992

Mr. Chairman, notwithstanding the above mentioned recommendations for long term reform in the resettlement program, we recognize that there are many interests involved in the program, and a major statutory overhaul of the program may not be possible in the remaining weeks of this first session of the 102nd Congress.

LIRS has been actively involved in an unprecedented coalition of national and local voluntary agencies, state administered programs, representatives of local and county governments, refugee mutual assistance associations as well persons from the academic field. This coalition, under the auspices of the National Immigration, Refugee and Citizenship Forum, has for the first time in years brought to the table divergent organizations with different interests to dialogue and test out ideas on the problems and solutions for the domestic resettlement program.

We are also aware, however, that the United States Congress is right now in the process of making funding decisions for the program in FY 1992. We are greatly disturbed by the potential consequences of recent actions taken by the House of Representatives that would cut in half the funding for Refugee Cash and Medical Assistance (RCMA) to \$117 million next year. Furthermore, the House bill also

effectively phases out the program mid course through next year, as it requires that funds be expended for this line item before March 31, 1992. We support the restoration of these funds as passed by the Senate Appropriations committee on July 11, 1991, though we are still concerned about the negative impact that a delayed obligation may have on the ability of smaller states to maintain a program operative.

One of the stated reasons behind the House action on FY 1992 funding is that the program has not been authorized since 1988. While we do not believe the fact that the program has not been authorized is the only reason for cutting the meager funds available to ORR/HHS, it certainly has provided a rationale for this exercise in funding cuts.

For this reason, we strongly recommend to your committee that a "straight-line" reauthorization be introduced and put on fast track for eventual passage before the appropriations conference committee meets in September, 1991. It is very important, in our view, that the message be sent to the appropriators that everybody takes this program seriously, and that a one year reauthorization be introduced and passed as soon as possible.

We furthermore recommend that such a "straight-line" reauthorization include Sense of Congress language urging the priority of the unaccompanied refugee minor foster care program (URM). The URM is funded through the line item of RCMA, and there are already this year very strong pressures among some state administered programs to reduce services and assistance to refugee minors. Given the

gloomy outlook in the FY 1992 funding, unaccompanied refugee minor programs are in real danger next year. While we understand the need for ORR/HHS and state administered programs to balance out their costs, we also feel strongly that out of the many functions of the domestic refugee program the foster care programs for unaccompanied refugee minors serves the most vulnerable of all refugee populations. As such, it deserves clear and high priority in the funding decisions to be made at the federal and state levels.

The United States has been tireless in its efforts to encourage the UNHCR and the Southeast Asian first asylum countries to abide by the Comprehensive Plan of Action and quickly determine the status of these children in detention centers. It would be very ironic for the United States government to be put in a position next year of not being able to accept cases for resettlement of unaccompanied refugee minors.

Also, given the recent increases in spontaneous arrivals of Cubans to the shores of southern Florida, there could very well be an increase in unaccompanied minors in that population as well. As you know, these Cuban minors would be eligible for these services, given the Fascell-Stone amendment to the Act.

Therefore, Congressional intent in prioritizing these foster care programs in FY 1992 is very important to guide the funding decisions in the next year.

CONCLUDING REMARKS

Mr. Chairman, thank you very much for this opportunity to present our views on the reauthorization of the Refugee Act of 1980. We strongly urge the committee to consider our views and perspectives on the needed reforms of the program. At the same time, we urge a one year "straight-line" reauthorization for FY 1992 to help us in the appropriations process.

We will continue our efforts to reach consensus among the many views presented at today's hearing, and hope to reach agreement with our partners in the many sectors involved in the resettlement of refugees. I will be glad to respond to any questions and comments you or other members of the committee may have.

Thank you for your commitment and support for refugees and this humanitarian program.

Mr. MAZZOLI. Mr. Khoa.

**STATEMENT OF LE XUAN KHOA, PRESIDENT, INDOCHINA
RESOURCE ACTION CENTER**

Mr. KHOA. Thank you, Mr. Chairman. My name is Le Xuan Khoa. I'm president of the Indochina Resource Action Center, a national organization committed to serve as a voice and resource to all Indochinese ethnic groups in the United States.

I would like to thank you for the opportunity to present the views of Indochinese-Americans on the reauthorization of the Refugee Act of 1980. This is the first time that the U.S. Congress has invited representatives of the refugee communities themselves to testify on the refugee act, legislation that affects the lives of our families, friends, compatriots, and fellow refugees from all regions of the world. As a refugee myself who has testified before Congress on other issues of refugee concern, I consider this an historic occasion. Certainly you and other members of this subcommittee recognize that one of the most creative and effective ways to improve refugee programs and policies is to listen to refugees themselves and to involve us in the implementation process.

IRAC's mission is to assist the Indochinese in the United States in their transition from dependent refugees to productive members of American society. IRAC provides training and technical assistance, under contract to the Office of Refugee Resettlement, to over 500 refugee organizations across the country. We serve as an umbrella for a network of 150 MAA service providers.

I do not want to repeat what others have said today in testimony, except to let you know that we concur with most of what has been said. I'd like to highlight what we feel are the most important points with great emphasis on the crucial role of MAA's in the success of the refugee program.

The current domestic resettlement program sets the wrong tone. For example, cash assistance is viewed as a right rather than as a safety net for those in need. On the other hand, early employment and reduction of welfare dependency are viewed as goals rather than as steps in the process. This shift of emphasis from a humanitarian rescue program to a complex welfare-driven assistance program actually causes more problems than helps promote early economic self-sufficiency.

With regard to case management, we need a redesigned case management system that utilizes a single point of accountability for resettlement services, to avoid today's problem of bifurcation and fragmentation of services. I have a few suggestions.

Whoever assumes the case management function must work in partnership with refugee community organizations to ensure the full understanding and cooperation of the refugee family unit in the design and carrying out of that individual family's service plan.

To illustrate, let me tell you a story about what happened in Wisconsin. Concerned over the high welfare dependency rate, ORR and the State refugee program coordinator decided to try something new, something called multiple wage-earner strategies. They decided that the only way to really help people off welfare was to enable families to get enough income so that they could support

themselves. This involved getting the wives to work and doing something about child care. So they developed some programs to do that, and their timing was good: Wisconsin had just instituted "workfare," which meant the people on welfare had to do some sort of public work, sweeping the streets, or whatever, in order to keep their cash assistance grant. So the Hmong population in Wisconsin had two choices: Workfare or the new program.

Even so, it didn't work at first, not until people sat down and asked themselves why it did not work and found that because the Hmong elders disapproved of wives working, people stayed home. It took the Hmong MAA leadership persuading their own wives to work. Those MAA people became the role models that encouraged people to trust the new program. Once people saw that two incomes make a difference in the family's welfare, that the child care provided through the MAA system worked out, then they began to buy into the new program.

Employment services: We must find a balance between the need for early employment and the need for other types of services, even when such services delay employment for a certain period of time.

We need to explore creative ways to restore refugees' natural inclination to work by allowing people on public assistance to work full time, if possible, without losing their medical benefits. One of my colleagues proposed a step-by-step process whereby the welfare grant would be reduced by 50 cents for each dollar earned by the welfare client. Thus, in a household receiving \$800 in grant, plus some food stamps and medical insurance, when someone goes to work and earns an initial salary of \$600, the grant will be reduced to \$500, with the food stamps reduced or eliminated, but the medical insurance intact. This way the public Treasury saves at least \$300, the household's income increases by \$300, the security of having medical insurance is not affected, and, best of all, people in that household take the first sure step toward eventual independence.

Medical assistance: The availability of health care is a primary factor for refugees in deciding whether or not to take a job. Many fear the high cost of hospitalization in this country and are frightened by the prospect of losing their medical coverage. Eligibility for transitional medical assistance, therefore, should be determined on an as-needed basis dependent on a combination of the timing when on-the-job health coverage becomes effective and ability to pay for private health insurance. Often this will take from 3 to 6 months after a refugee has gotten a job. Medical assistance must be delinked from eligibility for cash assistance.

Special populations: Drafted in 1980, the refugee act did not anticipate, nor could it respond to, the new needs of special refugee populations. For example, the former political prisoners from Vietnam, the staunchest allies of this country during the war who were finally allowed to come here in late 1989, carry deep psychological wounds without much relevant assistance from the refugee program.

In January 1990, at the ORR hearing on former reeducation center detainees, I submitted testimony describing the need for a special Vietnamese Former Re-Education Detainees Emigration Act, similar to the Amerasian Homecoming Act, which would pro-

vide the necessary resources and benefits for these special refugees. The said testimony is attached for your consideration.

Mr. MAZZOLI. Thank you, Mr. Khoa. If I could, with great respect, suggest that you try to wrap up in about 1 minute or 2, because, as you see, our panel is moving on and we want to get to the last panelist and have some questions.

Mr. KHOA. I need just two more minutes, Mr. Chairman.

Now addressing the international goal of the refugee act, so far we have paid much attention to domestic goals and overlooked the international goal; that is, humanitarian assistance and protection of refugees around the world. In Southeast Asia, for example, the need for a durable solution is obvious. The time is right for the United States and the international community to address the root causes of the Indochinese refugee problem. Pending that, implementation of the comprehensive plan of action must be successful.

I am delighted to report that recently the UNHCR has begun to involve the nongovernmental organizations further in these implementation process. I, myself, have just returned from the first UNHCR/NGO delegation to Vietnam, whose mission was to monitor the situation of returnees. As I speak, a member of my staff is on the way to a technical meeting in Indonesia on refugee status determination and special procedures for the processing of unaccompanied minors. This is only the first of what we hope will be increasingly close cooperation between NGO's and UNHCR in even more sensitive issues such as screening and voluntary repatriation.

If this search for solutions in Southeast Asia is to work, the United States and international community need to provide adequate financial support to UNHCR to enable this organization to successfully carry out its important mission.

Since 1986, Federal support has declined from \$6,100 per refugee to under \$3,400 today. The Federal commitment for reimbursement of cash and medical assistance expenses to the States has fallen from 36 months to 12 months for the refugee caseload and to less than 4 months for the AFDC-like caseload. This is the sad reality. The purpose of congressional hearing is figuring out how we can undertake this humanitarian work more effectively and without significant funding; in other words, doing more with less.

My short answer to that is: Mandate an appropriate role for refugee community organizations in the design and implementation of the refugee program. They have living experience in identifying and resolving problems and needs. They can best educate their people and promote economic self-sufficiency among newcomers. They are cost-effective and always available for community service. We, therefore, earnestly propose legislative language that recognizes a role for MAA's as partners in case management and other service areas for incorporation into the act. Thank you.

Mr. MAZZOLI. Thank you very much.

[The prepared statement of Mr. Khoa follows:]

PREPARED STATEMENT OF LE XUAN KHOA, PRESIDENT, INDOCHINA RESOURCE ACTION CENTER

Mr. Chairman and Members of the Subcommittee:

I am Le Xuan Khoa, President of the Indochina Resource Action Center (IRAC), a national organization committed to serve as a voice and a resource to all Indochinese ethnic groups in the U.S. I would like to thank you for the opportunity to present the views of Indochinese-Americans on the reauthorization of the Refugee Act of 1980. This is the first time that the U.S. Congress has invited representatives of the refugee communities themselves to testify on the Refugee Act - legislation that affects the lives of our families, friends, compatriots, and fellow refugees from all regions of the world. As a refugee myself (who has testified before Congress on other issues of refugee concern), I consider this an historic occasion. And I am sure that my colleague, Dr. Tsehaye Teferra, who is testifying today and my colleague, Mr. Vu-Duc Vuong, who testified before the Senate two weeks ago, would concur.

Certainly you and other members of this Subcommittee recognize that one of the most creative and effective ways to improve refugee programs and policies is to listen to refugees themselves, and to involve us in the implementation process.

ABOUT IRAC

IRAC's mission is to assist the Indochinese in the U.S. in their transition from dependent refugees to productive members of American society. IRAC provides training and technical assistance, under contract to the Office of Refugee Resettlement, to over 500 refugee organizations (better known as Mutual Assistance Associations or MAAs) across the country. We serve as an umbrella for a network of 150 MAA service providers.

I do not want to repeat what others have said today in testimony, except to let you know that we concur with much of what has been said. As you undoubtedly are aware, IRAC has been an active participant in an unprecedented coalition of agencies that have come together under the auspices of the National Immigration, Refugee and Citizenship Forum to work out ideas and solutions for the domestic refugee resettlement program. In this process, our job has included briefing and consulting with MAAs around the country, to get them the information needed so they can bring their best thinking to the table, as equal partners with the more established sectors.

I would like to highlight what we feel are the most important points and emphasize the crucial role of MAAs in the success of the refugee program.

STRUCTURE

1) Placement of ORR

As an agency responsible for refugee resettlement programs nationwide, ORR is currently buried at the bottom of a byzantine welfare bureaucracy, which not only inhibits program effectiveness but also sets the wrong tone. The office needs to be elevated, ideally to the office of the HHS Secretary, to be on a par with its counterpart office – the Bureau for Refugee Programs – at the Department of State. ORR must regain control over its own budget and program. Finally, moving ORR up at the federal level would encourage greater visibility at the state level, as states move their refugee offices out of the welfare system and into the Governor's office, where they belong.

2) Bifurcation/Coordination

Better coordination and delineation of responsibilities between the Bureau for Refugee Programs and ORR is essential if the program is to work efficiently, without duplication of effort and confusion over responsibility. We suggest a time-limited Reception and Placement period (30 days seems practical), during which transitional period responsibility for the refugee moves from the Bureau to ORR (and, at the local level, from the Bureau-funded agency to the ORR-funded agency, in cases where this is not the same entity).

3) Admissions Numbers/Budget Numbers

The annual refugee admissions number, set in September for the following fiscal year, rarely matches the budget number, which is set nearly six months before. Early consultations on projected admissions numbers should be conducted before budgeting. There may also need to be a special pot of money (similar to the ERMA fund for international emergencies) set aside to handle the domestic resettlement costs of unanticipated, emergency refugee admissions.

PROGRAM

The current domestic resettlement program sets the wrong "tone," e.g. cash assistance is viewed as a right rather than as a safety net for those in need. On the other hand, early employment and reduction of welfare dependency are viewed as goals rather than as steps in the process. It seems that we have forgotten why we are here – the real, humanitarian goal of rescue and resettlement of people.

As my colleague Mr. Deffenbaugh says, there has been a shift of emphasis from a humanitarian rescue program to a complex, welfare-driven assistance program. Early employment and welfare reduction no longer are seen as a means to achieve the goal of successful resettlement but as goals in and of themselves.

What we are probably all thinking is "yes, but . . ." In order to help refugees, we do need to solve some of the problems that are driving up the cost of resettlement. We do need to figure out, together, how to do more with less.

1) Case Management

We need a re-designed case management system that utilizes a single point of accountability for resettlement services, to avoid today's problem of bifurcation and fragmentation of services. Ideally, that system should cover the first twelve months a refugee is in America. I think we all agree on that much. Disagreement comes in when we talk about who should assume case management responsibility, who should decide that, and who gets the money. These are very serious questions, which may not be answered in the same way all across the country. The legislative language, therefore, must be written in such a way as to provide for local flexibility at the same time that it mandates consistent national standards.

I have two suggestions. Whoever assumes the case management function must work in partnership with refugee community organizations (MAAs), to ensure the full understanding and cooperation of the refugee family unit in the design and carrying out of that individual family's service plan.

To illustrate, let me tell you a story. About what happened in Wisconsin. Concerned over the high welfare dependency rate, ORR and the State Refugee Program Coordinator decided to try something new – something called "multiple wage-earner strategies," carried out under the Key States Initiative, or KSI. They decided that the only way to really help people off welfare was to enable families to get enough income so that they could support themselves. This involved getting the wives to work, and doing something about childcare. So they developed some programs to do that. And their timing was good; Wisconsin had just instituted "workfare" which meant that people on welfare had to do some sort of public work, sweeping the streets or whatever, in order to keep their cash assistance grant. So the Hmong in Wisconsin had two choices: workfare or the new program.

Even so, it didn't work at first. Not until people sat down and asked themselves why – and found that because the Hmong elders disapproved of wives working, people stayed home. It took the Hmong MAA leadership persuading their own wives to work. Those MAA people

became the role models that encouraged people to trust the new program. Once people saw that two incomes made a difference in the family's welfare, that the childcare provided through the MAA worked out, then they began to buy into the new program.

There is an important lesson here. A new initiative has to be culturally-appropriate, it has to be demonstrated as worthwhile, it has to be done and approved by someone the refugee trusts. This is where the role of the MAA in partnership with other agencies comes into play, as the invaluable catalyst that can make the difference.

Secondly, in making decisions about case management, as with any other program, input from the clients themselves is critical. As my colleague Dr. Teferra has already explained, there must be a local advisory structure that oversees both the decision-making process and implementation of the case management program, and – if needed – can advocate on behalf of refugee families who seek redress.

2) Employment Services

We must find a balance between the need for early employment and the need for other types of services (usually those that remediate barriers to self-sufficiency) even when such services delay employment for a certain period of time.

We need to explore creative ways to restore refugees' natural inclination to work (incentives) by allowing people on public assistance to work full time, if possible, without losing their medical benefits. Two weeks ago at the Senate hearing, my colleague Vu-Duc Vuong proposed a step-by-step process whereby the welfare grant would be reduced by fifty cents (50¢) for each dollar earned by the welfare client. Thus, he explained, "in a household receiving \$800 in grant, plus some food stamps and medical insurance, when someone goes to work and earns an initial salary of \$600, the grant will be reduced to \$500, with the food stamps reduced or eliminated but with the medical insurance intact. This way, the public treasury saves at least \$300, the household's income increases by \$300, the security of having medical insurance is not affected, and – best of all – people in that household take the first sure step toward eventual independence. As salaries increase or as additional people in the household go to work, the combined salaries will exceed the \$1,600, making the initial cash grant of \$800 obsolete."

Vuong went on to note that not only is this mechanism simple to administer and does not cost additional staff time, but also and – most importantly – "it gives people in high dependence states a way out of the vicious circle without having to sacrifice the security of their families or resort to illicit maneuvers." In the end, the government benefits from

lighter welfare caseload, more people working and paying taxes, while the individuals regain their dignity of self-sufficiency.

We are aware of the equity issues involved and therefore propose this change as a pilot program in the context of the Refugee Act, to be implemented in a few of the most welfare-dependent counties, with the understanding that should it work, the concept might be extended to general public assistance as a whole.

3) Medical Assistance

The availability of health care is a primary factor for refugees in deciding whether or not to take a job. Many fear the high cost of hospitalization in this country and are frightened by the prospect of losing their medical coverage. Eligibility for transitional medical assistance, therefore, should be determined on an as-needed basis dependent on a combination of the timing when on-the-job health coverage becomes effective and ability to pay for private health insurance. Often, this will take from three to six months after a refugee has gotten a job. Medical assistance must also be de-linked from eligibility for (and reliance on) cash assistance.

4) Special Populations

Drafted in 1980, the Refugee Act did not anticipate, nor could it respond to the new needs of special refugee populations. Vuong reminds us: "The AmerAsians – children of American fathers – often have to fend for themselves; there are still precious few services for this very special group of refugees. Likewise, the former political prisoners – the staunchest allies of this country during the war – who were finally allowed to come here in late 1989 carry deep psychological wounds without much relevant assistance from the refugee program."

In January 1990, at the ORR hearing on former re-education center detainees, I submitted testimony describing the need for a special "Vietnamese Former Re-education Detainees Emigration Act" (similar to the AmerAsian Homecoming Act) which would provide the necessary resources and benefits for these special refugees. The said testimony is attached herewith for your consideration.

5) Federal Funding

We have serious concern over the House HHS/Labor appropriation bill that would cut RCMA by half to \$117 million in FY '92 – principally because the Refugee Act has not been reauthorized since 1988. This cut-back has serious implications for many states' ability to maintain a federally-funded refugee program. Refugees themselves, who have heard about this through the grapevine, are especially fearful of what it will

mean for themselves and their families. As a result, many become despondent and barely able to participate in the vocational and employment training programs in which they are enrolled along the road to self reliance.

In the face of this very serious situation, we strongly recommend a one-year reauthorization before the Appropriations Committee meets this fall.

INTERNATIONAL GOAL OF THE REFUGEE ACT

As initially articulated by the MAAs in Chicago last March, the Refugee Act of 1980 encompasses:

- ◆ The provision of Humanitarian Assistance and Protection of refugees in first asylum countries.
- ◆ The promotion of settlement in place in countries of asylum and/or voluntary repatriation to country of origin.
- ◆ The admission of refugees of special humanitarian concern (as described in the six priorities for refugee admission).
- ◆ The provision for transitional assistance once in the U.S.

So far, we have paid much attention to domestic goals and overlooked the international goal, *i.e.* humanitarian assistance and protection of refugees in jeopardy around the world. In Southeast Asia, for example, the need for a durable solution is obvious. The time is right for the U.S. and the international community to address the root causes of the Indochinese refugee problem. Pending that, implementation of the Comprehensive Plan of Action must be successful. I am delighted to announce that recently, the UNHCR has begun to involve the non-governmental organizations further in this implementation process. I myself have just returned from the first UNHCR/NGO delegation to Vietnam, whose mission was to monitor the situation of returnees. As I speak, a member of my staff is on the way to a technical meeting in Indonesia on refugee status determination and special procedures for the processing of unaccompanied minors. This is only the first of what we hope will be increasingly close cooperation between NGOs and UNHCR in even more sensitive issues such as screening and voluntary repatriation.

If this search for solutions in Southeast Asia is to work, the United States and the international community need to provide adequate financial support to UNHCR to enable this organization to successfully carry out its important mission.

CONCLUSION

Given the overall goal of refugees themselves -- full participation in and contribution to America's multi-ethnic society, culturally, economically, politically, and socially -- we concur with the emphasis you have heard today on achieving durable economic self sufficiency and social integration. As rightly pointed out by my colleague Mark Handelman: "Refugee resettlement is not about programs, it is about people."

Since 1986, federal support has declined from \$6,100 per refugee to under \$3,400 today. The federal commitment for reimbursement of cash and medical assistance expenses to the states has fallen from 36 months to 12 months for the refugee caseload and to less than 4 months for the AFDC-like caseload.

This is the sad reality. The purpose of Congressional hearing, as Senator Kennedy said two weeks ago, is figuring out how we can undertake this humanitarian work more effectively and without significant new funding -- in other words, doing more with less.

My short answer to that is: mandate an appropriate role for refugee community organizations in the design and implementation of the refugee program. They have living experience in identifying and resolving problems and needs. They can best educate their people and promote economic self-sufficiency among newcomers. They are cost-effective and always available for community service. Echoing the Indochinese MAAs in California, we earnestly propose legislative language that recognizes a role for MAAs as full partners in case management and other service areas for incorporation into the Act.

Thank you.

Mr. MAZZOLI. We're happy to have all of our guests, but I'm particularly happy to have the next and last panelist, Father Pat Delahanty, who has been my friend and coworker for quite a few years, more years than either one of us would probably be willing to admit publicly. It's great to have you, Father Pat.

STATEMENT OF REV. PATRICK DELAHANTY, DIRECTOR, MIGRATION AND REFUGEE SERVICES, CATHOLIC CHARITIES ARCHDIOCESE OF LOUISVILLE

Reverend DELAHANTY. Thank you, Congressman. I do want to thank all the members of the committee for this opportunity to be here today. I think that what I'm about to say I hope verifies what you've been hearing from those at the national level to get an inkling of the fact that it does work, and it works in the community on a local level.

Catholic Charities' Refugee Department in Louisville is primarily resettling Southeast Asians, Amerasians, and some reeducation camp cases, but also does refugee work with Russians, hopefully later this year with Armenians, and possibly some Cubans, and open to other populations. We operate under a reception and placement grant and we also hold a contract with the State of Kentucky for the social services that involve ESL and job development.

In addition, the Archdiocese of Louisville puts about \$141,000 a year into this program, either in cash or other in-kind services. We could not do the work at all without the large numbers of volunteers, both those that are tied to organizations and the many individuals that help us.

I wanted to stress that I do think it's terribly important that we be affiliated with a national Volag. When I first came to this 3 years ago, I knew very little about refugee work and my first introduction to it was made possible by being affiliated with the U.S. Catholic Conference in a program that was held in Newark, a nationwide meeting for training and updating and things of that sort. That was repeated again this past year in Los Angeles, and we continually have a relationship with this national group that helps us to be more professional and to deliver the services that are necessary for refugees to achieve early employment and self-sufficiency.

We do use the case management model that was designed called Back to Basics Program, in which there is a case manager; there are plans made for each individual and family, and there is oversight to be sure that those plans are being carried out. Using this model, at least when persons are on refugee cash assistance, there is the ability to have some leverage over seeing to it that the plan is followed.

Self-sufficiency is a reality, and I'll give one or two examples. A woman who used to work in the program who came to this country 7 years ago, a Vietnamese woman of Chinese ethnic background, who met her husband in the camp, arrived in Louisville about 7 years ago. In the course of those 7 years she has been able to open one restaurant in the downtown area of Louisville, open another restaurant not too long ago, have two children, and just this past May was able to bring the rest of her family here as immigrants at no cost to the U.S. Government or to ourselves.

Another woman who came several years ago began again in the fast food Chinese restaurant business and has a regular restaurant and has done quite well. She has given money to our program to help the youth. Recently she gave \$3,000 to a group, St. Matthews Area Ministries, and said, "We appreciate having been helped in the past and we would like you to help some other refugees." They are now cosponsors of a family in a match-grant case situation. The refugees do give back to the community and do become self-sufficient.

Of concern always would be cost, and I think that at least the figures we operate under indicate that this is a cost-effective program in Louisville. The reception and placement average cost for us is \$209 this past year. Some of that is due to the fact that we can access some low-income housing that's in a fairly decent neighborhood. It's a neighborhood made up of African, Hispanic, Caucasian Americans, along with Haitians, Koreans, Laotians, Cambodians, Vietnamese, and Russians. It's a very diverse community in a large apartment complex that is privately owned with 622 units.

Our welfare dependency average is 25 percent. About 115 refugees per month are on welfare at any one time, and we consider that good. Our community efforts—well, let me go back to the welfare dependency rate for a moment and cost.

With our State contract, we are able to provide English as a second language and job development programs. Our average cost for a person before they leave the ESL program, hopefully within 6 months, preferably within 90 days, is \$34.19 a person, if you cost it out over 1 year. In addition to that, we have some child care there that is not full day care, nor is it babysitting. We do that for children 4 and under so that people do not have the excuse that "I have to care for a child and I can't come to these language classes." Our cost comes to \$13.16 per child while they're in that program.

In terms of our job development cost, if you take all the services that are provided, the continuing things that go on, that would cost out in 1 year at \$66.65. If you excluded some of that and looked just at new arrivals and what it took if you applied all that money just to getting the job, that comes to \$226. We consider all of these costs quite reasonable.

It couldn't be done without volunteers. The ESL program is that inexpensive because some 60 people volunteer there, and a local Presbyterian church provides the space that is needed for free and has been doing that for years.

Refugees have become involved also as volunteers. Some of the long-term arrivals are visiting new families when they first arrive on at least one or two occasions, helping teach them where to shop in their community, how to access some of the other services that they are now quite familiar with.

This morning in Louisville the mayor of the city, Mayor Jerry Abramson, is announcing a unique cooperative arrangement with several groups that were drawn to the needs of refugees by some problems that developed in a community, but the three schools of social work there—a community ministries group, South Louisville Community Ministries; the mental health people for the area, Seven Counties, Inc.; the city of Louisville, and Catholic Charities—began to meet, and, through a needs assessment that was done in

the native language in the apartment complex, came up with some ideas about how to provide services not only to refugees there, but to the Americans that are already living there. Metro United Way was impressed enough to give a grant of \$32,000, and the city of Louisville provided in-kind services of \$11,000, and the apartment owners, a private organization, put up an additional \$13,000 in order to try to establish some community programs in that population area, so that people can talk with each other and work out problems, and have kind of a settlement house arrangement in one of the apartment complexes, a four-plex, through which services can be provided. We're proud to have been part of that, in bringing those kinds of groups together to provide these services. The irony, it seems to me, is that it is through the refugees that now many, many more people will be receiving some assistance in what is generally a low-income area.

I think that I would like to emphasize that we continue this partnership with the Volags and the State of Kentucky. Our State, is threatened by the lack of money. Many times this past year we received notices that it may have to close down. That does no service to us or to the staff members or to the refugees, and the State does not want to do that. They worked very hard to be sure that the refugee program was not done away with. We have a good working relationship with the people and the State of Kentucky.

I would like to make a couple of recommendations along the lines of some things you've heard here, so that something along these lines might be included in the reauthorization act. We do need control, some control, some leverage, over those who are accessing AFDC, in much the same way that we now have leverage over refugees receiving cash assistance, if we are to see to it that we can follow through on the plan that is developed with the refugee families. I propose that those who are on AFDC and could not participate perhaps in some of the programs the State might have, that those refugees be referred back to the local Volag and that the plan originally developed continue to go forward to reach the goal of early employment and self-sufficiency.

I'm a little concerned about secondary migration. We've had in this past year 40 people move out of an expected 400—well, we had 405 last year, 40 of the slightly over 200 employable adults, moved in less than 90 days. We had no access, no time to even develop a job for them.

This is anecdotal, but many move to California. I understand there are problems there in terms of welfare, and I suspect that there are two incomes, one from cash paying jobs and another from the general assistance program. I would like to suggest that in some way refugees agree that they will remain in a community for at least 180 days to give agency people a chance to help them find a job and achieve self-sufficiency. If they can't find one, if we can't find one, then move, but not move so quickly and have access to these public programs; that maybe there should be some limitation to access to public programs at the second site, and that there be communication between staff at the first and second site, that they work together through the local Volag agencies or through the public system to help out there.

I think I'll close by saying that reeducation camp cases are a special problem. People have witnessed torture, have been the victims of torture, and the same cannot be expected in terms of early employment without some additional help. Finally, a suggestion to the committee members. If you do get a chance in your local communities, visit the agencies that are doing the work and speak to some of the people who are recently arrived, and also some who have been here a while. They can tell you much better than any of us can what refugee reauthorization has meant in their lives.

Mr. MAZZOLI. Father Pat, thank you very much. I thank all of you.

[The prepared statement of Reverend Delahanty follows.]

PREPARED STATEMENT OF REV. PATRICK DELAHANTY, MIGRATION AND REFUGEE SERVICES, CATHOLIC CHARITIES ARCHDIOCESE OF LOUISVILLE

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I appreciate the opportunity to address this committee and urge reauthorization of the refugee act. I have been Director of Migration and Refugee Services at Catholic Charities since July 5, 1988. My comments, therefore, will focus on the work of this department for the past three years.

First, however, I wish to mention two events in my own life that I consider important and in some way influence the work I do.

Many years ago, when my great-aunt died, found among her papers were citizenship documents of an Irish immigrant who sailed from Liverpool, England to New Orleans, Louisiana and then traveled to New Albany, Indiana. After reading this document and holding it in my hands, I often reflected on what might have been in Edward Delihunt's mind as he decided to leave his native Ireland and seek a new life in the United States in 1867. Whatever it was, poverty, religious intolerance, new opportunities, it led at least indirectly to my being a citizen of this great nation, and I am indebted to his venturesomeness and enjoy the freedoms that this nation is founded upon.

Not so many years ago, in February 1988, I waited anxiously in the basement of the court building at the Quantico Marine Base with attorneys and family members waiting for a jury to reach a verdict in the case of Marine Corporal Lindsey Scott. I had raised the money needed to defray costs for this second trial. Corporal Scott's first court-martial conviction was overturned because an attorney failed to provide adequate representation. This second trial resulted in a declaration of innocence and the restoration of liberty to Corporal Scott.

My own small role in securing freedom for this one innocent man thrills me to this day.

Both of these events strike me as important today because I am here to talk about refugees and their successful resettlement. Unlike Ed Delihunt, refugees do not want to leave their nations, but choose to do so in the face of persecution and possible death. They flee because, unlike Lindsey Scott, they're not going to get that second chance in a court system that guarantees that the rights of the accused are upheld and that one is innocent until proven guilty. In their nations, their ideas, their beliefs, their opinions, are suspect; and so, they flee.

Fifteen to twenty million nationless people wait and hope that other nations will welcome them and offer the beginning of a new life. As a nation of free people, the United States has played a special role in welcoming new people and should continue to do so through the reauthorization of this Refugee Act. As the local affiliate of the United States Catholic Conference, the Archdiocese of Louisville's Catholic Charities Migration and Refugee Services Department appreciates the invitation to be represented here today and the opportunity to work with the Conference and the U. S. government in carrying out the important task of resettlement.

Catholic Charities is a social service agency of the Archdiocese of Louisville. Now in its fifty-first year, the agency has provided services to thousands of persons in the central Kentucky counties that comprise the Archdiocese. The Mission Statement of the Archdiocese of Louisville contains this phrase: "Serving human needs, especially those of the poor and oppressed." Catholic Charities is a primary actor in carrying out this function.

Shortly after World War II, this agency began to help refugees find a new life in the United States. Provision of refugee resettlement services increased dramatically after the fall of Saigon in April, 1975, when, with the help of 23 Catholic parishes and several other individual congregations, hundreds of Vietnamese fled and arrived in Louisville. Later, as boat people were rescued at sea, more Vietnamese were resettled here. Hmong, Cambodians, Laotians, Afghans, Poles, Haitians, Libyans and Russians have also found safety and freedom in Louisville under the sponsorship of this agency.

In 1979, in response to an increasing number of refugee arrivals in the Louisville area, a new department serving the needs of refugees was formed in cooperation with the United States Catholic Conference. A director and staff were hired. Its mission then and now remains the same:

- Migration and Refugee Services is responsible for involving, organizing, and bringing together the agency, church and community resources necessary for the purpose of resettling refugees without reference to race, religion or nationality.
- Migration and Refugee Services is further responsible to ensure that refugees are effectively resettled in the community using both innovative and cost effective resettlement tools and methods.
- Migration and Refugee Services assists groups and volunteers to engage in carrying out the corporal works of mercy by inviting their participation in the resettlement of those who have been forced to flee their homelands and have recently arrived in our nation.

Today, Louisville is one of several cluster sites for the resettlement of the half-orphaned children described as Amerasians, sons and daughters of U. S. civilian and military personnel who served in Vietnam. The Amerasian Homecoming Act passed in 1988. By the end of 1991, nearly 1000 Amerasian children and their mothers, stepfathers, half-brothers and half-sisters will have arrived here. It was expected that all would have reached our shores by September 1990, but the number of these children was so underestimated that refugee specialists now estimate that not all will arrive until the end of 1993.

In addition to our own program, two other agencies, Jewish Family and Vocational Services affiliated with the Hebrew Immigrant Aid Society and Kentuckiana Refugee Services affiliated with Church World Services, resettle refugees. Refugee resettlement also takes place in Northern Kentucky through Catholic Social Services of the Diocese of Covington, Central Kentucky through Catholic Social Services of the Diocese of Lexington, and Western Kentucky through the Western Kentucky Refugee Mutual Assistance Society, Inc. in Bowling Green and the Catholic Pastoral Center of the Diocese of Owensboro.

It is estimated that 1015 new refugees will resettle in Kentucky this year. Our agency will resettle 500 of these new arrivals, twice the number resettled in 1989 and 100 more than in 1990.

The Refugee Act of 1980 provided for a unique partnership between the public and private sectors and remains a viable vehicle by which refugees receive professional resettlement services delivered in a cost-effective manner. Working with USCC, the Commonwealth of Kentucky, organizations, and individuals enables us to receive refugees in Louisville and start them on their way to a new life.

Our agency receives money for reception and placement through the Cooperative Agreement which USCC has with the government. We also have a contract with the State to provide English as a Second Language (ESL) classes and Job Development. Because Louisville is an Amerasian cluster site, there are additional funds provided through InterAction's Cooperative Agreement with the Office of Refugee Resettlement. Other government funds are available through discretionary grants. We are using funds from the Job Links discretionary grant which ends in September. Application for a new Job Links grant has been made and we are awaiting a decision now. In addition, the Archdiocese of Louisville, committed to this work, contributes to this department's budget. From August, 1990 through July, 1991 (our fiscal year), the Archdiocese provided Catholic Charities agency with \$40,000 for salaries and nearly \$75,000 for costs associated with the program that are non-reimbursable under any of the contracts with government entities. In addition, there are in-kind contributions of office space, maintenance costs, and the use of auxiliary staff such as the receptionist. The estimated value of this in-kind contribution is \$26,000. Due to the increase in arrivals, Catholic Charities also provided the basement floor of a building used for an agency residential program as classroom space for additional ESL classes in the morning and the operation

of the Young Adult Program funded by InterAction in the afternoon. There was continued use of space at Central Presbyterian Church for ESL classes and child care at no cost to the agency or government. Central Presbyterian has allowed this for several years without ever seeking any reimbursement. No estimates of the value of these two in-kind contributions have been made.

Because of the various sources of funding, this program operates under several fiscal years: Federal (Oct-Sep), State (Jul-Jun), USCC (Jan-Dec), and Archdiocesan (Aug-Jul). The data collected for reporting purposes, thus, is related to these fiscal years. To make the matter even more confusing, some request specific data information by calendar year. When using figures below, I will point out what type of year is being used.

Whether the economic times are good or bad, the American taxpayer has every reason to expect that government monies are used in a cost-effective manner. By involving the private sector in the work of refugee resettlement, I believe Congress has met that expectation as evidenced by the following.

For this section, I have chosen to use the 12 months which make up the State Fiscal Year since it has just concluded and can provide us with the most current information. The dollar amounts used in the following are those of government funded activities only and do not include what the Archdiocese contributes.

A portion of the funds through the Cooperative Agreement between the volags and the government is used for reception and placement direct aid. This is used in the first 30 days to provide food, housing, household items, etc. From July 1990 through June 1991, 511 refugees arrived in Louisville through this agency. During that same period \$106,915.15 was spent to provide the above services. The per person cost was \$209.23. These dollars paid for low-income housing in sparsely furnished apartments, some pots and pans, enough food for seven days, very used mattresses, some sheets, a few cleaning supplies and other personal items. In addition, each person did receive clothing valued at about \$40 from our clothing center. All the clothing is donated and the distribution is done by volunteers. Refugee volunteers help set up the apartments and the last family to arrive prepares a meal for the new family.

Other reception and placement services continue for the next several months. Case managers and others begin the process of assessing each individual and working with the person to develop the plan which is meant to lead to early employment and self-sufficiency. Excluding job development services provided under this grant, \$88,578.60 was spent to serve 511 persons. Per capita cost was \$173.34. Home visits by staff, assistance to register for Refugee Assistance or AFDC, instructions on how to pay rent, budget for family needs, etc. all take place during this time. Physical and mental health evaluations continue during this period.

Within two weeks of arrival a meeting with the refugees takes place to develop the plan for employment and self-sufficiency. Invariably this plan includes learning English and receiving some job readiness training so employable adults can get early employment. Catholic Charities Migration and Refugee Services Department has contracted with the Commonwealth of Kentucky to provide both English language training and job development services. These services are available not only to refugees sponsored by Catholic Charities, but also those sponsored by other volag affiliates. The statistics below include all refugees who registered for these services. Again the information below is based on persons served and money spent during the State's 90/91 fiscal year.

Project English (English as a Second Language) classes are held 4 mornings each week and in several apartments in the evening for those who have begun working. Class size varies depending on the number of arrivals and the number of job placements. To arrive at the per person cost, the number of persons receiving services is divided into the amount provided in the State CMA grant for these services.

In the State fiscal year just concluded 517 persons 18 years and older attended the ESL program. The total cost to the State was \$17,678.29. This money pays the salaries of a director and 2 part-time contract teachers, plus materials. The average cost per person was \$34.19, reasonable by any standard.

ESL participants can bring children under five with them to the site. This eliminates the excuse of having to care for children and not being able to attend the program. One hundred and seventeen children were tended to this year at a per child cost of \$13.16. This is not merely a baby-sitting service. In working with the children, there is an emphasis on preparing them for regular school programs, including developmental activities in language and school readiness skills. In addition, several refugee women took advantage of some training for in-home day care.

What keeps the cost of this service so low is the free use of the site and 50 - 60 volunteers who teach English and assist as nursery workers. Volunteers are well-trained and participate in several sessions each year dedicated to advancing their skills.

In the area of Job Development, 557 persons received job related services at a cost of \$37,122.79. This amount includes monies from the reception and placement grant and the State CMA grant to pay for two job developers: one begins the job development process upon arrival; the second continues the process under the State contract. The average per person cost was \$66.65 for this past year if you consider all persons served. If you consider just those placed in jobs, not counting the auxiliary services provided to prepare for a job and the follow-up included to keep it, then the cost rises to \$226.36 per person for the 164 that were placed in jobs.

A small portion of the State contract is used for other social services, \$6,761.70. An unduplicated count of 798 refugees accessed these at a per capita cost of \$8.47.

All of the above is presented to demonstrate that local community-based programs can deliver services at a very reasonable cost to the government and the American taxpayer.

In addition, however, refugees received many other services provided by the contributions of the Archdiocese, by other organizations, and by individual volunteers.

The Archdiocesan contribution makes possible the hiring of additional staff persons to assist the case managers in seeing to it the plan is carried out. Attention can be given to higher risk clients who need encouragement during the early months of their arrival. This money from the Archdiocese also paid about \$74,000 to cover the cost of items and services not reimbursed through contracts.

Seven Counties, Inc., an organization which provides community mental health programs, working with the Visiting Nurse Association has taken a deep interest in the refugee community, particularly the Southeast Asian community. After a year of working with a translator from our office, Seven Counties, Inc. has hired its own translator and conducts special group sessions for men held in Vietnamese re-education camps. When warranted, individual refugees also receive counseling and therapy for diagnosed mental health problems. These services do entail costs, but effective treatment early in resettlement can restore the individual and enable him or her to enter the labor market.

Involvement of individual congregations has diminished in recent years. However, there is some renewed interest on the part of area ministries. One such, St. Matthews Area Ministries, is currently co-sponsoring one family. And South Louisville Community Ministries is playing a role in helping which is described below.

Several church groups do participate in specific activities held during the year. Youth groups invite refugee youth to attend dances or other special events. An annual Christmas program involves many

persons. This past year three Catholic parishes, one local Catholic High School, Trinity, and 10 - 15 individuals participated in providing school outfits, household items and other necessities for 70 families. Several participants met the refugee families to take them shopping; others invited them to share in festivities at their homes. One parish community decided to extend help beyond the Christmas season and used the Lenten period as a time to provide for the needs of several refugee families. Those helped were all in the Match Grant program. Southern Baptist Theological Seminary donated 25 couches recently, all of which convert into beds. Community support such as this is ongoing.

Individual volunteer interest remains keen in our area and enough volunteers that there is almost always an introductory volunteer training session held each month. Not all the volunteers are native-born Americans. Former refugees, some having lived in the U. S. for 20 years, also help. A group recently formed that has begun welcoming new arrivals at the airport, visiting them in their apartments at least once, helping them learn where to shop and how to access medical services. They have also begun teaching some English and Math classes three evenings a week. These classes, held in the school cafeteria of nearby St. John Vianney parish, attract nearly 50 persons each session. Members of the group have been quite helpful in providing translation in emergencies and assisting persons facing immediate financial crises.

When 12 Libyans recently arrived, long-time residents of Louisville's Arabic speaking community - and even some living two hours away in Lexington - offered assistance. This community has seen to it that these 12 men have had the opportunity to visit others in the community each weekend.

I strongly feel that the intent of Congress to provide for the needs of refugees by involving the private sector through the national voluntary agencies and their local affiliates, along with the support from the public sector, is what has kept resettlements costs low and has attracted the kind of community involvement that we witness every day.

Affiliation with the United States Catholic Conference allows for frequent contacts with USCC staff, access to well-coordinated training opportunities, monthly updates on refugee issues, and linkage with other local affiliates. All this produces professional delivery of services to clients that others are ill-equipped to serve. The monitoring process, including the submission of regular reports, keeps our staff focused on the task: early employment and self-sufficiency. Whatever shape reauthorization takes, the final product should indicate preference for using the national volags as service providers. Years of experience working with refugees has enabled them to train the staff and develop the mechanisms necessary for the kind of case management that produces results. Community based departments serving refugees are able to work with diverse populations and not just with one ethnic group. This past year we resettled Vietnamese, Russian, and Libyans. We expect to resettle Armenians later in this calendar year and, if certain circumstance come about, Cubans might also be coming to Louisville.

In my conversations with State officials, Kentucky is satisfied that with this method of resettlement and the current appropriations procedure. Mark Cornett, who is designated by the State Refugee Coordinator to work with local volags, has indicated that Kentucky does not favor switching to a block grant method of funding for refugee resettlement. This is not to say that Kentucky is satisfied with the amount of funding and a statement to that effect is attached to these comments.

The United States Catholic Conference developed a method of case management that is essential for successful resettlement. Our department has two case managers now who are responsible for seeing to it that the plan agreed upon by ourselves and the individual refugee is carried out. When the refugee is employable, the plan always includes early employment. In 1989, the employment rate for free case Amerasian cases resettled in Louisville six months after their arrival was 85% and secondary migration was 12%. At that time most of our cases included Amerasians.

This has changed somewhat in 1990 and 1991. The following information is for calendar year

1990. Though 94% (116 out of 123 employable adults) of those who remained in Louisville were employed within 180 days, 44% of the 205 employable adults who arrived here migrated to other cities, especially in California, where anecdotal evidence suggests that many work for cash and also receive General Assistance payments from the State. Forty-one of the 90 who moved did so within 90 days of arrival providing job developers little opportunity to even find a job for them. Thus, of the 205 employable adults who arrived in Louisville, only 57% were found work here. (See attached charts.)

I attribute some of this to the recent recession, even though Louisville was not affected as much as other cities. I also believe that Louisville's long practice of rarely refusing to resettle difficult cases has made it more difficult to find appropriate employment for some. And I also believe that those who come here because of time spent in re-education camps often discover friends in other locations and move there. There is also reason to believe that members of some re-ed cases do not accept resettlement in areas where there are high numbers of Amerasians. Perhaps, too, our emphasis on early employment in 90 days frightened some who remained unemployed at 90 days and they moved. We also began to participate in the Match Grant program. As with most new ventures, there were start-up problems and some refugees in the program, fearful that jobs would not be found, also moved.

A major barrier to our efforts to foster self-sufficiency is the loss of control over those who receive AFDC. Refugees on Refugee Cash Assistance know it is time limited and most of them are employed within 180 days. This is not the case with those on AFDC. One reason is that our department loses all leverage to insure that a plan leading to early employment and self-sufficiency is followed. The reauthorization bill should contain some means whereby the local community-based service provider continues to have some authority in this matter. I propose that refugees accessing AFDC who, because of language or other barriers, cannot participate in the JOBS program be referred back to the local volag affiliates for case management for one year. During that time, the refugee would be required to attend ESL programs, job readiness training, etc. to continue preparing for early employment. Those not following the plan should be sanctioned in the same manner as those whose only safety net is Refugee Cash Assistance. This, I believe, should also apply to General Assistance programs. I strongly suspect that many more persons would be employed within 180 days from this group than are now employed. Unable to sanction them under the present conditions allows people to keep from overcoming the language and training barriers that lead to unemployment.

Furthermore, to lessen secondary migration, the act should require that, except for good cause or when through no fault of their own refugees cannot find employment, refugees be denied access to any kind of public assistance, except food stamps, if they move from the original resettlement site within 180 days of their arrival in the country. Documentation in their case files - school attendance records, job readiness training attendance records, contacts made by job developers with prospective employers, etc. - would be used by the agency to inform the secondary migration site welfare office whether or not a particular person had complied and had good cause to move. Good cause to move could include, among others, a guaranteed non-cashing paying job certified by either a public or private agency located in the second site.

Health concerns are an issue here, too. Many entry-level jobs do not provide enough insurance for families and few refugees are going to be able to afford insurance for the family when working for minimum wage. If the new act can include some means by which medical coverage is continued without having to also receive welfare payments, then parents' fears about children's illnesses might be eased and jobs would be accepted rather than remain on welfare.

Community acceptance also has an effect on the refugee's decision to stay or move. Louisville has had its share of displeasure expressed against the refugee population. Apartment units with low rents are the only option for new arrivals. Our agency has had a long and successful relationship with the management of a 622 unit complex called ironically Americana Apartments. The management allows us

to place units in the name of Catholic Charities for the first few months of the refugees stay in them. Then these are transferred into their names until they decide to find another home.

Normal neighborhood disputes have been painted by some American residents as problems caused by "Catholic Charities dumping these people on us." After one TV station carried an interview with an American woman who attributed a dispute to the language barrier, a Vietnamese high school student said, "We hear them call us *chinks*. I know what *chink* means." (See attached article, "Asian refugees often find success fast, but not always acceptance", October 29, 1990, *Courier-Journal*.)

Over the past two years, however, local private and public agency representatives have worked hard to make this very diverse community one that builds community and harmony. The fruit of this effort is being made public today (July 25, 1991) at a weekly press conference held by the Mayor of Louisville, Jerry Abramson.

He will be announcing the results of the work of a group called the Americana Apartments Task Force. Representatives from Catholic Charities, Americana Apartments' management, the schools of social work of the University of Louisville, Spalding University, and Southern Baptist Theological Seminary, the Visiting Nurse Association, Seven Counties, Inc. (our local mental health provider), South Louisville Community Ministries and the City of Louisville have been successful in securing a \$32,000.00 grant. In-kind matches of \$11,050.00 from the City of Louisville and \$13,052.00 from Americana Apartments make this effort unique in Louisville. South Louisville Community Ministries stated seven specific objectives in making application for this grant:

- Continue the development of a youth board which will relate to youth 13-18 years of age.
- Provide a summer children's program for children ages 6 to 12.
- Help individuals and families access available events and resources.
- Further develop the provision of on-site counseling and medical services.
- Renovate a four-plex apartment building for the multi-program community center using primarily donated labor and materials.
- Develop fund raising and grant request program.
- Hire a Program Director with a Masters in Social Work after one year of operation.

The hope is to provide quality youth and other human services to meet needs and improve cross-cultural communication among residents of the area. Intern social work students, using native language translators when needed, are nearing completion of a residents' needs assessment conducted through interviews with apartment dwellers.

The wonderful irony of this development is that it is only because refugees live here that all the residents will receive services usually associated with public housing units and paid for by the government. Representatives from the social work schools intend to study this effort as it develops and publish any results of the research that might be valuable to others doing resettlement work. Student interns will collect the data and report on their experiences with this diverse population: Caucasian, African and Hispanic Americans, Libyans, Haitians, Hmong, Cambodian, Laotian, Korean, and Vietnamese.

One real asset we have in Kentucky is the cooperation experienced in our contacts with state officials. This has proven most beneficial in efforts to avoid welfare dependency. Realizing that our

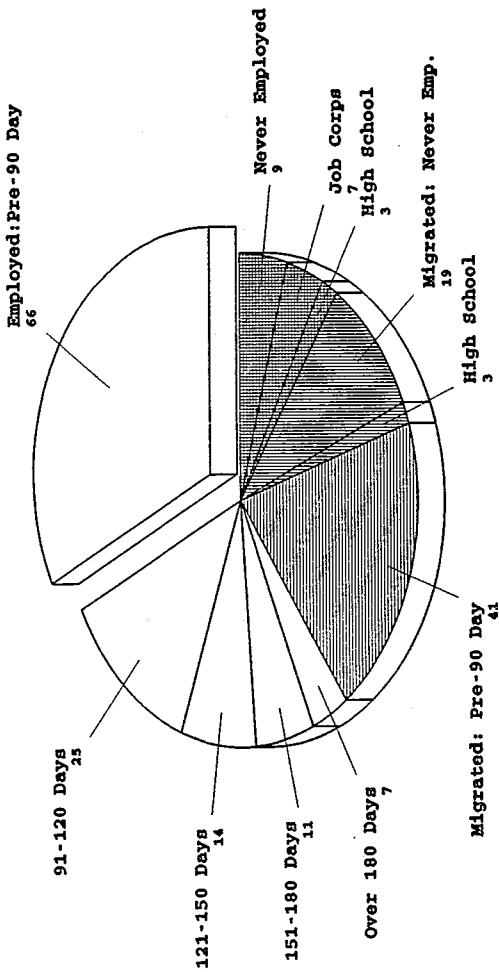
program is much smaller than that of other States, what happens here may not allow for duplication in other areas. In Jefferson County at least, one State employee handles refugee applications for public benefits. This enables both the State and ourselves to have control over questionable applications. Communication between both parties is frequent and welfare fraud, if it exists here, is certainly kept to a minimum. If possible, other States would do well to have designated workers to handle refugee applications and communication between both the worker and local volag case managers is strongly encouraged.

In closing, I repeat how much I appreciate this opportunity to provide this statement and would be happy to offer additional information this Subcommittee might request.

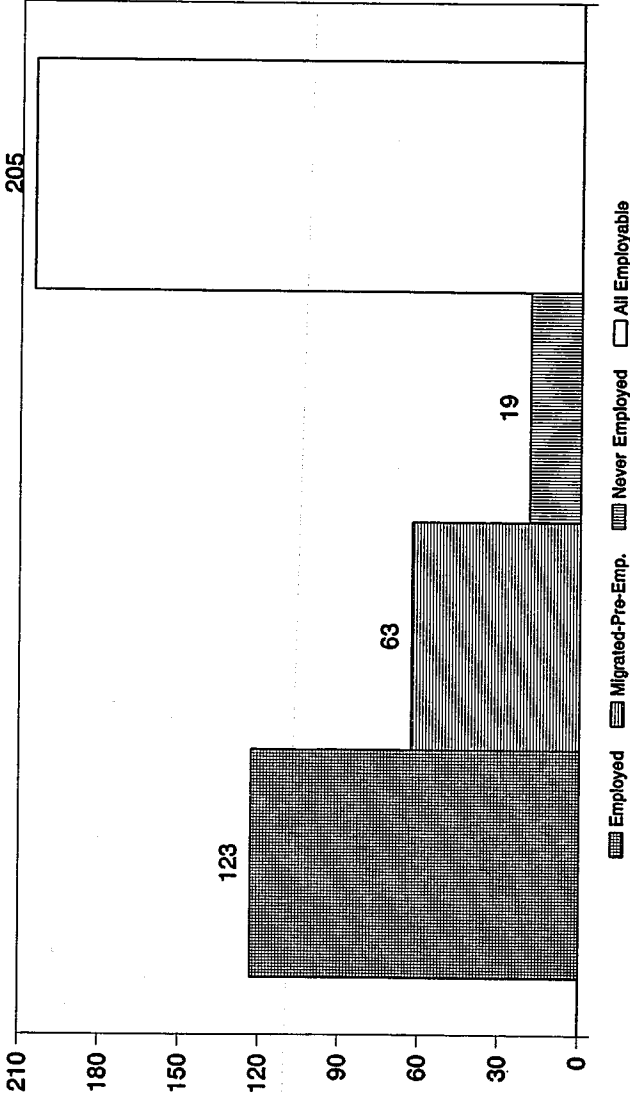
ATTACHMENTS

1. Chart: Employment Statistics, January 1 to December 31, 1990
2. Chart: Employment Statistics, January 1 to December 31, 1990 - Employable Adults
3. Chart: Employment Statistics, January 1 to December 31, 1990 - Employed Refugees
4. Chart: Employment Statistics, January 1 to December 31, 1990 - Refugees Who Migrated
5. Chart: Employment Statistics, January 1 to December 31, 1990 - Refugees Who Were Never Employed
6. Article: "Asian refugees often find success fast, but not always acceptance," October 29, 1990, *Courier-Journal*, (2 pages)
7. Expression of State of Kentucky's Concerns about Current and Future Resettlement Costs (5 pages)

Employment Statistics
January 1 to December 31, 1990

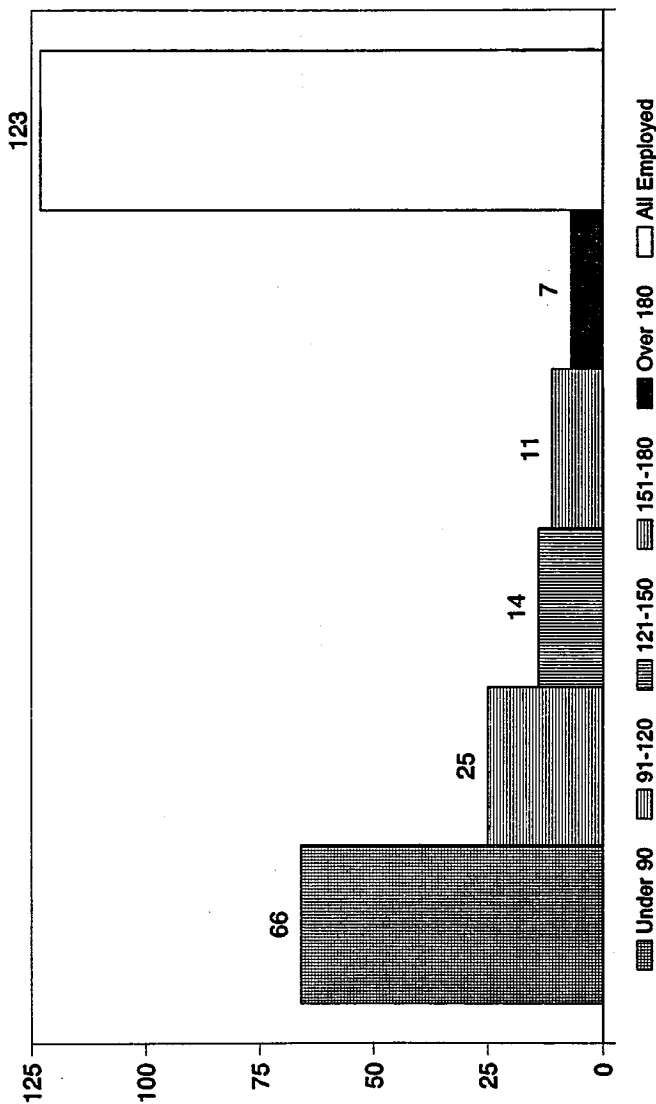


Employment Statistics
January 1 to December 31, 1990
Employable Adults



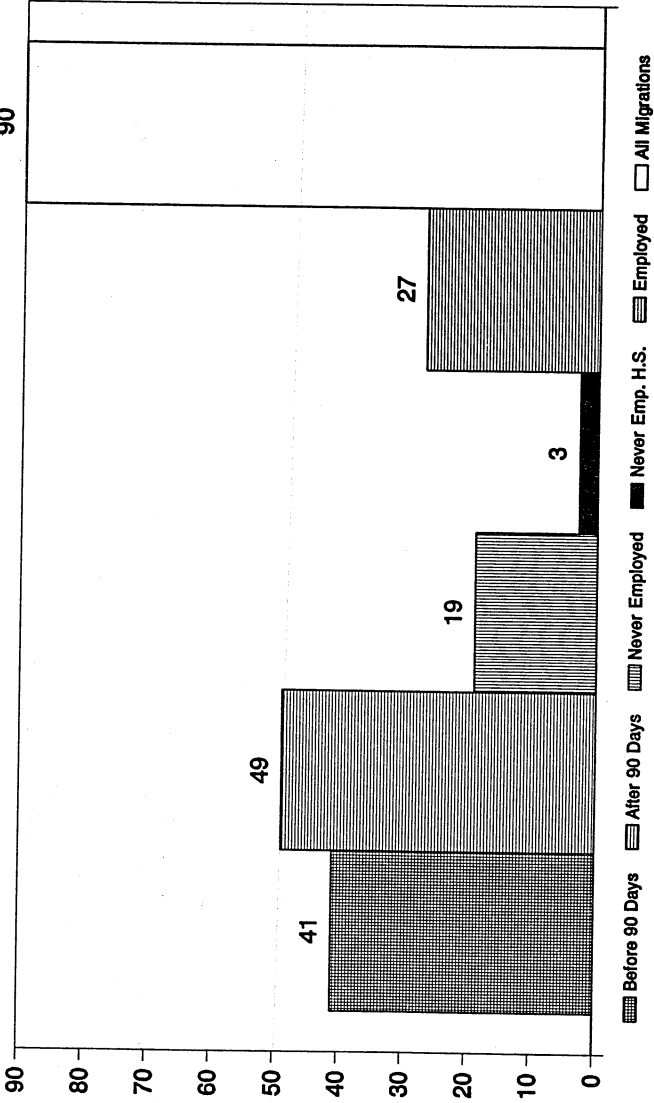
For Mar 1 Detail See Graph 1
For Mar 3 Detail See Graph 2
For Mar 5 Detail See Graph 3

Employment Statistics
 January 1 to December 31, 1990
 Employed Refugees



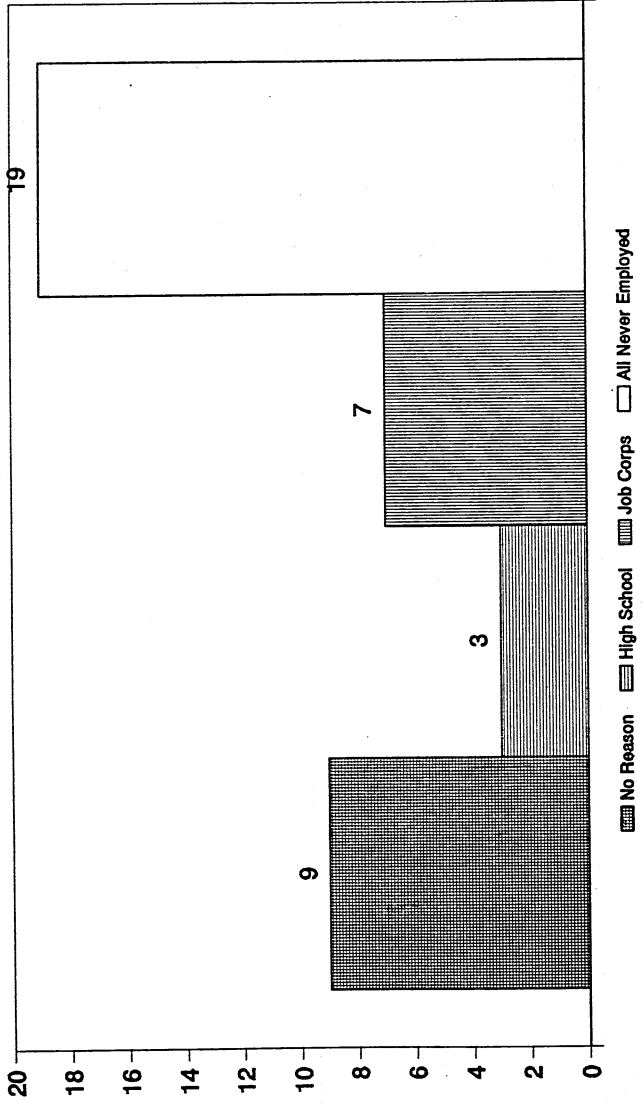
Graph 1

Employment Statistics
 January 1 to December 31, 1990
 Refugees Who Migrated



Graph 2

Employment Statistics
January 1 to December 31, 1990
Refugees Who Were Never Employed



Graph 3

Oct 29, 1990 Courier-Journal

Asian refugees often find success fast, but not always acceptance

By JUDY BRYANT
Staff Writer

Thanh Hui Le arrived in Louisville from Saigon in 1984 scared, homesick and with an English vocabulary of two words: yes and no. For two months, he rarely ventured from his family's tiny home at the Catholic Charities apartment.

Eventually, he attended special English-language classes and later graduated from Irons High School. But it wasn't until Le met Tony Mikosz, "my American friend," that the shy teen-ager began to feel confident in his new surroundings.

On nights when they couldn't meet at a refugee center near the apartment to read and talk together, Le and Mikosz, who worked for Catholic Charities, talked by phone.

Now 23, Le has accepted a job at the University of Louisville and spends his spare time tutoring

other refugee children in the Jefferson County schools.

Le is one of the success stories among the approximately 2,000 Southeast Asian refugees brought to Louisville through federally funded resettlement programs, said the Rev. Pat DeWolfe, who directs the agency's refugee services.

Within a year of arriving here, most of the refugees have learned at least basic English and found jobs that pay a living wage, the agency's statistics show.

Yet many have difficulty adapting to their new homes, and much of the public attention given to the 1,000 Southeast Asian refugees remaining in the area has focused on problems. Those range from minor complaints of Asian children's helping unaccustomed to regular grooming in public places to acts of violence disrupted by police.

Some 25 percent of the violence committed by an Asian gang.

"There's a gang of them," said Phillip Robby, who was evicted from the Americans in September because of continuing problems with an Asian family that was also evicted.

Robby claims five to eight Asian youths who ran together in east Louisville. The youths were armed with a machine and "robbed people on the street." He said he was afraid to park his car in front of the complex or to allow his 6-year-old daughter to play unattended on the apartment grounds.

Police say they have had occasional complaints about Asian gangs but have found no evidence of any. Police also say the incidence of crimes involving Vietnamese is no higher than for any other segment of the population.

Social workers, educators, church

See REFUGEEES
Back page, col. 1, this section.



STAFF PHOTO BY KEVIN WILKINS
The Nguyen family, daughters Vy Kim, left, and Chi Kim, far right, helped prepare dinner recently for their mother, Thanh Kim, center, and brother Thanh Nhu. The family was brought to Louisville from Vietnam by Catholic Charities; they live in the Douglas Park Apartments.

Refugees may gain success before acceptance

In addition, he said, the recent refugees tend to be poor farmers and whose children have had little or no work site.

Catholic Charities' figures show that of 334 Southeast Asian refugees who arrived in Louisville since July 1, 1949, and got help from the agency, 100 — including high school students — were able to work. Of that number, 84 percent had jobs within six months, according to Catholic Charities.

Nationally, by contrast, only 17.9 percent of the Southeast Asian refugees age 16 and over are working after six months, according to Federal standards for 1949.

Catholic Charities estimates that this year it will resettle 400 refugees in the Louisville area.

Most Asian refugees find their first home in Louisville in the West End Apartments on Southland Avenue, or in the nearby Douglas Park Apartments on Douglas Park Drive. Both complexes, located in a predominantly white, predominantly middle-class neighborhood, are affordable and generally have apartments available.

Newly arrived refugees rely heavily on Catholic Charities. They receive food, shelter and medical attention immediately and within days are enrolled in English classes.

Until early this month they could also receive information and counseling at a Catholic Charities center in the Douglas Park complex. The center will soon reopen in larger quarters near downtown.

But most refugees live in crowded conditions on low incomes and have little contact with their new American neighbors.

Language is the primary problem, but many adults have difficulty reaching the goal of Catholic Charities' language classes, which is to equip refugees with sufficient English to obtain jobs and meet basic needs.

"It's an unfortunate situation," said Bobbi Jo Weber, former head of the Beechmont Neighborhood Association. "They don't speak our language. We don't speak theirs. And there's a lot of lying going on in one area) that they don't have."

Actually, Asian refugees occupy fewer than 10 percent of American Apartments' 622 units. But the Asians are close-knit and often fearful of strangers.

One Asian said some believe they are targets of racial discrimination. "We hear them call us 'chinks,'" said Qian Nguyen, who arrived in Louisville about a year ago. "I know what 'chink' means."

Racism contributes to the tensions that exist at the Americana Apartments, said Douglas Park and Douglas Park have been engulfed.

For example, seven men and a juvenile — all Vietnamese — were arrested in July 1949 at the Americana in a melee after police responded to a report of shot being fired at their camp in the front yard.

The case was widely reported

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after, the suspects were released immediately. Police found former Police Chief Raymond Johnson (arrested his officers to get the information, the crimes. And a police spokesman said officers had received reports from residents of intimidation by an "organized group" of Asians.

Five Asian men were indicted on charges of rioting linked to the incident, pleaded guilty to reduced charges of second-degree rioting and were put on probation.

Delahanty said the Asians were unaware that they should not fire a weapon on the laws. And because they fear police, the refugees panicked when officers arrived. Afterward, he said, police officials met regularly with neighborhood representatives to help them understand laws here.

To ease tensions last summer, police assigned officers to walk "mild-beats" at the apartment complex on weekdays.

Capt. Fred Rogers, whose 3rd District includes the Americana and Douglas Park apartments, said "Douglas Park has become a very typical neighborhood situation."

"In the five years I've been (district) commander, I've never had a very small concern," he said. "These are everyday problems. Assimilation is always going to take time."

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"In the five years I've been (district) commander, I've never had a very small concern," he said. "These are everyday problems. Assimilation is always going to take time."

Currently our national budget is \$411 million supporting resettlement of 101,000 to 106,000 refugees in FFY 1991. Arrivals are projected to be as many as 141,000 in FFY 1992, a 40 percent increase.

The state and local governments responsible for the income maintenance and service delivery have no control over the numbers of refugees who resettle in their communities. Over the past six years, we have seen a steady decrease in federal fiscal support and yet a substantial increase in the numbers of new arrivals. The partnership between the federal government and the states forged in the Refugee Act of 1980 was successful in resettling over 1.5 million people. The partnership is no longer operative.

States have already absorbed millions of dollars in unanticipated costs. Now, the budget levels under discussion for FFY 1992 threaten to eliminate national equity in resettlement, to remove the income safety net for the vast majority of new arrivals, and to promote higher levels of dependency through the lack of adequate service delivery.

For example, for FFY 1991, the Kentucky State agency incurred \$157,375 in Refugee cash and medical expenses for which the State was not reimbursed. Since the Refugee Resettlement Program is by law 100 percent federally funded, there are no general fund dollars budgeted to fund the program deficit. Therefore, dollars had to be taken from other domestic programs to absorb the expense. If adequate funding is not provided, the Kentucky State agency must consider closure of the Program.

The long-standing federal commitment to support the rescue and resettlement of refugees is in jeopardy because of actions recently taken by the House of Representatives. During its consideration of the fiscal year 1992 bill the administration's \$410 million request for the domestic refugee resettlement program was cut by more than 28.5 percent, to only \$293 million. The bill as passed by the House also includes a provision that would prohibit the expenditure of cash and medical assistance after March 1992, effectively sunsetting the domestic refugee cash and medical assistance program.

Refugee access to Cash and Medical Assistance (CMA) provides the core of the national program. The promise of 36 months of federal support was workable and equitable. To further reduce CMA below 12 months is untenable.

At a minimum, if states and community agencies simply run programs at current per capita levels and adjust for the increase in arrivals, the Refugee Resettlement Program will need \$46.4 million. At risk are critical programs providing

Page Two

transitional cash and medical assistance, English language training and employability skills. The National Governor's Association calculates that states will need at least \$619 million to provide transitional assistance for twelve months with a full range of cash and medical, language, and employability programs. Clearly neither the House proposal of \$294 million nor the President's recommendations for \$411 million are adequate to resettle the 40% increase (101,000 to 141,000 persons) in arrivals next year.

A conservative estimate of need for FY'92 CMA is \$364 million. This figure is based on the proposed increase in arrivals from 10,000 in FY'91 to 14,000 in FY'92. This level will provide refugee access for 12 months equitably, across all states.

The President's Budget request (\$234.2) is at least \$60 million short of need based on ORR/DHHS rough estimates. In consultation with states, ORR has earnestly sought a reasonable path to live within the proposed level with no success.

The level proposed by the House Appropriations Committee (\$117 million) terminates the Refugee Resettlement Program. How in good conscience can Congress vote to admit and increase numbers and subsequently eliminate refugee support in the path to self-reliance?

We support a level of \$116 million for Refugee Social Services (RSS) as proposed by NGA. This figure is based on the per capita cost of new arrivals (\$1065) in 1985, the last year of effective service support, without consideration of cost of living increases.

The remaining considerations which we recommend are Targeted Assistance (\$50 million), Preventive Health (\$7.8), and Matching Grant (\$45). These levels will maintain services vital to the community without substantive increase over existing levels.

We strongly encourage the committee to support the level funding of \$546.4 million as proposed by Interaction. The funding cuts in the House bill, if permitted to stand, will have severe consequences for refugees who hope to resettle in America. The state-administered programs will have to reduce income assistance to refugees from the current 12 months after arrival to six months or lower. Unaccompanied refugee children program services, provided by foster care agencies across the nation will suffer.

BUDGET PROPOSALS - FFY '92

CATEGORIES	'91 CURRENT BUDGET	'92 PRESIDENT'S	'92 NSA	'92* HOUSE	'92 INTERACTION LEVEL FUNDING
Cash & Medical	234.0		364.0	117.6	327.6
Social Services	82.9	I	149.2	82.9	116.0
Matching Grant	39.0	N	40.0	39.0	45.0
Preventive Health	5.6	A	16.5	5.6	7.8
Targeted Assistance	48.8		50.0	48.7	50.0
TOTAL	410.2	410.2	619.7	294.0	546.4

* The intent of the subcommittee is that CMA support be terminated on 3/31/91. Please also note that 19 million is taken from TAG for Florida plus their regular share of the formula, California is held harmless under TAG and the 10% TAG is continued.

REFUGEE RESETTLEMENT PROGRAM

1. The number of expected refugee arrivals for FFY '91: ~~84~~ 1,015
The actual number of refugee arrivals for FFY '90: 578
2. The number of recipients of Refugee Cash Assistance for FFY '91: 115 (monthly average)
The number of recipients of Refugee Medical Assistance for FFY '91: 46 (monthly average)
The actual number of recipients of Refugee Cash Assistance for FFY '90: 131 (monthly average)
The actual number of recipients of Refugee Medical Assistance for FFY '90: 31 (monthly average)
3. The estimate of Refugee Cash Assistance expenditures for FFY '91: \$210,000
The estimate of Refugee Medical Assistance expenditures for FFY '91: \$350,000
The estimate of the Refugee Resettlement Program's State administrative expenditures: \$70,000
4. The actual 1st quarter expenditures for FFY '91: \$155,363
The estimate of 2nd quarter expenditures for FFY '91: \$156,500
The estimate of 3rd quarter expenditures for FFY '91: \$156,500
The estimate of 4th quarter expenditures for FFY '91: \$161,637

KENTUCKY REFUGEE ASSISTANCE PROGRAM PARTICIPATION

<u>Cash Assistance</u>	<u>FY 1990</u>	<u>FY 1991 (1st Quarter)</u>
Average cases per month	63	53
Average recipients per month	130	120
Average benefits paid per month	\$17,784	\$11,960
Total benefits paid	\$213,415	\$35,879

<u>Medical Assistance</u>	<u>FY 1990</u>	<u>FY 1991 (1st Quarter)</u>
Average cases per month	15	28
Average recipients per month	31	47
*Average claims paid per month	\$22,870	\$34,105
*Total claims paid	\$274,441	\$102,314

*Includes medical claims paid for cash recipients.

<u>Combined Analysis</u>	<u>FY 1990</u>	<u>FY 1991 (1st Quarter)</u>
Average cases per month	78	81
Average recipients per month	161	167
Average benefits per month	\$40,654	\$46,065
Total benefits paid	\$487,856	\$138,193

Mr. MAZZOLI. Let me start right now a round of questions here. You can just answer it very, very briefly, starting with Reverend Deffenbaugh. Lacking time to pass the best bill, should we extend the act as it currently exists for 1 year?

Reverend DEFFENBAUGH. Yes, sir.

Mr. MAZZOLI. Mr. Khoa.

Mr. KHOA. Yes, sir.

Mr. MAZZOLI. Mr. Zukerman.

Mr. ZUKERMAN. Yes.

Mr. HAMMOND. Yes.

Reverend RYSCAVAGE. Yes.

Mr. MAZZOLI. Thank you, just to get that on the record. Most of you have said that generally.

Let me go back—I'm glad that something I said perhaps as long as a decade ago lives on.

[Laughter.]

Mr. MAZZOLI. I was the one who coined the phrase "refugee incorporated," and I lived to pay the price. But, one way or the other, I think I said truth. It is exactly what was going on. I think that perhaps some of the things we said, maybe a little more colorfully and perhaps with a little less eloquence than they should have been said, were accurate. I'm glad to hear, I think it might have been Mr. Zukerman saying we ought to do now for the ORR what we did for the R&P grants in the State Department. I want to thank you.

The other thing is the steady drumbeat of concerns, and they do tend to be in a very few categories: The separation of cash and medical assistance, making sure that people don't get caught up in AFDC when they are the survivors. I mean, they wouldn't be here if they weren't the best of the best, in a sense the cream of the crop, and we sort of emasculate them and neuter them by throwing them into the welfare system. We almost blunt the very ambitions and the very talents and drive and initiative which they showed to get here or to get into a camp to get here. I think that's part of it.

I think we need to make sure that there is adequate funding—you can't do something with nothing. We've talked both about the matching grant and about the R&P grant, neither of which has kept up with the cost-of-living increases and the demands. Upgrading in some cases both the position of the Office of Refugee Resettlement, which is buried not just in the office of the Director of HHS, but it's in the Office of Children and Families, which makes it even further down the line. I'm impressed by what Mr. Gersten does and says. It would seem to me that if he were to be a little bit closer to the headwaters that that much more could be done. I realize that for him and for Ambassador Lafontant-Mankarious it's pretty hard for them to say we should be up there; they don't have that same opportunity, but we do. So, we may make some suggestions in these respects.

I would like to concentrate for just a moment on this question of case management. Is there some way that you all can tell me what case management is? Because I sense a tension and a lack of coordination within this group here, these seven people, on what case management means. I think, in the one case, case management might be felt to be flexibility at the local level to do what it can do

best and what they know to be the problems and how to handle the specific refugee population, but then I gather from at least some of it that case management ought to be controlled pretty carefully because otherwise you have fragmented local effort. It becomes discordant or it becomes inefficient.

I would like to start with Father Pat, because you're on the ground. Tell me what you understand in your head to be case management. Is it the actual human being that walks with the refugee through it or do you mean the system that decides how that refugee walks through the system?

Reverend DELAHANTY. Well, when I'm talking about case management, we have two people whose job title is case manager. When we receive word that a family or individual is arriving, that case is assigned to a case manager and that person begins to prepare to find housing, not that they necessarily do that themselves, but that it can be delegated. In our case it's delegated within the agency.

Mr. MAZZOLI. You said that you developed your casework method from the meeting in Newark?

Reverend DELAHANTY. Based on a model that the USCC has come up with.

Mr. MAZZOLI. So, you follow a model?

Reverend DELAHANTY. Yes.

Mr. MAZZOLI. Now does that mean that you have no local control, no flexibility to recreate that model in order to fill their local exigency?

Reverend DELAHANTY. It's totally flexible. It's flexible in the sense that basically it's a case manager and a case is assigned. Each case is going to be different. So early, within 2 weeks, there are assessments done. You get ESL levels. You get initial physicals.

Mr. MAZZOLI. So you have some flexibility?

Reverend DELAHANTY. Oh, yes.

Mr. MAZZOLI. Have you tailored your program to the local needs and to special situations or conditions that may not have been, say, discussed in Newark?

Reverend DELAHANTY. Well, some of our local need is based on the population that comes. We deal with—the Amerasian population has some specific needs. Yes, we do; we are able to do that.

Mr. MAZZOLI. So you are able to make certain adjustments?

Reverend DELAHANTY. Right.

Mr. MAZZOLI. Dr. Teferra, am I misreading something in the testimony about some possible wariness on the part of some of you about what case management means and about local control and about local flexibility?

Dr. TEFERRA. The way it is done now varies from service provider to service provider, each service agency has discretion on managing. What we are saying is, if it is going to be centralized, then, you know, there has to be a mechanism to involve all the actors. The MAA's have to be brought into the picture; the Volags have to be brought into the picture.

Mr. MAZZOLI. Here you have MAA's, at least in your case, and I think in Mr. Khoa's case—I just wonder, are they on the same wave length? Are you all singing from the same songbook as the national groups are, the big Volags? I'm curious.

Dr. TEFERRA. We are saying the same thing with one modification, and that is, if the whole case management system is going to be entirely administered by the voluntary agencies, then MAA's feel that they would be left out of the process. They feel, and rightly so, that they should have access to these refugees during that initial resettlement period, so that they will be a part of the relationship.

The way that it is now, when the refugee initially comes, he's assisted for 3 months or the first month by the Volags and then he is transferred to the social service system. If the MAA also happens to have a social service agency, then they would have access to the refugee. If they are not, then they would have not access to the refugee during this 12-month period.

Mr. MAZZOLI. So you say the MAA's should have an earlier access to the refugee in order to be a part of the process of managing when it counts. Apparently, the MAA's are not brought in early; is that correct?

Dr. TEFERRA. That is exactly what I was saying.

Mr. MAZZOLI. Father Ryscavage, you're an expert. How do you see this?

Reverend RYSCAVAGE. Let me say this: I think I agree with Dr. Teferra that the MAA's play a very critical role here, particularly former refugees. It seems to me that they have to be consulted on the local level and should be brought in, unless there is some political reasons why you can't do it. In fact, they're the ones that really know the culture and the problem.

In a case management approach, the key is not so much access or participation. I think that should be flexible and open. I think that the key here is coordination and authority, accountability, a single focus of authority, a single focus of accountability. The way it is now, it's—

Mr. MAZZOLI. Should that focus of authority and accountability be in Washington or in New York, or should it be in Louisville, KY, or Chicago, or where?

Reverend RYSCAVAGE. It should be on the scene, but the reason we're saying it should be the national Volags as the link to this thing is because, if it doesn't have any access to the policy guidance from Washington, there are going to be problems on a local level. I think Father Delahanty is pointing out why.

It's very hard to set some standards in performance and monitoring, and all these sorts of things, if everything in the country is basically a balancing—

Mr. MAZZOLI. I'm going to come back to the question. You were here, I think, when the gentleman—I think it's from HHS—was talking about having these goals, these numerical goals. I want to ask a little bit about that. Mr. Hammond.

Mr. HAMMOND. I think there are two issues. You've mentioned the case management system and then local flexibility. I think they are two different issues.

Mr. MAZZOLI. They are two different issues.

Mr. HAMMOND. Case management is based around a resettlement plan that the voluntary agencies are responsible to form now, because of the changes that took place in 1982 to provide an overall framework for our service provision to the refugees. So, what we're

talking about is there needs to be accountability to that plan. The bifurcation or nonintegration of services within that resettlement plan has occurred because other service providers don't have to follow it. There's no accountability back to the resettlement plan that was put together.

Mr. MAZZOLI. So, in other words, there is no accountability once it gets beyond the Volags, once you get to the service agencies?

Mr. HAMMOND. Not to that resettlement plan; there's no accountability to it.

Now the idea of local flexibility allows for the fact that each community may have a way of getting to economic self-sufficiency different from another one. We don't want to see in the act explicitly what you have to do in order to get to self-sufficiency.

Mr. MAZZOLI. You give them some discretion?

Mr. HAMMOND. Yes.

Mr. MAZZOLI. But, they have to use that, they have to exercise that discretion in relationship to the backdrop of an overall plan and program, which is what you call case management? That's the case management? It's not the human being that walks with the other human being through this system. It's mostly the plan and program for getting that person into this country and out of welfare and into a job role and assimilated or something with dispatch. Is that the idea?

Mr. HAMMOND. Yes.

Mr. MAZZOLI. Something, something like that?

Mr. HAMMOND. Yes.

Mr. MAZZOLI. I'm going beyond my time. I'll yield my friend as much time as I've taken. Mr. Zukerman, tell me a little.

Mr. ZUKERMAN. Forgive me, but I don't want to be antisemantic about this. I think we're talking with words. I think the words have taken on magic meanings. I'd like to demystify the process.

I recall in the 1970's a phrase developed, or maybe it was the late 1960's, "removal with extreme prejudice."

Mr. MAZZOLI. Prejudice, yes.

Mr. ZUKERMAN. We didn't like to say "kill."

Case management is good case practice, period. It revolves or it focuses on the individual case or the family. It's got one person responsible, as we see it, for making sure that the services that the individual needs to help attain the goals set with that individual in the resettlement plan are provided, and that other services which are not needed aren't provided.

Mr. MAZZOLI. So, good case management doesn't exclude local discretion and local flexibility?

Mr. ZUKERMAN. Absolutely not. In fact, it is only a method of utilizing effectively what's out there.

Mr. MAZZOLI. OK.

Mr. ZUKERMAN. Now in the decisions about what ought to be out there, and in what structures they ought to be, that's when great local program flexibility is required.

Mr. MAZZOLI. What's keeping you from managing the cases?

Mr. ZUKERMAN. Because right now the local agency responsible for "managing the case" can't stop an ESL provider getting money from the State, through the State from the Federal Government, from providing an English language course to that individual if

that individual, in the opinion of the case manager, already has enough competence and ought to be able to go to work.

Mr. MAZZOLI. OK. So, you think that there ought to be some authority of the local providers over the outside agencies that are called on for job?

Mr. ZUKERMAN. The case manager is the gatekeeper to services. You can't get federally funded services if the gatekeeper says no, and the gatekeeper says yes or no based on the plan that the gatekeeper and the family has worked out together.

Mr. MAZZOLI. Mr. Khoa.

Mr. KHOA. Mr. Chairman, we recommend that legislative language be written in such a way that it provides local flexibility at the same time it mandates consistent national standards. The reason for local flexibility is that if a State refugee program is working well, then change in the case management is not necessary. The general rule is that where it's not broke, so then don't fix it.

[Laughter.]

Mr. MAZZOLI. That's a pretty good way to put it. You've picked up the colloquial language very, very well.

Mr. KHOA. Thank you.

Mr. MAZZOLI. Thank you very much.

Reverend Deffenbaugh.

Reverend DEFFENBAUGH. I don't think I can describe case management better than Karl Zukerman has. I would agree with what he said.

Mr. MAZZOLI. Let me ask you, then, to explain—on page 10 of your statement you say, "Of particular concern to LIRS in the recent past has been the call for more local control and flexibility of the program."

Reverend DEFFENBAUGH. Where is that, sir?

Mr. MAZZOLI. It's the second, the third sentence on page 10 of your statement.

Reverend DEFFENBAUGH. We want to see a program where we have the national goals set out, where the goals for economic self-sufficiency, for the humanitarian rescue, and so forth—

Mr. MAZZOLI. But, you're saying, of particular concern to the Lutheran agency has been the call for more local control and more flexibility.

Reverend DEFFENBAUGH. As more and more of the Federal support, particularly through ORR, has gone to State and local governmental agencies and not into the voluntary sector, not into the national agencies that have a national accountability for the program—so, we find, for example, that a refugee who goes to State X is going to be able to access different public services, a different level of services, and so forth, than a refugee who goes to State Y, even though those services are all funded from Federal sources.

Mr. MAZZOLI. Well, I'm not sure I follow what you're saying. It seems to me that if you're for local control and flexibility, then you're for it, and if you're not for it, then you're for centralization above the local level.

Reverend DEFFENBAUGH. We're for local flexibility in case management within a context of nationally defined goals and a national system.

Mr. MAZZOLI. OK. I think you ought to take a look at that sentence, though, and the one that follows it. "There's a real danger that the program could evolve and further fragment into many State-administered programs."

I see nothing wrong personally in State-administered programs if they generally adhere to an overall program of case management, particularly if you add to that some goals and some standards and some accountability, which, it seems to me, is where you ought to be, not to have everything drawn together at the national level.

Well, I've used plenty of time. The gentleman is recognized for fully 15 minutes.

Mr. McCOLLUM. Well, I'm not going to take all of that, Mr. Chairman. I think what you did was very important because it helped us to better understand one of the central themes of all of the witnesses today here on case management. I want to follow up on that.

It seems to me that when Reverend Deffenbaugh is talking about local control, Mr. Zukerman, and so on, that you're really talking about local control in the sense of the volunteer agency, your agencies having an individual run the case management, aren't you, Mr. Zukerman? In other words, that was your point. If you have money coming into the States that is going to these refugees for various and sundry purposes, under case management as you've expressed it, Mr. Zukerman, you would have an individual case manager probably as a voluntary agency person, maybe it would be a State agency person, who would follow that family, follow that individual, and determine which funds are coming in there. Isn't that what you're really talking about?

Mr. ZUKERMAN. That's case management, not program management.

Mr. McCOLLUM. OK. All right, we'll do—

Mr. ZUKERMAN. The decision on how the program in the State ought to be structured and in a particular community ought to be structured ought to be a process by which all the interested parties are working together deciding how the structure ought to be. The program design and management needs to have great flexibility as far as the Federal Government is concerned. That is, the Feds set the overall expectations and standards. They say to the States and communities working with the MAA's, the local service providers, the other voluntary agencies, everybody around, "Now go design your program so that it will be capable of achieving those national objectives." Take it now the next level: "Case manager, make sure that this family has a plan and that you get the service providers to deliver what they need, when they need it, and not to deliver what they don't need."

Mr. McCOLLUM. But, would you have us provide, statutorily or some other way, that the case manager have that kind of power to dictate or to refuse or reject?

Mr. ZUKERMAN. On cases, not on overall program matters.

Mr. McCOLLUM. I understand that, but on cases you would?

Mr. ZUKERMAN. Yes.

Mr. McCOLLUM. But, that would still have considerable—Reverend Deffenbaugh, I'll go back to you—that would still have considerable variation from State to State and locality to locality since

the programs would be different in the States, would it not? That's what Mr. Mazzoli was getting to with you, I believe.

Reverend DEFFENBAUGH. We have no objection to programs being different in different States within the context of the national goals and the national expectation of what a refugee can get.

If I might elaborate, obviously there have been a lot of problems with the State of California because of the high welfare dependency, the very high refugee populations, and so forth. I would hope, though, as we try to design a system that addresses problems in a large State like California, we keep in mind that in many smaller States and smaller communities things are working pretty well, and not design the program just to address particular problems in a particular part of the country, whereas in other parts of the country things are going OK.

Mr. McCOLLUM. All right. Father Ryscavage, I want to ask you a question relative to something you said that was somewhat provocative, but it seems related to this subject. You said that there is a question of too many dollars at times being dedicated to English language programs. What did you mean by that?

Reverend RYSCAVAGE. Yes, I didn't say that to denigrate teaching refugees English obviously. What I'm saying is that it is our impression from different parts of the country that in some cases you have people—I think Mr. Khoa mentioned—people who are basically capable of being employed, but in fact the employment is being delayed so that they can take English, when the purpose of taking English is to get a job. It doesn't make any sense. Yet, these are very expensive programs. Father Delahanty's program is not expensive, but notice why—because of his volunteer system that he's developed there.

If you're putting Federal moneys in—I think there are studies that show employment outcomes for people who have been given language training as opposed to those who haven't.

Mr. McCOLLUM. Does this go back to the case management idea that Mr. Zukerman is talking about?

Reverend RYSCAVAGE. It applies to that area, because how do you know if a refugee needs language or does not need language? I think it has to be somebody who is close to the refugee and also has, again, the authority to say to the refugee, no, you have to go out and get a job.

Mr. McCOLLUM. So, would you not perhaps have a situation where the refugee needs more language, but he can still go out and get a job, and there would be language training going on at the same time he has job, maybe at night or in the evenings or on the weekends, or whatever.

Reverend RYSCAVAGE. No question about it.

Mr. McCOLLUM. That's not happening very often, I gather?

Reverend RYSCAVAGE. Well, it's a mix. Again, everything is sort of dependent on the local situation.

Mr. McCOLLUM. Some places it's working that way and some places it's not?

Reverend RYSCAVAGE. That is correct.

Mr. McCOLLUM. Yes. OK. Well, I'm very fascinated by it all. I'm going to have to leave for a noon engagement, Mr. Chairman, so I'm going to yield back. I wish I did have time for more questions.

Mr. MAZZOLI. Well, thank you very much. I appreciate the gentleman's spending the morning with us, and we appreciate that a lot.

Let me then—again, I don't want to be obstreperous, please don't get me wrong, but I still feel that there may be some—there is certainly a lack of understanding on my part of exactly where MAA's figure into the overall program when you're talking about the National Catholic Conference and the Lutherans and the people, the aid groups. May I ask each one of you again to tell me, Are you now using MAA's? Should they be a formal part of the structure when we get around to reauthorizing this bill in a more detailed way instead of just a simple 1-year extension? Reverend Deffenbaugh.

Reverend DEFFENBAUGH. I can only express my personal view here. I think that in my view obviously we need to work as an agency with MAA's on the local level for all the reasons that have been said. Refugees know what refugees have gone through and are often the best to help work with other refugees, and so forth.

I'm somewhat skeptical of institutionalizing an MAA system because MAA's are so varied and represent such different groups of people and are such different types of organizations. I would rather focus on the task that's to be obtained, set criteria, and then say whatever organization can qualify to do that task, whether it's an MAA, whether it's a national agency, or whatever.

Another danger that I want us to avoid, I think—and so far I think it's been largely avoided in our U.S. refugee resettlement program—is the politicization of that program, the involvement of immigrant groups or factions within a particular refugee group or something. Now there have been some incidents that have come to my attention from California relating to the Hmong community where there's been some extortion, where one faction within the community has had power over some of the refugee funding and has used that to ensure that people supported a particular political point of view. We want to have a system where that sort of coercion or political pressure can be avoided. I think usually that ends up being through the national agencies which are nonpartisan and have high standards of professional responsibility.

Mr. MAZZOLI. Yes, Mr. Zukerman?

Mr. ZUKERMAN. The Hebrew Immigrant Aid Society is probably the first MAA ever to exist in the United States. I'm dead serious about that. It was created by Russian Jewish refugees in the United States to help assist, bring to the United States more Russian Jewish refugees.

The only reason we never called it MAA is because the Refugee Act of 1980 hadn't been passed in 1980, but that's what we were; that's what we are. We're still that way.

The crucial point I'm trying to make is not that we've got 110 years of this credential; it is that we are also a voluntary agency. Every MAA in the United States presumably is a voluntary agency. Where the expression "Volag" came to be distinguished from MAA, it's again the way we use language. These are voluntary agencies created by groups of people to accomplish certain purposes together. If they are capable of doing the tasks which the Jewish Family Service in another community or in their communi-

ty is capable of doing, they ought to be able to do that. Not every voluntary agency is able to do that.

Mr. MAZZOLI. Who makes that judgment, though?

Mr. ZUKERMAN. There are standards and criteria that the State Department has established and that local refugee group coordinates.

Mr. MAZZOLI. Well, isn't that what the MAA's are worried about, that those very standards are created by people not themselves? The very standards are set up by the giant operations and they could never fit into that.

Mr. ZUKERMAN. The national migration and resettlement agencies also complain that the standards that the State Department set for who can be a voluntary agency in this program weren't set by the national agencies themselves. I think it's—let's be realistic: if there are going to be standards, somebody is going to have to set them.

Mr. MAZZOLI. OK. Well, it's just like back in the days when a lot of State agencies licensed lawyers, licensed doctors, licensed beauticians; they set up rules that only a few people could ever match because that meant that they lessened competition. They only had a fairly small pool of people who could qualify for being lawyers or doctors or beauticians, or whatever. So, more recently the courts have broken apart that trust scheme, in favor of opening up the operation to anyone who can qualify.

So, anyway, Father Ryscavage? And then Mr. Hammond.

Reverend RYSCAVAGE. Yes. I just want to say your word "qualify" again implies standards. It implies something that has some control. I believe the MAA's have such a range. Some of them are dreadful and some of them are wonderful things.

Mr. MAZZOLI. Yes.

Reverend RYSCAVAGE. So, I think any kind of generalization can get a little out of place. I also think, though, there is an assumption going on that I think I find very worrisome: that somehow we're going to evolve in this country into a system where only Cubans can resettle Cubans, only Ethiopians can resettle Ethiopians. The refugee inflow in the years is probably going to be quite diverse.

Mr. MAZZOLI. Understand, Father Ryscavage, so long as you have a large percentage of people still on welfare years after they get here, there can be people on the outside who look and say, "You aren't doing the job. So, let somebody else give it a shot."

Reverend RYSCAVAGE. I agree. I agree, but again let's keep it to standards of getting them jobs, that sort of thing.

Mr. MAZZOLI. I well understand. I think that's very good. That's why I'm intrigued by these standards HHS is talking about, you know, some kind of performance standards might be interesting, too, because you can understand why people would, in a fit of total frustration, scores of years after we began the program for Southeast Asia, to get in a situation where we are still today. They say, well, look, let's forget all of the accepted rules; let's throw out all of the modes of operation that we've lived by all these years, all of the guidelines and hallmarks, and let's start something from scratch, get some new people into it, see what they can do. They

can't do a whole lot worse than maybe some of the old people. Understand why the mentality might come in.

Mr. Hammond? And then I want to move on to something else.

Mr. HAMMOND. I don't know I have anything new or different to add on that particular subject.

Mr. MAZZOLI. It's been very helpful.

Mr. HAMMOND. Yes. MAA's and other ethnic organizations. They're very useful in working with immigrants, displaced people in our own society. They have a valuable role to play. I generally agree with what's been said by most of the people on the panel.

Mr. MAZZOLI. Some are good and some have to be taken care of?

Let me ask a little bit about the question of separating cash and medical systems. Everyone said about the same thing. Father Pat, maybe you can start us off on this thing here.

In your statement you talk about AFDC and the refugee medical, and so forth. I've been intrigued always by the mentality of this thing. Why is it that when refugees go down to the AFDC office that they're virtually, or at least if I can accept the testimony, they are virtually talked into being on the welfare rolls? I mean, what do you see to be the mentality of the State of Kentucky's welfare people if they would want to put people on their rolls instead of getting them off their rolls?

Reverend DELAHANTY. I think until recently most of the refugee cases that we had until October in Kentucky, October of last year, before the AFDC unemployed parent program took place, most of our people accessed refugee cash assistance.

Mr. MAZZOLI. I see.

Reverend DELAHANTY. Now there's been a transfer. Since there are primarily married couples with children, they can now access that. So, we've seen access to AFDC increase, dependency on RCA diminish, except for single employable adults.

But, when you apply—I don't think the States ever anticipated that there would be this category or this group of people accessing that, and so it's a package and they get the package.

Mr. MAZZOLI. Do you see people in your purview who need the medical support and are willing to go and take the rest of it in order to get the medical support?

Reverend DELAHANTY. Right.

Mr. MAZZOLI. Is that an impulse on their part?

Reverend DELAHANTY. One of our fears, when we place somebody in a job—these are many times entry level, almost always entry level jobs, minimum wage. Whatever medical is there is many times partial payment by the person for that employee and not the rest of the family. Refugees don't buy the rest of that program because they don't have the money to do so. This medical thing would ease some of the fears they have until they can earn more or get a second person in the family employed and purchase insurance.

Mr. MAZZOLI. You work with charities generally?

Reverend DELAHANTY. Right.

Mr. MAZZOLI. You work with U.S. people, Kentuckians, Louisvillians who have problems, too. How would you see going down the concept that here a person comes into the country, in the country 2 or 3 months, 2 or 3 weeks, and they're now able to get medical as-

sistance and they can still work, where a U.S. citizen can't get medical assistance if they work?

Reverend DELAHANTY. Even available to some of the people in Kentucky, there are some transitional moneys available from welfare where they do still get AFDC and the medical, and it's transitional. We're asking that you lower that cost to Kentuckians and to the Federal Government by not giving that full transitional; give only the medical, so that people don't have to be afraid if their children get sick.

Mr. MAZZOLI. Dr. Teferra.

Dr. TEFERRA. Thank you.

The issue of medical assistance is, if a person doesn't qualify for cash, then he would not be able to access medical assistance. So what happens—

Mr. MAZZOLI. So, really, they're looking for medical, but they've got to take the cash to get the medical.

Dr. TEFERRA. Exactly. We would be able to find them employment, but most of the jobs that are found for these people are entry type of jobs. In some instances they have to wait for a waiting period like 3 months before they qualify for a benefit package from that employer. So, for us to convince the refugee, look, it is all right to get employment, we can take care of the medical aspect, then we have to have that kind of flexibility. But, now it comes as a package.

Mr. MAZZOLI. So, you would think, Doctor, is it correct, in speaking with your group of people, Ethiopians particularly, that if they were able to get medical assistance, that though they would at the same time be able to get the cash assistance, they would turn that down? It's just the very nature of the people and their desire to move on with their lives. If they had that comfort of knowing that they were protected medically, they would forgo the other and get on with the job, where currently in order to get the medical, they take the cash and then they decide to keep the cash because it's easier than working?

Dr. TEFERRA. Yes. I will give you one personal example. A brother of mine was admitted here as a refugee from Poland. I sponsored him. When he first came, I sent him to social services. When he went for his interview he was told that he is entitled to both cash assistance and medical assistance. So, he came with the paperwork to me and said, "Well, what do you want me to do?" My response to him was, "Well, no, you are sponsored by me. You are going to go to work and wait for some time." But, the problem became, what to do if I insist that he go to work and he does not qualify for medical insurance? I would provide him with everything—housing, food, etc., but I could not afford to provide him with medical insurance.

So, it's a dilemma. The person is put into a situation in which he has to choose whether to go to work and then wait for the insurance benefits to come, or to say, well, if that is the only way, then give me the package.

So, let us separate—

Mr. MAZZOLI. Separate the package so that—

Dr. TEFERRA [continuing]. The package, so that people would be—

Mr. MAZZOLI. OK.

Dr. TEFERRA. I might also add, as you already know, Ethiopians have the lowest welfare usage rate in the country. I am 100 percent sure that we could even lower that further if we were to separate the medical insurance from the cash assistance.

Mr. Chairman, on the issue of case management, it could flow effectively if the case manager could decide that the person is employable right away. The only thing that he or she needs is to have medical coverage for 3 months, and then, you know, enroll him in that employment program. I think this is where case management works. The way it is now, once a person goes to the social service agency, the case manager does not have any control. The guy will come with his check and his medical ID.

Mr. MAZZOLI. That's what Father Pat said: Once you turn them over to welfare, that's the last you can manage their case; then the case is being managed by the State of Kentucky or the State of Virginia, and by that social worker, not by the case manager who knows that person and might have a different impulse about it.

Father Ryscavage.

Reverend RYSCAVAGE. Yes. I would build on what was said before. I would remind the subcommittee in general that most refugees do not access welfare. Most refugees are not welfare-dependent. I think that's important to get across in this country.

The other thing, though, is that I see a different angle on this. Our application for private sector initiative with the State Department is being held up because part of our application suggests that there be a kind of minimal medical coverage package included in it, which would allow us, then, to find the private sponsors. No one wants to take on catastrophic medical and all this sort of stuff today. The cost savings is enormous if we could get this thing going for the Federal Government. So, it's hard for me to understand—

Mr. MAZZOLI. The Department is balking a little bit on that; is that the idea?

Reverend RYSCAVAGE. OMB I think is basically saying it is part of this whole national medical issue.

Mr. MAZZOLI. Tell me, because you all are expert here, because there's such an entanglement between Federal, State, and local, who does control this idea of medical coverage? Would that be a decision that would have to be made at the Federal level that henceforth these people would be entitled to medical coverage but not the State cash assistance?

Reverend RYSCAVAGE. I believe it's a Federal—

Mr. MAZZOLI. Is that generally agreed? Who would know? Mr. Zukerman.

Mr. ZUKERMAN. The Feds would have to say that no federally reimbursed cash assistance program can have in it—on any Federal program, you can't require people to take cash assistance if all they're asking for is medical assistance. There's got to be some Federal—I don't know whether it's a statute that needs to be changed.

Mr. MAZZOLI. I'd like to have your advice, all of you. When you go back home, try to give me an idea of just exactly who controls that switch.

Mr. Hammond, on the general program of cash and medical and whether they should be separated, and whether you see that to be a problem, and so forth.

Mr. HAMMOND. I definitely see it to be a problem. We feel it does need to be separated. All of our testimony states that clearly. World Relief, the agency I work for, believes as well.

To turn the argument around, why should refugees get this but not other populations; why don't we do it for the other populations that are going for work so that they have more incentive to go to work?

Mr. MAZZOLI. I was waiting for one of you to say that because that's what we're talking about. As you know now, we're sort of reaching that fork in the road.

Mr. HAMMOND. If that is something that holds people back from getting work, then why don't we provide it?

Mr. MAZZOLI. Very good, Mr. Zukerman.

Mr. Khoa.

Mr. KHOA. Yes, I agree with all my colleagues regarding the separation of medical and cash assistance. The simple reason is that if a refugee gets a job and if he loses both at the same time immediately, that would create a disincentive to early employment.

Mr. MAZZOLI. Very good.

Reverend DEFFENBAUGH. I just want to add to the chorus by another example. I was up in Canada last month visiting our sister agency there, and they have a very successful private sector-type initiative in the Canadian refugee program where private agencies can sponsor refugees without any government assistance coming in. The reason why it's so successful is because Canada has a national health program.

Mr. MAZZOLI. Yes.

Reverend DEFFENBAUGH. So, that very, very heavy expense of health care doesn't have to be borne by the volunteers.

Mr. MAZZOLI. Interesting. Let me start with you on another subject and then we'll wrap this thing up. That's on these refugee-like people. You were mentioning that the U.S. Catholic Conference may have now as many as 40 percent of its case in that category of unreimbursed. Give me a little idea of what we should do or what you would like to see done. I brought that up with our first panel a little bit.

Reverend DEFFENBAUGH. As far as we feel this problem, these are people who are put into the refugee pipeline before the determination is made as to whether they are in formal refugee status or not. I gave the example earlier of the Vietnamese family where the whole family may qualify for resettlement in the United States. They begin the processing. They register both with the Vietnamese and with the U.S. authorities, and so forth.

We, then, as an agency, get notification that this family will be coming. There is an allocation meeting every week in New York where the agencies are assigned the cases that they'll get, and so forth. We begin finding placement, organizing services, organizing reception. Then we find, oops, this one isn't going to be a refugee. This one we're going to call an immigrant, but that one we're going to call a parolee, and this one over there we'll call a refugee. We end up getting, then, the—

Mr. MAZZOLI. So, you start the process before you really are informed exactly what category they'll be in?

Reverend DEFFENBAUGH. That's right. That's part of what it means to be a national Volag under the State Department programs.

Mr. MAZZOLI. So, you take the good and the bad, so to speak? That puts you in the problem of then having to jump around and try to figure out what to do. Some of the cases are paid and some aren't.

Reverend DEFFENBAUGH. Exactly.

Mr. MAZZOLI. But, you're committed to take a family; you can't take some and not those others as a family.

Reverend DEFFENBAUGH. Sure. So, we'd like to have a recognition of that and receive at least some partial payment to reimburse us for our administrative and other reception costs.

Mr. MAZZOLI. Is this 10 percent the figure that you think is bearable, and beyond that isn't?

Reverend DEFFENBAUGH. That's what we use as a guideline in our agency. Our experience has indicated that we can handle 10 percent without special help, but once it gets above that, then we start to feel the pinch.

Mr. MAZZOLI. Mr. Khoa, would you care to comment? Do you think that—is that a problem in your particular case or do you come in contact with people who reach this country in what's a nonrefugee category? Is that mostly a voluntary agency problem?

Mr. KHOA. I am not a resettlement agency, but I agree with the problem described by my colleague.

Mr. MAZZOLI. I'd be interested at some point in continuing this conversation on these allocation meetings and the arrangements that voluntary agencies have to make with the State Department, too. It could be that better notice to you wouldn't solve all of the problems, but I think probably if you received notice early on that the family would be a mixed family and not an immigrant family or not a refugee family or a parolee family, that that might be of some help, too. Maybe the State Department could jump around a little bit.

Mr. Zukerman.

Mr. ZUKERMAN. There are two points, one with respect to your last comment: The cases get referred to us before anybody knows how that family unit is going to be categorized. We want the cases as early as we can to be better prepared as early as we can. The only way for us to take a case when we already would know who the category would be, would be to give it to us later on and soon after their arrival, so we'd have less time.

Mr. MAZZOLI. When you say "nobody," you mean no one including the State Department?

Mr. ZUKERMAN. Right.

Mr. MAZZOLI. So, you're talking about going back to the point where no one knows?

Mr. ZUKERMAN. That determination gets made after the case is—

Mr. MAZZOLI. So, it's not a conscious decision with respect to the Department not—

Mr. ZUKERMAN. No. I do want to make the point, to pick up on what Father Ryscavage raised, the agencies have been asking the State Department to deal with this for 6 years that I can recall.

Mr. MAZZOLI. Deal with what?

Mr. ZUKERMAN. To find some money to help out with this situation.

Mr. MAZZOLI. OK, OK.

Mr. ZUKERMAN. Right?

Mr. MAZZOLI. You're talking about "this" meaning the—

Mr. ZUKERMAN. We now learn, in the last couple of months, that the State Department is discussing giving money to IOM, not to the voluntary agencies, to IOM to do this kind of thing. We don't understand what's going on here. It seems a strange way to run a railroad.

Mr. MAZZOLI. Well, tell me, I was out—I had almost forgotten about it, but that was in Father Ryscavage's testimony. What is the problem? If the State Department is willing to pay somebody to do something that currently isn't being paid to be done, what's the problem?

Reverend RYSCAVAGE. Well, the way I understand it, this is how it was explained to me by Priscilla Capp and Ambassador Lyman. Their idea is, OK, from now on you won't have a problem; what we're going to do is we're going to separate the streams entirely, so you will have nothing to do with the immigration side; you'll deal with the refugees only. We'll separate them from the point of source. In other words, the processing in Vietnam in Saigon will be completely separated—

Mr. MAZZOLI. So that a family would still go by different tracks?

Reverend RYSCAVAGE. Yes, and they'll include—in other words, the idea is that there won't be mixed cases in the future, that the immigration track will be solely a consular track, and IOM will be contracted with, or somebody, to notify the relatives that their immigrants are coming into the country.

Now that sounds like a simple, clear-cut solution, but the problem is, of course, as usual in these things, it does nothing. I think, first of all, it's going to create an enormous backlog in Vietnam for the staff that's working the ODP program. Second, we don't just notify relatives that the immigrants are coming. There's a whole range of things we do which I think an organization like a Geneva-based IOM is incapable of doing, which is finding out in fact if the anchor relative is ready to receive the immigrant, dealing with the complex immigration requirements of the United States. I just don't understand how—if you just contracted with an agency to make a phone call—well, do you see what I mean?

Mr. MAZZOLI. OK. Well, I am not sure I completely follow the real problem here, but it's something that we'll probably have to look into.

I don't know whether anyone else will care to deliver any opinion about the unfunded cases or the refugee-like cases.

Mr. HAMMOND. I'd like to follow up just on what Father Ryscavage is saying. I think it is important to point out that split cases are not only from ODP. We also have them with other refugee areas of the world and programs other than ODP also have cases that will become immigrants somewhere along in the pipeline.

Mr. MAZZOLI. Backing up just 1 second, when you all were talking about immigrants, you're talking about parolees as being immigrants? Anything other than a refugee is an immigrant in the statement that you used, Father Ryscavage, about notification of immigrants, parents, and so forth?

OK. I was just curious because actually parolees could be nonimmigrants in the sense they wouldn't have any relatives here or they weren't coming in for a job. They would be coming for humanitarian reasons, but not as refugees. I thank you for that clarification.

Mr. HAMMOND. Well, thank you for the clarification. You're right, it should be immigrants.

Mr. MAZZOLI. We use jargon around here once in a while and pay the price.

Mr. HAMMOND. The second issue is that to explain the reason why there would be a backlog, it is important to note that the voluntary agencies now do make those contacts with the relatives and kind of grease the skids to help the ODP program, an important part of the comprehensive plan of action. Without the work that we do with the relatives, this would create a situation where that link would no longer be there to keep it moving.

Mr. MAZZOLI. Well, two things strike me, and I'm probably wrong. One is that IOM would contract with you to do the work on the ground, as you would typically do here, or someone would. The second would be what I gather is your preference, and maybe the table's preference. That would be to have money assigned to each of these refugee-like cases. Would that be better? Then let the processing take place as it is today, but then they carry an R&P grant or they carry some kind of a matching grant or something of that nature. That would be your preference, I guess?

Mr. HAMMOND. Not an R&P grant in specific, but a grant to cover the prearrival and administrative costs that go along with it.

Mr. MAZZOLI. That would be your preference?

Mr. HAMMOND. That would eliminate the middle man.

Mr. MAZZOLI. IOM or whoever it would be? Well, very good. As Bill McCollum said 1 minute ago, I guess we could probably go on forever here, but this has been a very interesting meeting.

There will be probably followups in the form of questions that we will send down or telephone calls from the staff. I want to thank all of you very much. It's been a very lively and very interesting panel. We may have to accept reality, which is that there is a time factor here which doesn't permit us to do the job that I think we would like to do in favor of doing something, so that Mr. Natcher and the appropriations people at least have something on the books that they can start looking at.

But, certainly looking toward the later part of this year and next year, this is going to be valuable help to us. We thank you very much and commend you on your work. We are proud and happy that there are people like you who are working with what I consider to be one of the great resources of the world, but what in some cases would be looked at neglectfully. The fact that you're taking care and doing this work is very uplifting and very important. We thank you for it.

The subcommittee stands adjourned.

[Whereupon, at 12:22 p.m., the subcommittee adjourned, to reconvene subject to the call of the Chair.]

APPENDIXES

APPENDIX 1.—STATEMENT OF CHURCH WORLD SERVICE, IMMIGRATION AND REFUGEE PROGRAM

We thank you for the opportunity to express the views of Church World Service Immigration and Refugee Program on refugee resettlement in the United States. CWS is the relief, development and refugee assistance arm of the National Council of Churches. In the U. S., we resettle refugees through our network of 47 affiliates and suboffices. We also help to fund 49 projects which assist asylum seekers, immigrants and others. Overseas, CWS provides care and assistance to refugees through local councils of churches.

Church World Service strives to involve its churches and their communities in resettling refugees. We have resettled 383,977 persons since 1946. The churches in our network are committed to providing for the needs of refugees far beyond the resources provided by the U. S. Government.

The U. S. response to refugee crises through its Refugee Program has been tremendous. In addition, the efforts of the refugees themselves has been extraordinary. Many make the difficult transition to self-sufficiency in a timely manner as shown in the Church World Service study, Making it On Their Own. Despite these positive accomplishments, however, we feel a serious review of the way domestic resettlement works is needed. Increasingly, especially in high impact areas, self-sufficiency and an ability to cope in the mainstream is delayed. There are several reasons for this:

Fragmented services follow the initial reception and placement program. Refugees often must participate in several programs as they move through the resettlement system. They may report to a

job developer at one office and then a cash assistance officer at another. The services provided at these offices may or may not be coordinated through one caseworker. Too often, they are not.

At times these programs work at cross purposes. An unfortunate example of this is a refugee who refuses employment because working would jeopardize his family's medical benefits. Or a refugee who may not need cash assistance nevertheless accepts it in order to receive medical coverage.

Cash assistance has become a mainstay in refugee resettlement and not the safety net originally envisioned as part of the resettlement process. Too often, again, especially in areas with a high concentration of refugees, early reliance on cash assistance overtakes the transition to self-sufficiency. Refugees anxious to maintain a certain level of benefits ignore programs designed to help them achieve economic independence.

Reduced funds have resulted in reduced services. Budget cuts affect the resettlement program at every level. States who now administer assistance and other monies have scaled back their programs as federal dollars have dwindled. Some states have threatened to stop resettlement altogether unless the federal government beefs up its assistance to resettlement.

In order to strengthen the refugee program and regain control over the process of moving refugees towards self-sufficiency, we concur with the suggestions put forth in our colleague agencies' statements. Specifically, we recommend an upfront-funded single-point case management system. Coupled with this, we suggest a revamped impact assistance program for areas where great numbers of refugees do not enter the mainstream after a prescribed period of time.

We believe that a single-point case management program would offset overreliance on public assistance and the fragmentation of services. A case manager who devises a resettlement plan and who controls access to services and transitional assistance can better help a refugee gain economic self-sufficiency and adjust to life in the United States.

Accountability--now practically nonexistent except for the State Department's R and P program--for the results of a reformed resettlement program would be required. Responsibility for a refugee's performance would rest with the case manager's agency.

We strongly recommend that medical assistance should be untied from cash assistance. As mentioned earlier, the threat of the loss of medical benefits seriously impedes a refugees ability to take steps towards economic independence.

For those areas which are heavily impacted by a large refugee population which continues to access public services, specific assistance should be considered. The present impact assistance program should be reviewed and revised as needed to meaningfully respond to disproportionally affected communities.

Our involvement in initial resettlement positions us strongly to undertake the transitional period of adjustment. We are ready as ever to commit resources and energy to bettering refugee resettlement in the U. S.

We thank the subcommittee for its consideration of our views.

APPENDIX 2.—LETTER FROM ROBERT P. DEVECCHI, CHAIR, COMMITTEE ON MIGRATION AND REFUGEE AFFAIRS, AND EXECUTIVE DIRECTOR, INTERNATIONAL RESCUE COMMITTEE, TO AMBASSADOR PRINCETON N. LYMAN, DIRECTOR, BUREAU OF REFUGEE PROGRAMS, U.S. DEPARTMENT OF STATE



July 26, 1991

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 Helen S. Watts
 Karl D. Zuckerman

200 Park Avenue South
 New York, NY 10003
 212/777-8210
 Fax: 212/995-2942
 1815 H Street, NW
 11th Floor
 Washington, DC 20006
 202/822-8429
 Fax: 202/659-2661

Ambassador Princeton N. Lyman
 Director
 Bureau for Refugee Programs
 U.S. Department of State
 Washington, D.C. 20520

Dear Ambassador Lyman:

On behalf of the voluntary agencies active in refugee resettlement programs, I am writing to express our serious concerns regarding discussions currently underway within the Bureau on the future processing of immigrant visa beneficiaries and humanitarian parolee cases from Southeast Asia. We understand the Bureau is in discussion with the International Organization for Migration about assuming responsibility for the pre-arrival services currently provided by the resettlement agencies. Because of the serious implications of such a change, we believe it would be beneficial if the agencies were to participate in these discussions.

Our current involvement with this population far exceeds the straightforward arrival notification to U.S. relatives. Volag contact with JVA, INS, and Consular Officers for the completion of immigration formalities plays an important role in assuring that applications are completed accurately and in a timely manner. Considerable time is spent verifying relative addresses and determining if the anchor understands and is prepared to receive the arriving relatives. Post arrival services for this population are also provided as a distinct function from the Reception and Placement activities for other refugees.

The agencies have served these immigrants and parolees from a refugee-like situation with the same humanitarian spirit that we serve conventionally defined refugees. We are concerned that precipitous changes in the way these cases are handled could potentially create serious delays and backlogs in processing as well as weaken what little support systems there are to help them adjust to their new lives and become economically self-sufficient.

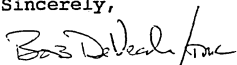
We understand that this question is on a "fast track" leading to possible significant changes in the near future. Before things get finalized, we believe it

Ambassador Princeton N. Lyman
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would be helpful if we had the opportunity to share with you and the Bureau our experience and insights as to the practical consequences of any changes being considered.

Thank you for your consideration. We look forward to hearing from you.

Sincerely,



Robert P. DeVecchi
Chair, Committee on Migration and Refugee Affairs
Executive Director
International Rescue Committee

On behalf of:

Wells C. Klein
Executive Director
American Council for Nationalities Service

Dale de Haan
Executive Director, Immigration and Refugee Program
Church World Service

The Rev. Canon Burgess Carr
Executive Director
Episcopal Migration Ministries

Karl Zukerman
Executive Vice-President
Hebrew Immigrant Aid Society (HIAS)

Dr. Le Xuan Khoa
Executive Director
Indochina Resource Action Center

Mitzi Schroeder
Director, Washington Office
International Catholic Migration Commission

Ralston H. Deffenbaugh, Jr.
Executive Director
Lutheran Immigration and Refugee Service

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Lionel Rosenblatt
Executive Director
Refugees International

Leon Marion
Executive Director
Tolstoy Foundation

The Rev. Richard Ryscavage, S.J.
Executive Director
Migration and Refugee Services, U.S. Catholic
Conference

Donald Hammond
Director, USA Ministries
World Relief

cc: Priscilla Clapp

RPD:tmc

**APPENDIX 3.—STATEMENT OF MARK HANDELMAN, EXECUTIVE VICE
PRESIDENT, NEW YORK ASSOCIATION FOR NEW AMERICANS, INC.**

Mr. Chairman and members of the Subcommittee, I am Mark Handelman, Executive Vice President of the New York Association for New Americans (known as NYANA). I am also the immediate past Chairman of the Board of the National Immigration, Refugee and Citizenship Forum which has been actively engaged during the past six months in facilitating dialogue and building consensus among a broad spectrum of organizations on resettlement program improvements. I submit this testimony in order to share my perspective on the current system of refugee resettlement and to offer some specific recommendations as Congress prepares to reauthorize the Refugee Act of 1980. These recommendations reflect NYANA's own experience as well as many of the key observations identified through the National Forum process and by the American Jewish community under the leadership of the Council of Jewish Federations.

NYANA was established in 1949 by the Jewish community to assist thousands of displaced persons who were fleeing the aftermath of the Holocaust. During the past forty-two years, NYANA in cooperation with the UJA-Federation of Jewish Philanthropies of New York has provided essential resettlement services in New York to over 350,000 refugees of diverse ethnic and religious backgrounds from 39 countries. Today, NYANA is the largest local resettlement

agency in the United States. Accepting our clients by referral from the Hebrew Immigrant Aid Society (HIAS), NYANA has resettled approximately half of all Jewish refugees admitted to this country. NYANA receives its funding for initial resettlement services from the United Jewish Appeal, UJA-Federation of Jewish Philanthropies of New York and a combination of grants from the federal government, including the State Department Reception and Placement (R &P) Grant Program, and the Department of Health and Human Services Office of Refugee Resettlement (ORR) Voluntary Agency Matching Grant Program which I will return to later in my testimony. In addition, NYANA has received a variety of discretionary grants in recent years, including ORR refugee social services funds administered by New York State, Job Training Partnership Act funds through New York City, and U.S. Department of Education Bilingual Vocational Training funds. NYANA is a member agency and grant recipient of the United Way of New York City.

I have served as NYANA's Executive Vice President since 1981. During these years NYANA has resettled refugees from Vietnam, Cambodia, Iran, Syria, Afghanistan, Poland, Romania, Ethiopia, ... and, of course, the Soviet Union. Our primary caseload over the last three years has been Jewish refugees from the Soviet Union: 19,000 in Federal Fiscal Year 1989; 17,500 in 1990; and an anticipated total of 10,000 to 12,000 in 1991. The number for this year falls far short of the 18,000 Soviet Jews NYANA expected to resettle, representing NYANA's share of the 40,000 authorized Soviet Jewish refugees. This arrivals shortfall (10,000 - 15,000 of the 40,000 visas will be unused) has created major budget and staffing problems for our agency but, more importantly, has halted the reunification of thousands of Soviet emigres residing in New York with their relatives who are unable to leave the Soviet Union due to restrictions by the

Soviet OVIR exit permission agency as well as confusion over the implementation of the new emigration law. It is crucial that Congress join with the Administration in urging President Gorbachev to correct these problems quickly so that Soviet Jews and others approved by the United States for entrance as refugees be allowed to leave the Soviet Union immediately. Attached to this testimony is language that was recently incorporated in the FY'92 Foreign Operations Appropriations Bill on the arrivals shortfall issue.

Before addressing the specific domestic resettlement programs that were created by the Refugee Act of 1980, I want to emphasize a basic element of these discussions that is too often overlooked. Refugee resettlement is not about programs; it is about **people**. Resettlement is about individuals and families who have lived with tragedy, fear, persecution, war and other horrors in their home countries. Resettlement is about refugees who must cope with the further trauma of leaving behind everything familiar, frequently including family members and friends, and beginning a new life in a strange society. As we discuss resettlement programs, I hope we will all keep in mind that the success or failure of resettlement is really measured by how well we meet the needs of these courageous men, women and children, not how many dollars we have spent or saved.

The current system of services to refugees, created by the Refugee Act of 1980, has provided cash and medical assistance, English language classes, vocational training and job placement, and other social services to over a million refugees. The majority of these refugees are self-supporting and integrated into American life. Many have made significant contributions in the

scientific, technical and artistic fields. We see thriving communities of Indochinese, Soviets, Ethiopians, Afghans and other ethnic groups as part of the mosaic of our cities. The growth of Mutual Assistance Associations (MAAs) is a positive sign of group self-help and support for newer arrivals. So, in general, it is fair to say that the 1980 Act is a success. But it is a qualified success.

There are several sets of problems with the current system that I will briefly address. **First**, the goals of the program are unclear. **Second**, service delivery is fragmented, particularly during the refugees' initial critical year. No one person or agency has overall responsibility for coordinating the resettlement plan for a refugee family. **Third**, some refugees, particularly those with special needs, will require more extensive resettlement services and public benefits beyond one year. **Fourth**, limitations on refugee medical coverage impedes the movement of refugees toward financial self-sufficiency. And **fifth**, lack of coordination of refugee resettlement policy at the federal level and diminishing federal resources are undermining the public/private partnership and the commitment which has been an intrinsic part of the resettlement system under the Refugee Act of 1980.

I. PROGRAM GOALS

The 1980 Act states that the goal of the programs created by the Act is "effective resettlement". The interpretation of that phrase has changed significantly over the past decade until it is now generally determined to mean early employment and reduced welfare dependency. These two

"goals," in and of themselves, are insufficient especially if reducing welfare dependency simply means shortening time eligibility for refugees who have no other means of support.

RECOMMENDATION: There is broad consensus among the public and private resettlement agencies that the true goals of a comprehensive resettlement program should be **durable economic self-sufficiency** for the refugee family or individual and full **social integration** for all refugees. Any reauthorizing legislation should include this definition.

By durable self-sufficiency I mean that a refugee is employed at an appropriate level commensurate with his or her skills, or at least has a reasonable opportunity to progress to that level; that wages are sufficient to support the family unit (possibly with one or more additional wage earners in the family); and that there is a high probability that the job will be retained or only relinquished for a better one. Services should be targeted at removing barriers to employment, such as the absence of marketable skills. Increased availability of vocational training resources for refugees would substantially reduce welfare dependence resulting from direct placement into low wage/low skill unstable employment.

NYANA in conjunction with Federation Employment and Guidance Service (FEGS) in New York has implemented classroom skills training courses in a variety of technical occupations which have resulted in over 90 percent placement rates at the end of training. Classroom skills training has often been held to have unit costs which are prohibitive when compared to direct placement into entry-level early employment. It is clear from our experience that **cost benefit** not simply

"cost" is the crux of the matter.

Social integration is a concept that implies that the refugees are able to negotiate systems they must encounter everyday in America. It means that they can function in supermarkets, banks, public transportation and department stores; that they understand laws and customs; and that they can find for themselves the services and support they may still need through mainstream social service programs, support groups and MAAs.

II. SOCIAL SERVICE FRAGMENTATION

The current system of services leaves no one person or agency responsible for all aspects of the resettlement program for a given refugee family or individual. The Reception and Placement (R & P) agency is responsible for some services, the social service provider agencies (public or private) are responsible for others, and the public welfare system is responsible for cash and medical assistance. Each of these entities may impose requirements on the refugee family or provide direction or advice that might be contradictory to that provided by another. Without coordination of services and a single point of reference, the refugee is caught in a conflicted situation and must make decisions, in many cases, without sufficient knowledge of the consequences of the choice.

RECOMMENDATION: The most cost effective and beneficial change that can be made in the resettlement system is the mandating of a **single case management system**. A

comprehensive resettlement program, with an expanded voluntary agency case management role for up to 12 months, would improve employment outcomes and reduce welfare dependency for many refugees, particularly in localities with current high rates of refugee utilization of public assistance. NYANA's experience over the past ten years, especially with refugees in the Voluntary Agency Matching Grant Program, as well as the results achieved through a number of Fish-Wilson demonstrations, clearly indicates that having a case manager from day of arrival enhances the involvement and cooperation of the refugees, provides increased coordination of services, improves the probability of early self-sufficiency, and, therefore, reduces long-term use of public assistance.

The case manager assesses skills, service needs and barriers to self-sufficiency, works with the refugee family to design a mutually agreed upon resettlement plan and has the authority and responsibility to monitor compliance with the plan and adjust it as necessary. The case manager must also have the authority and capacity to compel the service system to respond to the resettlement plan. The services required for initial resettlement include employment services, ESL, social adjustment, cash assistance, and medical coverage. The designated case manager must have the power to call upon service resources or such a case management system will not work. In addition, the case manager becomes a resource for information about mainstream programs and can be called upon to resolve conflicting demands on the refugee if they occur.

The Jewish community has used this case management model under the Matching Grant Program since 1979. The local affiliates of our national VOLAG, HIAS, are responsible for pre-arrival

contacts with anchor families, reception and placement services, case management, income support, and employment and social services for four months from day of arrival. This model of intensive, front-loaded service delivery with a single point of accountability -- to the government and the refugee -- has resulted in significant rates of job placement and reduced public assistance usage. Those who do access public assistance after four months tend to remain on for less than a year and are not long-term dependents. Other VOLAGs such as the United States Catholic Conference, Lutheran Immigration and Refugee Service and the American Council of Nationalities Service have selectively utilized the Matching Grant with similar success. **In the reauthorization, Congress should add legislative language to authorize the Matching Grant Program.**

Several features of the Matching Grant program, in particular its provision to refugees of front-loaded services and extended case management, can be adapted for use with many refugee populations. Incorporation of that program's strengths into an expanded 12-month resettlement program with case management and transitional income support administered by the voluntary agency would be helpful particularly in those states containing localities with high rates of refugee utilization of public assistance. Congress might wish to build in a "trigger" mechanism by specifying a set of criteria which would mandate the use of the 12-month case management program in a city or county. Such criteria could include a refugee welfare utilization rate higher than the national average, a local general unemployment rate higher than the national average, and a high annual refugee arrivals rate (perhaps 5,000 or more in the prior year). In non-impacted states, state and local governments and the resettlement agencies could explore this

program as an option.

Currently, once a refugee accesses public cash assistance, case management is shifted from the resettlement agency to the public welfare agency. We believe that the best approach would be to have refugees continue to receive cash assistance from the same agency which provided the Reception and Placement (R&P) services. However, depending on local circumstances, the voluntary agency might choose to channel the provision of cash assistance to refugees through a public agency or another private agency, so long as the voluntary agency retains the case management function. The costs for this program could be drawn from funds otherwise used for federally-funded cash assistance or refugee-specific assistance.

The program would begin at the end of the R & P period, and last up to 11 more months; for those refugees on the Matching Grant, it would begin at the end of four months and provide up to an additional eight months of service. In order to be effective, the local resettlement agency must be made the "gatekeeper" with authority over the access by refugees to federally-funded refugee social services and, at state option, other publicly-funded services such as training programs.

The local VOLAG affiliate should have the right of first refusal to administer this program for those refugees resettled in the United States under its auspices, so long as the agency meets minimum capacity standards and performance expectations.

III. PUBLIC ASSISTANCE BEYOND THE INITIAL RESETTLEMENT PHASE AND SPECIAL NEEDS POPULATIONS

For many reasons ranging from transitional emotional problems to job skills that are incompatible with the American job markets to cultural norms and mores that have not prepared the new arrival for the work force, there will be some refugees who will not achieve economic self-sufficiency by the end of the first year and who will therefore need to rely on public assistance for longer periods of time. In the current system, these people are often lost to the resettlement agencies and remain public assistance recipients for longer than necessary because they are not getting the additional employment, language and social services that they need to adjust to a new way of life. They may also not yet have the social integration skills needed to find the mainstream services that might help them.

RECOMMENDATION: Public assistance should remain available for those with a continuing need for support beyond the first twelve months, and funds provided to public and private service providers, including VOLAGS, MAAs and city and county governments, to continue working with this population to remove barriers to employment and social integration. Refugees might also be listed as a priority target group for mainstream programs such as job training programs and mental health counseling. The special role MAAs play in orienting new Americans and aiding in cultural transition should be incorporated into a program for refugees with longer-term service needs.