Unfulfilled Promises, Future Possibilities: The Refugee Resettlement System in the United States

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**Executive Summary**

World War II caused the displacement of millions of people throughout Europe. In response, the United States initiated a public-private partnership that assisted in the resettlement of hundreds of thousands of the region’s displaced persons. For nearly 40 years after the War, the US commitment to refugee resettlement played out in an *ad hoc* fashion as it responded to emerging crises in different ways. During this period the government’s involvement with resettlement became gradually intertwined with that of nongovernmental resettlement agencies, which came to play an increasingly vital role in the resettlement process. The budding relationship that began in the middle decades of the twentieth century set the foundation for an expansive and dynamic public-private partnership that continues to this day. The Refugee Act of 1980 solidified the relationship between resettlement agencies and the federal government, established political asylum in US law, and created the refugee resettlement program and a series of assistance programs to help refugees transition to life in the United States. This legislation marked a decisive turning point in the field of refugee resettlement.

Since passage of the Act, the United States has resettled more than two million refugees, providing them with the opportunity to start a new life. Nevertheless, almost as soon as it was established, federal backing for the domestic resettlement program began to erode, placing the program under increasing stress. Financial and programmatic support was quickly reduced because of budgetary pressures and a changing political climate in Washington, DC. Administrative control of the program was assigned to federal agencies that are responsible for different facets of the process. However, coordination and information sharing between these agencies and with resettlement agencies has been less than optimal. The lack of
adequate support for the resettlement program has placed substantial strain on refugee receiving communities and on resettlement agencies. Receiving communities have experienced particular strain as a result of secondary migration and a lack of resources to assist in refugee integration. In light of these issues, this paper highlights specific improvements that could be made to the domestic resettlement program that would ensure that the United States will remain in a strong position to welcome refugees for years to come.

Introduction

The United Nations High Commissioner for Refugees (UNHCR) estimates that at the close of 2012 there were approximately 15.4 million refugees worldwide (UNHCR 2013b). The international community has traditionally promoted three durable solutions to displacement: voluntary repatriation, integration into the country of first asylum, and resettlement to a third country. Voluntary repatriation is the preferred option since it signifies that the original cause for displacement has subsided to the point that it is safe for the refugee to return home. However, with the threat of continued persecution or ongoing conflict, it may be best for the refugee to remain in the country of first asylum and integrate into the local community. If remaining in the country of first asylum is not viable because of local resistance, lack of economic capacity, or another reason, resettlement to a third country might be the only realistic solution. Despite the need for third country resettlement, potential host countries have too often failed to live up to their moral responsibility to provide resettlement opportunities to refugee populations who otherwise remain mired in makeshift camps and urban centers around the world.

The United States became proactive in the resettlement of displaced persons following the end of World War II, and in response to other refugee crises that emerged in Cuba, Southeast Asia, and Eastern Europe in later decades. Until the passage of the Refugee Act of 1980, the United States admitted refugees on an ad hoc basis. The Act codified the definition of a refugee and the right to asylum into US law consistent with the 1951 United Nations Convention Relating to the Status of Refugees. It established a standardized admissions process that emphasizes “special humanitarian concerns,” and created a series of assistance programs that would help refugees transition into their new life in America (Anker and Posner 1981, 11). Since the Act’s passage, the United States has resettled more than two million refugees. Every year since 1994 it has resettled more refugees than all other states of the Organization for Economic Cooperation and Development (OECD) combined (Kerwin 2012, 5). Given the numbers of refugees resettled and the lives saved as a consequence, it is reasonable to argue that the system put into place by the Refugee Act of 1980 has largely been a success.

The Refugee Act of 1980 provided a solid foundation for building a robust resettlement system. Yet in the thirty years since the Act’s passage, the United States has not fully lived up to its obligations under the law. Many stakeholders have identified the need for comprehensive analysis of the strengths and weaknesses of the resettlement program. In
2003 the US State Department commissioned a study by David Martin on the refugee admissions system which covered issues related to the identification and processing of refugee populations overseas (Martin 2005). In 2011 the National Security Staff (NSS) completed an administrative review of the domestic side of the resettlement process which made recommendations for enhanced interagency coordination. The Government Accountability Office (GAO) has also analyzed the resettlement process and provided periodic reports highlighting both the strengths and weaknesses of the system. In addition, recent studies by private organizations have identified the need to commission further analysis on the institutional structures, relationships, processes and funding of the domestic resettlement program (Brick et al. 2010). Many of these studies have examined elements of the domestic resettlement program including the reception, placement and integration of refugees, which could bolster a larger, comprehensive assessment (Nezer 2013; Human Rights First 2012; IRC 2009; Georgetown University Law Center 2009; LIRC 2009).

This paper argues for specific reforms that would allow the resettlement system to live up to its unfulfilled promise and that would realign it with the vision set forth in the Refugee Act of 1980. Beginning in the post-World War II period, federal refugee resettlement programs became increasingly intertwined with the work of nongovernmental, humanitarian agencies. The passage of the Refugee Act signified a high point in this progression and delineated the roles and responsibilities of the federal government and private organizations in the resettlement process. At the core of the Act is the goal of helping refugees become self-sufficient. However, self-sufficiency has become narrowly defined and, in any event, the system has failed to provide the necessary resources to further this objective. In addition, breakdowns in coordination and information sharing on multiple levels have undermined the program.

From World War II to the Refugee Act of 1980

Due to the violent disruptions brought on by World War II and the proliferation of political, religious, and ethnic persecution during that period, millions of men, women, and children living in Europe were displaced from their homes and forced to flee in search of safety elsewhere. While the resettlement of European refugees began in earnest in the post-war period, the federal government and voluntary organizations began to coordinate their refugee resettlement work as early as the late 1930s. These early efforts planted the seeds for the public-private partnership that blossomed in later decades as their activities became more closely intertwined. This growing relationship often advanced on the heels of newly emergent refugee crises, thus providing the springboard for further development of the system.

At the height of World War II President Roosevelt established the War Relief Control Board, which became the official liaison between the federal government and voluntary agencies interested in providing humanitarian support overseas, including in matters related to displaced populations. A complementary organization, the American Council of Voluntary
Agencies in Foreign Service (ACVA)—which was itself an early precursor to the Refugee Council USA and InterAction\(^2\)—was established to coordinate relief activities among the voluntary agencies and function as an interlocutor between member organizations and the federal government. In a series of meetings convened to discuss the problem of displaced persons in Europe in the mid-1940s, members of the ACVA, which included Jewish, Catholic, and Protestant groups, recognized the need for government funding and support if the United States was going to play an important role in responding to this problem. The refugee crisis confronting these organizations far exceeded the reach of their private resources; government support was not only expected but “assumed” (Nichols 1998, 61-8). Contrary to expectations, federal funding was not immediately forthcoming as some influential government officials remained resistant to the resettlement of European refugees in the United States.

Expansive resettlement efforts did not take place until three years after the war ended with the passage of the Displaced Persons Act of 1948, but consolidation of the public-private partnership began during the intervening period. The turning point came with President Truman’s executive order on December 22, 1945 that prioritized the resettlement of displaced persons, and orphaned children in particular. While only marginally effective as a tool for resettlement—it led to the admission of only 38,000 displaced persons over a three year period— the directive instituted an important change in the way voluntary organizations coordinated their work with the federal government in the resettlement process. Previously, migrants, including refugee populations, had to be sponsored for resettlement into the United States by a financially competent individual to ensure that they would not become a public charge. Following Truman’s directive, humanitarian agencies were for the first time allowed to become the sponsoring agencies of refugees. In this role, they provided guarantees that resettled refugees would not become public charges. The directive also mandated that these agencies cover the cost of travel across the Atlantic and provide for the displaced upon their arrival, so that the immediate cost of resettlement would not be borne by US taxpayers (Truman 1945).

Under the law at the time, there was no legal distinction between a refugee and an immigrant; any refugee who was admitted into the United States entered under the quota for his or her country of origin. Given the stringent nature of the quota system, proponents of the resettlement of displaced persons urged Congress to pass “emergency legislation” that would allow for more robust resettlement. The Displaced Persons Act of 1948—the preeminent example of such emergency legislation in the post-war period—provided for the admission of 202,000 displaced persons over a period of two years. In contrast to Truman’s 1945 directive, the cost of travel from Europe to the port of entry was covered by the federal government. However, humanitarian agencies were expected to provide for the needs of refugees after their arrival, including fronting the cost of travel from the port of entry to the final destination through loans paid by the refugee once they began earning money (Curtin 1952, 59). With a broadening scope of responsibilities, agencies involved in

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\(^2\) Established in 2000, Refugee Council USA is a coalition of nongovernmental organizations (NGOs) engaged in advocacy on behalf of the rights of refugees around the world and functions as the consultative forum for US-based agencies involved in resettlement work (http://www.rcusa.org/). Established in 1984, InterAction is an alliance of internationally-based NGOs that focuses on improving conditions and opportunities for the world’s most poor and vulnerable (http://www.interaction.org/about).
resettlement began to develop an expansive national network. The networks put into place to assist in the resettlement of displaced populations following the war formed the basis of these agencies’ work in later years (Scribner 2013).

The next major refugee crisis occurred following the Hungarian uprising in 1956. In response to a national uprising for political reform, Soviet troops launched a crackdown on protesters, killing thousands and forcing tens of thousands more to flee to Yugoslavia and Austria. To relieve some of the pressures of this influx on the Austrian government, President Eisenhower agreed to resettle some 35,000 Hungarian refugees into the United States (Coriden 1996). As with the displaced persons crisis following World War II, humanitarian agencies functioned as important actors in the resettlement process. Unlike earlier efforts, the federal government agreed to pay humanitarian agencies a total of $1.5 million dollars, or approximately $40 dollars per refugee, to assist in the process. Federal authorities soon thereafter issued a letter informing humanitarian agencies that these “payments do not constitute a precedent for giving payment to the voluntary agencies for similar costs for other refugee movements” (Zucker 1983, 173). While perhaps intended to be an isolated event, this precedent was later expanded and reinforced with the influx of Cuban refugees.

Between January 1959 and December 1960, the United States admitted 100,000 Cuban refugees who fled Cuba following Castro’s rise to power. Federal authorities expected that the Castro regime would soon collapse followed by a quick repatriation of Cuban refugees. However, large numbers of incoming Cubans soon required more support (Scanlan and Loescher 1983). The Cuban government’s decision in 1960 to confiscate the personal property of Cubans who fled to the United States strained the resources of local agencies and led the US government to establish the Cuban Refugee Emergency Center in Miami, Florida. President Kennedy allocated $5 million dollars for the Center to help care for Cuban arrivals. The president subsequently commissioned the Director of Health, Education, and Welfare (HEW) to establish a Cuban Refugee Program. On June 28, 1962, the Migration and Refugee Assistance Act of 1962 was enacted and funds for the program were appropriated by Congress. From 1961 through 1967 the government spent nearly $260 million dollars on direct support for refugees, including education, employment, health, reception and registration services of Cuban nationals who arrived in Miami (Thomas 1967, 47-9).

The decision to support incoming refugee populations was reinforced during the influx of Indochinese refugees following the fall of Saigon in 1975. The US Department of State signed contracts with nine voluntary agencies and agreed to pay $500 (later $350) dollars per refugee to support the initial cost of relocation (Silverman 1980, 29). The Indochinese Refugee Assistance Act, enacted on May 24, 1975, divided the administration of voluntary agency and state assistance funds between the Department of State and HEW. Later that year, President Ford deployed a specially-created task force in HEW to help address some of the long-term needs of refugees in the community. This resulted in the release of a series of employment and training grants to the states which could be used to establish English language and vocational trainings, job placement programs, personal and family

3 While independent of the US Refugee Admissions Process, the Cuban Haitian Entrant Program continues to operate today as a public-private partnership between the Department of Homeland Security and various nongovernmental organizations.
counseling, and related programs for Indochinese refugees. These grants aimed to ease some of the financial stresses on states (Silverman 1980, 32).

The *ad hoc* nature of refugee resettlement and the *de facto* development of distinct resettlement programs that coincided with influxes of new refugee populations fostered inconsistencies in the program. For example, voluntary agencies resettling Soviet refugees were eligible for a stipend of $1,100 dollars per refugee that was to be matched by $1,100 dollars in private money, whereas agencies resettling Indochinese refugees were eligible for a $500 dollar stipend with no match required (Silverman 1980, 34). In testimony before the US Senate Committee on the Judiciary in 1979, former Senator Dick Clark—then newly appointed United States Coordinator for Refugee Affairs—expressed the need for a permanent and consistent refugee policy to replace what he characterized as an inadequate “patchwork of different programs that evolved in response to specific crises” (Kennedy 1981).

### The Emphasis on Early Employment for Self-Sufficiency

Passage of the Refugee Act of 1980 standardized the system under which refugees were admitted, clarified the objectives of the program, authorized assistance programs that would be used to achieve these objectives, and delineated the roles and responsibilities of the various federal agencies involved in the process. One of the central objectives of the refugee resettlement system is to help refugees achieve “self-sufficiency,” which has traditionally been narrowly focused on finding employment and earning a total income that allows a family to support itself without the receipt of cash assistance from the state (Brick et al. 2010).

The Act had originally exempted refugees from work registration requirements for the first 60 days, but in 1982 Congress eliminated the exemption, thereby strengthening the connection between self-sufficiency and early employment for refugees (GAO 1983, iii). Prior to elimination of the exemption, the US Department of Health and Human Services/Office of Refugee Resettlement (DHHS/ORR) program guidelines, federal agreements with resettlement agencies, and even the Act itself “did not make clear whether employment should be an immediate goal or something to be sought following the completion of available training” (GAO 1983, 22). Following elimination of the exemption, finding employment as quickly as possible became the program’s preeminent objective while other priorities set forth in the Act, including English language and employment training programs, were marginalized.

The almost singular emphasis on self-sufficiency and economic independence, while a laudable objective, risks limiting opportunities for refugees to become accustomed to their new surroundings, find jobs appropriate to their skill sets, and access social services that could improve their long-term outcomes (Brick et al. 2010, 11). Furthermore, it overlooks a more robust understanding of integration which includes psycho-social, linguistic, and cultural integration (Ott 2011, 10). The provision of more resources to support a comprehensive approach to integration would benefit refugees and receiving communities in the long-term. For example, language barriers can diminish employment opportunities and impede the ability of refugees to navigate complex systems such as healthcare or
effectively communicate with law enforcement officials in emergency situations (US Senate Committee on Foreign Relations 2010, 2). Too frequently, training and recertification, and English language learning programs are underfunded or underprovided in a given locale (Georgetown University Law Center 2009, 22-26; US Senate Committee on Foreign Relations 2010, 4-5).

Even if more resources were targeted to employment and English language learning programs, highly educated refugees may still not be able to find employment that reflects their level of education or skills immediately after their arrival. To better address challenges associated with finding adequate employment, the refugee program could cover potential obstacles during pre-arrival orientation, engage in outreach and partnerships with potential employers, and develop individualized employment plans to help incoming refugees strategize on necessary steps to achieve their employment objectives (UNHCR 2013a, 27-37).

Changes in the types of refugee flows over time can also complicate efforts to secure quick employment for incoming refugees. From the mid-1970s until the mid-1990s, at least three-quarters of refugees coming to the United States were from the former Soviet Union or Southeast Asia. Today, the United States processes refugees from over 60 countries around the world (Dewey 2004). In 1990 nearly half (47 percent) of the refugees being resettled into the United States were from the Soviet Union and just over a quarter from Vietnam, followed by Laotian and Romanian refugees as a distant third and fourth, respectively. In 2010 the top four refugee flows were from Iraq, Burma, Bhutan, and Somalia, none of which contributed more than a quarter of that year’s total refugee flow (PRM 2010). Each ethnic group brings with it its own challenges, languages, and cultural norms that have to be taken into consideration when placing refugees in particular locales and seeking employment opportunities for them. Organizations such as the Center for Applied Linguistics, which offers a wide array of resources related to cultural orientation, should be even further enhanced and utilized within the resettlement system.

Finally, different government agencies serve competing objectives. On the one hand, the primary objective of the Bureau of Population, Refugees and Migration (PRM) of the State Department is to resettle the most vulnerable refugee populations. On the other hand, ORR has as its primary goal the promotion of “self-sufficiency and integration,” which in practice means finding employment that will allow a refugee to live without government support. However, it is the most vulnerable refugee populations—including those who have been severely traumatized or experienced physical injuries—that face the most significant obstacles to attaining self-sufficiency and integrating into receiving communities, particularly within the context of a weak economic climate (Kerwin 2012, 9).

**The Role of Federally-Funded Transitional Assistance Programs**

Although self-sufficiency through early employment is one of the fundamental goals of the resettlement process, the drafters of the Refugee Act recognized that there would be a period of transition into a new life in the United States. Two primary streams of funding provide
support for the resettlement process, the first of which is the State Department-funded Reception and Placement (R&P) Program. The R&P Program provides initial support for the immediate needs of refugees for up to the first 90 days after arrival and offsets the costs borne by resettlement agencies. As of January 2010, the State Department doubled the R&P grant from $900 dollars to $1,800 dollars per refugee. At least $1,100 dollars of this amount must be used for direct support to the refugee, while up to $700 dollars of the remaining assistance can be used to offset program management costs (Department of State 2010).

The second primary source of funding is a series of transitional assistance programs that are funded by ORR. Several programs, including employment-related services, Refugee Cash Assistance (RCA), and Refuge Medical Assistance (RMA) are available for financially eligible refugees. While well-intentioned, funding levels for these programs have failed to keep pace with the needs of refugees and local communities or have been reduced over time. Reduction in resettlement assistance has resulted in shifting the responsibility to provide cash and medical benefits from the federal to state governments (GAO 1990, 5). This section examines how this has played out in the case of the RCA and RMA programs in particular.

At the time of the Refugee Act’s enactment, refugees who otherwise qualified for Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC), or Medicaid were eligible to receive these forms of assistance. Refugees who met the financial qualifications to participate in these federally funded social service programs but did not qualify because of family composition, age, or disability, were still able to receive RCA and/or RMA benefits (Holman 1996, 20). For example, non-elderly childless adults were traditionally unqualified to receive Medicaid. In such cases, a financially eligible refugee, while not qualifying to receive Medicaid, would qualify to receive RMA benefits for a prescribed period (Bruno 2011). In addition, the Act committed the federal government to provide a 100 percent reimbursement to cover the cost borne by the state for refugees who qualified for and participated in state-level social assistance programs for the first 36 months in the United States. RCA and RMA were provided to the refugee for the same time period.

Almost from the outset, the federal government began to curtail the benefits provided to refugees. On April 1, 1982, the period of RCA and RMA support was reduced to 18 months. It was further reduced in October 1991 to eight months, where it remains today. The initial reduction to the RCA and RMA programs was due in large part to government concerns that refugee service providers viewed the programs as guaranteed entitlements that deterred refugees from seeking employment opportunities (Holman 1996, 22-24). In other words, there was a growing concern among political leaders that cash and medical assistance were forms of welfare that inhibited self-sufficiency rather than transitional support aimed at establishing a refugee in the local and national community.

The identification of refugee assistance as a form of welfare altered the way in which segments of the American public perceived recently-arrived refugees. Instead of recognizing financial and medical support for these communities as transitional assistance meant to help refugees acclimate to a new homeland—as they should be understood—the
use of assistance became viewed by some as a form of dependence (Haines 2010). A report issued by the GAO in 1983 highlighted these concerns. Focusing on the newly arriving Indochinese refugee population, which remained one of the largest refugee streams in the years following the Act, the GAO expressed concerns that the welfare dependency of this group had been consistently high since the time of their arrival. The report further noted that although some refugees might need continued public assistance, it could create a disincentive to seeking early employment (GAO 1983, 16).

This perspective was rooted in larger, far reaching changes in the political climate concerning the government’s role in American life. By the early 1980s, a conservative shift in American politics, which was generally antagonistic toward government spending on social programs, had become ascendant. Consequently, federal funding for many social welfare, job training, and education initiatives was either cut or completely eliminated, while other programs were folded into block grants to states (Zucker 1983, 181).

Partly a consequence of this shift, reimbursements of the states’ share of the cost of the AFDC and SSI program expenses were cut. Early efforts to reduce this funding surfaced with the passage of the Balanced Budget Emergency and Deficit Control Act of 1985, popularly known as Gramm-Rudman. One of the primary purposes of Gramm-Rudman was to institute controls on spending that would result in a balanced budget by 1991. To achieve the required cuts, the refugee program shortened the time frame during which federal funds would be used to cover the state share for AFDC, Medicaid, and SSI (Holman 1996, 22). The first reduction was to 31 months in May 1986 and was progressively whittled down to zero months by October 1990.

A report issued by the GAO in 1990 noted that between 1985 and 1989 DHHS’s assistance per refugee declined 48 percent from $6,921 to $3,600 in absolute dollars. The GAO estimated that in 1990 the total cost that was shifted from the federal government to the states was around $85 million dollars. Reductions in federal funding resulted not only in service cutbacks in English language and job training programs, but also increased waiting periods for access to available programs, particularly in California and other states with large refugee populations (GAO 1990, 1–10). Critical of the federal government’s failure to provide the resources necessary to properly fund the resettlement system, Director of the California Department of Social Services Walter Barnes noted that:

> these cuts show the inability or unwillingness of Congress and the Administration to meet the commitments laid out in the Refugee Act of 1980. The constant eating away at resources is, I’m afraid, going to eat away public support for the refugee program. (Pear 1989, E4)

In 1996 the House Subcommittee on Immigration and Claims of the Committee of the Judiciary held a hearing to address some of the shortcomings of the resettlement system and discuss ways to better enable refugees to become self-sufficient. In written testimony,

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5 More recent changes to the welfare system, and in particular the passage of the Personal Responsibility and Work Opportunity Reconciliation Act in 1996 have significantly reconfigured the eligibility requirements for federal public benefits. While refugees remain qualified to receive some benefits, the limited time period for which these benefits are available to them has largely obviated concerns about “keeping refugees off of welfare.”
Representative Gary Condit (D-CA) claimed that while federal funding was used in his district to support language learning programs, employment and skills training, and provide cash assistance to refugees, federal dollars dried up quickly, placing strain on the local economy. He lamented that, “despite the fact that in the past the Federal Government has made commitments to fully support refugee resettlement, this commitment has not been met for many years,” and argued that it was “unconscionable for the federal government to place refugees in communities without providing resources for their resettlement.”

A 2010 report by the US Senate Committee on Foreign Relations concluded that the “resettlement efforts in many US cities are underfunded, overstretched, and failing to meet the basic needs of the refugee populations” and recommended that “the federal government do more to support and resource the local communities” (US Senate Committee on Foreign Relations 2010, 1).

The arrival of large numbers of refugees paired with the failure of the federal government to adequately fund the domestic refugee programs can place strain on receiving communities. Backlash against the refugee resettlement program has become more pronounced in recent years in the context of high unemployment and budget shortfalls. Tennessee, New Hampshire, and Georgia have taken legislative and executive action to try to stop resettlement into their states. In Manchester, New Hampshire, for example, Mayor Ted Gatsas requested that PRM impose a moratorium on refugee resettlement. He expressed concern over the living conditions of refugees and the lack of employment opportunities available to them. In response, PRM reduced the number of refugees resettled in Manchester from three hundred to two hundred, but refused to impose an across-the-board moratorium. A state bill to establish a moratorium passed the House, but failed to get enough votes in the Senate (Nezer 2013, 12).

Even in areas where executive or legislative efforts were not pursued at the state level, local communities have experienced a backlash against refugees. In 2008 city officials in Ft. Wayne, Indiana requested a moratorium on resettlement from the state Family Social Services Administration. In their letter of request, officials complained that the ongoing resettlement of Burmese refugees had resulted in a significant burden on the local community. While admitting that the local Catholic Charities worked extremely hard in the initial months following resettlement, it argued that after the first six months “the burden of assimilation, care and absorption falls on the local community—schools, hospitals, and numerous non-profits” (US Senate Committee on Foreign Relations 2010, 20).

Despite these concerns, refugees substantially contribute to local communities. For example, a 2013 study on the impact of refugee resettlement in Cleveland, Ohio contradicted many of the negative stereotypes applied to refugees. The study found that in 2012 the total contribution of refugees to the local economy was $48 million dollars, including approximately $2.7 million dollars in tax revenue, and that in the last decade 38 businesses were launched by refugees, which by 2012 employed 141 people (Chmura Economics and Analytics 2013, 2-5). The study also noted that “after two years in Cleveland … only eight percent of refugee households are still receiving public assistance” (Smith 2013). Further

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6 Condit, Gary A. Statement to the House, Possible Shifting of Refugee Resettlement to Private Organizations, Hearing on the Subcommittee of Immigration and Claims on the Committee on the Judiciary, August 1, 1996.
studies should highlight features and potential reforms to the refugee system that would enhance the contributions of refugees to local communities.

**Funding and its Effect on Refugee Resettlement Agencies**

The failure to provide sufficient resources and inadequate long-term planning by federal agencies, alongside stresses brought by local backlash against the resettlement system, has had a corrosive effect on the resettlement agency network. A study on the role of faith-based resettlement agencies found that there was widespread concern regarding the needs of refugee communities being resettled and the availability of resources with which to do so. It noted that resettlement agency staff repeatedly expressed frustration that financial and other resources were never adequate to address the needs of their clients (Nawyn 2006, 54). Newly arrived refugees, especially those who do not have family living in the United States, are particularly dependent on the support of resettlement agencies and local charities.

In 2008 Lutheran Immigration and Refugee Service (LIRS) conducted a cost analysis of the refugee resettlement services required by the State Department and with respect to the R&P Program. In 2008 the per-person funding related to R&P provided by the State Department was $850 dollars, half of which had to be spent on the needs of the refugees. In particular, the study examined the “direct cost of ensuring basic needs as well as providing orientation and case management by front line staff and volunteers prior to refugee arrival and during the first 90 days” (LIRS 2008, 6). The study found that the federal contribution amounted to only 39 percent of the total cost accrued during this period. The remainder of the expense had to be covered by in-kind donations, volunteer hours, and direct contributions by the LIRS affiliate agencies.

According to a report by the US Senate Committee on Foreign Relations, the failure to increase funding over time in order to meet the needs of arriving refugees has significantly strained the resettlement system. In fact, the “decades-old grant level had declined by more than 50 percent in real terms due to inflation” (US Senate Committee on Foreign Relations 2010). Failing to adequately fund the costs associated with the system places a significant amount of stress on the resettlement agencies’ ability to do their job effectively; it is crucial that federal funding keep pace with the costs associated with the program. Failing to do so could in the long-term undermine the capacity of the system to continue functioning at a high level.

The significant drop in the number of refugees admitted into the United States following the September 11, 2001 terrorist attacks illustrates how a decrease in federal funding can affect the stability of resettlement agencies. In 2000, the United States resettled 68,921 refugees. In contrast, the United States admitted only 27,131 in 2002 and 28,403 in 2003 (Bruno 2013, 3). By 2004 the numbers had begun to increase, but still felt short of the average annual admissions in the pre-9/11 period. Consequently, the level of federal funding distributed to resettlement agencies, which is tied to the number of refugees being resettled, was significantly affected. Fifty-eight percent of nongovernmental resettlement agencies were forced to cut staff and 25 percent had to release more than a quarter of their employees (Nawyn 2006).
Since 2011 PRM has begun to issue a percentage of funding based on the predicted number of refugee arrivals, thereby allowing agencies to have a degree of predictability when planning their budgets. Despite this important advance, the nature of the system and the dependence of agencies on government funding expose them to volatility and unpredictability.

More recently, debates in Congress over the national debt, and particularly with respect to sequestration, could imperil the resettlement system. Sequestration puts into place automatic, across-the-board spending cuts to government programs aimed at instituting $1.5 billion dollars in deficit reduction over Fiscal Years 2012-2021. Some of those consequences are already being felt. According to San Diego Catholic Charities Director of Refugee Services Michael McKay, the sequestration caused the loss of a $15,000 dollar program that would have helped place refugees in jobs during the first four months of their arrival (Burks 2013). Financial pressures, paired with unreliable funding levels from one fiscal year to the next, have burdened an already stressed system and have contributed to the closure of various sites across the resettlement network. The resettlement network connected to the United States Conference of Catholic Bishops, for example, has witnessed the closure of resettlement agencies in the past few years in Fresno, CA; Memphis, TN; Atlantic City, NJ; Trenton, NJ; Allentown, PA; Wichita, KA; Honolulu, HI; Guam; and Dodge City, KA.

Compounding the strain on resettlement agencies is the tendency for new cooperative agreements to include requirements that result in increased workload and related costs that are often borne by resettlement agencies. Most recently, for example, PRM issued a requirement that quarterly consultations be held between local stakeholders who are involved in the resettlement process as a way to better coordinate. According to the requirement, “the affiliate(s) responsible for refugee placement shall convene and conduct quarterly consultations with state and local government officials concerning the sponsorship process and the intended distribution of refugees in such localities before their placement in those localities” (Bartlett 2013).

While the intention behind these meetings is laudable—to make sure that agencies involved in the resettlement process at the state level are working together—the responsibility for planning and implementing them should lie with the federal government as specified in the Refugee Act. The federal government has the clout to ensure that all interested parties will attend such meetings and has the capacity to explain in detail the dynamics of the resettlement system. The Refugee Act specifies that the ORR director and the associated federal agency will consult with local and state governments, and voluntary agencies, and stipulates that the director shall “provide for a mechanism whereby representatives of local affiliates of voluntary agencies regularly (not less often than quarterly) meet with representatives of State and local governments to plan and coordinate in advance of their arrival the appropriate placement of refugees among the various States and localities.”

Secondary Migration

Refugees may choose to pursue secondary migration following arrival to the United States.

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for a variety of reasons, including reunification with family located in another region or the lure of better financial opportunities elsewhere. Secondary migration can exacerbate the pressures that promote backlash against refugee communities and it can increase the strain on local social service networks and resettlement agencies. The placement of a refugee in a specific locale is made by a resettlement agency after taking into consideration a wide range of factors (e.g., employment opportunities, language resources, and health needs). Unfortunately, “if refugees relocate to other cities seeking more support or better job opportunities, resettlement assistance often lags behind or becomes difficult to access” (Georgetown University Law Center 2009, 35). Refugee benefits vary greatly between states and sometimes between counties in the nation’s decentralized system. A more flexible set of benefits allowing for money to follow a refugee would go a long way in addressing this problem.

In 2009 ORR commissioned a report on secondary migration, but its findings were never released. The author of the report later noted that:

> there was a growing interest in learning more about what was happening related to secondary refugee migration, including how both refugees and receiving communities were faring when there were unexpected influxes of refugees. Many communities hadn’t necessarily known that these newcomers were coming and were not always prepared for them. (Ott 8)

Putting into place mechanisms to better track secondary migration and provide more flexibility in the refugee assistance program could help to alleviate some of the stresses that suddenly arise with the arrival of new and unexpected streams of migrants.

According to Section 3 of the Refugee Act of 1980, ORR is required to “compile and maintain data on secondary migration of refugees within the United States.” Theoretically, ORR has the capacity to trace secondary migration through a state reporting system. States are required to provide the number of refugees and entrants residing in their state that had initially been resettled in another state. But this information is generally only available if the refugee applies for services once they relocate. Given that not all do, the state information is incomplete. Furthermore, due to institutional and bureaucratic delays, “by the time the ORR registers one set of secondary migrants, a new set has already arrived” (Georgetown University Law Center 2009, 36).

A second way in which secondary migration could be tracked is through the refugee travel loan program. Refugees traveling to the United States are provided an interest-free loan by the International Organization for Migration to cover their travel expenses and certain medical screenings. All refugees over the age of 18 sign a promissory note signifying their agreement to pay back the loan after they are resettled in the United States via monthly payments to the sponsoring agency. As refugees move from one locale to another, it could be possible to track secondary migration patterns through these payments. However, such information is not always immediately available to resettlement agencies. Nor is this information effectively shared between discrete organizations. Thus, this approach would impose a substantial new responsibility on resettlement agencies. Developing a centralized database to coordinate this information among the sponsoring agencies could also be costly.
A third option would be to take advantage of an existing requirement that foreign nationals, including refugees, in the United States provide notice to the Department of Homeland Security (DHS) within ten days of a move. Prior to 9/11, this statute was rarely applied, although it has been on the books for years. Due to national security concerns, this statute has been enforced more frequently in the post-9/11 era. Using this mechanism to track secondary migration would require DHS to share the information with ORR. It would also require enforcement of a highly burdensome requirement. It is unclear whether or not DHS has a system in place to do so and if they would be interested in doing so. The overlapping missions of these federal departments—DHS’s interest in national security and ORR’s humanitarian focus—could provide an obstacle to this kind of information sharing.

The issue of information sharing and coordination between government agencies in the case of secondary migration is one example of a much bigger problem confronting the resettlement system. A few areas are worth highlighting.

Coordination and Information Sharing

One of the pressing problems of the refugee resettlement system is the failure of the participating agencies to share information adequately at each stage and to coordinate their activities efficiently. Expanding the lines of communication between the international and domestic resettlement arenas could help to streamline the process and help avoid any logistical problems after the refugee arrives. At present, “overseas screening and adjudication agencies do not share sufficient information with domestic resettlement entities” (Kerwin 2012, 13; Nezer 2013, 17).

Information sharing between government agencies would be improved through coordinated, high-level oversight from the White House or the National Security Council. The Refugee Act requires the president to appoint, with the advice and consent of the Senate, a Coordinator for Refugee Affairs whose primary responsibilities include “the development of overall United States refugee admission and resettlement policy and the coordination of all United States domestic and international refugee admission and resettlement programs in a manner that assures that policy objectives are met in a timely fashion.” This position has the potential to streamline the entire resettlement process and to coordinate its many stages more effectively.

A good deal of attention has been paid to the importance of sharing the medical information of refugees with resettlement agencies so that they can better prepare for their arrival and anticipate specific needs. One area that has not received as much attention is mental health. The emotional and psychological trauma that many refugees experience can have a long-lasting impact on their well-being and the ability to integrate. A recent study noted that as many as 75 percent of Iraqi refugees brought to the United States suffered from some form of mental illness. In many cases, illnesses have gone untreated. In other cases, treatment has been delayed. In addition, some community health professionals report that medical records can be illegible or inadequate for diagnostic purposes (Georgetown University Law Center 2009, 32).

Another area in which information sharing has proven inadequate is with respect to the condition of vulnerable populations. When refugees are being evaluated for resettlement, UNHCR develops a “referral for resettlement” that provides an in-depth analysis of a refugee’s life and experiences. The analysis could include information related to sexual or physical abuse of children by someone in their community or family, torture, sexual assault, and other forms of abuse. The State Department does not normally provide this information to resettlement agencies in advance of the refugee’s arrival because of confidentiality concerns. UNHCR staff has expressed concern that information regarding at-risk populations does not always reach entities involved in the resettlement process. A recent UNHCR study recommended that “domestic resettlement partners should be provided timely relevant information so that they can better understand the women-at-risk who are being (or going to be) resettled, and to enable them to prepare for and respond to the needs of these women once they arrive” (UNHCR 2013a, 4). If resettlement agencies could access this information earlier in the process, it could make it much easier for them to make placement decisions that might require special forms of support.

ORR should better align its funding mechanisms with the needs of communities that have to respond to influxes of new refugees. ORR funding for grants and contracts in a given fiscal year are dispersed among the states based on the number of refugees who arrived within the previous 36 months and who continue to reside in each state at the beginning of the fiscal year. This approach fails to account for areas that experience significant increases in refugee arrivals in short periods of time. For example, between fiscal year 2006 and 2008 arrivals to Michigan increased by 400 percent and by 1,500 percent to Detroit, specifically. But given ORR’s funding model, allocations for refugee social services in Michigan only increased by approximately 72 percent from FY 2007 to FY 2009. The significant increase in refugees arriving in Michigan between 2006 and 2008 was thus not accounted for in the funding that was provided (Georgetown University Law Center 2009, 34). Furthermore, the funding mechanism does not take into account new populations that are destined for areas of the country which have not received refugees in the last 36 months. In addition to revising the funding mechanism to address the situation of states that experience a rapid increase in new arrivals over a short period of time, more timely information sharing by the State Department regarding future arrival projections could help ORR better plan for capacity needs.

Finally, coordination related to the resettlement planning process over the course of the year—from the State Department’s budget proposal through the presidential determination—would provide a greater degree of predictability to the resettlement process. The president generally produces a federal budget proposal in February, which requests allocations for the resettlement program. The results of the request are not released until the budget is subsequently submitted to the Office of Management and Budget and to Congress. The requested allocation for the resettlement program translates directly into the number of refugees that the federal government expects to bring to the United States in a given year. None of this information is shared with the resettlement agencies, which must respond to a Request for Proposals (RFP) for the R&P Program by the end of June. This process is centered on the expected capacity for each resettlement site including a detailed budget and placement plan for refugees arriving in the upcoming year. Given that the required
consultation with Congress and the presidential determination that sets the ceiling for the following fiscal year’s total admissions and regional allocations do not occur until after the RFP deadline, resettlement agencies are playing a guessing game as to how many will be admitted, who will be admitted, and from where. The consultation usually takes place sometime in September, which is months after the proposals for the R&P Program are submitted for consideration. Following the consultation with Congress, the president issues the presidential determination that sets the final ceiling for that year (Bruno 2013, 1).

While some information is available upon which resettlement agencies can base estimates, there are no authoritative figures to guide their proposals. It would be better if the proposals from the resettlement agencies were due after the president’s consultation with Congress and if the consultation occurred more or less in tandem with budgetary proposals related to the resettlement program that the president submits to Congress. This would require moving the consultation back from September to late February or March. Shifting the schedule in this way would enable informed dialogue among community stakeholders at the local level related to incoming refugee populations and their needs.

The presidential consultation with Congress could rely more heavily on the data gathered in UNHCR’s annual publication, *UNHCR Projected Global Resettlement Needs*, a product of the Annual Tripartite Consultations on Resettlement that occur every July. Started in 1995, the consultations determine the projected resettlement needs and priorities for the coming year. Given the time frame required to process a single refugee from point of origin to resettlement in the United States—which can take one to two years or more—any refugee streams that emerge as a result of these consultations will likely not begin to arrive in the United States for at least the next couple of years. On September 30th of a given year there are often enough refugees that have proceeded far enough along in the refugee pipeline to cover almost all of the allotted slots for the next fiscal year’s refugee resettlement “ceiling,” which begins on October 1st. Over the course of the new fiscal year, refugees are continually being processed for resettlement in future years.

On the international front, requiring the State Department to provide pertinent information in a timely manner to resettlement agencies regarding who is being processed would assist resettlement agencies to engage in long-term planning. On the domestic front, the federal government should provide information related to expected refugee populations that they plan to resettle for the following year much earlier than they currently do. It would be ideal to put into place and pass multi-year appropriations for the resettlement program which could cover future flows that are already in process. This would take much of the guesswork out of the domestic resettlement process and provide a much greater degree of predictability. Multi-year appropriations would allow resettlement agencies to plan more carefully for the arrival of refugee flows and allow them to put into place the necessary resources for resettlement.

**Conclusion**

Since World War II, the US domestic resettlement system has evolved from one that responded to crises in an *ad hoc* manner to an infrastructure that reflects an expansive and dynamic public-private partnership between the federal government and voluntary
resettlement agencies. The United States has resettled millions of refugees, helped them to integrate, become financially and socially established, and begin their lives anew. More than three decades after the passage of the Refugee Act, cracks in the system have become apparent and the need to revisit—so as to strengthen—the core objectives of the Act has become crucial. This paper has highlighted ideas and reforms that would ensure that the US domestic resettlement system remains vibrant well into the future.

While the federal government could make much needed reforms, resettlement agencies should also take responsibility for the system’s continued vitality and engage in constant self-evaluation to determine how their work could be improved upon to the benefit of refugees and receiving communities. The resettlement agencies are now engaged in a process of examining what metrics each agency collects that are not required under federal grants. Agencies supplement the work of the federal resettlement program in many different ways to strengthen the welcome of refugees. Examining the results of these projects and compiling promising practices would strengthen the response of receiving communities across the United States.

Resettlement agencies must also continue to expand and contract their networks in response to the needs of the incoming refugee populations and the local communities. This helps to relieve pressure in some areas that receive large numbers of refugees over short periods of time. It is also important that resettlement agencies take seriously the importance of public relations. Lifting up the successes that occur in refugee communities every day and highlighting the contributions that refugees make to the larger national community could help to offset some of the backlash that has occurred in recent years at the local level.

REFERENCES


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