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INDOCHINA MIGRATION AND REFUGEE ASSISTANCE
AMENDMENTS OF 1978

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HEARING
BEFORE THE
COMMITTEE ON HUMAN RESOURCES
UNITED STATES SENATE
NINETY-FIFTH CONGRESS
SECOND SESSION
ON
S. 3309
TO AMEND THE INDOCHINA MIGRATION AND REFUGEE AS-
SISTANCE ACT OF 1975 TO PROVIDE FOR ASSISTANCE TO NEW
REFUGEES, AND FOR OTHER PURPOSES
AND RELATED BILL

AUGUST 9, 1978

Printed for the use of the Committee on Human Resources



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INDOCHINA MIGRATION AND REFUGEE ASSISTANCE AMENDMENTS OF 1978

WEDNESDAY, AUGUST 9, 1978

U.S. SENATE,
COMMITTEE ON HUMAN RESOURCES,
Washington, D.C.

The committee met, pursuant to notice, at 9:04 a.m. in room 4232, Dirksen Senate Office Building, Senator Alan Cranston presiding.

Present: Senators Cranston, Kennedy, and Chafee.

Senator CRANSTON. The hearing will please come to order. This is a hearing of the Senate Human Resources Committee on S. 3205 and S. 3309, legislation to amend the Indochina Migration and Refugee Assistance Act of 1975.

Before proceeding with my own brief opening statement, I will yield to my friend and colleague and cosponsor of this legislation, Senator Kennedy. Ted, we are delighted you are here.

Senator KENNEDY. Thank you very much, Mr. Chairman. I welcome your leadership in one of the very important humanitarian programs that this Nation is faced with, and that is to help and assist the tens of thousands of Indochinese refugees who have come to our Nation and are in the process of resettlement—to offer our helping hand and our assistance.

This program, which has been going on now for a number of years, has been one of the really exciting and innovative and creative demonstrations of Americans' concern for other human beings. It is an enormous tribute, I think, to the voluntary church agencies who I have had the great honor and opportunity to know over a number of years as chairman of the former Refugee Subcommittee of the Judiciary Committee. Their work and assistance and their reaching out to these homeless people, helping them find new homes in towns and cities all across this Nation, has been, I think, in the greatest tradition of the American people. The work of the voluntary agencies, strongly supported by the great religious faiths of this Nation, represents an extraordinary record of humanitarian concern.

Second, I think many of the communities should be commended for their willingness to help and assist in what is, generally, a national opportunity more than a national burden.

Third, I just commend the Indochinese refugees themselves for the extraordinary diligence that they have shown over the period of these past 3 years. The statistics are clear—you will hear from our witnesses this morning that whether we are talking about unemployment rates or any of the criteria which are generally used in our society, these refugees have been some of the most industrious; they have been am-

bitious in pursuit of the interests of their families and their community and, all in all, have been enormously valuable and worthy citizens of this Nation.

Finally, I want to commend you, Mr. Chairman, as a cosponsor of this legislation, over how this program has developed. It provides relief for many of the communities who have accepted responsibility to assist the refugees, yet it represents a phasing down of the program. Many of the programs that we have been faced with here in this committee have an ongoing and continuing built-in Federal responsibility. But supporters of this program have wisely understood that refugee assistance is necessarily needed now and that the program will be gradually phased down. It does provide support and assistance now, when it is needed, and I think it offers important help to local communities, but it is also not open ended, and the communities themselves and States and other agencies will be picking up whatever responsibility that will be necessary at the end of that period of time.

I think it is a fair and a balanced approach; it responds to a very significant and important need. And I think your leadership in this area is to be both commended and appreciated by people all over this country and by the voluntary agencies, and I just want to personally congratulate you and pledge my continued support and effort to see that this legislation is achieved and accomplished. Thank you for this opportunity.

Senator CRANSTON. Thank you very much for those generous remarks and more for your leadership not only on this legislation, but on refugee legislation generally where you have devoted so much time and attention, and I look forward to working with you next year on many other refugee issues.

Since 1975, 161,000 refugees from Vietnam, Cambodia, and Laos have been, in effect, paroled into this country. The Indochina refugee assistance program has been immensely helpful in resettling these refugees.

Under current law, the program provides 100 percent Federal reimbursement to States and localities for costs incurred in providing social, medical, and income assistance to Indochinese refugees. The reimbursement level is scheduled to phase down to 75 percent in fiscal year 1979, 50 percent in fiscal 1980, and 25 percent in fiscal 1981; and after 1981, the program will terminate.

My distinguished colleagues, Senators Hayakawa, Ted Kennedy, who was just with us, Humphrey, Moynihan, and I have cosponsored legislation to extend for an additional year 100 percent Federal participation in the program. Under S. 3205, the scheduled 4-year phase-out will be delayed 1 year to 1982.

The bill also increases from \$25 million to \$40 million the funds authorized for special projects. In addition, it extends indefinitely the period of time in which Indochinese refugees may apply for adjustment of status to permanent residency.

I believe this legislation is necessary in light of the ever-changing social, political, and economic situation in Southeast Asia. In the aftermath of a long and tragic conflict—a conflict not yet over in many respects—hundreds of thousands of Vietnamese, Cambodians, and Laotians continue to be dislocated from their homelands. Thousands of these refugees now live in unsanitary and overcrowded boats and

camps in Southeast Asia. None of us can fully comprehend the terror of a situation which is driving human beings toward certain death. We should respond toward those who manage to survive with our compassion and assistance.

Currently, 10,000 refugees in the camps of Thailand have been authorized for admission into this country, but are awaiting processing of their applications. Attorney General Bell recently authorized an additional 25,000 new refugees to come in by May 1, 1979. Indications are that an additional 25,000 Indochinese refugees will be admitted on a yearly basis for a number of years to come.

I welcome the administration's efforts to provide assistance for new refugees arriving in the next fiscal year. Under the administration's proposal, the present IRAP phaseout levels, as enacted by Congress last year, would continue for those Indochinese refugees now in the country, but 100 percent Federal support would be extended for 1 year only to new refugees coming in after October 1, 1978. Thereafter, the same 75-50-25 percent phaseout levels would occur.

I believe that the legislation before us is humanitarian in nature and deserves full support. While the proposals may differ slightly, I believe it is possible for us to work out a mutually acceptable bill that would continue the crucial work of State and local governments, and voluntary agencies, in the resettlement of these refugees.

[A copy of S. 3309 and S. 3205 follows:]

95TH CONGRESS
2D SESSION

S. 3309

IN THE SENATE OF THE UNITED STATES

JULY 17 (legislative day, MAY 17), 1978

Mr. CRANSTON (by request) introduced the following bill; which was read twice and referred jointly to the Committees on Foreign Relations and Human Resources

A BILL

To amend the Indochina Migration and Refugee Assistance Act of 1975 to provide for assistance to new refugees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Indochina Migration and
4 Refugee Assistance Amendments of 1978".

5 SEC. 2. Section 2 (b) (2) of the Indochina Migration and
6 Refugee Assistance Act of 1975, as amended by section 201
7 of Public Law 95-145, is amended by adding "and who
8 entered the United States prior to October 1, 1978," imme-
9 diately following "from Cambodia, Vietnam, or Laos".

10 SEC. 3. Section 2 (b) (2) of that Act is further amended:

1 by adding at the end thereof the following new sentence:
2 "The cost of the State or local public agency of providing
3 assistance for the fiscal year ending September 30, 1978, as
4 specified in the preceding sentence, may be increased to the
5 extent determined appropriate by the Secretary of Health,
6 Education, and Welfare to reflect the portion of such fiscal
7 year for which Federal funds were available to State and
8 local agencies for the provision of such assistance except that
9 such sum of the increase for all the States shall not exceed the
10 difference between \$14,000,000 and the total of the actual
11 expenditures in that fiscal year by all the States for social
12 services in accordance with such preceding sentence."

13 SEC. 4. Section 2 (b) of such Act is further amended by
14 adding at the end thereof the following new paragraph:

15 "(3) (A) The amount of assistance (including the
16 amount of reimbursement as described in subsection (a)
17 (2)) provided to a State or local public agency under
18 section 2 (b) of the Migration and Refugee Assistance Act
19 of 1962 for the purpose of providing cash or medical
20 assistance to aliens who have fled from Cambodia, Vietnam,
21 or Laos and who entered the United States on or after
22 October 1, 1978, may not exceed the cost (including the
23 non-Federal share of costs as described in subsection (a)
24 (2)) of the State or local agency in providing such
25 assistance for such purpose for the fiscal year in which an

1 alien enters the United States, and, except as provided in
2 subparagraph (B), may not exceed—

3 “(i) for the first fiscal year following the year of
4 entry, 75 per centum,

5 “(ii) for the second such year, 50 per centum, and

6 “(iii) for the third such year, 25 per centum,

7 of an amount equal to twice such cost during the fiscal year
8 of entry. No assistance shall be provided to a State or local
9 public agency under this Act for cash or medical assistance
10 furnished for any period after the third fiscal year following
11 the fiscal year of entry.

12 “(B) In the case of any alien under the age of eighteen
13 who enters the United States unaccompanied by a parent or
14 other close adult relative (as such term is defined by the
15 Secretary of Health, Education, and Welfare), the per-
16 centages referred to in clauses (i), (ii), and (iii) of
17 paragraph (A) shall be 100 per centum.”.

18 SEC. 5. The amendments made by this Act shall be
19 effective beginning October 1, 1978.

95TH CONGRESS
2D SESSION

S. 3205

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MAY 17), 1978

Mr. CRANSTON (for himself and Mr. KENNEDY) introduced the following bill;
which was read twice and referred to the Committee on Human Resources

A BILL

To amend the Indochina Migration and Refugee Assistance Act of 1975, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Indochina Migration and Refugee Assistance Act
4 of 1975 is amended—
- 5 (1) by striking out “1981” in section 2 (b) (1) and
6 inserting in lieu thereof “1982”;
- 7 (2) by striking out “1979” in section 2 (b) (2) (A)
8 and inserting in lieu thereof “1980”;
- 9 (3) by striking out “1980” in section 2 (b) (2) (B)
10 and inserting in lieu thereof “1981”;

1 (4) by striking out "1981" in section 2 (b) (2) (C)
2 and inserting in lieu thereof "1982";

3 (5) by striking out "\$25,000,000" in section 2 (c)
4 and inserting in lieu thereof "\$40,000,000; and

5 (6) by striking out "1982" in section 4 (b) and in-
6 serting in lieu thereof "1983".

7 SEC. 2. Section 101 (b) (1) of the Act entitled "An
8 Act to authorize the creation of a record of admission for
9 permanent residence in the cases of certain refugees from
10 Vietnam, Laos, or Cambodia, and to amend the Indochina
11 Migration and Refugee Assistance Act of 1975 to extend the
12 period during which refugee assistance may be provided, and
13 for other purposes", approved October 28, 1977 (91 Stat.
14 1223), is amended by striking out before the semicolon at
15 the end thereof all after "March 31, 1975".

Senator CRANSTON. We will now proceed with our witnesses. First, we have a panel consisting of Don I. Wortman, Acting Commissioner, Social Security Administration, Department of Health, Education, and Welfare; Shepard Lowman, Director, Office of Refugee and Migration Affairs, Department of State; and Phil Holman of the HEW Task Force on Refugees. We welcome your presence; we are delighted to hear your testimony.

STATEMENT OF DON I. WORTMAN, ACTING COMMISSIONER, SOCIAL SECURITY ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE; SHEPARD C. LOWMAN, DIRECTOR, OFFICE OF REFUGEE AND MIGRATION AFFAIRS, DEPARTMENT OF STATE; AND PHIL HOLMAN, TASK FORCE ON REFUGEES, DHEW, A PANEL

Mr. WORTMAN. Thank you, Mr. Chairman. I am pleased to have this opportunity to appear before this distinguished committee in support of S. 3309, the administration's bill to amend the Indochina Migration and Refugee Assistance Act of 1975, which provides assistance to new refugees who reach the United States.

Mr. Chairman, we appreciate your having introduced this bill at the request of the administration and your prompt consideration of it today. And I might say, since I personally have been associated with the refugee migration from Indochina since 1975, that I am well aware of your personal interest, since I have met with you on various occasions on this very same topic over those years, and I second the remarks that Senator Kennedy made about your interest in this matter.

Senator CRANSTON. I thank you very much, and I appreciate your devotion to this issue also.

Mr. WORTMAN. Senate bill S. 3309 would not change the basic provisions of the existing law for domestic assistance to Indochinese refugees; that is, Public Law 95-145. We believe that the existing statute provides an appropriate means of phasing down Federal reimbursement to the States for assistance provided to those Indochinese refugees already in the United States. This would occur over fiscal years 1979 through 1981.

S. 3309 would apply this same gradual phasedown principle to the reimbursement for new refugees who arrive in this country on or after October 1, 1978. The bill would provide for full reimbursement to the State for the cost during the fiscal year of a refugee arrived in the United States, and for a phasedown during the following 3 fiscal years identical to the phasedown contained in the existing law. It similarly encourages the refugee to enter American society and hold meaningful and productive jobs, become self-sufficient and retain his or her dignity. This same pattern would be followed for each year's group of newly arriving refugees, as your opening remarks, Mr. Chairman, indicated the President plans to do.

By providing full funding to States for assistance costs when refugees first arrive and are in greatest need of help, and then phasing down this special Federal aid, the bill is well able to deal with future inflows of refugees. It will permit refugees ultimately to receive neces-

sary aid under the existing national programs of assistance and be treated like other Americans, thereby promoting their resettlement into our society.

With about 25,000 new refugees expected in 1979, and in the absence of the kind of sudden, large-scale event which occurred in 1975, we consider the reimbursement provisions contained in S. 3309 to be an appropriate expression of Federal responsibility.

In addition to these general phasedown provisions, S. 3309 contains two other provisions. Because of the special circumstances of refugee children who reach the United States without parents or other close relatives, the bill provides for full Federal funding for foster care, medical assistance, and child welfare services for unaccompanied children. This funding would not be phased down over the 4-year period. We expect that 500 such children will reach this country during the next year.

Finally, section 3 of the bill would permit a limited adjustment in calculating a State's fiscal year 1978 cost for the purpose of determining the phasedown ceiling under the provisions of the existing Public Law 95-145. This provision recognizes that the 5-month delay in the 1978 appropriations may have caused the States to have lower costs for social services than they otherwise would have. By adjusting for the delay, the 1978 costs for social services will be increased if the States' actual costs fall below their original estimates, so that the phasedown will not be based on an unrealistically low figure. The States estimated that they would incur a cost of \$14 million for social services for fiscal year 1978 if the appropriation had not been delayed. That figure is reflected in the administration's proposal.

Mr. Chairman, I would like to say a word about the refugees and about the program. The refugees have established a good record for themselves as industrious, hard-working members of the communities in which they are trying to create new lives for themselves and their families. Their employment rate is very high, and they have demonstrated a willingness to accept jobs at the bottom of the occupational ladder while they try to overcome the language barrier that exists for many of them.

The cooperative endeavor between the public agencies—Federal, State and local—and the voluntary refugee resettlement agencies has proved very beneficial, just as it has in the past refugee situations. Through the voluntary agencies, thousands of Americans have served as sponsors for the refugees, arranging for initial housing and job opportunities and extending a welcome to the refugees. This is a job that can be done only by extensive cooperation between the public and voluntary sectors. The United States can take pride in offering a haven of freedom for these persons who have sought refuge from the tragedies in their homelands, and the opportunity to begin new lives.

Mr. Chairman, that concludes my prepared statement. Shep Lowman, from the State Department, would like to add, if that is all right with you.

[The prepared statement of Mr. Wortman follows.]

TESTIMONY OF
DON I. WORTMAN
ACTING COMMISSIONER OF SOCIAL SECURITY ADMINISTRATION
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

BEFORE THE

SENATE HUMAN RESOURCES COMMITTEE

AUGUST 9, 1978

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I AM VERY PLEASED TO HAVE THIS OPPORTUNITY TO APPEAR BEFORE THIS DISTINGUISHED COMMITTEE IN SUPPORT OF S. 3309, THE ADMINISTRATION'S BILL TO AMEND THE INDOCHINA MIGRATION AND REFUGEE ASSISTANCE ACT OF 1975, TO PROVIDE ASSISTANCE TO NEW REFUGEES WHO REACH THE UNITED STATES.

MR. CHAIRMAN, WE APPRECIATE YOUR HAVING INTRODUCED THIS BILL AT THE REQUEST OF THE ADMINISTRATION, AND YOUR CONSIDERATION OF IT TODAY.

S. 3309 WOULD NOT CHANGE THE BASIC PROVISIONS OF THE EXISTING LAW FOR DOMESTIC ASSISTANCE TO INDOCHINESE REFUGEES (P.L. 95-145). WE BELIEVE THAT THE EXISTING STATUTE PROVIDES AN APPROPRIATE MEANS OF PHASING DOWN FEDERAL REIMBURSEMENT TO THE STATES FOR ASSISTANCE PROVIDED TO THOSE INDOCHINESE REFUGEES ALREADY IN THE UNITED STATES. THIS WOULD OCCUR OVER FISCAL YEARS 1979 THROUGH 1981.

S. 3309 WOULD APPLY THIS SAME GRADUAL PHASEDOWN PRINCIPLE TO REIMBURSEMENT FOR NEW REFUGEES WHO ARRIVE IN THIS COUNTRY ON OR AFTER OCTOBER 1, 1978. THE BILL WOULD PROVIDE FOR FULL REIMBURSEMENT TO THE STATE FOR THE COST DURING THE FISCAL YEAR A REFUGEE ARRIVED IN THE UNITED STATES, AND FOR A PHASEDOWN DURING THE FOLLOWING THREE FISCAL YEARS INDENTICAL TO THE PHASEDOWN CONTAINED IN THE EXISTING LAW. IT SIMILARLY ENCOURAGES THE REFUGEE TO ENTER

AMERICAN SOCIETY AND HOLD MEANINGFUL AND PRODUCTIVE JOBS, BECOME SELF-SUFFICIENT, AND RETAIN HIS OR HER DIGNITY. THIS SAME PATTERN WOULD BE FOLLOWED FOR EACH YEAR'S GROUP OF NEWLY ARRIVING REFUGEES.

BY PROVIDING FULL FUNDING TO STATES FOR ASSISTANCE COSTS WHEN REFUGEES FIRST ARRIVE AND ARE IN GREATEST NEED OF HELP, AND THEN PHASING DOWN THIS SPECIAL FEDERAL AID, THE BILL IS WELL ABLE TO DEAL WITH FUTURE INFLOWS OF REFUGEES. IT WILL PERMIT REFUGEES ULTIMATELY TO RECEIVE NECESSARY AID UNDER THE EXISTING NATIONAL PROGRAMS OF ASSISTANCE AND BE TREATED LIKE OTHER AMERICANS THEREBY PROMOTING THEIR RESETTLEMENT INTO OUR SOCIETY.

WITH ABOUT 25,000 NEW REFUGEES EXPECTED IN 1979, AND IN THE ABSENCE OF THE KIND OF SUDDEN, LARGE-SCALE EVENT WHICH OCCURRED IN 1975, WE CONSIDER THE REIMBURSEMENT PROVISIONS CONTAINED IN S. 3309 TO BE AN APPROPRIATE EXPRESSION OF FEDERAL RESPONSIBILITY.

IN ADDITION TO THESE GENERAL PHASEDOWN PROVISIONS, S. 3309 CONTAINS TWO OTHER PROVISIONS:

BECAUSE OF THE SPECIAL CIRCUMSTANCES OF REFUGEE CHILDREN WHO REACH THE UNITED STATES WITHOUT PARENTS OR OTHER CLOSE RELATIVES, THE BILL PROVIDES FOR FULL FEDERAL FUNDING FOR FOSTER CARE, MEDICAL ASSISTANCE, AND CHILD WELFARE SERVICES FOR UNACCOMPANIED CHILDREN.

THIS FUNDING WOULD NOT BE PHASED DOWN OVER THE FOUR YEAR PERIOD. WE EXPECT THAT 500 SUCH CHILDREN WILL REACH THIS COUNTRY DURING THE NEXT YEAR.

FINALLY, SECTION 3 OF THE BILL WOULD PERMIT A LIMITED ADJUSTMENT IN CALCULATING A STATE'S FISCAL YEAR 1978 COST FOR THE PURPOSE OF DETERMINING THE PHASEDOWN CEILING UNDER THE PROVISIONS OF THE EXISTING P.L. 95-145. THIS PROVISION RECOGNIZES THAT THE FIVE MONTH DELAY IN THE 1978 APPROPRIATIONS MAY HAVE CAUSED THE STATES TO HAVE LOWER COSTS FOR SOCIAL SERVICES THAN THEY OTHERWISE WOULD HAVE. BY ADJUSTING FOR THE DELAY, THE 1978 COSTS FOR SOCIAL SERVICES WILL BE INCREASED IF THE STATES ACTUAL COSTS FALL BELOW THEIR ORIGINAL ESTIMATES, SO THAT THE PHASEDOWN WILL NOT BE BASED ON AN UNREALISTICALLY LOW FIGURE. THE STATES ESTIMATED THAT THEY WOULD INCUR A COST OF \$14 MILLION FOR SOCIAL SERVICES FOR FISCAL YEAR 1978 IF THE APPROPRIATION HAD NOT BEEN DELAYED. THAT FIGURE IS REFLECTED IN THE ADMINISTRATION'S PROPOSAL.

MR. CHAIRMAN, I WOULD LIKE TO SAY A WORD ABOUT THE REFUGEES AND ABOUT THE PROGRAM. THE REFUGEES HAVE ESTABLISHED GOOD RECORD FOR THEMSELVES AS INDUSTRIOUS, HARD-WORKING MEMBERS OF THE COMMUNITIES IN WHICH THEY ARE TRYING TO CREATE NEW LIVES FOR THEMSELVES AND THEIR FAMILIES. THEIR EMPLOYMENT RATE IS VERY HIGH, AND THEY HAVE DEMONSTRATED A WILLINGNESS TO ACCEPT JOBS AT THE BOTTOM OF THE OCCUPATIONAL LADDER WHILE THEY TRY TO OVERCOME THE LANGUAGE BARRIER THAT EXISTS FOR MANY OF THEM. THE COOPERATIVE ENDEAVOR BETWEEN THE

PUBLIC AGENCIES--FEDERAL, STATE, AND LOCAL -- AND THE VOLUNTARY REFUGEE RESETTLEMENT AGENCIES HAS PROVED VERY BENEFICIAL, JUST AS IT HAS IN PAST REFUGEE SITUATIONS. THROUGH THE VOLUNTARY AGENCIES, THOUSANDS OF AMERICANS HAVE SERVED AS SPONSORS FOR THE REFUGEES, ARRANGING FOR INITIAL HOUSING AND JOB OPPORTUNITIES AND EXTENDING A WELCOME TO THE REFUGEES. THIS IS A JOB THAT CAN BE DONE ONLY BY EXTENSIVE COOPERATION BETWEEN THE PUBLIC AND VOLUNTARY SECTORS. THE UNITED STATES CAN TAKE PRIDE IN OFFERING A HAVEN OF FREEDOM FOR THESE PERSONS WHO HAVE SOUGHT REFUGE FROM THE TRAGEDIES IN THEIR HOMELANDS, AND THE OPPORTUNITY TO BEGIN NEW LIVES.

MR. CHAIRMAN, THAT CONCLUDES MY PREPARED STATEMENT. I WOULD BE PLEASED TO RESPOND TO ANY QUESTIONS WHICH YOU AND THE MEMBERS OF THE COMMITTEE MAY HAVE.

Senator CRANSTON. Thank you very much. Mr. Lowman, do you have a statement also?

Mr. LOWMAN. Yes; thank you. Mr. Chairman, I am very happy to have this opportunity this morning to appear before the committee to discuss the current Indochinese refugee problem in Southeast Asia, and to support continued Federal funding to reimburse the States for welfare expenditures incurred as a result of the resettlement in the United States of many of those refugees.

After the major resettlement program for Indochinese refugees following the evacuation of Saigon in 1975, there were a number of ad hoc parole actions to deal with the continuing flow of refugees as they came out of these three Indochinese countries. As it became increasingly apparent over time that this flow was likely to continue for some time into the future, thorough interagency consideration was given, at the direction of President Carter, to the development of a long term program to deal with this problem. In the spring of this year, the President approved a continuing commitment to two classes of refugees that the United States had assisted in this series of parole actions in the recent past. These would include boat refugees without other offer of resettlement and land refugees closely associated with the United States.

In the implementation of this commitment, the Attorney General approved, on June 14, 1978, after consultation with the judiciary committees of the Congress, a parole action for the admission of 25,000 Indochinese refugees, to be admitted over a period extending from May 1, 1978 to April 30, 1979. In the interim, it is the administration's intention to seek amendment of the refugee provisions of the Immigration and Nationality Act, which would make possible a continued program of this nature and magnitude without future resort to the parole authority.

With respect to the situation in Southeast Asia, the outflow of refugees continues high and, indeed, has increased sharply in recent months in the case of refugees escaping by boat out of Vietnam. These refugees face the risks of small, overcrowded and unseaworthy boats and they face that even during seasons of stormy weather, as we have now in Southeast Asia. They suffer the depredations of pirates; they are passed by by countless commercial vessels who render no assistance; they often run out of food and fuel. The stories of those who survive are so harrowing that one must draw the conclusion that many perish and we do not have their stories. They recognize these risks clearly in advance before they depart on these voyages. Still, the number of those escaping by boat remains at record levels in recent months.

The reason for this becomes clear as you speak with the refugees. Refugees' reports reveal a comprehensive pattern of accelerated efforts by the Vietnamese government to radically transform the society of South Vietnam into its communist model. These efforts are embodied in the decrees in the latter part of March which nationalized private business and stepped up pressure to force a substantial proportion of the population to move to the so-called "new economic zones."

Now, those slated to go to these zones are precisely those elements of the urban population which the new communist regime has found to be most indigestible. These include the former business classes,

members of the civil and military structure of the previous government of South Vietnam, and refugees who fled to South Vietnam in 1954 from Hanoi. The new economic zones are seen by almost all refugees as a serious threat to the well being of those forced to enter them.

To most refugees, the new economic zones are actually synonymous with starvation, extremely difficult labor and potential death for the weaker members of their families and of their community.

Successful development of such underproductive and mostly undeveloped areas, as we know, requires widespread governmentally supported infrastructure inputs if there is to be any serious chance of success in economic development terms. Yet, the refugees report an almost complete absence of any such support and any such inputs by the government of Vietnam. They report an initial supply of rice for a few weeks, a few months at the most; sometimes occasional simple hand tools, supply of seeds, initially, but that is about it, and that is not enough.

The result, therefore, is a fear on the part of the population and a perception on the part of the population that these new economic zones are places where they cannot survive. Naturally, therefore, they resist very strenuously being sent to these zones and, whenever they can, after they have been sent to them, they try to leave them and go back to their homes.

When they return to their homes, however, they are in an illegal status and unable to obtain rations or work permits. There is a constant threat also that they will be returned to the economic zones, and frequently they are. So, it is widely believed by the refugees that their selection to be sent to the new economic zones is largely based on political factors, as a measure to control the former well-to-do and middle class in Vietnam, and it seems probable that this is the case. It also seems probable that these measures and the fear of the population of going to these zones are primarily responsible for the increased flow of refugees escaping by boat from Vietnam, despite the severe hazards of such voyages. This flow has averaged between 5,000 and 6,000 refugees escaping by boat since April 1978, and that is a rate of over three times what it had averaged over the previous year prior to the publication of these decrees in March.

The level of refugees escaping by land also continues high, out of Laos, primarily, into Thailand, ranging from between 2,000 and 3,000 refugees per month. This, too, reflects measures taken by the communist government of Laos to impose its control on the people of their country. It also reflects actual military pressure against the Hmong and other Lao hill tribes who are now coming out into Thailand. In this case, also, a continued flow of refugees can be expected for some time to come. Among the refugees escaping by land are substantial numbers who have had a close association with the United States in the past and, based upon that, are considered eligible for inclusion in the United States program.

While it is extremely difficult to predict refugee flows with any degree of accuracy over the long term—certainly, I could not personally claim a very clear or accurate crystal ball over the past years—nevertheless, the events recited above do strongly suggest that it would be prudent in planning terms to think of a continuation of a flow of refu-

gees out of Indochina over the next few years at least at present levels. In 1979, we expect that between 25,000 and 30,000 such Indochinese refugees are likely to be admitted to the United States.

While Indochinese refugees, as Mr. Wortman said, have done quite well in the process—done very well, indeed, in the process of building a new life in this country, and no doubt will continue to do so, they will also, unquestionably, continue to require some assistance from the States in this respect. Therefore, while deferring to my colleague for detailed comments on the administration's proposal, some continuation of Federal funding to reimburse the States for such welfare expenditures is justified.

That concludes my statement, Mr. Chairman. I will be happy to answer any questions that you may have.

Senator CRANSTON. Thank you very much. I appreciate the emphasis you have put on the humanitarian aspects of this matter, because those are very important and really underlie our great responsibilities to those very unfortunate fellow human beings.

Did you plan to make a statement, Mr. Holman?

Mr. HOLMAN. No, sir.

Senator CRANSTON. I just really have one question that I would pose to you as a panel. Has the administration consulted with local authorities in the preparations of its proposal in order to find out what would be the administrative difficulties, if any, in running an IRAP program on a different funding basis?

Mr. HOLMAN. Yes, Mr. Chairman, we have consulted widely with the States and localities. It is correct that the proposal, by addressing separate annual groups of refugees, does add an additional factor to the recordkeeping of the public agencies. We feel, however, that where one is expecting a continuing flow of refugees, that the question of the length of time and the level of assistance should approximately be based on the duration of the refugee's stay in the United States.

Senator CRANSTON. What is the general response you have gotten from local governments?

Mr. HOLMAN. There are a variety of opinions among the States and local agencies as to the exact formula that should be followed.

Mr. WORTMAN. The point you are driving at is true; it adds a degree of administrative complexity. It has bothered us, too. At this point in our thinking, we feel that that is the price you are going to have to pay with this continuing flow.

Senator CRANSTON. Have you looked at this in the context of what may have to be done or what should be done for refugees from other countries?

Mr. WORTMAN. In some of the deliberations within the executive branch, those considerations may have been considered. I would have to turn to Mr. Lowman on that.

Mr. LOWMAN. At the present time, Mr. Chairman, we have two different ways of getting at the problem of integration of refugees into life here in the United States. One is the route followed in the case of the Indochinese refugees and in the case of the Cuban refugees, which is to say to provide substantial funds to HEW to be, in turn, largely turned over to the States impacted by these refugee flows. I think the rationale for that primarily was that these flows were very large and that they, especially in the case of the Cuban, but also certainly in the

case of the Indochinese in certain States, impacted in rather specific areas.

Now, the administration in the refugee and migration proposal for 1979 has included an item of \$20 million which would be for assistance to integrate refugees from other than Cuba or Indochina, and these funds, rather than going through HEW to the States, would be provided under contract from the Office of Refugee Affairs in the State Department to the voluntary agencies involved in resettling the refugees in the United States. The largest group of these would be the refugees coming out of the Soviet Union, but it would include other refugees as well, except for those two groups.

Senator CRANSTON. Should we anticipate, or do you contemplate any major initiatives next year from the administration in that area?

Mr. LOWMAN. I am sorry, sir?

Senator CRANSTON. Should we contemplate or expect any major initiatives from the administration next year in this broader area of refugee problems?

Mr. LOWMAN. As of now, sir, I am not aware of any proposals being specifically developed. I think, partly, we need to try to get some experience with this new program of assisting non-Cuban and non-Indochinese refugees in this fashion, and then perhaps see how that can be broadened or whether it should be broadened.

Senator CRANSTON. Thank you very much. That concludes my questions. I appreciate very much your presence.

Mr. WORTMAN. Thank you, Mr. Chairman.

[The prepared statement of Mr. Lowman follows:]

STATEMENT BY SHEPARD C. LOWMAN
DIRECTOR, OFFICE OF
REFUGEE AND MIGRATION AFFAIRS
BEFORE THE HUMAN RESOURCES COMMITTEE
OF THE
UNITED STATES SENATE

WEDNESDAY, AUGUST 9, 1978

MR. CHAIRMAN, I AM PLEASED TO HAVE THIS OPPORTUNITY TO APPEAR BEFORE THE COMMITTEE TO DISCUSS THE CURRENT INDOCHINESE REFUGEE PROBLEM IN SOUTHEAST ASIA AND TO SUPPORT CONTINUED FEDERAL FUNDING TO REIMBURSE THE STATES FOR WELFARE EXPENDITURES INCURRED AS A RESULT OF THE RESETTLEMENT IN THE UNITED STATES OF MANY OF THESE INDOCHINESE REFUGEES.

AFTER THE MAJOR RESETTLEMENT PROGRAM FOR INDOCHINESE REFUGEES, FOLLOWING THE EVACUATION OF SAIGON IN 1975, THERE WERE A NUMBER OF AD HOC PAROLE ACTIONS TO DEAL WITH THE CONTINUING FLOW OF REFUGEES OUT OF THE THREE INDOCHINESE COUNTRIES. AS IT BECAME INCREASINGLY APPARENT THAT THIS FLOW WAS LIKELY TO

CONTINUE FOR SOMETIME INTO THE FUTURE, THOROUGH INTERAGENCY CONSIDERATION WAS GIVEN, AT THE DIRECTION OF THE PRESIDENT, TO THE DEVELOPMENT OF A LONG TERM PROGRAM TO DEAL WITH THIS PROBLEM. IN THE SPRING OF THIS YEAR, THE PRESIDENT APPROVED A CONTINUING COMMITMENT TO TWO CLASSES OF REFUGEES THAT THE UNITED STATES HAD ASSISTED IN THE PAST -- BOAT REFUGEES WITHOUT OTHER OFFER OF RESETTLEMENT AND LAND REFUGEES CLOSELY ASSOCIATED WITH THE UNITED STATES

IN THE IMPLEMENTATION OF THIS COMMITMENT THE ATTORNEY GENERAL APPROVED, ON JULY 14, 1978, AFTER CONSULTATION WITH THE JUDICIARY COMMITTEES OF THE CONGRESS, A PAROLE ACTION FOR THE ADMISSION OF 25,000 INDOCHINESE REFUGEES IN THE PERIOD FROM MAY 1, 1978 TO APRIL 30, 1979. IN THE INTERIM, IT IS THE ADMINISTRATION'S INTENTION TO SEEK AMENDMENT OF THE REFUGEE PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT WHICH WOULD MAKE POSSIBLE A CONTINUED PROGRAM OF THIS NATURE AND MAGNITUDE WITHOUT FUTURE RESORT TO THE PAROLE AUTHORITY.

WITH RESPECT TO THE SITUATION IN SOUTHEAST ASIA, THE OUTFLOW OF REFUGEES CONTINUES HIGH AND, INDEED, HAS INCREASED SHARPLY IN RECENT MONTHS IN THE CASE OF REFUGEES ESCAPING BY BOAT. THESE REFUGEES FACE THE RISKS OF SMALL, OVERCROWDED AND UNSEAWORTHY BOATS EVEN DURING SEASONS OF STORMY WEATHER. THEY SUFFER THE DEPRADATIONS OF PIRATES, ARE PASSED BY COUNTLESS COMMERCIAL VESSELS AND OFTEN RUN OUT OF FOOD AND FUEL. THE STORIES OF THOSE WHO SURVIVE ARE SO HARROWING THAT THE CONCLUSION IS INESCAPABLE THAT MANY PERISH. THEY RECOGNIZE THESE RISKS CLEARLY IN ADVANCE. STILL, THE NUMBER OF THOSE ESCAPING BY BOAT REMAINS AT RECORD LEVELS.

REFUGEES REPORTS REVEAL A COMPREHENSIVE PATTERN OF ACCELERATED EFFORTS BY THE VIETNAMESE GOVERNMENT TO RADICALLY TRANSFORM THE SOCIETY OF FORMER SOUTH VIETNAM INTO ITS COMMUNIST MODEL. THESE EFFORTS ARE EMBODIED IN THE DECREES IN THE LATTER PART OF MARCH WHICH NATIONALIZED PRIVATE BUSINESS AND STEPPED UP THE PRESSURE TO FORCE A SUBSTANTIAL PROPORTION OF THE POPULATION TO MOVE TO THE SO-CALLED

"NEW ECONOMIC ZONES". THOSE SLATED TO GO TO THESE NEW AREAS ARE PRECISELY THOSE ELEMENTS OF THE URBAN POPULATION WHICH HAVE PROVEN MOST INDIGESTABLE TO THE NEW COMMUNIST REGIME. THESE INCLUDE THE FORMER BUSINESS CLASSES, MEMBERS OF THE CIVIL AND MILITARY STRUCTURE OF THE FORMER GOVERNMENT OF SOUTH VIETNAM AND REFUGEES WHO FLED TO THE SOUTH FROM HANOI IN 1954. THE NEW ECONOMIC ZONES ARE SEEN BY ALMOST ALL REFUGEES AS A SERIOUS THREAT TO THE WELL BEING OF THOSE FORCED TO ENTER THEM. TO MOST REFUGEES THE NEW ECONOMIC ZONES ARE ACTUALLY SYNONYMOUS WITH STARVATION, EXTREMELY DIFFICULT LABOR AND POTENTIAL DEATH OF WEAKER MEMBERS OF THE COMMUNITY. THE SUCCESSFUL DEVELOPMENT OF SUCH UNDER-PRODUCTIVE AND MOSTLY UNDEVELOPED AREAS REQUIRES A WIDESPREAD GOVERNMENTALLY SUPPORTED INFRASTRUCTURE IF THERE IS TO BE A SERIOUS CHANCE OF SUCCESS. REFUGEES REPORT THE ALMOST COMPLETE ABSENCE OF ANY SUCH SUPPORT BY THE GOVERNMENT. THEY REPORT AN INITIAL SUPPLY OF RICE, SOMETIMES ONLY FOR THE FIRST MONTH, OCCASIONAL SIMPLE TOOLS AND SEEDS. THE RESULT IS THE FEAR OF THE ECONOMIC ZONES AS ALMOST UNSURVIVABLE.

THE POPULATION RESISTS STRENUOUSLY BEING TRANSFERRED TO THESE ZONES AND, WHENEVER THEY CAN, TRY TO LEAVE THE ECONOMIC ZONE TO RETURN TO THEIR FORMER HOMES.

WHEN THEY RETURN TO THEIR HOMES, HOWEVER, THEY ARE IN AN ILLEGAL STATUS AND INELEGIBLE FOR WORK OR RATIONS. THERE IS A CONSTANT THREAT THAT THEY WILL BE RETURNED TO THE NEW ECONOMIC ZONES, WHICH OFTEN HAPPENS. IT IS WIDELY BELIEVED BY THE REFUGEES THAT THEIR SELECTION TO BE SENT TO THE NEW ECONOMIC ZONES IS LARGELY BASED ON POLITICAL FACTORS, AS A MEASURE TO CONTROL THE FORMER WELL-TO-DO AND MIDDLE CLASS IN VIETNAM. IT SEEMS PROBABLE THAT THESE MEASURES AND THE FEAR OF THE POPULATION OF GOING TO THESE ZONES ARE PRIMARILY RESPONSIBLE FOR THE INCREASED FLOW OF REFUGEES ESCAPING BY BOAT FROM VIETNAM, DESPITE THE SEVERE HAZARDS OF SUCH VOYAGES. THIS FLOW HAS AVERAGED BETWEEN 5,000 AND 6,000 REFUGEES PER MONTH SINCE APRIL 1978.

THE LEVEL OF REFUGEES ESCAPING BY LAND ALSO CONTINUES HIGH -- RANGING BETWEEN 2,000 AND 3,000 REFUGEES PER MONTH. THIS REFLECTS MEASURES TAKEN BY THE COMMUNIST GOVERNMENT OF LAOS TO IMPOSE ITS CONTROL ON THE PEOPLE OF THAT COUNTRY. IT ALSO REFLECTS MILITARY PRESSURE ON THE HMONG AND OTHER LAO HILL TRIBES. IN THIS CASE, ALSO, A CONTINUED FLOW OF REFUGEES CAN BE EXPECTED FOR SOMETIME TO COME. AMONG THE REFUGEES ESCAPING BY LAND, ARE SUBSTANTIAL NUMBERS WHO HAVE HAD A CLOSE ASSOCIATION WITH THE UNITED STATES IN THE PAST WHO ARE CONSIDERED FOR INCLUSION IN THE UNITED STATES PROGRAM.

WHILE IT IS EXTREMELY DIFFICULT TO PREDICT REFUGEE FLOWS WITH ANY DEGREE OF ACCURACY OVER THE LONG TERM, THE EVENTS RECITED ABOVE DO STRONGLY SUGGEST THAT IT WOULD BE PRUDENT TO THINK IN TERMS OF A CONTINUATION OF A FLOW-OUT OF INDOCHINA OF REFUGEES OVER THE NEXT FEW YEARS AT LEAST AT PRESENT LEVELS. IN 1979, BETWEEN 25,000 AND 30,000 SUCH REFUGEES ARE EXPECTED TO BE ADMITTED TO THE UNITED STATES. WHILE INDOCHINESE REFUGEES HAVE DONE QUITE

WELL IN THE PROCESS OF BUILDING A NEW LIFE IN THIS COUNTRY, THEY WILL UNQUESTIONABLY CONTINUE TO REQUIRE SOME ASSISTANCE FROM THE STATES IN THIS RESPECT. THUS, WHILE DEFERRING TO HEW FOR DETAILED COMMENTS ON THE ADMINISTRATION'S PROPOSAL, SOME CONTINUATION OF FEDERAL FUNDING TO REIMBURSE THE STATES FOR SUCH WELFARE EXPENDITURES APPEARS TO BE THOROUGHLY JUSTIFIED.

THAT CONCLUDES MY STATEMENT, MR. CHAIRMAN, I WILL BE HAPPY TO ANSWER ANY QUESTIONS WHICH YOU AND THE MEMBERS OF THE COMMITTEE MAY HAVE.

Senator CRANSTON. We will take a very short recess, so I can make one phone call. I will be right back.

[Whereupon, a brief recess was taken.]

Senator CRANSTON. The hearing will reconvene.

We will now have a panel consisting of Norman Lourie, chairperson, Coalition for the Effective Resettlement of Indochinese Refugees, from Harrisburg, Pa.; Ms. Que Huong Le-Si, representative of Indochinese refugees; and Rupert Thompson, representing the Coalition for the Effective Resettlement of Indochinese Refugees, who is with the Louisiana Department of Family Services, Baton Rouge.

We welcome you very much. If you will please proceed in whatever order you see fit.

STATEMENT OF NORMAN V. LOURIE, CHAIRPERSON, COALITION FOR THE EFFECTIVE RESETTLEMENT OF INDOCHINESE REFUGES, HARRISBURG, PA.; RUPERT G. THOMPSON, COORDINATOR, COMMUNITY WORK AND TRAINING PROGRAMS, OFFICE OF HUMAN DEVELOPMENT, LOUISIANA DEPARTMENT OF HEALTH AND HUMAN RESOURCES; AND QUE HUONG LE-SI, INDOCHINESE MEMBER OF THE COALITION FOR THE EFFECTIVE RESETTLEMENT OF INDOCHINESE REFUGEES, A PANEL

Mr. LOURIE. Senator, we very much appreciate the opportunity—

Senator CRANSTON. Could you identify yourself for the record, please?

Mr. LOURIE. My name is Norman Lourie. I work for the Commonwealth of Pennsylvania, but I am here as the chairperson of the Coalition for the Effective Resettlement of Indochinese Refugees. In addition, on the coalition, I represent the National Council of State Public Welfare Administrators of the American Public Welfare Association, the administrators of the State departments which administer the cash assistance, medical assistance, and social service programs for Indochinese refugees. I am joined by Que Huong Le-Si and Rupert Thompson, and they will be speaking after me.

We very much appreciate this opportunity to speak for the 28 States that have the majority of refugees, the several hundred voluntary and local public departments, and a great many interested individuals that make up our coalition.

We would like to agree with the representatives of the State Department and particularly HEW, in pointing out that we believe that the program up to now has been a very, very successful one. We think that the interdepartmental committee, HEW, State Department, and other groups in the Federal Government, together with the States, the counties, and the voluntary agencies, have done a very remarkable job. I think it is a great expression of the humanity of the United States and the human rights postures that we have.

We have a very strong opinion in support of the Kennedy-Cranston bill. We oppose the administration bill. Our point of view is a very simple one. We have no question about the fact that in any fiscal Federal program to support the needs of refugees there has to be a beginning and there has to be an end. We supported the phase down last year because we felt that we were winding down a program which

started in 1975 and it seemed very logical to do so. This year, the situation has changed because of the fact that a great many more refugees have been authorized to enter the country; it is our understanding that many more will be coming over the next period of years. And, therefore, we think that the issue of phase down is a moot one.

We think that the more important issue that faces us now is the business of getting at a national refugee policy. We and the Congress and the Federal agencies have been faced with a very odd set of circumstances. We have to deal with each group as they come; we are faced with complicated formulas; we are faced with uncertainties. The legislatures, county governments, State governments are in a very difficult arena when it comes to planning on a fiscal basis with all of the uncertainty. And it is for that reason that we want to support the continuation of this program for a year while we work together to get a national refugee policy in place. We strongly advocate the creation of a central point in the Federal Government for refugee policy development and coordination. Such a central Federal office should be one which all of the agencies, voluntary, State, and local, could look to for leadership.

We think that that part of the administration's bill which provides funds for foster care, medical assistance, and child welfare services for unaccompanied children ought to be put into the legislation for the continuation period.

We also would like to point out that the legislation does not address the adjustment of the status of the refugees, or does the legislation proposed by the administration bill offer necessary special projects funds to continue the successful employment and mental health services which have been offered to date. I do not think I have to repeat for this committee the fact that both in the area of employment and in the area of adjustment, this has been a remarkable group and a remarkable performance on the part of all concerned.

One final point, sir: This committee does not necessarily address the question of voluntary agency resettlement grants. But I do want to point out that our coalition is concerned that the budgeting for the voluntary agency resettlement grants has been reduced from the 1975 \$500 per capita to the current \$300 to \$350, despite some 20-percent increase in inflation in the interim. It is the view of those of us particularly who work in State governments and in county governments, I am sure, that an effective, early resettlement program with an adequate grant makes it more possible to get refugees resettled, so that they do not have to come for public benefits too early on in the game, and we think that the cutting of the resettlement grants is a very, very serious matter. We think it will hurt this whole process of the voluntary agencies' potential effectiveness and the effectiveness of the families that are so willing in this country to give their time and their energies to this group.

In summary, we feel that the future of the Indochinese refugee assistance program lies in the designing and implementation of a responsive and rational refugee policy. Until that task has been undertaken, we feel that the coalition must support the Kennedy-Cranston bill and go for 1 more year.

I would like now to turn this over to my colleagues, and we will be pleased to answer any questions that you have.

Senator CRANSTON. Thank you very much for a very helpful and, I think, a very wise testimony, a very helpful contribution to our record. Thank you.

Mr. THOMPSON. I am Rupert Thompson, representing the State of Louisiana, and I would like to express appreciation for the opportunity to appear before you.

I would like to state from the outset that I, as an individual, and the State of Louisiana, from our Governor to our entire congressional delegation, supported the extension of the IRAP program last year with the 100 percent for 1 year and the phase down.

Senator CRANSTON. Thank you very much.

Mr. THOMPSON. The support for this bill was based on the assumption that we were dealing with a known population or a known number of individuals, and that the phase down, the decreased funding could be administered without any great problem.

As you know, the decrease in the level of funding would have different implications for different States. In Louisiana, in public assistance, we have no unemployed parent program and we have no non-disability related general assistance program. So, we would have had to cut back our grants to noncategorical eligibles by several different optional ways to approach it. We had not determined that at the time the law was enacted.

In other States, by the nature of their own State laws, they would have to make up the entire deficit from State or local funds.

What I consider the most critical issue before us now is how to handle the admission of new refugees in future years. Regardless of the policy which is established, the administrative simplicity is going to be essential. A 3-year phase down plan for each new year's quota of refugees would be an administrative nightmare to implement. Consider that in 1981, programs for refugees admitted that year would be funded at a 100-percent level, 75-percent funds would be available for refugees admitted in 1980, 50 percent for those admitted in 1979, and 25 percent funding would be available for those who are currently in the country.

This is cumbersome, but for States with sophisticated data processing systems, we could probably track these people for welfare grants. But when you try to provide social services for a mix like this, it is going to be a total impossibility.

Our primary approach to providing social services in Louisiana is through subcontracts to private, nonprofit agencies. These agencies do not have alternate funding sources to pick up the non-Federal share of the cost of the program. We had originally envisioned, when we supported this law, that the needs would be decreasing in future years and the programs would be cut back accordingly. But when we bring in a new group each year, this puts a whole new light on the picture.

For example, you take a private agency in 1981: They would be serving a mix of refugees for whom reimbursement would be available at the level of 100 percent, 75 percent, 50 percent, and 25 percent. They simply cannot do this without an alternate funding source, because you cannot provide 25 percent of a soft service. You can provide 25 percent of a grant need and either let it go at that or supplement it through some other method, but you cannot provide a soft service

at different levels unless you have that alternate funding source to pick up and these private agencies do not have that.

And I cannot overemphasize the importance of services particularly in a State such as Louisiana. We have a large population of refugees who are former fishermen and farmers, and by and large, these people were illiterate in their native land. These individuals have few marketable job skills, have many health problems, and have problems with learning the English language because they cannot learn from a written text; it is all vocal. And there are many other problems present.

We currently have between 9,000 and 9,500 refugees in the State, and most of those are concentrated in the New Orleans area. In June, this last month, we had 134 cases statewide certified who were categorically eligible for AFDC and 199 cases that were certified for assistance for whom categorical relatedness was waived.

We consider this to be a pretty good track record and attribute the low number of refugees on welfare, in a large measure, to the effective, comprehensive social services that are offered through these private agencies. Among the services available through these agencies are employment, education, training and treatment, including English as a second language, health related, housing improvement, counseling, day care, and transportation.

Even though social services are expensive, we consider it the major investment we are really making in these people. By way of figures on that, I anticipated social services costs through subcontract from September 1 of this year through August of next year are estimated to be about \$1,500,000. Now, our expenditures for grants, at the current rate that we are paying out welfare grants, annualized would run about \$520,000 a year, and that includes both noncategorical eligibles and those who are categorically eligible for AFDC.

In summary, I would like to say that the phasedown of the funding is conceptually good, but when you are talking about new people coming in every year, it is just about administratively impossible, and particularly it is impossible in the area of social services. We would support the 1-year extension of the program, but we would recommend strongly that some immediate attention be given to the problem of how to handle the new refugees and, in particular, the investment part, which I consider to be a provision of a comprehensive service plan to get these people into employment.

Thank you very much.

Senator CRANSTON. Thank you very much for your very helpful testimony.

Ms. Le-Si?

Ms. LE-SI. Thank you, Mr. Chairman. On behalf of the Indochinese refugees, I would like to present to you our concerns and feelings that affect our assimilation into U.S. society.

At this time, we are not only dealing with the existing refugees, but a great influx of new refugees is expected to be arriving yearly for the next few years. This new wave of refugees will, in addition to facing the same problems that refugees everywhere face, have to surmount greater obstacles because their education is unsuitable for the lifestyle here. Their command of the English language will be minimal and, therefore, they will need English language training and job training when they arrive here.

The Indochinese, as a people, are industrious and hard working, and want to become self-sustaining citizens. Those who have obtained jobs and are self-supporting have been able to do so in part because of the social service programs that funds from Public Law 95-145 provide.

The refugee population that was assimilated into the American economy after the fall of Saigon in 1975 now has a very low rate of unemployment. Even though their rate of unemployment is much lower than the national average, their income remains low. Many times, one wage earner is supporting, in addition to a wife and his children, parents, in-laws, nieces, and nephews. We must continue to reevaluate and upgrade the skills of the refugees and those to come, so that they can remain self-supporting and not become statistics on the welfare rolls.

Beyond the material help provided by IRAP in the past, and hopefully by the passage of the Cranston-Kennedy bill, the Indochinese refugees will then have the comfort of the knowledge that they are not yet forgotten by the U.S. Government. The moral support, although intangible, is no less important.

We therefore urge you to take immediate action on the Cranston-Kennedy bill to further assure them of your faith in their successful future.

Thank you.

Senator CRANSTON. Thank you very much. All three of you have given us very helpful testimony, and in the reshaping and reworking of the bill in committee that will occur, I am sure we will take into account the suggestions that you have made to us, and I think you will see them in the legislation; at least I hope so.

I have no questions, but Senator John Chafee is with us; he is a hard-working and a very effective member of this committee. Do you have anything, Senator Chafee?

Senator CHAFEE. Thank you, Mr. Chairman. I thought the points that Mr. Thompson brought up were very good. Do I understand that under the phasedown, support to an individual refugee would be 100 percent the first year, and then it would be 75, and 50, and 25. And your point is that it would be a bookkeeping nightmare to try and do this with 10,000 different people.

Mr. THOMPSON. Yes, sir.

Senator CHAFEE. And what is your suggestion on how to solve that?

Mr. THOMPSON. I am not going to say that I have all the answers. It would simplify matters if—

Senator CHAFEE. Well, we do not require you to have all the answers.

Senator CRANSTON. Let us require that. [Laughter.]

Mr. THOMPSON. Let me address social services specifically. It is really impossible to provide a social service program—and when I say “social services,” I mean the employment and training, everything needed to get a person assimilated into society—it is going to be impossible without some funding from another source for an agency to provide services to these people, unless there is a gift from somewhere, because you simply do not have the alternate funding source. A program operates on 100 percent of budget and presumably gives 100 percent of a service. So, if they only claim Federal reimbursement on a portion of a

service, this part that is cost-factored out has to be paid for someway, and right now, we do not know where it is coming from.

We cannot do it in the State agency, because the only other way to do it would be through title XX funds, and we are at the State maximum—there is a State cap on that; we do not have the State money either.

Senator CHAFEE. Well, why do you not have the State money?

Mr. THOMPSON. Well, let me put it this way: The State money is matched with title XX money, which would pick up the difference, and we are at the cap on the Federal part; in other words, we do not have any more money to draw from.

Senator CHAFEE. There is nothing against using some State money that is not matched by Federal money, is there? In other words, I am talking just of your situation in Louisiana.

Mr. THOMPSON. The political reality at home is, for example, in New Orleans, we are already having problems. There are some predominantly black groups down there that resent the services being provided to the refugees in New Orleans. And if we went to the legislature for State money for the refugees, it would not get out of committee, I promise you.

Senator CHAFEE. So, therefore, you are for the extension of the bill for 1 year, but you are not for the phasedown provisions?

Mr. THOMPSON. I am not backing off on my support of the original concept of a phasedown. I am saying that you cannot have a scale-down in services for every group that comes in. You cannot administer it, and you cannot deliver the services.

Mr. LOURIE. Senator, the position of our coalition is that we recognize that there is no logic in saying that the Federal Government should support refugees forever. We recognize that there is a logic in saying that when a refugee arrives, a political refugee arrives, the Federal Government ought to support him for some period of time; and at some point, the normal Federal-State set of relationships ought to enter.

But the situation we are all in now is that in the absence of a national refugee policy, each group of refugees that comes in and, in this instance, each time a new set of refugees comes in, we come up with a piece of legislation dealing with that incident. We have no problem, and we would have no problem—States and the voluntary agencies, and I think the counties, too, would have no problem in working with the Congress to arrive at a policy which would say that for certain classes of refugees, let us assume 3 years of Federal support; then, they become like every other immigrant, every other real alien, and then the Federal-State relationship enters, and the States take the responsibilities that they take for all their citizens. That is the kind of approach we would like to see the Congress take.

And the reason that we are supporting this particular bill is that it is our belief that both in the Senate and in the House there is strong feeling that agrees with us that this staccato approach just does not make any sense, and it makes everybody uncomfortable, and it does become an administrative nightmare. The States do not know where they are from period to period.

Senator CHAFEE. I just wonder if a year from now we are not going to see a replay of this entire performance, in which somebody in the

Senate will submit a bill to extend the legislation for 1 more year at 100 percent, and you will return with your statements. Why won't we go through the whole thing again?

Mr. LOURIE. Well, our hope is that between now and next year, the Senate can address this matter as a policy issue and produce a piece of legislation which is policy for all refugees and which the States and the Federal Government can recognize as having a logical beginning and end of Federal responsibility for each group of refugees as they enter.

Senator CHAFEE. But that is not going to satisfy Mr. Thompson, because Mr. Thompson, as I understand it, has no money available, nor can he obtain any in Louisiana for the required State or municipal share. Is that correct?

Mr. THOMPSON. That is correct. I would like to say—

Senator CHAFEE. I do not want to put words in your mouth, but are you not saying, Mr. Thompson, that this has got to continue to be a 100-percent federally funded program?

Mr. THOMPSON. I am saying it right now, because the alternative is what we cannot handle. The 1-year extension is the alternative that I would support, because it does give us time to make or establish a policy which is workable.

Senator CHAFEE. But you have had time to establish a policy. This program has been going for several years.

Mr. THOMPSON. Well, I may have had time, Senator, but I do not have the influence to get it through.

Senator CHAFEE. I am not being critical, but is there any reason in the world to believe that we are not going to replay this drama next year at this same time and exactly in the same fashion?

Mr. THOMPSON. I would hope not.

Senator CHAFEE. Why would we not? What is going to happen in the interim?

Mr. THOMPSON. We can arrive at a solution, or in the interim, if the Cranston-Kennedy bill is passed, it will give us time to work on one.

Senator CHAFEE. It will give you just a year.

Mr. THOMPSON. That is better than the alternative.

Senator CHAFEE. What is going to happen in a year? I mean, suppose you had your druthers. What would you have happen; what do you reasonably foresee happening?

Mr. THOMPSON. I would like to see a policy established which would be administrable, if that is a good word, from the State level and fair to the refugees, to the States and the counties, and to the Federal Government.

I think we could try, for example, to serve the immigrants who come in each year, or the refugees who come in each year for a certain number of years, and beyond a certain year, you say they are not eligible for funding and have to be served by the existing system. What we cannot do is to be serving four different groups at four different funding levels.

Senator CHAFEE. Well, I do understand that point. I do not want to belabor this. I think the testimony has been excellent, and I am sorry I did not hear those before. But from what I did hear, it seems to me we are gathered here to postpone some difficult decisions. Maybe something is happening to make things different a year from now, but I

do not know of it. Is there, Mr. Chairman; is something going to happen in the interim?

Senator CRANSTON. What we hope will occur is that the administration and the Congress can work out an overall policy relating to refugees and fit this particular problem into the overall policy, and we expect that the administration and the Congress will work together in developing that legislation. That would at least mean we would not have this interim solution confronting us each year that the flow of refugees continues.

You have certainly raised legitimate questions about whether or not we are going to face this particular problem year after year after year. This is a valid question, and I think we would have that result unless we develop an overall policy into which this aspect of the refugee problem can find its place.

One partial solution, I think, can be, as the witnesses from California are going to state, the refugees from Asia are showing themselves to be very industrious, very hard working, very ambitious, able to adjust quite swiftly and to begin to take care of themselves very, very rapidly, with surprising speed, and as a community develops in various States like California where the refugees tend to concentrate, I think that community can help absorb them and make less difficult the problem than it is now, when that community has not yet fully established itself.

I do feel that, basically, the sort of expenses that relate to education and so forth, where a burden falls on local government and, hence, on local taxpayers, it is basically a Federal responsibility, because it is a Federal decision to let the people come in. The fact they happen to concentrate in certain communities then becomes a burden to those communities unless there is Federal assistance. And it is also a Federal responsibility because the origins of all this lie, at least in considerable measure, in decisions made at the Federal level in relationship to our Vietnam policy dating many, many years back to a series of administrations that made some tragic errors, and to have the burden of all that fall on local property taxpayers seems to me to be rather unfair.

But you have raised some very sound questions, John, and we obviously have to seek to come to grips with them.

Senator CHAFFEE. I agree with you about the abilities and energies of the Southeast Asia refugees that have come to the United States. They have been extremely hard working and self-reliant. I think the statistics in your statement, Mr. Thompson, are very revealing—the low numbers of those who are receiving some form of welfare.

If you want to say that Federal policy resulted in these people becoming refugees and therefore, it is a Federal responsibility, that it may be. I think it is a Federal responsibility. I also think that these refugees are a community asset; maybe not immediately, but they will be. The community is going to be better off because these people are in California, or Louisiana, or hopefully, some will come to Rhode Island—and some we have. Therefore, I do not think it is entirely a Federal responsibility. Of course, the legislation recognizes that.

Well, thank you very much. I hope the administration does get busy, because this is a difficult problem. I think your testimony on the administrative complexities is very valid. Thank you, Mr. Chairman.

Senator CRANSTON. Thank you very much for your provocative and searching questions.

Thank you very much for your testimony.

Mr. THOMPSON. Thank you.

[The prepared statements of Mr. Lourie, Mr. Thompson, and Que-Huong Le-Si follow:]

TESTIMONY BY:
NORMAN V. LOURIE
CHAIRMAN
OF THE COALITION FOR THE EFFECTIVE
RESETTLEMENT OF INDOCHINESE REFUGEES
BEFORE

THE UNITED STATES SENATE COMMITTEE ON HUMAN RESOURCES
ON THE
INDOCHINESE MIGRATION AND REFUGEE ASSISTANCE ACT
WASHINGTON, D. C.
AUGUST 9, 1978

Norman V. Lourie
Executive Deputy Secretary for
Federal Policy and Programs
Pennsylvania Department of Public Welfare
Harrisburg, Pennsylvania 17120

My name is Norman Lourie and I am the Chairman of the Coalition for the Effective Resettlement of Indochinese Refugees and the Executive Deputy Secretary for Federal Policy and Programs of the Pennsylvania Department of Public Welfare. I am accompanied by Mr. Rupert Thompson of the Department of Family Services, Baton Rouge, Louisiana and Mrs. Que Huong Le-Si, Volunteer Coordinator of Indochinese Refugees of West Virginia who will speak after me.

I very much appreciate the opportunity to appear today to give the views of the Coalition for the Effective Resettlement of Indochinese Refugees on the extension of the Indochinese Migration and Refugee Assistance Act. The Coalition consists of more than 130 representatives of state, local and voluntary organizations throughout the United States. It represents all the major voluntary agencies responsible for resettlement, the 28 states in which 90 percent of the Indochinese reside, as well as county and private agencies engaged in resettlement activities, service, medical and assistance programs.

We can be proud of our record in the IRAP program. It is a remarkable reflection of our humanity and devotion to human rights. The Federal agencies - HEW's Social Security Administration, the State Department, State and Local governments, and the Voluntary agencies have done an amazing job, and the refugees themselves have demonstrated an unusual capacity to adjust.

The Voluntary Agencies, State and Local agencies, and Indochinese, with the support of Federal funding, have established a remarkable track record. The Committee is familiar with the amazing success of the Indochinese in their struggle for readjustment and self-sufficiency despite language, cultural, social and economic barriers associated with making a new life in an unfamiliar land. Their employment record alone is evidence of their capacity and desire to become contributing members of the community.

The effort should not be slowed down now. The flow of refugees is continuing into the U.S.A. Over 100,000 refugees are currently in camps in Thailand and Malaysia, and more are arriving each month. The most recent Parole Order (6/14/78) allows for the entrance of 25,000 who will arrive in this country over the next year. Congress is keenly aware of the countless numbers of Indochinese drowning at sea and being killed in their attempts to flee Vietnam, Cambodia, and Laos. We need your support in order to continue to provide essential resources and services to the refugees who will arrive over the next few years and to continue the adjustment of those who are here.

The Coalition supports the Cranston-Kennedy Bill, S 3205. We do not consider it or the Administration Bill as a sound basic policy solution. We urge support of this as an interim measure to provide adequate time for the development of a National Refugee Policy, one that is sound for those refugees already in the country and for all refugees who will be entering in the future. We recognize the logic of a phase-down in Federal financial responsibility. We supported phase-down legislation in 1977 because we were then dealing with a group that came primarily in 1975. Since PL 95-145 was passed it became apparent that additional refugees were to come. Therefore, we decided to take the position that it was unsound to deal with this matter on a staccato, incident basis.

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The members of the Coalition all recognize the acute need for a cohesive National Refugee Policy. We have heard the same view strongly expressed in Congress. In the absence of an effective National Policy, the States and Voluntary agencies are placed in a reactive role in the resettlement of refugees.

Furthermore, we call your attention to the fact that there is no Federal office in the Administration that sets policy or plans for refugees. Each new group of refugees is treated under separate Parole Orders and Congress has had to pass separate legislation for each new group.

This Coalition views the development of a comprehensive National Refugee Policy as basic to the achievement of refugee self-sufficiency. Policy should be drawn to effect self-sufficiency as quickly as possible, in the most efficient manner, and with adequate resources. A policy making body should be established within the Administration in order to provide an effective focal point for policy development and coordination. Such a central Federal office should be one which Voluntary agencies, State and Local agencies could look to for leadership.

The Administration Bill does not deal with a long range solution. It attempts to "cover all bases" by establishing a phasing arrangement for all new groups of refugees. In doing so it creates complex and cumbersome administrative procedures. Tracking each group of refugees through a phase-down would hurt the Indochinese Refugee Assistance Program in many states. Many State legislatures are unprepared to pick up the necessary percentage of cash and medical assistance for refugees who may well be needy after their initial year in this country. Even when employed, supplemental cash assistance and health care is oftentimes necessary for refugees.

Social services are endangered by the Administration Bill as well. Supportive services such as English language training, vocational training, job placement, mental health care, day care and the such, can be the deciding factor in preventing a family from becoming overly dependent on welfare. Even at this time, States are having difficulty planning social services and are hesitant to offer programs in the future due to the funding phase-down set for FY 79. If social service agencies are faced with continual budget cuts, they may opt out of offering any services. Missouri already has discontinued all of its special public welfare programs for the Indochinese.

The Coalition supports that feature of the Administration Bill which provides 100% Federal funding for all necessary benefits and services for unaccompanied minors and urges that it be added to S 3205.

The Coalition recognizes that no refugee should be 100% Federally supported forever. However, the present crisis-incident approach leaves everyone unprepared. States would be willing to plan to take on responsibility for refugees who will become their citizens if there is a clear, up front national policy which establishes a time limit for 100% Federal support of all refugees. Therefore, we strongly support the Cranston-Kennedy Bill as

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an interim measure and urge the Administration and the Congress to join in developing a national policy this year.

In addition to the severe problems that the Administration Bill poses by phasing down each entrant refugee group separately, it does not provide for the adjustment of status of new refugees nor does it offer necessary special project funds to continue the successful employment and mental health services offered to date. Cranston-Kennedy, on the other hand, includes both invaluable provisions. The Judiciary Committee in the House has already acted to allow new refugees to adjust their status and we applaud that position.

In order to insure logical and fluid program planning and administration, the Coalition supports S 3205 including an explicit provision that FY 79 would become the base year for cash and medical assistance, social service, and administrative costs.

Although legislation before the Committee today does not address the question of voluntary agency resettlement grants, this issue impinges directly on the effective resettlement of refugees. The Coalition is concerned that budgeting for the voluntary agency resettlement grants has been reduced from the 1975 \$500 per capita to the current \$350 which a Senate Committee proposes be reduced to \$300. As a result, regardless of significant financial contributions from the private sector, the voluntary agencies are forced to rely more heavily on cash assistance that would be necessary. The sum of \$350 is not enough to get a refugee properly settled in an American community. The States, Voluntary Agencies and the Indochinese do not want to encourage dependence on the welfare system; the Coalition therefore, supports an adequate resettlement grant as a vital tool in resettlement.

In summary, the future of the Indochinese Refugee Assistance Program lies in the designing and implementation of a responsive and rational National Refugee Policy. We urge that this task be immediately undertaken by the Administration and the Congress. Meanwhile the Coalition supports the Cranston-Kennedy Bill as a stop-gap measure and urges the addition of the Administration provision for full support of unaccompanied minors .

Mr. Rupert Thompson and Mrs. Que Huong Le-Si will now make brief presentations and we will, of course, be pleased to answer all questions and provide any other information you may require.

Thank you very much.

Norman V. Lourie, Chairman
of the Coalition for the Effective Resettlement
of Indochinese Refugees and Executive Deputy Secretary
for Federal Policy and Programs, Pennsylvania
Department of Public Welfare

August 9, 1978

Statement by Rupert G. Thompson
Community Work and Training Programs Coordinator
Office of Human Development
Louisiana Department of Health & Human Resources
before the
Senate Committee on Human Resources
August 9, 1978

On behalf of the State of Louisiana, I wish to express appreciation for the opportunity to meet with you and discuss some of the problems of the Indo-Chinese Refugee Program, particularly as it relates to the State of Louisiana.

From the outset, let me state that I, as the coordinator of services to Indo-Chinese refugees in Louisiana, supported the law which extended federal funding for the IRAP at a rate of 100% FY 1978, with a phase down of funding level to 75%, 50% and 25% in succeeding years. More importantly, this legislation was favored by Governor Edwin Edwards and I believe the entire Louisiana congressional delegation.

This support was based on an assumption that we would be dealing with a known stable population of refugees, and the belief that special needs of this population would decrease in roughly the same proportion as would the funds available to meet these needs.

As you know, the decrease in the level of federal funding has different implications for different states depending primarily on the Public Assistance laws in various states. In Louisiana, we have no Public Assistance programs for unemployed parents or for non-disability related General Assistance. This means that in our state, unless the need for grants proved to decrease in proportion to the decreased availability federal funding, we would be forced to go to several possible options to keep our spending level at the same level of federal funds available.

Other states, by the nature of their own laws, would in similar situations be forced to utilize state funds to make up the deficit.

We now come to what I consider to be the most critical issue that we have faced since the original decision was made to admit refugees into the United States in 1975 - that of how to handle the admission of new refugees in future years.

Regardless of the policy which is established, administrative simplicity is critical. A three year phase down plan for each new year's quota of refugees would be an administrative nightmare to implement. Consider that in 1981, programs for refugees admitted that year might be funded with 100% Federal funds, while 75% funds will be available for refugees admitted in 1980, 50% for those admitted in 1979, and 25% funding will be available for refugees who are currently in this country.

Cumbersome as it might be, it would probably be possible for states with sophisticated data processing systems to track each group and claim the proper percentage of federal funds available for that group.

The provision of social services with a varying degree of federal funding available for four different groups is quite another matter, and would be impossible to implement in a state such as Louisiana, which sub-contracts social services for refugees through the Title XX process. Private non-profit agencies have no alternate funding source with which to pay the non-federal share of program costs. We had originally envisioned a gradual phase out of service programs for those refugees currently here, and felt that the need for services would decrease proportionally. This will no longer be the case, however, with new refugees arriving each year, and current indications are that new arrivals will require many services.

How can a private agency provide services, in 1981 for example, to a mix of refugees for whom reimbursement is available at levels of 100, 75, 50 and 25 per cent? Obviously, they cannot. Further, in states such as Louisiana which have reached their Title XX ceiling, the same would be true for service delivery by the state agency.

I cannot over-emphasize the importance of services, particularly in a state such as Louisiana which has a large population of refugees who are former fishermen and farmers, and by and large were illiterate in their native land. These individuals have few marketable job skills, have many health problems, and have many problems in learning the English language, to name a few.

In Louisiana, there are between 9,000 and 9,500 Indo-Chinese refugees, chiefly in the New Orleans area. In June 1978, there were 134 cases certified AFDC cases in the state which were categorically eligible and 199 cases certified for assistance for whom categorical relatedness was waived.

We consider this to be a good track record and attribute the low number of refugees on Welfare in a large measure to the comprehensive social services which are available in most areas. Among the services available to refugees through sub-contract to private agencies are Employment, Education, Training and Treatment (including English as a Second Language), health related, housing improvement, counseling, day care, and transportation.

Even though social services are expensive, we consider it an investment which will pay dividends in future years by reducing the need for public assistance and Medicaid. This belief is reflected in that our projected sub-contracted Social Service costs from 9/1/78 through 8/31/79 is approximately \$1,500,000. Our current expenditures in grants annualized runs about \$520,000. Medicaid expenditures were not available to me when this report was prepared.

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In summary, I would like to say that a phase down in the availability of federal funds for each year's quota of Indo-Chinese refugees is conceptually acceptable, but is not acceptable in terms of administrative implementation. We feel that a one year extension of the program, financed at a 100% level by the Federal Government, is reasonable at this point in time. Immediate attention should be given, however, to developing a manageable solution to this problem which meets the needs of the refugees and which will be acceptable and fair to state and local governments.

I appreciate this opportunity to speak to you on this subject and will be happy to answer any questions or assist you in any way I can.

REMARKS PREPARED BY QUE-HUONG LE-SI
INDOCHINESE MEMBER of the COALITION for the
EFFECTIVE RESETTLEMENT of INDOCHINESE REFUGEES

On behalf of the Indochinese population, I would like to present to you some of our concerns and feelings that affect our assimilation into U. S. society.

At this time we are not only dealing with the existing refugees, but a great influx of new refugees is expected to be arriving yearly for the next few years. The new wave of refugees will, in addition to facing the same problems that refugees everywhere face, have to surmount greater obstacles because their education is unsuitable for the lifestyle here.

Their command of the English language will be minimal and therefore they will need English language training and job training when they arrive here.

The Indochinese as a people are industrious and hard-working and want to become self-sustaining citizens. Those who have obtained jobs and are self-supporting have been able to do so in part because of the social service programs that funds from P. L. 95-145 provides.

The refugee population that was assimilated into the American economy after the fall of Saigon in 1975, now has a very low rate of unemployment. Even though their rate of unemployment is much lower than the national average, their income remains low.

Many times one wage earner is supporting, in addition to a wife and his children; mothers, in-laws, nieces, and nephews. We must continue to reevaluate and upgrade the skills of the refugee and those to come so that they can remain self-supporting and not become statistics on the welfare rolls.

Beyond the material help provided by IRAP in the past and hopefully by the passage of the Cranston-Kennedy Bill, the Indochinese refugees will then have the comfort of the knowledge that they are not yet forgotten by the United States government. The moral support, although intangible, is no less important.

We therefore urge you to take immediate action on the Cranston-Kennedy Bill to further assure them of your faith in their successful future.

Senator CRANSTON. Our next witness is Wells Klein, American Council of Voluntary Agencies for Foreign Service, New York. We welcome you to this committee.

STATEMENT OF WELLS C. KLEIN, AMERICAN COUNCIL OF VOLUNTARY AGENCIES FOR FOREIGN SERVICE, ACCOMPANIED BY ROBERT DeVECCHI, INTERNATIONAL RESCUE COMMITTEE; DONALD HOHL, U.S. CATHOLIC CONFERENCE; AND MARINE DAWSON, LUTHERAN IMMIGRATION AND REFUGEE SERVICE

Mr. KLEIN. Good morning, Mr. Chairman. My name is Wells Klein. I serve as vice chairman of the Committee on Migration and Refugee Affairs of the American Council of Voluntary Agencies for Foreign Service; I am also executive director of the American Council of Nationality Service.

The resettlement agencies joining me this morning in this testimony are, to my left, Mr. Robert DeVecchi of the International Rescue Committee; Mr. Donald Hohl of the Refugee and Migration Service, U.S. Catholic Conference; and Ms. Marnie Dawson of the Lutheran Immigration and Refugee Service.

This testimony is on behalf of all of the agencies involved in resettlement: The American Council of Nationality Service; the American Fund for Czechoslovak Refugees; Church World Service; HIAS International Rescue Committee; Lutheran Immigration and Refugee Service; Migration and Refugee Service, U.S. Catholic Conference; and the Tolstoi Foundation.

Mr. Chairman, the agencies support the Cranston-Kennedy bill to extend the Indochina Refugee Act for another year at 100 percent reimbursement to the States. We do so because we view the bill as an interim measure.

I am sorry Senator Chafee has left. We feel that it is an interim measure and that during this year, this country, the Congress, the private sector, and the administration, must come up with some comprehensive legislation so that we are not constantly "ad hoc-ing" a program to deal with refugees.

We also support the removal of the time limitation on the adjustment of status as contained in the bill so that refugees arriving after January 1, 1979, can adjust their status after 2 years, and we strongly endorse the increase in the special project funding from the \$25 million presently authorized to the \$40 million contained in the bill.

We would urge, Mr. Chairman, that one aspect contained in the administration's bill—that dealing with reimbursement to the States for the costs of servicing unaccompanied minors—be incorporated in whatever final legislation comes out of this committee.

This is a provision on which the voluntary agencies have worked very closely with the Department of Health, Education, and Welfare. There are basically two problems relating to unaccompanied minors. One is a funding problem, and the other is a problem of defining legal guardianship. HEW is also helping us, running interference for us, if you will, with the States, because the responsibility for guardianship rests with the States.

Senator CRANSTON. I assure you we will be supporting it.

Mr. KLEIN. Thank you.

We are prepared to discuss what we consider to be the deficiencies of the administration bill at the conclusion of the testimony, if you wish.

The voluntary agencies are deeply concerned that the United States lacks a comprehensive, coherent, consistent, and equitable refugee policy, both as it relates to who shall come into the United States as refugees and as it relates to how they should be best assisted in adjusting to their new environment.

In supporting the continuation of 100-percent reimbursement to the States for public assistance and associated costs for an additional year, we hope and trust that the Federal Government, the States, and the private sector will be able to delineate and implement a national refugee policy in the ensuing 12 months.

If we are jointly unable to do this, Mr. Chairman, then, as Senator Chafee has suggested, we will be back at the same stand at the same time next year.

Underlying our support for the Cranston-Kennedy bill is our deep conviction that the Nation has not, and is not, organizing its resources, and the allocation of those resources, effectively to assist refugees achieve self-sufficiency.

We would define self-sufficiency not only in terms of not having to utilize public assistance, but also as having sufficient income to enjoy a reasonably satisfactory quality of life and as having achieved sufficient social and emotional adjustments to be able to participate in American life.

With respect to the whole question of self-sufficiency and the use of public assistance, we would like to point out that the Indochinese refugees have come a long way in achieving self-sufficiency.

While it is difficult to define social or emotional adjustment in terms of statistics, we do have some very interesting statistics in terms of self-sufficiency in economic terms which I think bear on the achievements of the Indochinese refugees.

The latest year for which statistics are available is July-August 1977, but at that time the unemployed refugee labor force was 5.5 percent. The general unemployment in the labor force in the general economy was 6.9 percent. Thus, a larger percentage of the refugee labor force was employed than the general labor force.

If you extrapolate this to a year later, using the same ratio, you find refugee unemployment below 5 percent, which is pretty remarkable. We have known all along that despite the high level of employment of the refugees, large numbers are making use of cash assistance. I think it is important to point out that this cash assistance is primarily supplemental assistance, as would be indicated by the employment figures.

However, something interesting has happened. In May 1977, 36 percent of the refugees were receiving cash assistance most of it supplemental assistance. A year later, May 1, 1978, that figure had dropped to 29.6 percent, a significant drop of about one-sixth, despite the fact that during the interim we had received 14,000 new refugees into this country and into the economy.

I think this suggests to all of us that the various programs and efforts to assist the refugees to achieve self-sufficiency are working. We can submit for the record, if you would like, Mr. Chairman, some

analysis that HEW, I believe, is in the process of preparing regarding the effectiveness of the special project funding in terms of placing people in employment.

In this regard, I think it is important to point out that the refugees were not traditionally, in their own countries, a dependent population; they simply were not chronic dependents. With effective resettlement planning, the vast majority should achieve self-sufficiency in their new homeland.

It is within this context that the voluntary agencies strongly endorse the provision to increase the special project allocation from the present \$25 million level to \$40 million. We believe that the record of achievement in the special project funding supports the continuation and strengthening of this program.

We have two problems we would like to bring to your attention, Mr. Chairman, with regard to special projects. The first of these—and if you agree, I would like to submit a letter on this subject from the Council of Voluntary Agencies to HEW.

Senator CRANSTON. All material that is submitted will be welcome in the record.

Mr. KLEIN. Thank you.

The first of these problems is that of the \$25 million authorized last year, \$10 million was allocated for fiscal year 1978. However, the allocation for fiscal year 1979 is only \$5 million. It is our view, as expressed in this letter which we will submit for the record, that the special projects money should be used to deal with the generic factors inhibiting self-sufficiency, and that special projects money should not be strung out in equal increments over the duration of the program.

This simply is not dealing with the basic factors which are inhibiting self-sufficiency, and we do not believe it was the intention of the Congress in passing that legislation last year. We are very anxious to see that appropriation come up to at least \$10 million, and if the authorization were \$40 million instead of \$25 million, we would hope it could be brought up to \$15 million for fiscal year 1979, particularly in view of the large number of new refugees that are arriving.

The second question, Mr. Chairman, deals with the actual allocation of funds under special projects. We are concerned that the allocation of funds goes to those agencies, public or private, which are directly dealing with the refugees and which have the experience to deal with the refugees, and which are going to provide the most effective training for the refugees.

In this respect, I would also like to submit for the record a letter from the voluntary agencies to Mr. Wortman, dated May 9, which addresses our concerns. I must say that we were addressing these concerns before we knew what the allocations of special project funding would be. However, we felt that if we did not address these concerns until after the funds were allocated, it would be too late to affect the allocation.

We do not yet know the allocation of the funds, but it is a major concern, based on previous history of similar funding.

Mr. Chairman, the resettlement agencies have another concern which, though not directly within the immediate purview of this committee, bears directly on the achievement of effective resettlement and on the cost-effective use of Federal funds. I refer to the resettlement

grants made available to the voluntary agencies to supplement contributions from the private sector.

There is a history to this, Mr. Chairman. In 1975, the voluntary agencies which undertook the resettlement of the Indochina refugees and the Federal Government agreed that a \$500 per capita resettlement grant to the agencies would be an appropriate amount to assist the agencies in carrying out their responsibilities.

In the summer of 1977, with what is known as IPP 77 and, subsequently, IPP 78, for reasons due to budgetary constraints and the lack of funding, that resettlement grant was cut from \$500 to \$300. The agencies accepted this cut, first, frankly because we had to; second, because we were not going to let the discussion of money inhibit our agreement to resettle refugees, when we had fought so hard and so long to get those parole programs; and, third, because we understood that there were complications in the budget process.

However, we are now dealing with what we hope is a long-range program. It is called Indochinese parole program—long-range program, and it is, in the President's mind, I believe, considered to be a program rather than a simple parole order.

Unfortunately, the budget which was sent to Congress for this program called for a \$350 resettlement grant, rather than the \$500 resettlement grant that we had hoped for. I might also point out that between 1975 and 1978-79, there has been at least a 20-percent inflation factor.

From the agencies' point of view, this is our most serious concern, and it is going to have, and has had, serious impact on our ability to carry out our professional responsibilities. I also have, with your permission, a letter from the agencies to the Department of State on this subject which I think delineates our point of view and the rationale of why we feel that it is absolutely essential to return to that \$500 level.

Senator CRANSTON. Thank you. That will go in the record.

Mr. KLEIN. In summary, Mr. Chairman, we are supporting the Cranston-Kennedy bill. We believe that it is essential during the coming year to get a comprehensive national refugee policy, and we also believe that it is essential to get a focal point within the Federal structure for the coordination and development of Federal policy to implement this Nation's interest in serving refugees.

That is our prepared testimony, Mr. Chairman.

Senator CRANSTON. Thank you for your informed and constructive testimony; it is very, very helpful to us. I do not have any questions. Were others of you planning to say anything at this point?

[No response.]

Senator CRANSTON. Thank you very much. We will be heeding your advice and hoping to come up with some revised, better, effective, and passable legislation. Thank you.

Mr. KLEIN. Thank you.

[The prepared statement of Mr. Klein and the letters referred to follow:]

STATEMENT OF WELLS C. KLEIN
VICE CHAIRMAN OF THE COMMITTEE ON MIGRATION AND REFUGEE AFFAIRS
OF THE
AMERICAN COUNCIL OF VOLUNTARY AGENCIES FOR FOREIGN SERVICE

BEFORE THE
COMMITTEE ON HUMAN RESOURCES
OF THE UNITED STATES SENATE

CONCERNING
The extension of assistance to Indochinese refugees

August 9, 1978

Mr. Chairman:

My name is Wells C. Klein. I serve as Vice Chairman of the Committee on Migration and Refugee Affairs of the American Council of Voluntary Agencies for Foreign Service. I am also the Executive Director of the American Council for Nationalities Service. The resettlement agencies joining me in testimony this morning are:

American Council for Nationalities Service
 American Fund for Czechoslovak Refugees
 Church World Service
 HIAS
 International Rescue Committee
 Lutheran Immigration and Refugee Service
 Migration and Refugee Services, United States Catholic
 Conference
 Tolstoy Foundation

The voluntary resettlement agencies support the Cranston-Kennedy Bill (S3502) to extend the Indochina Migration and Refugee Assistance Act for an additional year at its current level of 100% reimbursement to the states for the costs of public assistance and related services. We take this position mindful of our earlier support for a "phase down" of Indochinese refugee assistance. We believe, however, that the new flow of Indochinese refugees to the United States requires continued federal support, and, lacking a comprehensive, coherent and equitable refugee policy, we urge favorable consideration of S3502.

Mr. Chairman, we would like to go on record as viewing S3502 as an interim measure to assure continuity of service. Underlying our support for this legislation is our deep conviction that this nation is not organizing or allocating its resources effectively to assist refugees achieve self-sufficiency. We would define self-sufficiency not only in terms of not having to utilize public assistance, but also as earning

sufficient income to enjoy a reasonably satisfactory quality of life, and as having achieved sufficient social and emotional adjustment to participate in American life.

In supporting the continuation of 100% reimbursement to the states for public assistance and associated costs, we hope and trust that the Administration and the Congress, the States, and the private sector will be able to delineate and implement, through the legislative process, a national refugee policy within the coming year.

The voluntary resettlement agencies also support the provision in S3502 to remove time limitations on the adjustment of status for Indochinese refugees, so that those arriving in the United States after January 1, 1979 can adjust their status after two years without charge to numerical limitations. We also support the provision to increase special project funding from the present \$25,000,000 authorized to \$40,000,000. Finally, we urge that the Committee amend to S3502 the provision from the Administration's proposal dealing with unaccompanied minors. The resettlement agencies have been working closely with the State Department and HEW to establish appropriate systems to deal with the relatively small number of unaccompanied minors currently in the refugee caseload or projected over the next year. There are two issues: One is the question of guardianship. This is not a federal matter, but HEW has agreed to work with the resettlement agencies and the States on this question, so that legal guardianship for unaccompanied minors can be established as soon as possible after their arrival in the United States. The other issue is funding for adequate care and supervision of unaccompanied minors until they reach the age of 18. The provision in the Administration's proposal is essential for providing such funding and we therefore strongly urge its adoption.

We would like to point out, Mr. Chairman, that the Indochinese refugees

were not traditionally a dependent population in their own countries and, with effective resettlement planning, the vast majority of the refugees should achieve self-sufficiency in their new homeland. In fact, the Indo-chinese refugees have come a long way in achieving self-sufficiency. Some statistics which bear on this observation may be of interest to the Committee.

In August of 1977, Indochinese refugee unemployment was 5.5% of the workforce as compared with a national unemployment rate of 6.9%. Extrapolating from these figures to the present, we would estimate Indochinese refugee unemployment at under 5% -- a very low figure.

We are all aware, however, that the number of Indochinese refugees receiving some form of cash assistance, mostly supplemental assistance, has been consistently very high. This reflects underemployment and a great deal of entry-level employment with insufficient income to support large families. As of May 1, 1977, 36% of the refugees were receiving some form of cash assistance. However, as of May 1, 1978, despite the influx of 14,000 new refugees, the percentage of refugees receiving some form of cash assistance dropped to 29.6%. This is a significant reduction in refugee reliance on public assistance. Although it is difficult to establish a direct cause and effect relationship, we believe this record of significant achievement over a short period of time supports the continuation and strengthening of special projects programming.

Mr. Chairman, as you are aware, the appropriation for special projects for FY-1978 was ten million dollars. In view of the effectiveness of this program as well as the influx of new refugees anticipated in FY-1979, the resettlement agencies had assumed that the Administration would request funding for the continuation of special projects at the same level for the coming year. However, last spring, we learned that the Administration's budget proposal calls for only five million dollars for Special Project

funding in FY-1979. Mr. Chairman, I would like to submit for the record a copy of a letter dated May 5, 1978, from the voluntary resettlement agencies to the Secretary of HEW on this subject. It seems to us that there is a significant lack of communication, and understanding of intent, between the Congress and the Administration on this subject. At the very time the Congress is considering increasing the authorization for special project funding, the Administration is recommending a 50% reduction in the appropriation for special projects. It is our hope, Mr. Chairman, that you would raise this issue with the Administration, or with the Appropriations Committee, so that special projects will be funded at an adequate level.

Mr. Chairman, on behalf of the resettlement agencies, I would also like to raise some of our concerns with regard to the way in which special projects are being implemented. In a letter dated May 9, 1978, the resettlement agencies expressed their concerns on this subject to the Acting Commissioner of Social Security, and I would like to submit a copy of this letter for the record. The resettlement agencies hope that the "history" of the legislation currently being considered, particularly the increase in the authorization for special project funding, will reflect our concerns with the way in which such funding is allocated.

Finally, Mr. Chairman, the resettlement agencies have another serious concern which, though not directly within the immediate purview of this Committee, bears directly on the achievement of refugee self-sufficiency and on the cost-effective use of federal funds. I refer to the resettlement grants made available to the voluntary agencies to supplement contributions from the private sector. In 1975, the resettlement grant was at \$500 per capita. In the summer of 1977, and for reasons we do not fully understand, the resettlement grant was reduced to \$300 per capita. We anticipate that

the resettlement grant level will be \$350 in FY-1979. Our contracts with the Department of State refer to "reception and placement." However, all of the resettlement agencies -- each in its own manner and through its own constituency or network of resettlement offices, endeavors to work with "its" refugees, until they achieve self-sufficiency. This process goes beyond "reception and placement" and each of the agencies relies heavily on financial support and support-in-kind from the private sector to assist with refugee resettlement. The resettlement grant, however, is critical in meeting the immediate "front end" costs of securing resettlement opportunities, of initial placement, and of professional staff to counsel and work with the refugees. Also, an adequate grant is critical to securing or stimulating contributions from the private sector -- it operates as seed money. The \$350 per capita resettlement grant currently projected is simply insufficient to adequately supplement private agency resources in achieving effective resettlement. Thus, each agency, in its own manner, is forced to rely more heavily on public assistance than it would like, or than would otherwise be necessary. This is not a cost-effective use of public funds -- it simply results in more refugees going on public assistance for a longer period of time with far greater expense to the federal government and the American taxpayer.

In this regard, I would like to submit for the record, the letter dated April 18, 1978 from the voluntary resettlement agencies to the Department of State together with the reply from the Department of State dated May 10, 1978. The reduction in the resettlement grant from \$500 in 1975 to \$350 today, despite interim inflation, is a matter of very serious concern to the resettlement agencies and our broad constituencies. While we will certainly continue with Indochinese refugee resettlement, we know that we cannot do as effective a job as we would like, or should, without an adequate resettlement grant, and that the present allocation

of resources with too little "front end" emphasis on the resettlement process is probably wasteful of public funds.

Finally, Mr. Chairman, on behalf of the resettlement agencies, I would like to express our appreciation for the opportunity to testify before the Committee this morning. Much as we appreciate the opportunity to express our concerns, we hope that this will not become an annual affair, and we look forward to working with the Congress and the Administration in developing a long-range refugee policy which will provide effectiveness and continuity to all of our efforts on behalf of refugees.

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May 5, 1978

The Honorable Joseph A. Califano, Jr.
Secretary of Health, Education and Welfare
330 Independence Avenue, S.W.
Washington, D. C. 20201

Dear Mr. Secretary:

I am writing on behalf of the refugee resettlement agencies associated with the American Council of Voluntary Agencies for Foreign Service, to express our concern with the way in which we understand the Administration proposes to budget for "special projects" as authorized in PL 95-145. Our national structures have resettled the vast majority of Indochinese refugees coming to the United States and we continue to serve in the same capacity. The success or failure of the resettlement process depends in large part on our efforts, and the coordination of these efforts with federal and state programs.

PL 95-145 calls for a four-year phase-down of the Indochinese Migration and Refugee Assistance Act of 1975. Included in the authorization is \$25 million for "special projects" designed to deal with generic factors inhibiting the achievement of economic self-sufficiency on the part of the refugees. Of the authorized \$25 million, \$10 million was appropriated for FY-78. We understand, however, that the Administration has proposed an authorization of only \$5 million for FY-79, with the implicit assumption that \$5 million will be requested for each of the subsequent two years.

In our opinion, based on extensive work with the Indochinese refugee population, the plan to "string out" the remaining authorized funds over a three-year period reflects a lack of appreciation of the resettlement process and the need to focus resources to assist the refugees achieve self-sufficiency. We also question whether the present budget proposal accurately reflects the intent of Congress in authorizing the "special project" funding.

The purpose of the "special projects" is to deal with factors inhibiting refugee self-sufficiency, or put negatively, resulting in a high refugee caseload utilizing public assistance. As you are aware, a number of special projects were started prior to FY-78. With the \$10 million appropriated for FY-78, a majority of these projects have been extended and additional projects are, or will be, funded to assist refugees in attaining self-sufficiency. If only \$5 million for

Joseph A. Califano

- 2 -

May 5, 1978

FY-79 is appropriated, it will require the discontinuation of many projects at the very time they can be expected to be achieving significant results. Such an eventuality would be most unfortunate from the point of view of our shared objective of assisting refugees to achieve self-sufficiency. It would "string out" the process of effective resettlement over an unnecessarily long period, and it would result in greater expenditures for public assistance on the part of federal and state governments than we believe would otherwise be required.

Therefore, as those agencies which the federal government has asked to resettle the Indochinese refugees, we in turn request the government to review its approach to "special project" funding. It is our urgent recommendation that the Administration request an appropriation of \$10 million for special projects in FY-79 with the remaining \$5 million budgeted for FY-80. This will bring maximum funding to bear in the immediate future when it is most needed.

We would greatly appreciate your bringing our concern to the attention of the appropriate offices so that the Administration's FY-79 Budget request will reflect a \$10 million line-item for "special projects" as authorized in PL 95-145.

Thank you very much for your consideration.

Sincerely yours,

John E. McCarthy, Chairman
Committee on Migration and
Refugee Affairs

JEMcC:bf

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May 9, 1978

Mr. Don Wortman
Acting Commissioner of Social Security
Department of Health, Education and Welfare
6401 Security Boulevard - Room 900
Baltimore, Maryland 21235

Dear Don:

I am writing on behalf of the refugee resettlement agencies associated with the American Council of Voluntary Agencies to express some of our concerns regarding the allocation of "special projects" funds as authorized in PL 95-145.

Section 2(c) of PL 95-145 states that special projects and programs are to be "...administered in whole or in part by State or local public agencies or by private voluntary agencies participating in the Indochinese Refugee Assistance Program..."

The resettlement agencies are fully in agreement with this statement. We are also aware that the legislative history of PL 95-145 -- specifically remarks by Senator Kennedy -- emphasizes the intent that special projects be carried out "particularly" by private voluntary agencies participating in Indochinese refugee resettlement. Needless to say, we are in accord with this emphasis on the private sector.

It is our firm belief, however, that special project funding to assist Indochinese refugees achieve self-sufficiency should be carried out through whatever institutional structures are best equipped to achieve this objective, regardless of whether they are public or private entities. With this consideration in mind, we would urge that three basic guidelines be followed in the allocation of special projects funds.

1. That funding go only to those agencies (public or private) which have significant previous experience in working with the Indochinese refugee population.
2. That funding go only to those agencies (public or private) which have direct access to the refugee population. There should be no need to recruit a caseload as in some past instances.

Don Wortman

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May 9, 1978

3. That funding go to those agencies (public or private) which will actually be providing services or, in the case of a consortium, to the agency which will act in a fiduciary capacity for the consortium.

With reference to the last recommended guideline, we would draw your attention to those situations in which State and local public agencies are proposing to act as the umbrella for special project funding and then sub-contracting to the operating agencies. In these umbrella situations, it is our experience that contracting agencies tend to retain much of the administrative money, leaving the agencies providing direct services with little or no funds to carry out administration and supervision of the program. In addition, the contracting agency is often at some distance from the client caseload and program considerations, and thus is not in a position to provide effective program administration. While we recognize the need for coordination in planning and implementing special projects, we believe that such coordination can be carried out without the need for a multi-tiered structure.

Also, in some instances (notably California), where the State becomes the contracting agency and sub-contracts program implementation, the State is either unwilling or legally unable to provide advance funding for the projects. Thus, the small private agency actually delivering the services is forced to underwrite the program from its own funds for a number of months before reimbursement can be secured from the State.

We are taking the liberty of bringing our concerns to your attention in advance of the actual allocation of funds and thus, on the basis of apprehension rather than fact. However, if we were to wait until the dust settles, allocation of FY-78 funds would have been completed and, if our apprehensions are warranted, this would be to the detriment of effective resettlement and the legitimate interests of our local structures.

Sincerely yours,

John E. McCarthy, Chairman
Committee on Migration and
Refugee Affairs

on behalf of:

American Council for Nationalities Service
American Fund for Czechoslovak Refugees
Church World Service
HIAS
International Rescue Committee
Lutheran Immigration and Refugee Service
Migration and Refugee Services, United
States Catholic Conference
Tolstoy Foundation

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April 18, 1978

Mr. James L. Carlin
Deputy Assistant Secretary for Humanitarian Affairs
Department of State - Room 7802 NS
Washington, D. C. 20520

Dear Mr. Carlin:

Recent developments in the Indochinese refugee field have stimulated a review of the voluntary agency capabilities in terms of sponsorship and financial resources. The voluntary agencies are ready to undertake the humanitarian endeavor of resettling substantially increased numbers of refugees. But they will need increased supplementary financial support to discharge this responsibility in a professional manner, particularly over an extended period of time.

Our acceptance of the reduction in the Indochinese per capita resettlement grant last year from \$500 to \$300 was based on the expectation of a limited program for a short period of time with strong emphasis on family reunion. In addition, we realized that only limited funds were available to the Department of State without a supplemental appropriation which was impractical at the time. Faced, however, with the need to find new resettlement opportunities for substantial groups of newcomers in an open-ended program, we believe that to maintain a professional level of resettlement requires a return to the \$500 per capita grant to supplement the contribution made by and through the resettlement agencies. We note that, due to inflation, \$500 today has the purchasing power of approximately \$400 in 1975. Thus, even at the \$500 level in 1978, we are, in effect, requesting significantly less than was available to work with in the earlier program.

We believe that an adequate resettlement grant such as that we are requesting, used effectively by the resettlement agencies, will be cost-effective to the government in terms of helping the newly-arrived refugees achieve self-sufficiency. Whenever possible, we would like to avoid the necessity of relying on public assistance as part of the resettlement process.

Inflationary pressures, higher costs of rent and living expenses, as well as necessary salary adjustments and the need to hire additional professional staff,

James L. Carlin

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April 18, 1978

are all reasons for the rise in resettlement costs. We have also found that the composition of the new caseload calls for higher expenditures than during our earlier Indochinese resettlement experience.

Even if the time interval between arrival and economic self-sufficiency can be reduced to as little as, say, six weeks on the average, the present \$300 grant is patently insufficient to supplement expenditures by the resettlement agencies for Care and Maintenance, to say nothing of the cost of securing resettlement opportunities as well as essential expenditures for casework, counselling, and administrative costs.

The lengthy stay of the Cambodian and Laotian refugees in camps in Thailand has also taken its toll in terms of physical deterioration and emotional strain. Because of the long stay in camp, many of these people will have special needs, and will require more attention and more time before they can be successfully resettled.

As we are going into a new phase of what is to be a long-range program, we believe a sober evaluation of the support structures is needed and will fully justify acceptance of the request expressed in this letter.

Sincerely,

John E. McCarthy, Chairman
Committee on Migration and
Refugee Affairs

JEMcC:bf



DEPARTMENT OF STATE

Washington, D. C. 20520

May 10, 1978

Mr. John E. McCarthy
Chairman, Committee on
Migration and Refugee Affairs
American Council of Voluntary Agencies
for Foreign Service, Inc.
200 Park Avenue South
New York, New York 10003

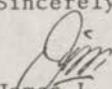
Dear John:

You had touched briefly in our recent voluntary agency meeting on the amount of the per capita settlement grant and the problems you are having with the reduction to \$300 and I was happy to have your further thoughts on this question in your letter.

We are beginning to get a good idea from your member groups and from the States' coalition on the types and length of expenditures they have been making. The conclusion of their analyses supports your view that the ability to resettle refugees at a level which can stimulate the rapid achievement of self-sufficiency is cost effective.

We have taken your concerns to heart and will be working closely with your people in assessing resources and needs to implement resettlement of refugees arriving in the future. As you know, however, exigencies of the budgetary process will make it very difficult to amend or supplement the allocation already established for the FY-1978 and FY-1979 budgets. Preliminary work for the FY-1980 budget will certainly, however, take into account your comments. Shep Lowman and his staff will be in touch with your office.

Sincerely,



James L. Carlin
Deputy Assistant Secretary
for Refugee and Migration
Affairs

Senator CRANSTON. Our final witnesses consist of a panel representing San Diego County, Los Angeles County, Alameda County, and Orange County in California; also representing the National Association of Counties. We are very glad to have so many of you here from California.

The experience we have had in our State with the refugees is particularly helpful, as it is described to this committee, and we thank you very much for your presence for that purpose.

STATEMENT OF ALICEANN FRITSCHLER, ASSOCIATE DIRECTOR FOR WELFARE AND SOCIAL SERVICES, NATIONAL ASSOCIATION OF COUNTIES; KENNETH W. WADE, WASHINGTON REPRESENTATIVE, ALAMEDA COUNTY, CALIF.; SUSANNE STOUT ELFVING, WASHINGTON REPRESENTATIVE, SANTA CLARA COUNTY, CALIF.; PATRICIA JOHNSON, WELFARE CONSULTANT, LOS ANGELES COUNTY, CALIF.; ROGER F. HONBERGER, WASHINGTON REPRESENTATIVE, SAN DIEGO COUNTY, CALIF.; AND MICHAEL LONG, FAIRFAX COUNTY, VA., A PANEL

Ms. FRITSCHLER. Thank you, Mr. Chairman. I am Aliceann Fritschler, associate director for welfare and social services of the National Association of Counties, and I serve as staff to the Welfare and Social Services Steering Committee of Naco, which sets our policy in these areas.

We appear today as a panel of county representatives, and I would like to introduce the people on the panel. Then they will each make a brief statement after I have made some remarks on behalf of the National Association of Counties.

Senator CRANSTON. Fine.

Ms. FRITSCHLER. To my left is Kenneth Wade, the Washington representative of Alameda County; Susanne Elfving, Washington representative of Santa Clara County; Patricia Johnson, Los Angeles County; Roger Honberger, of San Diego County. Since refugees are a national problem we also have with us Michael Long, representing Fairfax County, Va.

I have submitted my statement for the record and I would just like to summarize it briefly. We believe that the refugee problem is a national problem; it is not just a California problem. The National Association of Counties has been concerned about the impact of this program on county taxpayers.

As you know, county governments are the governments at the local level that provide the income assistance, medical assistance, social services, job development, and language training services for those in need, including refugees.

Attached to my statement is a resolution that was passed by our steering committee last March regarding the IRAP program. There are a lot of statistics in here about the national costs. Our basic point is that this is a Federal Government decision and that this should be a federally funded program until such time as these people are assimilated. There are 10 States where most of them have settled—California, Texas, Pennsylvania, Louisiana, Virginia, Washington, Florida, Illinois, New York, and Minnesota. In 5 of those 10 States, the county

governments run the income assistance program and make significant contributions to it out of local property taxes. As you know, a lot of the citizens today are concerned greatly about property taxes, and we think it is a national responsibility which should be funded by the Federal Government and we have specific examples in the counties from the people here today.

We appreciate your interest Senator Cranston, and your leadership on this issue, nationally. We hope to do all we can to support you in passing S. 3205.

Senator CRANSTON. Thank you very much for that last remark and for your helpful testimony.

Mr. WADE. Mr. Chairman, the Board of Supervisors of Alameda County has asked me to express to you and to Senator Kennedy their gratitude for your introduction of S. 3205; they appreciate your recognition, implicit in the bill, that the Indochinese refugee program is a national program which merits national, rather than purely local, financial support.

They especially applaud your timely efforts here today to move ahead and so prepare for the next influx of refugees and the increased costs in assistance which will result.

When we appeared before your committee last year, among other things, we were concerned about the property tax burden which would fall on county residents if the Federal Indochinese assistance program had terminated at that time.

This year, in California's Proposition 13 era, we are concerned with the impact on existing human services programs. With revenues substantially frozen, there is little the county can do to meet unanticipated and unavoidable funding requirements, such as marked increases in assistance for refugees, except to shift funds from other programs.

As a former California State Comptroller, Senator Cranston, you need no reminder of the difficult choices involved in putting together a budget. There are always more worthy causes than there are dollars for those needs. Having to remake all those difficult choices as a result of an unfunded Federal mandate would be administratively disruptive and damaging to those we are trying to help.

The Federal decision to admit more refugees should logically be accompanied by Federal funding to support the mandated services; this, your bill does provide.

The administration bill, which would limit full Federal funding to assistance provided for refugees newly arrived in the United States sounds a good deal better than it is. Our social services people maintain that it would be administratively very difficult and costly to keep separate accounting records on refugees based on the date of entry into the United States.

Even if that were not so, a case can be made for continuing 100-percent Federal funding for an additional year by examining the caseload and cost trends over the past 12 months. In Alameda County, that trend has been almost steadily up. In only 3 months of the past 12 has the caseload remained unchanged or decreased. In an effort to understand why—and, incidentally, to get some idea of the problems of keeping track of new cases by date of arrival in the county—we ran an experiment in March and April of this year. By noting the date of arrival in the county, location before coming to Alameda County, and date of arrival in the United States, we discovered that nearly all our

new cases came from outside the United States, from as far west as Kuala Lumpur, Malaysia and from as far east as Rome. We had supposed they would be mainly secondary migrants from the cooler climes in the United States, but only 7 of the 42 cases logged during those 2 months came from other places in the United States; incidentally, six of those seven came from elsewhere in California. But an even more interesting fact was revealed: For new arrivals from overseas, the average timelag between arrival in Alameda County and application for public assistance was 11.4 days. Thus, the caseload continues to grow.

The experience in San Mateo and San Francisco Counties, across the bay from Alameda, is substantially the same as our own.

The Alameda County Board of Supervisors therefore fully supports the provisions of S. 3205 and urges enactment by this Congress before September 30, 1978.

Thank you.

[The prepared statement of Ms. Fritschler follows:]

STATEMENT OF ALICEANN FRITSCHLER, ASSOCIATE DIRECTOR, WELFARE AND SOCIAL SERVICES ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES*, BEFORE THE SENATE COMMITTEE ON HUMAN RESOURCES.

Mr. Chairman, Members of the Committee, I am Aliceann Fritschler, Associate Director for Welfare and Social Services of the National Association of Counties (NACo). The National Association of Counties supports S. 3205 which would extend 100 percent funding for the Indo-China Refugee Assistance Program through fiscal 1979.

Attached to my statement is a resolution passed by NACo's Welfare and Social Services Steering Committee which is composed of elected and appointed county officials from across the country. I serve as staff to that Committee. The members of the National Association of Counties are deeply concerned about the impact that the federal resettlement program for Indo-Chinese refugees is having on county governments and county property taxpayers.

The Indo-China Refugee Assistance Program established by Congress in 1975, has resettled more than 165,000 war victims in the United States. Refugees continue to be admitted under temporary federal provisions, and several thousands more in boats and refugee camps are awaiting disposition.

Termination of the IRAP program, which expires September 30, 1978, is premature as long as refugees are arriving and as long as substantial numbers of refugees remain in need of income assistance, medical assistance, social services, job development, and language training. These programs are conducted by counties in most states.

We understand that as many as 25,000 additional Indo-Chinese refugees may be admitted to the U.S. in 1979, in addition to the 22,000 expected in the current

* The National Association of Counties is the only national organization representing county government in the United States. Through its membership, urban, suburban and rural counties join together to build effective, responsive county government. The goals of the organization are: to improve county governments; to serve as the national spokesman for county governments; to act as a liaison between the nation's counties and other levels of government; and, to achieve public understanding of the role of counties in the federal system.

fiscal year. It is possible that the enactment of refugee-admission legislation could result in admission of as many as 12,500 more in the coming year. As many as 59,500 Indo-Chinese refugees could reach the United States during FY 1978 and FY 1979, bringing the total at the end of FY 1979 to approximately 220,000.

The present law limits federal reimbursement in FY 1979 to 75 percent of the State's FY 1978 costs. Based on HEW estimates, the federal share in FY 1979 could be no more than \$67,500,000, or 75 percent of the estimated \$90,000,000 cost in the current year. If the President admits 25,000 additional refugees, it is estimated that the total cost in FY 1979 would be in the vicinity of \$126,000,000. Even if these additional refugees are not admitted next year, the 22,000 increase already authorized this year may well increase costs to over \$100,000,000. Because of these increases, the State and county share of IRAP could be more than 50 percent larger than originally anticipated.

Despite the national character of the resettlement program, the majority of refugees have settled in approximately ten states, California, Texas, Pennsylvania, Louisiana, Virginia, Washington, Florida, Illinois, New York, and Minnesota. Current policy for new admissions gives preference to refugees with relatives already admitted, a factor likely to compound the concentration of refugees in certain localities. Although most refugees are achieving economic assimilation, more than one-third continue in need of public assistance, a percentage that may increase, as new arrivals have been subjected to dire living circumstances since the war. Since Congress has continued to admit refugees, the costs and the numbers aided have increased, rather than declining as originally anticipated.

As long as refugees continue to be admitted and until the resettlement and economic assimilation of Indo-China refugees into American life is completed, it is only fair that the costs be shared by all Americans. Termination or phase-down of this program to aid the nation's war victims would shift substantial federal costs onto the taxpayers of states and counties, where the local property tax is the only available means of financing.

County officials from around the county are grateful to Senator Cranston for his leadership on this important issue.

The National Association of Counties supports S. 3205 which will continue 100 percent federal funding of public assistance and social services to Indo-Chinese Refugees for one more year. NACo urges that the phase-down of federal funding occur only when the costs will not create disproportionate tax burdens for Americans in certain states and counties.



National Association of Counties

Offices • 1735 New York Avenue N.W., Washington, D.C. 20006 • Telephone 202/785-9577

A RESOLUTION ON INDO-CHINA REFUGEE ASSISTANCE PROGRAM

- WHEREAS, on October 28, 1977, the President signed Public Law 95-145, extending for four years the Indo-China Refugee Assistance Program (IRAP), which provides Federal reimbursement to State and local governments for income and medical assistance, and social services provided to Indo-Chinese refugees; and
- WHEREAS, Public Law 95-145 was passed to avoid the potential burden on local property taxpayers in the absence of Federal reimbursement; a burden which would be the result of a policy established at the national level without State or local authority or involvement; and
- WHEREAS, at the same time Public Law 95-145 was signed, no significant numbers of additional refugees were expected to be admitted; and
- WHEREAS, an additional 15,000 Indo-Chinese refugees have been admitted since Public Law 95-145 was signed, and an additional 7,000 have been authorized for admittance; and
- WHEREAS, indications from the State Department are that, with 95,000 additional refugees in camps in Southeast Asia awaiting resettlement, and over 1,000 refugees per month escaping Vietnam by land and water, substantial numbers of additional Indo-Chinese refugees can be expected to be admitted into the United States in the future; and
- WHEREAS, Public Law 95-145 provides for a phase-down of Federal reimbursement of 100% in FY 1978, 75% in FY 1979, 50% in 1980, and 25% in FY 1981; and
- WHEREAS, this phase-down, coupled with admittance of future additional refugees, will result in the unfair burden to the local property taxpayer which Public Law 95-145 was intended to avoid; therefore, be it
- RESOLVED, that the National Association of Counties urges the Congress and the President to enact new legislation which would extend IRAP at full Federal funding until the complete resettlement of all Indo-Chinese refugees has occurred, to be followed by a four-year phase-down as prescribed in Public Law 95-145.

Adopted by Welfare and Social Services Steering Committee--March 12, 1978

Senator CRANSTON. Thank you very much.

Ms. ELFVING. Mr. Chairman, I also appreciate this opportunity to communicate to you the County of Santa Clara Board of Supervisors and administration support for continuation of 100-percent Federal reimbursement for local costs incurred in providing assistance to Indochinese refugees.

Approximately 16 percent of California's Indochinese refugee population, about 11,000 people, are currently settled in Santa Clara County. In the next 9 months, up to 4,000 additional refugees are expected to settle in the county. Only Los Angeles County will have more total number of refugees, and Santa Clara County will continue to have the largest number of refugees as a percent of the total county population of any area in the State of California. Your action will have significant impact on the lives of these people, and I therefore will share with you the current status of these resettled refugees.

Of the Indochinese refugee families receiving financial assistance in July 1977, 62 percent no longer receive aid. Currently, there are approximately 1,350 Indochinese refugees receiving cash, food stamps, or Medi-Cal assistance in Santa Clara County. Of the 748 active cases, 400 receive Federal assistance authorized by the Indochinese Refugee Assistance Act of 1975; 248 receive aid to families with dependent children, and 100 receive Medi-Cal assistance. There are also 326 Indochinese refugees in 100 AFDC cases who receive public social services.

If the Federal IRA is discontinued on October 1, 1978, according to the 1975 act, it is estimated that 65 percent of the 400 cases, or 785 Indochinese refugees, would receive no cash assistance whatsoever, since they are not eligible for AFDC nor would they be eligible for the county's general assistance program.

These refugees fall into one of two groups not eligible to receive general assistance. They are either single, employable individuals enrolled in full-time school or training who are not available for current employment, or they are large families, in which the fathers work more than 100 hours per month, whose incomes are above the GA family need standard. The remaining 35 percent of the current cases would be eligible for the county's general assistance program.

I want to add a fiscal note to this also. If current Federal regulations prevail, Santa Clara County could recover only 75 percent of its GA costs for these cases. Under these circumstances, Santa Clara County would incur approximately \$100,000 additional aid costs and \$89,000 additional administrative costs, or \$189,000 unreimbursed costs.

In addition, it is expected that the newly arriving refugees will require financial aid for a longer period of time because they are coming primarily with agrarian backgrounds, whereas the earlier arrivals came with urban, industrial experience.

The IRA program is successful and effective. The county provides training and job opportunities, primarily in the electronic industry, and a comprehensive, coordinated, community services network spearheaded by the Indochinese Refugee Cultural Center. The cultural center, sponsored by the Social Planning Council of Santa Clara County, which is a private, nonprofit organization, and financed by Federal Indochinese Refugee Assistance Act funds, has served approximately 5,100 Indochinese refugees since January 1977 by providing English as a second language classes, vocational counseling, vocational training referrals, job placement, and outreach services.

Currently, there are 292 Indochinese refugees in training arranged by the center's staff. These refugees are guaranteed jobs upon completion of electronic training programs. There are also 512 Indochinese refugees now working in jobs obtained through the center, none of whom is currently receiving public aid.

The county believes that the Indochinese refugee program is a valid program and should be continued for existing and new families. On behalf of the county and its refugee family population, I ask you to support, and appreciate your introduction of, the extension of this Federal assistance in fiscal year 1979; and I, of course, encourage the approval of Senate bill 3205.

Thank you.

[The prepared statement of Ms. Elfving follows:]

County of Santa Clara
California

Washington D.C. Office
1735 New York Avenue N.W.
Suite 501
Washington D.C. 20006
202-650- Area Code 232

STATEMENT BY

SUSANNE STOUT ELFVING
WASHINGTON REPRESENTATIVE
COUNTY OF SANTA CLARA, CALIFORNIA

BEFORE

U.S. SENATE HUMAN RESOURCES COMMITTEE

ON

INDOCHINA MIGRATION AND REFUGEE
ASSISTANCE ACT AMENDMENTS

9 AUGUST 1978

AF Equal Opportunity Employer

MR. CHAIRMAN:

I AM SUSY ELFVING, WASHINGTON REPRESENTATIVE, COUNTY OF SANTA CLARA, CALIFORNIA.

I APPRECIATE THIS OPPORTUNITY TO COMMUNICATE TO YOU THE COUNTY OF SANTA CLARA BOARD OF SUPERVISORS AND ADMINISTRATION SUPPORT FOR CONTINUATION OF 100% FEDERAL REIMBURSEMENT FOR LOCAL COSTS INCURRED IN PROVIDING ASSISTANCE TO INDOCHINESE REFUGEES.

APPROXIMATELY 16% OF CALIFORNIA'S INDOCHINESE REFUGEE POPULATION - ABOUT 11,000 PEOPLE - ARE CURRENTLY SETTLED IN SANTA CLARA COUNTY. IN THE NEXT 9 MONTHS UP TO 10,000 ADDITIONAL REFUGEES ARE EXPECTED TO SETTLE IN THE COUNTY. ONLY LOS ANGELES COUNTY WILL HAVE MORE TOTAL NUMBER OF REFUGEES AND SANTA CLARA COUNTY WILL CONTINUE TO HAVE THE LARGEST NUMBER OF REFUGEES AS A PERCENT OF THE TOTAL COUNTY POPULATION OF ANY AREA IN THE STATE. YOUR ACTION WILL HAVE SIGNIFICANT IMPACT ON THE LIVES OF THESE PEOPLE. I THEREFORE, WILL SHARE WITH YOU THE CURRENT STATUS OF THESE RESETTLED REFUGEES.

CURRENT ASSISTANCE

OF THE INDOCHINESE REFUGEE FAMILIES RECEIVING FINANCIAL ASSISTANCE IN JULY 1977, SIXTY-TWO PERCENT NO LONGER RECEIVE AID. CURRENTLY THERE ARE APPROXIMATELY 1,350 INDOCHINESE REFUGEES RECEIVING CASH, FOOD STAMPS OR MEDI-CAL ASSISTANCE IN SANTA CLARA COUNTY. OF THE 748 ACTIVE CASES, 400 RECEIVE FEDERAL ASSISTANCE AUTHORIZED BY THE INDOCHINESE REFUGEE ASSISTANCE ACT OF 1975 (IRAP); 248 RECEIVE AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) AND 100 RECEIVE MEDI-CAL ASSISTANCE. THERE ARE ALSO 326 INDOCHINESE REFUGEES IN 100 AFDC CASES WHO RECEIVE PUBLIC SOCIAL SERVICES. IF THE FEDERAL IRA IS DISCONTINUED ON OCTOBER 1, 1978 PER TERMS OF THE 1975 ACT, IT IS ESTIMATED THAT 65% OF THE 400 IRAP CASES OR 785 INDOCHINESE REFUGEES, WOULD RECEIVE NO CASH ASSISTANCE WHATSOEVER SINCE THEY ARE NOT ELIGIBLE FOR AFDC NOR WOULD THEY BE ELIGIBLE FOR THE COUNTY'S GENERAL ASSISTANCE (GA) PROGRAM. THESE REFUGEES FALL INTO ONE OF TWO GROUPS NOT ELIGIBLE TO RECEIVE GENERAL ASSISTANCE

*SINGLE EMPLOYABLE INDIVIDUALS, ENROLLED IN FULL-TIME SCHOOL OR TRAINING, WHO ARE NOT AVAILABLE FOR CURRENT EMPLOYMENT; OR

- LARGE FAMILIES, IN WHICH THE FATHERS WORK MORE THAN 100 HOURS PER MONTH, WHOSE INCOMES ARE ABOVE THE GA FAMILY NEED STANDARD. (FREQUENTLY THE INCOMES OF THESE REFUGEE FAMILIES ARE BELOW THE AFDC NEED STANDARD BUT THE FAMILIES ARE NOT ELIGIBLE FOR THAT PROGRAM FOR OTHER REASONS.)

THE REMAINING 35% OF THE CURRENT CASES WOULD BE ELIGIBLE FOR THE COUNTY'S GA PROGRAM.

I WANT TO ADD A FISCAL NOTE TO THIS ALSO. IF CURRENT FEDERAL REGULATIONS PREVAIL, SANTA CLARA COUNTY COULD RECOVER ONLY 75% OF ITS GA COSTS FOR THESE CASES. UNDER THESE CIRCUMSTANCES, SANTA CLARA COUNTY WOULD INCUR APPROXIMATELY \$100,000 ADDITIONAL AID COSTS AND \$89,000 ADDITIONAL ADMINISTRATIVE COSTS, OR \$189,000 ADDITIONAL, UNREIMBURSED COSTS.

IN ADDITION, IT IS EXPECTED THAT THE NEWLY ARRIVING REFUGEES WILL REQUIRE FINANCIAL AID FOR A LONGER TIME BECAUSE THEY ARE COMING PRIMARILY WITH AGRARIAN BACKGROUNDS, WHEREAS THE EARLIER ARRIVALS CAME WITH URBAN INDUSTRIAL EXPERIENCE.

PROGRAM PROGRESS

THE IRAP PROGRAM IS SUCCESSFUL AND EFFECTIVE. THE COUNTY PROVIDES TRAINING AND JOB OPPORTUNITIES - PRIMARILY IN THE ELECTRONIC INDUSTRY - AND A COMPREHENSIVE, COORDINATED, COMMUNITY SERVICES NETWORK SPEARHEADED BY THE INDOCHINESE REFUGEE CULTURAL (MULTI-SERVICE) CENTER. THE CULTURAL CENTER, SPONSORED BY THE SOCIAL PLANNING COUNCIL OF SANTA CLARA COUNTY (A PRIVATE, NON-PROFIT ORGANIZATION), AND FINANCED BY FEDERAL INDOCHINESE REFUGEE ASSISTANCE ACT (IRAP) FUNDS, HAS SERVED APPROXIMATELY 5,100 INDOCHINESE REFUGEES SINCE JANUARY 1977 BY PROVIDING ESL CLASSES, VOCATIONAL COUNSELING, VOCATIONAL TRAINING REFERRALS, JOB PLACEMENT AND OUT-REACH SERVICES. CURRENTLY, THERE ARE 292 INDOCHINESE REFUGEES IN TRAINING ARRANGED BY THE CENTER'S STAFF. THESE REFUGEES ARE GUARANTEED JOBS UPON COMPLETION OF ELECTRONIC TRAINING PROGRAMS. THERE ARE ALSO 512 INDOCHINESE REFUGEES NOW WORKING IN JOBS OBTAINED THROUGH THE CENTER, NONE OF WHOM IS CURRENTLY RECEIVING PUBLIC AID.

THE COUNTY BELIEVES THAT THE INDOCHINESE REFUGEE PROGRAM IS A VALID PROGRAM AND SHOULD BE CONTINUED FOR EXISTING AND NEW FAMILIES.

ON BEHALF OF THE COUNTY AND ITS REFUGEE FAMILY POPULATION, I ASK YOU TO SUPPORT EXTENSION OF THIS FEDERAL ASSISTANCE IN FY 1979. I ENCOURAGE YOUR APPROVAL OF S. 3205.

THANK YOU.

Senator CRANSTON. Thank you very much.

Ms. JOHNSON. I am Patricia Johnson, representing the county of Los Angeles. I am the county's welfare consultant assigned to the Washington office.

We testified before this committee last year regarding Federal assistance to Indochina refugees, and have kept you and your staff informed throughout the year as to the need to continue 100 percent Federal funding. We are grateful to you, Senator Cranston, and to Congressman Stark, for introducing legislation to extend the Indochina Refugee Assistance Act for another year, and we will assist you in getting your bill, S. 3205, passed.

I am attaching for the record copies of correspondence to this committee documenting the increase in the IRAP caseload in Los Angeles County from October 1977 through April 1978. At that time, the cash assistance caseload was 7,635, reflecting a steady increase over the previous year, accompanied by a declining rate of termination of assistance.

I am also submitting a chart, with the latest available statistics, through June 30, 1978. This chart indicates a dramatic increase in the IRAP caseload in Los Angeles County. To summarize, since October 1977, the caseload has increased 20 percent, the number of persons aided has increased 27.5 percent, and the rate of applications has increased by 129 percent.

These dramatic figures reflect both newly admitted refugees and reimmigration to southern California of refugees originally settled elsewhere in the United States. A chart attached from Los Angeles County's research statistics documents the source of 369 applications that were received in the month of June 1978.

These 369 applications include 838 persons, an astounding figure for caseload growth in any program for 1 month. Approximately one-fourth of the applications for June came from outside the county, including a few cases transferred in from neighboring counties; three-fourths of this group, 67 applications, or 289 persons, however, were relocating from other States within the United States. Slightly more than 25 percent of applications, including 326 persons, were recent arrivals to the United States—the "boat cases" so tragically familiar to all of us.

These two groups of applicants, the 326 newly arrived boat cases and 289 relocations in a single month, should provide all the argument necessary to convince the Congress that Federal funding for the refugee assistance program must not be phased down.

Among the June applicants, however, is still a third group that argues for continued Federal assistance: 183 applications, involving 223 persons, came from refugees who had been in the country more than 30 days. No data is available as to how long they were there, why they found it necessary to apply for public assistance, or what attempts their sponsors have made to assist them.

It is estimated that 38,000 Indochina refugees now live in Los Angeles County. Including those who receive only food stamps or medical assistance, 35 percent of these people are receiving assistance. The cost of the public assistance, of the cash assistance, is estimated at \$8.6 million for fiscal year 1978. Congressman Pete Stark estimates that the State and local share of IRAP may be more than 50 percent higher than anticipated by Congress last year.

Since the Attorney General has announced approval for as many as 59,500 refugees to be admitted during fiscal years 1978 and 1979, termination or phasing down the IRAP Federal assistance is unthinkable. Most of these costs would fall on California, where about half of the refugees have settled. To ask taxpayers in the relatively few States and localities where the majority of refugees have settled, to bear the burden of supporting thousands of war victims admitted on behalf of all Americans, is just not reasonable.

The administration's proposal to phase down assistance for all except new arrivals, is also not reasonable. The intricate tracking and accountability for the whereabouts and length of residence for over 200,000 refugees that would be necessary to justify different claiming of funds for different individuals, is likely to be costly and ineffective.

On behalf of Los Angeles County, I ask your committee to endorse this legislation to continue 100 percent Federal funding of the Indochina refugee assistance program until the refugees can be reasonably resettled and integrated into the Nation's economy.

I would like to add a statement that is not included in my written statement. Los Angeles County is proud of the progress that the Indochina refugees have made there. And I would like to point out that while 35 percent is a large number to be receiving public assistance, that means almost two-thirds are not receiving any form of public assistance. And they are, indeed, industrious people who are integrating and assimilating quite nicely into the society.

[The prepared statement of Ms. Johnson and attachments follow:]



BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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WASHINGTON, D.C. 20008

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HARRY L. HUFFORD

STATEMENT OF
PATRICIA JOHNSON
WELFARE CONSULTANT
COUNTY OF LOS ANGELES

BEFORE THE

SENATE HUMAN RESOURCES COMMITTEE

Washington, D.C.
August 9, 1978

Senator Cranston, honored members of the Committee, I am Patricia Johnson, representing the County of Los Angeles. I am the county's welfare consultant assigned to the Washington office.

We testified before this Committee last year regarding Federal assistance to Indochina Refugees and have kept you and your staff informed throughout the year as to the need to continue 100% Federal funding. We are grateful to you, Senator Cranston, and to Congressman Stark, for introducing legislation to extend the Indochina Refugee Assistance for another year; and we will assist you in getting your bill S3205 passed.

I am attaching for the record copies of correspondence to this Committee documenting the increase in the IRAP caseload in Los Angeles County from October 1977 to April 1978. At that time the cash assistance caseload was 7635, reflecting a steady increase over the previous year, accompanied by a declining rate of termination of assistance.

I am also submitting a chart with the latest available statistics, through June 30, 1978. This chart indicates a dramatic increase in the IRAP caseload in Los Angeles County. To summarize, since October 1977 the caseload has increased 20%, the number of persons aided has increased 27.5%; and the rate of applications has increased 129%.

These dramatic figures reflect both newly admitted refugees and re-migration to Southern California of refugees originally settled elsewhere in the United States. A chart attached from

Los Angeles County's research statistics documents the source of 369 applications that were received in June. These 369 applications include 838 persons--an astounding figure for case-load growth in any program, for one month. Approximately one-fourth of the applications for June came from outside the county, including a few cases transferred in from neighboring counties; three fourths of this group (67 applications), however, were re-locating from other states within the United States.

Slightly more than 25% of applications including 327 persons, were recent arrivals to the United States--the "boat cases" so tragically familiar to all of us.

These two groups of applicants, 326 newly arrived boat cases and 289 relocations in a single month, should provide all the argument necessary to convince the Congress that Federal funding for the refugee assistance program must not be phased down.

Among the June applicants, however, is still a third group that argues for continued Federal assistance: 183 applications, involving 223 persons, came from refugees who had been in the country more than thirty days. No date is available as to how long they were there, why they found it necessary to apply for public assistance, or what attempts their sponsors had made to assist them.

It is estimated that 38,000 Indochina refugees now live in Los Angeles County. Including those who receive only food stamps or medical assistance, thirty-five percent of them are receiving assistance. The cost of the public assistance is estimated at \$8.6

million for FY 1978. Congressman Pete Stark estimates that the State and local share of IRAP may be more than 50% higher than anticipated by Congress last year.

Since the Attorney General has announced approval for as many as 59,500 refugees to be admitted during FY 1978 and FY 1979, termination or phasing down the IRAP Federal assistance is unthinkable. Most of these costs would fall on California, where about half of the refugees have settled. To ask taxpayers in the relatively few States and localities where the majority of refugees have settled, to bear the burden of supporting thousands of war victims admitted on behalf of all Americans, is just not reasonable.

The Administration's proposal to phase down assistance for all except new arrivals, is also not reasonable. The intricate tracking and accountability for the whereabouts and length of residence for over 200,000 refugees that would be necessary to justify different claiming of funds for different individuals, is likely to be costly and ineffective.

On behalf of Los Angeles County, I ask your Committee to endorse legislation to continue 100% Federal funding of the Indochina Refugee Assistance Program until the refugees can be reasonably resettled and integrated into the nation's economy.

*IRAP CASH AID CASELOAD
Los Angeles County
October 1977 through June 1978

	<u>Aided Caseload Cases/Persons</u>	<u>Applications Cases</u>	<u>Terminations Cases/Persons</u>
October 1977	2286/6311	167	116/270
November 1977	2303/6462	175	98/161
December 1977	2347/6611	160	62/121
January 1978	2341/6621	183	105/201
*February 1978	2176/6295	184	56/89
March 1978	2572/7635	184	71/129
April 1978	2639/7888	211	79/199
May 1978	2653/7840	220	72/162
June 1978	2977/8678	369	78/117

*Medical Assistance only and food stamps only cases not included

**Some cases not included in report due to case conversion

IRAP MOVEMENT OF FAMILIES TO/FROM
LOS ANGELES COUNTY

June 1978

	<u>Cases</u>	<u>Persons</u>
Incoming Out-of-State Applications	67	208
Incoming Out of County Applications	11	37
Incoming Inter-County Transfers	12	44
Outgoing Inter-County Transfers	(14)	(45)
Recent Arrivals in the United States	96	326
Other (Application after more than 30 days in County)	183	223
Totals (Net)	369	838



**BOARD OF SUPERVISORS
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May 8, 1978

Honorable Alan Cranston
United States Senate
229 Russell Senate Office Bldg.
Washington, D.C. 20510

Dear Senator:

On behalf of the Los Angeles County Board of Supervisors, and other California counties, this is to request that you introduce legislation to extend the Indochina Refugee Assistance Program under existing rules for at least one year. The program is scheduled to expire September 30, 1978.

A one-year extension was approved last year because the circumstances of refugee assistance were essentially unchanged from 1975 when the program was enacted. Since that extension, 15,000 more refugees have been admitted, and the flow of refugees is not expected to stop in the near future.

Since substantial numbers of new refugees continue to be admitted to the United States, the numbers receiving assistance and the costs of the program have increased. More than 1/3 of the 165,000 refugees admitted to the United States are in California, and approximately 35 percent are receiving public assistance. Some secondary migration to California is occurring, and admission policies for new refugees favor those with relatives in the United States. These factors have contributed to caseload increases in Los Angeles County. Although some families have become self-sufficient and have left the welfare rolls, the number of new applicants is much greater and has increased monthly. Rather than declining over the life of the program, the costs and caseload continue to increase.

In the past six months, the number of Indochina recipients of cash assistance in Los Angeles County increased by 21% - from 6,311 to 7,635. These figures represent a 10% increase in applications, while the termination rate decreased by 39%, bearing out our expectation that refugees more recently arriving are less likely to move rapidly into the mainstream economy.

Honorable Alan Cranston
May 8, 1978

Page 2

Refugees being admitted now to the United States are "boat cases" and camp residents whose desperate life circumstances over recent years indicate that large numbers will continue to be in need of public resources.

Termination of the program would shift in excess of \$5 million in federal costs onto Los Angeles County taxpayers. Phasing down the program would add \$37 million to California taxpayers by 1982.

Under the present circumstances, termination or phasing down the Indochina Refugee Assistance Program is out of the question. To ask taxpayers in certain localities to bear the burden of supporting thousands of war victims admitted by Congress on behalf of all Americans, is simply not reasonable. Most of these costs would fall on California and a few other states where the majority of refugees have settled. The local government share can be raised only through property taxes.

I urge your intervention to assure continued 100% Federal funding for this national cause.

Copies of charts illustrating the caseload growth in Los Angeles County and the costs to California are attached, along with relevant news articles.

Sincerely,



Joseph M. Pollard
Legislative Coordinator

JMP:yr
enclosures

cc: Honorable Joshua Eilberg, Chairman
House Subcommittee on Immigration, Citizenship
& International Law
California Congressional Delegation

[From the Washington Post, Aug. 3, 1978]

BOAT ESCAPE FROM VIETNAM REUNITES FAMILY

(By Christopher Dickey)

The father wept openly as his sons embraced him for the first time since the fall of Saigon. Wives collapsed into their husbands' arms, little children scampered about their grandmother's feet and greeted with shy smiles the parents they had not seen for as long—well, for as long as many of them could remember. "It has been three years and two months," said one of their fathers. "You count every day."

The journey that brought all the children and grandchildren of Tran Quoi and Nguyen Thi Chi together at National Airport yesterday began almost three months ago on a Mekong riverboat. The planning and preparation for it had taken almost a year.

They are one family among thousands now coming to the United States almost daily: the "boat cases" who have fled Vietnam onto the open seas with little but the hope that they could some day find a new life and freedom outside their home country.

Chi, the 53-year-old matriarch of the family who handled the delicate and sometimes dangerous arrangements for the escape, walked down the sterile corridors of National Airport yesterday without the slightest sign of misgiving at the prospect of resettlement and adjustment to a new nation and culture.

"In Vietnam," said Chi as one of her sons translated, "we led a life with no tomorrow."

"If you live with the communists," her husband added with sudden vehemence, "you only work for them they said, but then, inexplicably, it until you die. They kill you slowly, not directly."

The story they and their children told of their escape was in many ways typical of the boat cases.

Two of their sons and a son-in-law had fled Vietnam in an American helicopter during the last hours of the Saigon regime, and have since been living and working in Rockville. In the violent confusion of the evacuation they could take no more than a few members of their families with them, they said yesterday.

But because two of them had worked at the American Consulate in Chau Doc province their families there soon found themselves the object of recurrent interrogations and harassment.

Another son-in-law, formerly a captain in the South Vietnamese Navy, was sent away to a "reeducation camp" in the North. He has never returned.

The family had owned a restaurant, but soon after the new regime came to power it was closed. With no regular means of support they earned money by turning their yard into a garden and selling food.

To raise money for the escape they slowly sold off virtually all their belongings, and by last spring they had accumulated the 30 ounces of gold needed to obtain a boat.

Chau Doc province is near the Cambodian border, and mortar shells had begun to land regularly not far from their homes. As a result they were able to obtain internal travel documents, they said, that would have been difficult to acquire elsewhere in the country.

By April all the preparations were complete, and with the riverboat's mechanic acting as their captain they set sail downstream—31 people on a cabinless boat scarcely 40 feet long and less than 10 feet wide.

On the night of April 9 they headed out onto the open ocean in a boat designed for placid river waters. They had no charts or maps. Their only navigation device was an old Army compass which had cost them 1 million piasters—roughly \$1,000. For a few desperate minutes they were pursued by a government patrol boat, turned away from them.

After two days and nights they arrived at the coast of Thailand but were refused permission to land. They continued on to Malaysia, then only a few miles away, and there again they met with hostility as people on the shore fired guns over their heads.

"Don't worry," the little children were told. "They won't shoot us. Just keep crying." Finally, they were allowed to swim ashore, leaving most of their belongings on the boat.

"It's a world of luck that we were able to make it out," said Tran Quoi. "It was with the help of God that the sea was so calm."

Ruth McLean of the Lutheran Immigration and Refugee Service, which has taken the responsibility for resettling many of the boat cases coming to this country, told a reporter that the number of Vietnamese refugees who perish on the sea fleeing their homeland is unknown, "but we believe that between 50 and 60 percent never make it."

Last month 217 people reportedly drowned when their boat capsized in the South China Sea. There have been many other reports that the often sinking, leaky crafts have been ignored by passing freighters whose captains feared endless bureaucratic complications if they arrived in port with a cargo of refugees.

By the end of last month the situation had become desperate as the countries within reach of the refugees' boats reportedly refused to let them land, fearing that they would stay.

For the past several months, however, according to Shepard Lowman, director of the State Department's office of refugee affairs, the United States has made it clear to these governments that we will try to accept many of the refugees if they can find nowhere else to go.

Many cannot. At present, according to Lowman, there are about 20,000 refugees like the Trans waiting in Southeast Asia for resettlement. Between 5,000 and 6,000 more are coming out of Vietnam every month.

[From the Washington Post, July 6, 1978]

U.S. TO ARRANGE RELOCATION OF SOUTHEAST ASIAN "BOAT PEOPLE"

[By John M. Goshko]

In an effort to save "boat people" fleeing Vietnam from perishing at sea, the Carter administration has decided to guarantee the resettlement of all such refugees picked up by ships under U.S. ownership or registration.

Administration sources said yesterday this policy decision had been worked out by the State Department and the Immigration and Naturalization Service to encourage U.S. ships to rescue refugees found in Southeast Asian waters.

Although no statistics are available on the number of refugees who have died during attempted escapes by sea, a large number are believed to have lost their lives through drowning, starvation and exposure. Many of the escapes are made in overloaded, unseaworthy or poorly provisioned small craft.

Since the flow of refugees from Vietnam began, U.S. policy has encouraged American ships to pick up "boat people" and take them to nearby ports. However, many ships have been inhibited from making rescues because of the reluctance of some Asian countries to admit the refugees.

In some cases, ships that have "boat people" abroad have been refused admittance to Far Eastern ports, even when they had cargos to unload, or have been kept under close guard with the crews not being allowed to disembark.

To overcome that problem, the sources said, the United States now will make known to Asian governments its willingness to arrange the speedy removal and relocation of any refugees brought into their countries' ports by American ships.

Some of these refugees will be brought to the United States, and efforts will be made to relocate others, particularly those with relatives already in other countries willing to receive them, the sources said. They added that it is not possible to tell at this point how many might end up in the United States.

According to State Department figures, approximately 5,800 "boat people" have landed in different Far Eastern countries during the last two months. Those nations with particularly large numbers are Thailand, Malaysia, Singapore, the Philippines, Indonesia, Taiwan, Japan, South Korea and Hong Kong.

Since last August, approximately 12,500 "boat people" have been resettled in the United States, and another 12,500 will be admitted under Attorney General Griffin B. Bell's emergency "parole authority" over the coming year.

In the past three years, the United States has admitted 164,000 Indochinese refugees.

MONDALE OPENS U.S. DOOR TO MORE SOUTHEAST ASIA REFUGEES

[From Times Wire Services]

BANGKOK, THAILAND.—Vice President Mondale arrived Thursday in Thailand, a major sanctuary for Indochinese refugees, and said the United States would accept tens of thousands more of those who fled from Vietnam, Cambodia and Laos.

Mondale, on the second leg of his five-nation Asian and Pacific trip, also reaffirmed the American commitment to the security of Southeast Asia, and promised quick approval for the sale of 18 more F-5E fighter-bombers to Thailand.

In 90 minutes of talks with Thai Prime Minister Kriangsak Chamanan, the Vice President discussed a plan for a "long-range solution" to the problem of more than 110,000 Indochinese refugees now in camps in Thailand.

"We see this as one of the most heart-breaking human problems in the world," Mondale said to Kriangsak. "We want to help and we want others to help."

Mondale's press secretary, Albert Eisele, said Mondale told Kriangsak the United States would open its doors to 25,000 more Indochinese refugees a year for an indefinite period. Most of them will be Vietnamese, Cambodians and Laotians who have fled to Thailand.

Carter Administration officials say the White House will submit legislation to Congress to authorize such a long-term increase in the number of refugees to be accepted, but a U.S. Embassy refugee officer here said the program could begin soon.

The United States has taken in about 150,000 Indochinese refugees since April, 1975. Of those, 36,000 are in California, the largest concentration of any state. Texas ranks second with 13,000 and Pennsylvania third with 7,000.

Mondale told Kriangsak the United States is prepared to take the lead in a "consortium" of developed nations to seek a long-range solution to the Indochinese refugee problem and would give as much as \$2 million to the effort, Eisele said.

Kriangsak agreed there would be no more forced repatriation of refugees, and cited the example of 26 Cambodians who were forced back to Cambodia in 1976 and then were killed by Cambodian officials.

Mondale stressed the American commitment to Southeast Asia at the airport welcoming ceremony as he arrived from Manila.

"Despite the changes which have swept the region in the last decade, the United States retains vital security interests here as well as large and growing commercial ties," Mondale said.

Kriangsak, after meeting with the Vice President, said Mondale told him Washington would honor the 1954 Manila Pact and its protocols, which pledge the United States to defend Southeast Asia against "armed Communist aggression."

Thailand served as a major base for American forces in the Indochina war, and since the Communist victories three years ago. Thai officials have been concerned that the U.S. commitment to this country might be fading.

The Bangkok government is troubled by Communist insurgents in the countryside and by a border dispute with Communist Cambodia.

Senator CRANSTON. Thank you very much.

Mr. HONBERGER. Mr. Chairman, in the interests of time, I will not read my statement; I offer it for the record. I would like to make a couple of comments about the hearings and about this particular problem.

Senator CRANSTON. Thank you very much; I appreciate that approach to our time problem.

Mr. HONBERGER. The county board of supervisors in San Diego supports S. 3205. I was requested by Orange County to tell you that their board of supervisors also supports the bill.

As was the case last year, this is not a situation where humanitarian concerns are the issue. The question of the Indochinese refugee and what he brings, as a positive thing, to the community is not an issue.

The issue is financing. As you said in your earlier remarks, the Federal decision was made; the Indochinese are here. Services are being provided. Local governments, however, should not be expected to bear the costs of providing these services.

It is difficult enough to finance the providing of our regular services and to meet our local responsibilities at home, without having the Federal Government come in and lay a new problem on the stump and run.

I am sorry that Senator Chafee had to leave, because I wanted to tell him that I am not ashamed to say that this program should be funded with 100 percent Federal money and that we may have to come back next year asking for the Federal Government to pay its full share. As long as new refugees are admitted into the country, it is a Federal decision and it is a Federal responsibility, and the services for these people should be paid for with Federal funds.

With that, I would like to thank you very much for your leadership and for introducing this bill. As usual, you have come through for those of us from California, and we sincerely appreciate it.

[The prepared statement of Mr. Honberger follows:]



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WASHINGTON OFFICE
ROGER F. HONBERGER

STATEMENT OF
ROGER F. HONBERGER
WASHINGTON REPRESENTATIVE
COUNTY OF SAN DIEGO, CALIFORNIA

ON
AMENDMENTS TO THE INDOCHINA MIGRATION
AND REFUGEE ASSISTANCE ACT

BEFORE
THE SENATE HUMAN RESOURCES COMMITTEE

AUGUST 9, 1978

Mr. Chairman:

My name is Roger F. Honberger, Washington Representative for the County of San Diego, California. I appear before you today to request continuation of 100% Federal reimbursement for the local share of costs incurred in providing income assistance and medical and social services to Indochinese refugees under the Indochina Refugee Assistance Program (IRAP). For this reason, the County of San Diego supports S. 3205, sponsored by Senators Cranston and Kennedy. S. 3205 would extend 100% Federal reimbursement under IRAP through FY 1979.

The information which follows will summarize the experience of the County of San Diego with regard to the IRAP Program. The two principal elements of this testimony include a "Caseload History" for the major categories of public assistance, and a "Fiscal Impact" summary with regard to cost sharing at the beginning and end of the IRAP Program phase-down. The attached chart is a useful reference for both discussions.

Caseload History

Since December 1977, the combined IRAP caseload in San Diego County for AFDC (both Federally eligible and non-Federally eligible) and General Assistance type activities have increased from 678 to 749; an annualized increase of 18.0%. From an overall perspective, caseworkers indicate that there are, on the average, 72 case discontinuances per month, offset by 88 new cases per month.

The increases in IRAP collectively may be broken down as follows:*

1. AFDC (Federally Eligible): Since December 1977, the caseload in this aid category has increased at an average annualized rate of 25.1%.
2. AFDC (Non-Federally Eligible): Since December 1977, the caseload in this aid category has remained fairly constant, following a 10.6% increase in January 1978.
3. General Assistance: Since December 1977, the caseload in this aid category has increased at an average annualized rate of 21.2%.
4. Other Programs: The MediCal caseload for IRAP recipients has remained relatively constant, while the number of dependent children has increased at an average annualized rate of 42.9% (In December 1977, there were 63 such cases; that number should approach 90 by the end of 1978).

Fiscal Impact

As of July 1978 - remembering that all refugee-related costs for aid are reimbursed under the IRAP Program - the County of San Diego bears no significant expense for the refugee cases.

* The increases in caseload cited above are not reflected in the attached chart for two reasons: (a) the caseload numbers for July 1977 in the chart were estimates rather than actuals, and (b) the status of the many refugees has been changed to "parolee," making them eligible for AFDC and removing them from caseload counts for AFDC (non-Federal) and General Assistance. The caseload statistics cited in the preceding paragraphs were based upon actual monthly counts, however, and are accurate.

Pursuant to P. L. 95-145, the IRAP Program will begin to phaseout on October 1, 1978 with the Federal Government paying only 75% of the non-Federal share of refugee aid costs. That participation in non-Federal costs will decrease to 50% in FY 1980, 25% in FY 1981, and Federal reimbursement under IRAP will terminate completely in October 1981.

The combined cost in July 1978 for AFDC (both Federal and non-Federal), General Assistance and social services was \$3.692 million. This entire amount is reimbursed under the IRAP Program. Assuming an annual 7% cost-of-living increase for each of the next several years, the County's share of that cost will approximate \$442,558 in the coming Federal fiscal year, and \$2.168 million in FY 1982.

These projections are based upon existing caseloads. If one assumes that caseloads will increase at a substantial rate, as they have up until now, the amount of local and overall program costs will increase significantly. Indications are, because of the socio-economic background of the later refugee arrivals, that such caseload increases will occur.

Cost figures cited above do not include costs for MediCal, costs for program administration (\$329,084 in 1977), or dependent children costs.

COUNTY OF SAN DIEGO, CALIFORNIA
IRAP CASELOAD AND COST DATA

	Number of Cases			Total Cost		County Share of Costs		
	July '77	July '78	July '77	July '78	July '77	Oct. '78	Oct. '82*	
Federally Eligible AFDC	227	334	\$1,299,348	\$1,695,384	0	\$ 70,644	\$ 346,020	
Non-Federally Eligible AFDC	257	176	1,612,932	1,020,096	0	127,512	624,828	
General Relief	326	239	399,024	309,744	0	77,436	378,576	
Social Services	-	-	644,652	667,863	0	166,966	818,161	
TOTAL	810	749	\$3,955,956	\$3,693,087	0	\$442,568	\$2,167,585	

* Assumes a 7% yearly cost-of-living increase beginning July '79.

1. Caseload figures vary from anticipated caseloads estimated in July '77 due to the passage of the Kennedy-Fish bill (P. L. 95-145). This legislation changed the status of certain refugees to "parolees." As a result, the number of non-Federally eligible cases declined because the "parolees" became Federally eligible and the number of Federally eligible cases increased. Also, because of their Federal eligibility, certain "parolees" lost their need for General Relief and the caseload in that program shows a commensurate decline.
2. The "Total" column does not include administrative costs (1977 estimate was \$329,084).
3. All social services will be County cost at termination of program, rather than Title XX, because of the fixed ceiling on Title XX allocations.

Senator CRANSTON. Thank you very much. I appreciate those remarks and your helpful testimony, and your full statement will be a part of the record and will be studied with care.

Mr. LONG. Good morning, Mr. Chairman. I am Michael Long, and I am speaking on behalf of Leonard Whorton, county executive of Fairfax County, Va. The Fairfax County Board of Supervisors has not had an opportunity to review this statement, but we believe they would concur.

We support the extension of full Federal funding. These refugees and their important needs are a national responsibility. Fairfax has been enriched by the many refugees who have settled in our county, but in many cases the refugees are facing severe transition problems.

These problems are beyond the usual assistance programs, and they should not become the financial responsibility of local governments. These costs are directly associated with a national program which has both national and international interest. As a matter of principle, these costs should not be shifted to local taxpayers.

Specifically, the county's Indochinese refugee programs are expected to cost \$628,320 in fiscal year 1979. If the State and county were to assume 25 percent of these costs, we would be forced to carry \$157,080 in new costs. We do not think this is fair, and we urge the extension of refugee funding until the refugees' special language problems and job training needs are met.

This may be some time. A 1-year extension with a following phase-down may not be sufficient. For example, America's direct role in Vietnam ended in 1975. But since 1976, the county's refugee caseload has increased nearly 20 percent. Clearly, the problem is not diminishing, and it is our understanding that more refugees can be expected for the next several years.

Thank you for this opportunity to present our views on this matter. If you have any questions, please feel free to ask us.

Senator CRANSTON. Thank you very much; I appreciate that testimony, also.

[The prepared statements of Mr. Long and Mr. Wade follow:]



COMMONWEALTH OF VIRGINIA
COUNTY OF FAIRFAX
4100 CHAIN BRIDGE ROAD
FAIRFAX, VIRGINIA 22030



STATEMENT OF FAIRFAX COUNTY
TO THE
SUBCOMMITTEE OF THE
SENATE COMMITTEE ON HUMAN RESOURCES
CONSIDERING S-3205

August 9, 1978

I am Michael Long and I am speaking on behalf of Leonard Whorton, County Executive of Fairfax County. The Fairfax County Board of Supervisors has not had an opportunity to review this statement but we believe they would concur.

We support the extension of full Federal funding. These refugees and their important needs are a national responsibility. Fairfax has been enriched by the many refugees who have settled in our County, but in many cases, the refugees are facing severe transition problems. These problems are beyond the usual assistance programs and they should not become the financial responsibility of local governments. These costs are directly associated with a national program which has both national and international interest. As a matter of principle, these costs should not be shifted to local taxpayers.

- 2 -

Specifically, the County's Indochinese Refugee Programs are expected to cost \$628,320 in Fiscal Year 1979. If the State and the County were to assume 25% of these costs, we would be forced to carry \$157,080 in new costs. We do not think this is fair and we urge an extension of refugee funding until the refugees' special language problems and job training needs are met. This may be some time. A one-year extension with a following phase-down may not be sufficient. For example, America's direct role in Viet Nam ended in 1975. But since 1976, the County's refugee caseload has increased nearly 20%. Clearly the problem is not diminishing and it is our understanding that more refugees can be expected for the next several years.

Thank you for this opportunity to present our views on this matter. If you have any questions, please feel free to ask us.

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Washington Office

Statement of
Kenneth W. Wade
Washington, D. C. Representative
Alameda County, California

In Behalf of
Alameda County Board of Supervisors

Before the
Committee on Human Resources
United States Senate

On the
Indochina Migration and Refugee Assistance Act Amendments

August 9, 1978

Mr. Chairman:

The Board of Supervisors of Alameda County has asked me to express their gratitude to you and Senator Kennedy for introducing S. 3205. They appreciate your recognition, implicit in your bill, that the Indochinese refugee program is a national program which merits national rather than purely local financial support. They especially applaud your timely action here today to move the bill ahead and so prepare for the next influx of refugees and the increased costs of assistance which will result.

When we appeared before your Subcommittee last year, among other things, we were concerned about the property tax burden which would fall on County residents if the federal Indochinese refugee assistance program had been permitted to expire. This year, the concern in California's Proposition 13 era turns to the impact on existing human services programs. With revenues substantially frozen, there is little the County can do to meet unanticipated and unavoidable funding requirements - such as a marked increase in assistance for refugees - except shift funds from some other program. As a former California state comptroller, Senator Cranston, you need no reminder of the difficult choices which must be made in putting a budget together. There are always more worthy needs than there are dollars to meet needs. Having to remake all those difficult choices as a result of an unfunded federal mandate would be administratively disruptive and damaging to those we are trying to help.

The federal decision to admit more refugees should logically be accompanied by federal funding to support the mandated services. This your bill provides.

The Administration bill, which would limit full federal funding to assistance provided for refugees newly arrived in the U.S. sounds a good deal better than it is.

Our Social Services people maintain that it would be administratively very difficult and costly to maintain separate accounting records on refugees based on the date of entry into the United States.

Even if that were not so, a case can be made for continuing 100% federal funding for an additional year by examining case load and cost trends over the past twelve months. In Alameda County that trend has been almost steadily up. In only three months of the past 12 has the case load remained unchanged or decreased. In an effort to understand why - and incidentally to get some idea of the problems of keeping track of new cases by date of arrival in the County - we ran an experiment in March and April this year. By noting the date of arrival in the County, location before coming to Alameda County and date of arrival in the U.S., we discovered that nearly all our new cases came from outside the U.S. - as far as Kuala Lumpur from the west and Rome from the east. We had supposed they would be secondary migrants from cooler climes in the U.S.; only seven of the 42 cases logged were from other U.S. places. Interestingly, six of those were from elsewhere in California. An even more interesting fact was revealed: For new arrivals from overseas, the average time lag between arrival in Alameda County and application for public assistance was 11.4 days. Thus, the case load has continued to grow.

The experience in San Mateo and San Francisco counties, across the Bay from Alameda, has been comparable to ours.

The Alameda County Board of Supervisors therefore fully supports the provisions of S. 3205 and urges enactment by this Congress before September 30, 1978.

Senator CRANSTON. That concludes the testimony that we will receive. I would like to commend at this point the statement by Ms. Le-Si, an Indochinese member of the Coalition for the Effective Resettlement of Indochinese Refugees, which said, "The Indochinese as a people are industrious and hard working, and want to become self-sustaining citizens"—that statement certainly is verified by the experience we have had in California that you have testified to, in terms of making a rapid adjustment and the ability of the refugees to become self-sustaining members of our community.

Rather plainly, the measure that we are considering—and this is, in part, responding to the questions raised by Senator Chafee—is an interim measure. Many of the witnesses today have spoken of the need for a new comprehensive Federal refugee program.

I trust the Congress and the administration will heed this call for a new humanitarian approach to refugee assistance on a sound basis—sound fiscally and administratively. I hope that we can use the time, with the help of those present as witnesses and others present and interested and involved in this problem, so that the leeway our bill provides will give us further time to explore how to come up with a comprehensive approach that we can apply to this problem, which is not going to end this year or next year.

I thank all of you very much. The hearing now stands adjourned, and we will proceed as soon as we can to mark up the bill. Thank you very, very much.

[Whereupon, at 10:45 a.m., the hearing was adjourned.]



