

DOCUMENT RESUME

02416 - [A1332313]

Domestic Resettlement of Indochinese Refugees: Struggle for Self-Reliance. HRD-77-35; B-133001. May 10, 1977. 47 pp.

Report to the Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Income Security Programs (1300).

Contact: Human Resources and Development Div.

Budget Function: Income Security: Public Assistance and Other Income Supplements (604).

Organization Concerned: Department of State; Department of Health, Education, and Welfare.

Congressional Relevance: House Committee on Ways and Means; Senate Committee on Finance; Congress.

Authority: Indochina Migration and Refugee Assistance Act of 1975 (P.L. 94-23). Immigration and Nationality Act, sec. 212(a)(15) (8 U.S.C. 1182). P.L. 94-24; S. Rept. 94-138. P.L. 94-441. S. 2313 (94th Cong.). H.R. 14447 (94th Cong.). S. 694 (95th Cong.).

Attention is directed toward the resettlement phase of the Indochinese refugee program, which includes the placement of refugees with sponsors and their initial steps toward integration into American society. Findings/Conclusions: The Department of State contracted with 9 professional voluntary agencies and 10 State and local organizations to process Indochina refugees through U.S. reception centers, the final goal being resettlement. Confusion and misunderstanding, especially concerning resettlement fees, resulted from the broad contracts between the Department and the agencies. Once resettled, many refugees went on the welfare rolls. Recommendations: Because voluntary agencies have traditionally been used to resettle refugees in emergency situations, the State Department should provide, in future contractual arrangements with voluntary agencies, for: a definition of the term "resettlement"; the return of unused resettlement funds at the completion of the program, when this is the intent of the Government; uniform transitional allowances to meet refugees' initial resettlement expenses; a specific resettlement fee arrangement for voluntary agencies when friends and relatives sponsor refugees and when refugees merely register with the agencies; and specific reporting requirements until programs are completed. Enactment of legislation which would not deny permanent-resident alien status to Indochinese refugees on public assistance would help facilitate the adjustment of these refugees into American society and ultimately lead the way to U.S. citizenship. (Author/SC)

2313

02416



REPORT TO THE CONGRESS

*BY THE COMPTROLLER GENERAL
OF THE UNITED STATES*

Domestic Resettlement Of Indochinese Refugees-- Struggle For Self-Reliance

Department of State

Department of Health, Education, and Welfare

Indochinese refugees have been processed from reception centers into American communities by State and voluntary resettlement agencies. Confusion and misunderstanding resulted because contracts between the Department of State and the voluntary agencies were too broad.

Between December 1, 1975, and December 1, 1976, refugees on the welfare rolls have increased from about 19 to 30 percent. As of December 1, 1976, about 44,000 of the 144,000 refugees who entered the United States were receiving cash assistance.



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-133001

To the President of the Senate and the
Speaker of the House of Representatives

With the collapse of the South Vietnamese and Cambodian governments in April 1975, over 140,000 refugees were evacuated and entered the U.S. resettlement system under the Indochinese refugee program. The resettlement process was a massive endeavor on the part of the U.S. Government involving many State and local organizations, private citizens, and voluntary agencies.

We previously issued three reports, as discussed in chapter 1 of this report, which contained information relevant to the evacuation and temporary care phases of the refugee program. This report concerns our observations on the resettlement phase of the program, including the placement of refugees with sponsors and their initial steps toward being integrated into American society.

We did not request all agencies concerned with the Indochinese refugees to review and provide written comments on this report. The Department of State as well as representatives of the President's Special Interagency Task Force for Indochina Refugees, and HEW's Refugee Task Force, however, have reviewed the report and provided comments which have been incorporated where appropriate.

We made our review pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Office of Management and Budget, and the Secretaries of State and Health, Education, and Welfare.

A handwritten signature in cursive script, reading "James B. Stacks".

Comptroller General
of the United States

COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

DOMESTIC RESETTLEMENT OF
INDOCHINESE REFUGEES--
STRUGGLE FOR SELF-RELIANCE
Department of State
Department of Health, Education,
and Welfare

D I G E S T

To process Indochinese refugees through U.S. reception centers, with the final goal being resettlement, the Department of State contracted with 9 professional voluntary agencies and 10 State and local organizations. Contracts were too broad, however, leading to confusion and misunderstanding, especially concerning resettlement fees.

Once resettled, many refugees go on the welfare rolls, increasing the burden to the taxpayer.

The Congress appropriated \$305 million for the Department of State to use to relocate and resettle Indochinese refugees. Another \$100 million was appropriated to the Department of Health, Education, and Welfare to provide cash and medical assistance, educational activities, and public health services to refugees.

VOLUNTARY AGENCIES

As part of the contractual arrangements, the State Department agreed to pay the voluntary agencies \$500 to cover resettlement expenses for each refugee resettled. Voluntary agencies are professional resettlement agencies with long experience in the field of migration of immigrants and refugees, and have been considered the backbone of the resettlement program. As of June 30, 1976, the voluntary agencies had resettled about 125,000 of the approximately 130,000 refugees that had resettled in the United States.

HRD-77-35

The five agencies GAO reviewed were responsible for resettling about 116,000 refugees. At these agencies, however, contracts were written too broadly. As a result, no uniform specific provisions had been made to indicate whether voluntary agencies

--should return unused resettlement funds, as the State Department believed was the intent of the Congress, and

--should receive the full resettlement fee for refugees directly sponsored by relatives and friends and who were registered with agencies with little or no involvement in arranging for resettlement.

Voluntary agencies estimated that 10,000 refugees were sponsored by families or friends, which represented \$5 million in contract payments. (See pp.16-19.)

Refugees' confusion and misunderstanding concerning the amount of and manner in which money was distributed to them might have been avoided if the contracts had provided that the voluntary agencies use part of the resettlement fee to provide uniform transitional allowances to refugees to cover initial expenses. (See p. 19.)

As of June 30, 1976, the five agencies had either received or were due about \$58 million in resettlement fees. The agencies had spent about \$36 million of it, leaving \$22 million available for expenditures until the program ends in September 1977. Of the \$36 million, about \$13 million was spent after December 1975, when most refugees had been sponsored and placed into American communities. The contracts provided for no financial reporting. (See p. 14.)

A postaudit of the voluntary agencies' work has been planned by the State Department. However, in the absence of periodic financial

reporting by voluntary agencies, the State Department should take immediate steps to examine voluntary agency funds spent after December 1975, in order to determine the nature of expenditures and whether voluntary agency funds set aside for costs through September 1977 should remain outstanding. (See p. 20.)

Because voluntary agencies have traditionally been used to resettle refugees in emergency situations, the State Department should provide, in future contractual arrangements with voluntary agencies, for

- a definition of the term "resettlement";
- the return of unused resettlement funds at the completion of the program, when this is the intent of the Government;
- uniform transitional allowances to meet refugees' initial resettlement expenses;
- a specific resettlement fee arrangement for voluntary agencies when friends and relatives sponsor refugees and when refugees merely register with voluntary agencies; and
- specific reporting requirements, including the nature and extent of agency expenditures, until programs are completed. (See p. 20.)

HIGH INCIDENCE OF REFUGEES ON WELFARE

Indochinese refugees have to overcome several obstacles in their quest for self-sufficiency: employment, language, income level, adjustment to American customs, and breakdowns in sponsor arrangements. (See p. 34.)

The percent of refugees receiving public assistance increased from about 19 to 30 percent between December 1, 1975 and December 1, 1976.

In December 1976, about 44,000 of the refugees resettled were on the welfare rolls, prohibiting them from becoming permanent resident aliens. (See p. 23.)

Legislation introduced in the 95th Congress would change the refugees' status from parole to permanent resident alien and eventually pave the way for U.S. citizenship and more job opportunity. It specifically provides that the section of the Immigration and Nationality Act dealing with aliens on welfare not apply to Indochinese refugees otherwise eligible for permanent resident status under the bill. GAO believes that the Congress should deal with this segment of the refugee population when considering the legislation. (See p. 26.)

C o n t e n t s

		<u>Page</u>
DIGEST		i
CHAPTER		
1	INTRODUCTION	1
	Our prior reports on evacuation and camp phases	2
	Resettlement of refugees in the United States	2
	Transition of refugee program to HEW	3
	Scope of review	4
2	VOLUNTARY AGENCIES PLAYED A KEY ROLE IN RESETTLEMENT	5
	Resettlement process of VOLAGs	6
	Resettlement expenses	11
	Contract responsibilities	16
	Conclusions	19
	Recommendations	19
3	ROLE OF FEDERAL, STATE, AND LOCAL GOVERNMENTS IN THE RESETTLEMENT PROCESS	21
	HEW refugee resettlement programs	21
	Other Federal resettlement programs	29
	State and local resettlement agencies	31
	Recommendation to the Congress	32
4	OBSTACLES TO ACHIEVING SELF-SUFFICIENCY IN REFUGEE RESETTLEMENT	34
	Employment	34
	Language	36
	Income level	36
	Adjusting to American customs	36
	Breakdowns in sponsorship arrangements	37
APPENDIX		
I	Indochinese refugees in the United States as of December 1, 1976 (HEW Refugee Task Force report of December 20, 1976)	40

APPENDIX**Page**

II	Indochinese refugees resettled in the United States as of December 1, 1976	41
III	Percentage of Indochinese refugees on financial assistance--for December 1, 1975, and December 1, 1976	43
IV	Average 1975 unemployment rates for States where Indochinese refugees resettled	45
V	Principal officials responsible for administering activities discussed in this report	47

ABBREVIATIONS

CWS	Church World Service
FRC	Federal Regional Council
GAO	General Accounting Office
HEW	Department of Health, Education, and Welfare
HIAS	United HIAS Service, Inc. (Hebrew Immigrant Aid Society)
HUD	Department of Housing and Urban Development
INS	Immigration and Naturalization Service
IRC	International Rescue Committee, Inc.
LIRS	Lutheran Immigration and Refugee Service
SBA	Small Business Administration
SRS	Social and Rehabilitation Service
USCC	United States Catholic Conference
VOLAGs	voluntary agencies

CHAPTER 1

INTRODUCTION

When the South Vietnamese and Cambodian governments collapsed in April 1975, thousands of refugees sought rescue and a place of resettlement in the United States. As of December 30, 1975, approximately 141,000 refugees were evacuated and had entered the resettlement system. About 130,000 settled in the United States and joined the 16,000 Indochinese who were already in the United States prior to the fall of the governments of Vietnam and Cambodia.

The problem of finding temporary living areas where the refugees could be housed and processed was solved by opening four Western Pacific restaging areas and four U.S. reception centers during April and May 1975. To coordinate U.S. Government efforts in this massive humanitarian undertaking, the President of the United States established the Interagency Task Force for Indochina Refugees (Interagency Task Force) on April 18, 1975, which was composed of representatives from 18 Federal departments and agencies, each contributing its own expertise. These Federal departments and agencies had responsibility for advising and providing personnel and resources to the Interagency Task Force. The Task Force was charged with providing for the transportation and safety of the refugees, and the planning and implementing of a major resettlement program.

To assist the refugees, the Congress, in May 1975, enacted the Indochina Migration and Refugee Assistance Act of 1975 (Public Law 94-23), and the accompanying appropriation act (Public Law 94-24). Public Law 94-23 authorized \$455 million to be used for assistance to the refugees. Funds were made available (1) to State and local public agencies which provided refugee services; (2) to other agencies and organizations to pay for refugee transportation and resettlement expenses; and (3) for employment and training programs.

Of the \$455 million authorized under Public Law 94-23, a total of \$405 million was appropriated by Public Law 94-24 which was approved May 23, 1975. The Congress appropriated

--\$305 million to the State Department to remain available for obligation purposes through June 30, 1976, for the relocation and resettlement of refugees.

--\$100 million to the Department of Health, Education, and Welfare (HEW) for assistance to refugees in the United States. These funds were also to remain available for obligation purposes through June 30, 1976.

In addition to the \$100 million appropriated to HEW, the State Department transferred \$53 million of its \$305 million appropriation to HEW as of June 30, 1976, primarily for welfare and medical care under the Medicaid program. The State Department had obligated the \$252 million remaining of the \$305 million appropriation as of June 30, 1976.

Furthermore, HEW included in its fiscal year 1977 budget request to the Congress, the \$50 million that had been authorized but not appropriated, and an authorization to make presently appropriated funds available through September 1977. This was approved October 1, 1976, by Public Law 94-441. Through November 30, 1976, HEW had obligated about \$117 million.

OUR PRIOR REPORTS ON EVACUATION AND CAMP PHASES

We previously issued three reports dealing with this program. The initial report to the Senate Appropriations Committee, "Review of Preliminary Estimates of Evacuation Costs, Temporary Care and Resettlement Costs of Vietnamese and Cambodian Refugees," ID-75-68, May 27, 1975, dealt with preliminary estimates of evacuation costs and our views regarding their validity. Our second report to the Congress, "U.S. Provides Safe Haven for Indochinese Refugees," ID-75-71, June 16, 1975, included information on estimated program costs and the handling of the flow of refugees from the Western Pacific restaging areas to the U.S. reception centers. The third report to the Congress, "Evacuation and Temporary Care Afforded Indochinese Refugees--Operation New Life," ID-76-63, June 1, 1976, followed our second report and provided up-to-date information on temporary care at the U.S. reception centers, and included certain cost data.

RESETTLEMENT OF REFUGEES IN THE UNITED STATES

The Indochinese refugee program was a massive endeavor by the U.S. Government involving many State and local governments, private citizens, and voluntary agencies (VOLAGs).

This report deals with our observations on the two resettlement phases of the program: (1) placing the refugees with sponsors and their initial steps toward being integrated into American society, and (2) providing additional assistance to refugees in the early stages of resettlement and assessing their progress since their departure from the reception centers.

To process the refugees through the system with the final goal being resettlement, the State Department contracted with nine VOLAGs and a number of State and local governments. These VOLAGs are professional resettlement agencies with long experience in the field of migration of immigrants and refugees, and were the backbone of the resettlement program. As of December 31, 1975, VOLAGs had resettled 115,000 refugees while State and local resettlement agencies had resettled about 5,000. Almost 8,200 refugees were resettled to unknown U.S. locations. These refugees were among the first wave of refugees to arrive in the United States and were accompanied by former employers and relatives. They were processed through Travis Air Force Base because refugee reception centers had not yet been established. According to HEW Task Force officials, no records were kept on refugees' relocations. Some 6,600 refugees had resettled in third countries, and another 1,546 had repatriated to Vietnam. The last reception center closed on December 20, 1975.

In May 1976, the U.S. Attorney General authorized an additional 11,000 Indochinese refugees, mainly from camps in Thailand, to be admitted into the United States.

TRANSITION OF REFUGEE PROGRAM TO HEW

Following the closing of the reception centers, the Interagency Task Force terminated its work, and in January 1976, the monitoring of refugees' resettlement activities was transferred to the HEW Refugee Task Force which was composed principally of personnel from HEW; Departments of Housing and Urban Development (HUD), the Interior, and the Treasury; and the Agency for International Development. The Department of State, however, retained financial responsibility for Interagency Task Force operations, for example, payments to VOLAGs for resettlement billings.

HEW regional offices have proceeded to add temporary staff members who speak either the Vietnamese or Cambodian language. Working with HEW's permanent staff in the regions, these staff members will be responsible for:

1. Ensuring that existing HEW services within a region are available to support refugee resettlement.
2. Augmenting the services of State and local health, education, and welfare agencies through the use of a selective problem-analysis and solving capability.
3. Working with regional and local VOLAG offices to assist in the development of supportive follow-up mechanisms to facilitate refugee adjustment.
4. Coordinating other resources to maximize the possibility of successful refugee resettlement and readjustment.

SCOPE OF REVIEW

In the Senate Committee on Appropriations report, accompanying the appropriation act (Public Law 94-24, Senate Report No. 94-138, dated May 15, 1975), we were directed to monitor the obligations and expenditures under the program and to periodically report our findings to the Committee on Appropriations. Because of other congressional interest in the program, however, it was agreed with the Committee that our reports would be addressed to the Congress after we fulfilled the Committee's initial request with our May 1975 report.

As a result of this mandate regarding the Indochinese refugee program, we initiated this review to provide an insight into the progress of the refugees' resettlement in the United States.

The review was directed primarily towards the progress made by VOLAGs, resettlement problems encountered by sponsors and refugees, and the effectiveness and timeliness of Federal and State refugee assistance programs. We made our review at the Departments of State and HEW in Washington, D.C., and at the New York headquarters of five VOLAGs. Refugees were interviewed in New York, Oklahoma, Florida, California, Pennsylvania, and New Jersey during October and November 1975.

CHAPTER 2

VOLUNTARY AGENCIES PLAYED

A KEY ROLE IN RESETTLEMENT

Refugees coming to the United States since World War II have traditionally been resettled largely through the efforts of voluntary agencies. These organizations have helped refugees and immigrants from Hungary, Cuba, Russia, Uganda, and other countries to integrate into American society. Prior to 1961, VOLAGs worked primarily through their own resources. With the arrival of about 600,000 Cuban refugees during the 1960s and early 1970s, the Government provided grants to VOLAGs to assist them in their resettlement efforts. During the 1970s the Government began to contract with VOLAGs to resettle refugees. In 1975, with the sudden influx of Indochinese refugees, the Government again turned to VOLAGs. Their expertise and experience were needed, since the United States had never before experienced the arrival of so many refugees in so short a time.

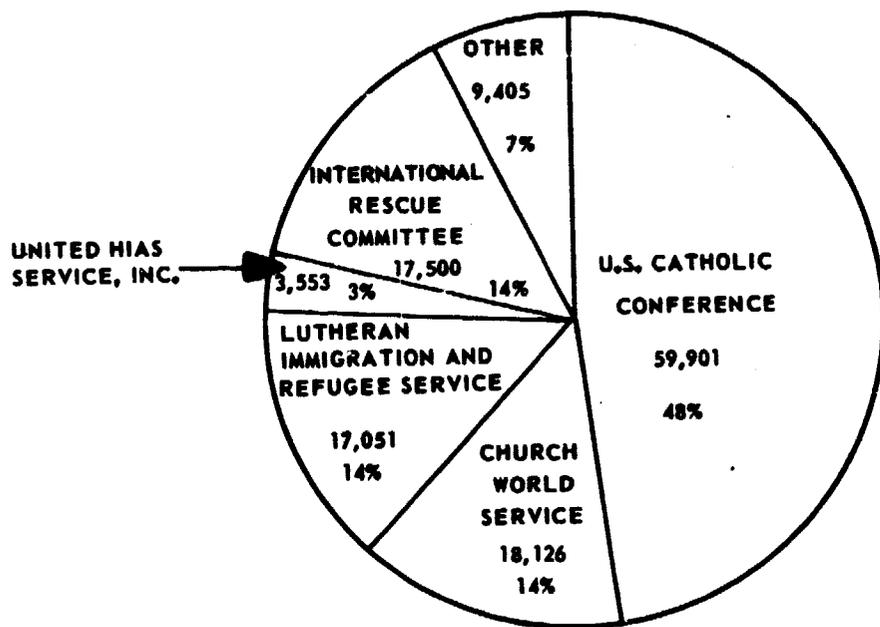
The State Department contracted with nine VOLAGs to resettle the Indochinese refugees. Four of them were sectarian types and represented major religious denominations in the United States. These included the United States Catholic Conference (USCC); Church World Service (CWS); Lutheran Immigration and Refugee Service (LIRS); and United HIAS Service, Inc. (Hebrew Immigrant Aid Society (HIAS)). The five other nonsectarian VOLAGs included the Tolstoy Foundation, Inc.; American Council for Nationalities Service; American Fund for Czechoslovak Refugees; Travelers-Aid International Social Services; and the International Rescue Committee, Inc. (IRC).

As part of the contractual arrangements, the State Department agreed to pay VOLAGs \$500 to cover resettlement expenses for each refugee resettled. According to the Senate Appropriations Committee report (Senate Report No. 94-138, dated May 15, 1975), VOLAGs would be reimbursed only for those costs actually incurred which were in excess of their normal operating costs. The State Department considered the \$500 an average figure, since it was recognized that some refugees would cost more to resettle than others. VOLAGs had responsibility for providing counseling at the reception centers and for placing refugees with sponsors. The role of the sponsor--individual or group--depended on how much assistance VOLAGs provided.

RESETTLEMENT PROCESS OF VOLAGs

For our review, we selected the five largest VOLAGs in terms of number of refugees resettled. These included the four sectarian VOLAGs and IRC. The number and percent of refugees resettled by all VOLAGs is shown in the following chart.

**REFUGEE RESETTLEMENTS
BY VOLAG
AS OF JUNE 30, 1976**



United States Catholic Conference

USCC has resettled 59,901 refugees, more than any other VOLAG. As of June 30, 1976, USCC was entitled to receive \$29.9 million, of which it had spent about \$21.2 million.

USCC is the official representative of the Catholic Bishops of the United States in the fields of migration, immigration, and refugee affairs. The Conference utilizes a nationwide network of dioceses to resettle refugees. Each diocese has a resettlement director who acts as a liaison between USCC and the local parish or individual sponsor. The director is responsible for finding good sponsors for the refugees, monitoring the resettlement, and resolving problems and breakdowns in refugee/sponsor relationships.

USCC reimburses each diocese for resettlement expenses up to an average of \$300 for each refugee. In addition, \$10 is given to each refugee for pocket money when he leaves the camp. The remaining funds (about \$190) are allocated for USCC headquarters and diocesan administrative expenses, and for various employment and educational programs to assist the refugees.

In most cases, sponsors pay for food, clothing, rent, and other resettlement expenses for the refugees, over and above that provided by the local diocesan resettlement office.

For example, one refugee living in New York City with his wife and six children received from the local diocesan resettlement office \$1,650 of the \$2,400 allotted for living expenses, and the family received \$80 for travel expenses when they left the reception camp. The diocese has \$750 remaining to provide direct assistance to the family. These and more funds may ultimately be given to the family if they need it. If they do not, the money would be available to other needy refugees, according to a USCC representative. The sponsor of the refugee family also contributed \$1,100 for food, rent, and utilities.

Of the \$4,000 paid to USCC for resettling the family (\$500 x 8 refugees), it has set aside \$1,520 (\$190 x 8 refugees) for administrative expenses and future programs to assist the refugees.

Church World Service

CWS is a department of the Division of Overseas Ministries of the National Council of the Churches of Christ in the United States of America. CWS is responsible for the operation and coordination of the Council's immigration and refugee program. The agency has resettled approximately 18,000 Indochinese refugees with sponsors. As of June 30, 1976, CWS was entitled to receive about \$9.1 million, of which it had spent \$4.2 million.

CWS obtains sponsors from local churches, groups, or individuals who volunteer their help. Each refugee is given a transitional grant of \$100 and \$10 pocket money upon leaving camp. Once the refugee is with a sponsor, any breakdowns in the relationship between the refugee and his sponsor or other problems encountered by the refugee are usually taken care of by the local church. CWS is contacted only when additional financial assistance is required.

As an example, a refugee family placed by CWS received a \$100 transitional grant and \$10 pocket money for each of the eight members in the family when they left the camp. Their sponsor, two local churches, gave them \$1,000 along with furniture and household items.

Lutheran Immigration and Refugee Service

LIRS is a department of the Division of Mission and Ministry of the Lutheran Council in the United States of America. It handles immigration and refugee affairs for the three participating Lutheran Synods of the Lutheran Council-USA.

LIRS has resettled almost 16,000 Indochinese refugees. As of June 30, 1976, LIRS was entitled to receive about \$8.4 million and had spent \$3.3 million. Most of the LIRS refugees were sponsored by Lutheran congregations throughout the United States. Although the agency has used individual sponsors, it encourages individuals to link their sponsorships with congregations to prevent sponsor breakdowns and other problems. Sponsorships are arranged by regional coordinators established for the program. These coordinators meet with congregations, supply them with information on sponsorship, and act as a liaison between the congregation and LIRS.

LIRS requires its sponsors to bear the major costs of resettlement. LIRS provides each refugee with \$10 pocket money upon leaving camp. Additional financial assistance to the sponsor is usually not necessary because of the many resources available to a congregation. A Lutheran congregation in California, for example, sponsored a Vietnamese mother and her four children. Her husband had remained in Vietnam. Church members found a job for the mother; obtained an apartment for the family; paid for their rent, food, and clothing; and donated furniture and other household items. In addition, the refugees were given free medical services by a member of the church.

United HIAS Service, Inc.

HIAS is a worldwide Jewish migration agency whose organizational roots go back to 1884. Normally, the agency services only Jewish refugees and migrants, but at the request of the State Department, it agreed to resettle Indo-chinese refugees. Since it began accepting the refugees, HIAS has resettled approximately 3,550 refugees. As of June 30, 1976, HIAS was entitled to \$1.8 million for that work and had spent \$1.5 million.

HIAS sponsors are either Jewish family agencies or individuals. Refugees resettled through the family agencies receive the benefits of a professional social service organization. The family agency provides employment, housing, and counseling services to the refugee and his family, with the objective of making the refugees independent. To reimburse the family agency for providing these services, HIAS pays them \$450 for each refugee who is sponsored. For a family of six refugees, the family agency would receive \$2,700 from HIAS. Whether the agency would spend all of the funds would depend on the needs of the refugee. If some of the money is not needed, it would be available for other refugees, according to an agency representative.

Most refugees sponsored by individuals received a \$100 transitional grant from HIAS when they left the reception center. Their additional needs would be met by the sponsor. In some cases, hundreds of dollars were spent by individual sponsors. For example, the sponsor of a Cambodian refugee family spent about \$2,600 for food, rent, utilities, clothing, and other miscellaneous items. In cases where an individual sponsor is unable to provide all the necessary assistance, the refugee can obtain additional aid from HIAS.

International Rescue Committee, Inc.

IRC is a nonsectarian organization whose objective is to provide worldwide assistance to needy refugees, with special emphasis on assistance to children. IRC has been in existence since 1933 and has resettled refugees from all parts of the world. During this program, IRC resettled about 17,500 refugees with the help of individuals, community groups, and organizations as sponsors. As of June 30, 1976, IRC was entitled to receive about \$8.8 million, of which it had spent \$5.9 million.

IRC provided refugees with transitional grants of \$100 plus \$10 for travel expenses when they left the reception centers. It does not, as a matter of policy, provide any additional aid unless requested by the refugee or sponsor. Requests are frequently made, however, and, according to an IRC official, it has provided an extensive amount of aid to refugees after they were placed with their sponsors.

An example of one IRC case involved the resettlement of a young man in California. He came to the United States without his family and was resettled in September 1975. He initially received a \$100 transitional grant and \$10 travel expenses when he left Camp Pendleton. Later, he received an additional \$240 from IRC for food, rent, and clothing.

Confusion over distribution of resettlement funds

The manner in which resettlement funds were distributed by VOLAGs caused some confusion and misunderstanding among the refugees. Some refugees received transitional allowances when they left the reception centers, while others received only travel or pocket money, depending on the particular VOLAG's policy. One local resettlement agency (Chinese Consolidated Benevolent Association) distributed the entire \$500 resettlement fee it received directly to each of its refugees in installments. As a result of the varying VOLAG and resettlement agency policies for allocating resettlement funds, refugees became increasingly concerned about how much cash assistance they were actually entitled to receive. Our review of HEW files as well as refugee communications to us indicated that this has been a major source of refugee dissatisfaction with the program.

In this connection, the HEW Refugee Task Force reported to the Congress in March 1976, that in response to refugee concerns, it had circulated a statement to the refugees informing them that the allocation of the \$500 resettlement funds was left to the discretion of the individual VOLAG. The table below summarizes the policies used by the VOLAGs included in our review to allocate resettlement funds to the refugees.

VOLAG:	<u>Transitional allowance</u>	<u>Travel or pocket money</u>
USCC	-	\$10
CWS	\$100	10
LIRS	-	10
HIAS	100	-
IRC	100	10

RESETTLEMENT EXPENSES

The five VOLAGs we reviewed had resettled about 107,000 refugees as of December 31, 1975. For performing this task they had received or were due approximately \$53 million, yet they had accomplished the first phase of the program--that is, the initial resettlement, by expending only about \$23 million at the end of 1975.

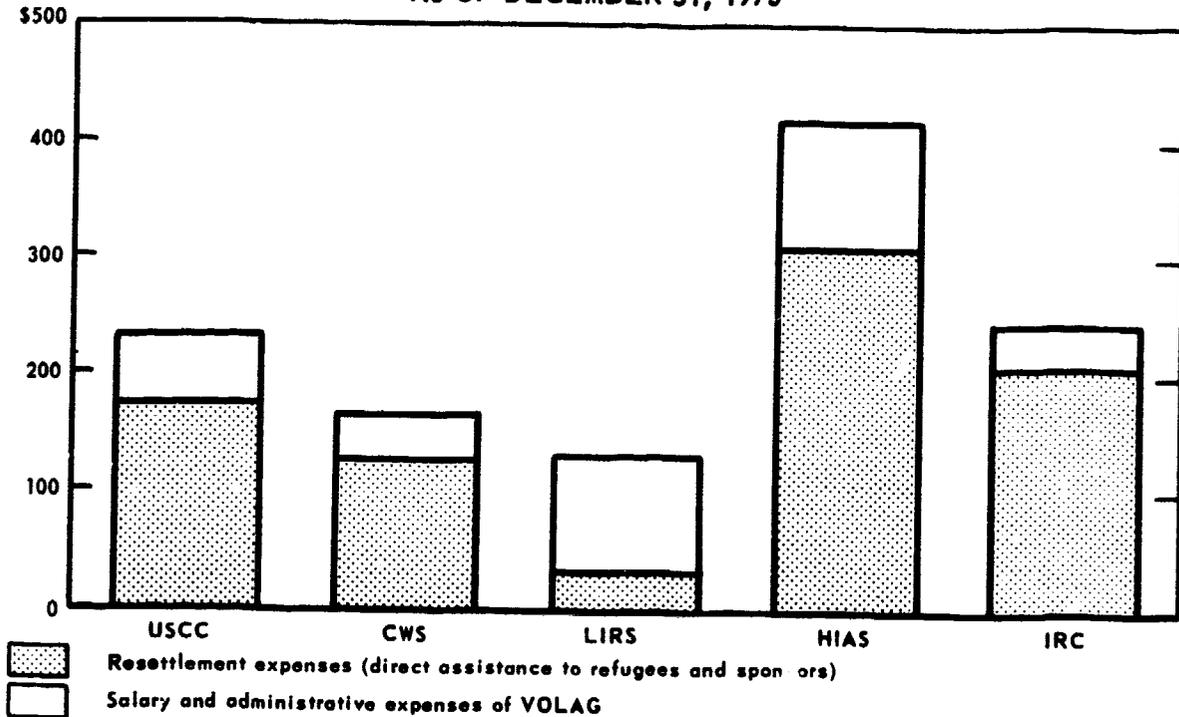
VOLAG Resettlement Receipts and Expenditures as of December 31, 1975

<u>VOLAG</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Unspent funds</u>	<u>Still due VOLAG</u>	<u>Funds available for future cost</u>
(millions)					
USCC	\$19.5	\$11.9	\$ 7.6	\$ 6.1	\$13.7
CWS	4.4	2.9	1.5	4.5	6.0
LIRS	3.4	2.0	1.4	4.5	5.9
HIAS	1.5	1.4	.1	.2	.3
IRC	<u>8.7</u>	<u>4.5</u>	<u>4.2</u>	<u>.5</u>	<u>4.7</u>
Total	<u>\$37.5</u>	<u>\$22.7</u>	<u>\$14.8</u>	<u>\$15.8</u>	<u>\$30.6</u>

VOLAGs stated that more money will be spent in future years to cover the expenses of sponsor breakdowns and additional financial needs of refugees and programs to assist the refugees in areas such as job placement and language training.

The following chart shows the average VOLAG resettlement cost per refugee for the five VOLAGs. It does not include any money provided to the refugees by sponsors who were not reimbursed by VOLAGs.

**AVERAGE RESETTLEMENT COSTS PER REFUGEE
BY VOLAG
AS OF DECEMBER 31, 1975**



As of June 30, 1976, new figures reported by the five VOLAGs in the table below show that about 116,000 refugees had been resettled. Approximately \$58 million was either received or due VOLAGs, and about \$36 million had been expended for resettlement costs. The figures in the table below also include resettlement costs for part of the additional 11,000 Indochinese refugees authorized to be admitted into the United States by the U.S. Attorney General in May 1976.

VOLAG Resettlement Receipts and Expenditures as of June 30, 1976

<u>VOLAG</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Unspent funds</u>	<u>Still due VOLAG</u>	<u>Funds available for future cost</u>
----- (millions) -----					
JSCC	\$26.2	\$21.2	\$ 5.0	\$ 3.7	\$ 8.7
CWS	8.3	4.2	4.1	.8	4.9
LIRS	5.9	3.3	2.6	2.5	5.1
HIAS	1.8	1.5	.3	-	.3
IRC	<u>8.8</u>	<u>5.9</u>	<u>2.9</u>	<u>-</u>	<u>2.9</u>
Total	<u>\$51.0</u>	<u>\$36.1</u>	<u>\$14.9</u>	<u>\$ 7.0</u>	<u>\$21.9</u>

A comparison with the December 31, 1975, figures show that for the 6 months ended June 30, 1976, VOLAG expenditures increased by \$13 million, and the funds available for future costs were reduced by almost \$9 million.

Return of unused funds

The contracts between VOLAGs and the State Department were written and awarded very quickly because of the urgent need to resettle the refugees. As a result, some contracts did not indicate whether VOLAGs were required to return unused resettlement funds.

In an attempt to clarify the Government's position, the State Department notified VOLAG officials on November 20, 1975, that the Senate Appropriations Committee expected that VOLAGs would be reimbursed only for those costs actually incurred which exceeded their normal operating costs. Because of the Committee's position and the possibility that reimbursements may exceed actual costs, the State Department also told VOLAGs that they should return unused funds, even though they were not required to do so by the contracts.

Officials of four of the five VOLAGs we spoke with agreed that they would return unused funds, at the end of the program--September 30, 1977. However, officials of LIRS

advised us that they expect to spend all of the funds they have received under the contract.

State Department officials informed us that in April 1976, they had instructed VOLAGs that when the program terminates in September 1977, they should request retaining unused funds to cover unusual medical or other special long-term care needed for specified refugees. The legality of whether the VOLAGs can continue to use funds after September 30, 1977, is presently under consideration by the State Department.

Some refugees resettled with
little or no VOLAG involvement
in arranging for sponsors

Between April and June 1975, VOLAG and Interagency Task Force activities were focused on organizing and providing for resettling the refugees. During this period, the Task Force became concerned with reports that certain sponsorships were breaking down. The Task Force was particularly alarmed at breakdowns in cases where the refugees were sponsored by either their relatives, who were often spouses of American citizens, or former employers (direct sponsorships), and where there was no VOLAG processing at the camps involved. To help solve problems in these situations, the Task Force decided that each refugee should register with a VOLAG even though there was a direct sponsorship arrangement. The Task Force reasoned that if these sponsorship arrangements broke down the refugee would be in a better position if there was a VOLAG to rely on for assistance.

Many refugees registered with VOLAGs under these conditions although they were sponsored by relatives or former employers with little or no VOLAG assistance. The registration procedure unfortunately created a problem. VOLAGs generally followed the practice of billing for all the refugees registered with them regardless of whether a VOLAG was instrumental in obtaining a sponsor. The result was that VOLAGs were reimbursed \$500 per refugee in all registered cases even though little or no service was provided in initially arranging for sponsors.

HEW and State Department officials informed us that, aside from the fact that some refugees cost more to resettle than others, VOLAGs had responsibility for sponsor verification, as well as long-term responsibility for the refugees.

During the course of our work, we visited each of the five VOLAGs and asked them to estimate the number of refugees fitting into this category. They estimated the number of these refugees at about 10,000, representing about \$5 million in resettlement payments.

Plans for State Department audit

State Department officials in the Office of Inspector General for Foreign Service informed us that plans are underway to audit VOLAG refugee resettlement activities when the program terminates in September 1977. We believe, however, it would be more desirable for an audit to be made before the program ends in order to determine (1) how VOLAGs spent \$13 million over the 6-month period since the reception centers were closed and the initial resettlements were accomplished, and (2) if the \$22 million set aside for future costs should continue to remain outstanding until the program terminates.

State Department officials informed us that they did not believe an audit of VOLAG expenditures after December 1975 was necessary, particularly since a postaudit of VOLAG activities has already been planned for September 1977. They also mentioned that if funds were found to be improperly used, VOLAGs involved would reimburse the State Department. In addition, State Department officials advised us that if VOLAG funds could not continue to remain outstanding, ongoing VOLAG training and placement programs would be seriously hindered.

However, as discussed on page 19, since the VOLAG contracts provided for no financial reporting with respect to the nature and purpose of VOLAG expenditures, we believe that this lack of accountability makes an early audit desirable.

CONTRACT RESPONSIBILITIES

The contracts between the State Department and VOLAGs basically called for the VOLAGs to provide reception and placement assistance for the refugees with the objective of resettling them in the United States. In addition, the contracts also contained specific monitoring and reporting responsibilities which VOLAGs were to carry out. The reporting responsibilities, however, did not include information on the nature and purpose of VOLAG expenditures under the contracts.

Resettlement responsibilities

VOLAG officials generally believe their major legal responsibility under the contract was to place refugees with sponsors. In their opinion, placement with a sponsor constituted resettlement under the contract and entitled them to the \$500 resettlement fee. Although VOLAG officials believe their legal responsibility was met when this was done, they did not consider their job finished. By their definition, resettlement means more than simply placing a refugee with a sponsor. Generally, they consider a refugee resettled when he is an employed and self-supporting member of the community, even though it may take several years for some refugees to reach this position. During this time VOLAGs will stand by to assist the refugees.

Monitoring and reporting responsibilities

The contracts included initial reporting requirements to be completed shortly after the refugee was placed with a sponsor. VOLAGs were also required to monitor resettlements and report on sponsor breakdowns to the Interagency Task Force and to the HEW Task Force.

Initial reporting requirements

USCC, CWS, HIAS, and IRC were required to report, within 30 days of resettlement, the name, address, and employment status of the head of each family or individual refugee, and whether the refugee was attending school. While IRC has been meeting these requirements, USCC and CWS have not been able to obtain the employment or educational status of all their refugees. They sent out questionnaires to obtain this information but have had difficulty obtaining and reporting the data. HIAS has been waiting until the State Department standardizes its reporting requirements before releasing its information.

LIRS requested a different reporting requirement in its contract to monitor resettlements more closely. LIRS had been required to immediately report the arrival of a refugee, and within 45 days, report on the specific resettlement action taken by the sponsor. In addition, it had been required to submit confirmed copies of the Immigration and Naturalization Service (INS) release and the report on arrival of the refugee as the basis for payment under the contract. As of December 31, 1975, LIRS had sent in the

required reports and INS releases for only 900 of the 16,000 refugees it had resettled.

Breakdown in sponsorship reporting requirements

Under their contracts, USCC, CWS, HIAS, and IRC are required to report quarterly from July 1, 1975 to September 30, 1977, any known instances of breakdowns in sponsorship arrangements and the steps taken to correct the situation in each case. Only IRC, however, was complying with the requirement. CWS has refused to provide any information to the Government, other than the refugee's name and funds provided, in order to protect the privacy of the refugees. According to a CWS official, this information has been accepted by the State Department in place of the quarterly report on sponsorship breakdowns. USCC officials said they have not sent in the required reports because they usually do not monitor resettlements once refugees have been placed with the local parish or family service agency. Sponsorship breakdowns are resolved at the local level and are not reported to USCC.

LIRS was required to submit quarterly reports on the status of all resettlements for 1 year after its initial 45-day report. As of December 31, 1975, the agency, however, had not submitted any quarterly reports. LIRS planned to send them in when it had complied with the State Department's initial reporting requirements.

HIAS officials stated that they would not submit the report until the HEW Task Force defined resettlement.

New reporting requirements

During December 1975, the State Department sent letters to VOLAGs indicating new reporting requirements. The State Department believed that the 30-day initial reporting requirement and quarterly reports on sponsorship breakdowns were not providing the Government with information necessary to conduct its responsibilities under the program. Information contained in the new reports includes family status, language ability, employment, health, housing, public assistance, and sponsor-relationship status. The new report would provide information which would permit monitoring the progress of the program and would provide data for answering congressional requests about the program. According to HEW Task Force officials, the new reporting requirements provide more meaningful information than the initial reporting requirements.

As of June 8, 1976, the HEW Task Force reported that about 10,500 progress reports involving about 42,000 of the 116,000 refugees resettled, had been received from the 5 VOLAGs.

Lack of financial reporting

Although contracts with VOLAGs provided that expenditure records be maintained in support of the refugee program, VOLAGs were not required to periodically report the nature and purpose of such payments to the State Department.

CONCLUSIONS

Most VOLAG program initial resettlement costs would probably have been incurred by December 1975, when most refugees were sponsored and placed into American communities. We believe that in implementing the State Department audit plans and in the absence of any financial reporting by VOLAGs, it would be desirable to examine VOLAG expenditures after that date and before the program ends, to determine both the nature and purpose of the expenditures, and whether all VOLAG funds set aside for anticipated costs until September 1977, should remain outstanding.

Concerning contractual agreements with VOLAGs, the terms of the contracts were written so broadly that no uniform specific provisions had been made to indicate (1) whether VOLAGs should return unused resettlement funds, although the State Department believed this was the intent of the Congress, and (2) whether VOLAGs should receive the full resettlement fee from the State Department for refugees who were directly sponsored by relatives and friends, and were merely registered with VOLAGs, with little or no assistance provided in initially arranging for sponsors.

Furthermore, the confusion and misunderstanding which has existed among the refugees concerning the amount of and manner in which money was distributed to the refugees out of the resettlement fees received by the VOLAGs, might have been avoided if the contracts had provided for uniform transitional allowances by the VOLAGs to cover initial refugee expenses.

RECOMMENDATIONS

Although a postaudit of VOLAG refugee activity has been planned by the State Department, we recommend that the

Secretary of State instruct the Inspector General for Foreign Service to

- take immediate steps to examine VOLAG funds spent after December 1975 to determine the nature of the expenditures and whether VOLAG funds set aside for anticipated costs until the program terminates in September 1977, should remain outstanding.

Because VOLAGs have traditionally been used to resettle refugees in emergency situations, we also recommend that in future contractual arrangements with VOLAGs, the State Department make certain that contracts provide for

- a definition of the term "resettlement;"
- the return of unused resettlement funds at the completion of the program, when such is the intent of the Government;
- uniform transitional allowances by VOLAGs to meet the refugees' initial resettlement expenses;
- a specific resettlement fee arrangement for VOLAGs when there is direct sponsorship by relatives or former employers, and when refugees merely register with VOLAGs; and
- specific reporting requirements until the completion of the program which include the nature and extent of VOLAG expenditures.

CHAPTER 3

ROLE OF FEDERAL, STATE, AND LOCAL GOVERNMENTS

IN THE RESETTLEMENT PROCESS

During the first phase of domestic resettlement, primary emphasis had been given to arranging sponsorships and placing refugees from the reception centers into American communities by State and voluntary resettlement organizations. The second phase of the resettlement process has been concerned with providing additional assistance to refugees in the early stages of resettlement, and in assessing the progress made by the Indochinese since their departure from the reception centers.

With the closing of the last reception center in December 1975, coordination of domestic refugee resettlement activities became the responsibility of the HEW Refugee Task Force in the Office of the Secretary and the HEW regional offices. In October 1976, the HEW Task Force functions and many staff members were transferred to the Social and Rehabilitation Service (SRS) within HEW.

The discussion that follows describes the Federal, State, and local governments' role in the resettlement process, including major assistance programs which were available to refugees. The Federal departments and agencies discussed are those considered by the HEW Task Force to have been principally involved in the domestic resettlement of refugees. The information is based primarily on data contained in quarterly status reports on refugees prepared by the HEW Task Force and its predecessor, the Interagency Task Force. The reports will continue to be submitted to the Congress by the President until September 30, 1977, and a final report will be submitted no later than December 31, 1977, a requirement under the Indochina Migration and Refugee Assistance Act of 1975.

HEW REFUGEE RESETTLEMENT PROGRAMS

Program assistance available to refugees consisted of three major categories--cash assistance and Medicaid, educational activities, and public health services. Funds appropriated to carry out these activities, related obligations as of November 30, 1976, and a detailed discussion of these programs follow.

HEW Refugee Program Assistance
Status of Funds Available
as of November 30, 1976

Funds appropriated:	(millions)	
--Amount appropriated to HEW under Public Law 94-24 - May 1975	\$100.0	
--Amount transferred to HEW from Department of State appropriation - June 1976	53.0	
--Amount appropriated to HEW under P.L. 94-441 - October 1976	<u>50.0</u>	
Total		<u>\$203.0</u>
 Obligations:		
Cash assistance and Medicaid	\$87.1	
Educational activities	25.4	
Public health services	<u>4.5</u>	<u>117.0</u>
Total funds available		<u>\$ 86.0</u>

Cash assistance and Medicaid

This activity includes financial and medical assistance, and social services available to Vietnamese, Cambodian and Laotian refugees who have now resettled in the United States. HEW assistance has been provided through regular State and local public assistance agencies that administer related welfare and medicaid programs under similar standards as those in the domestic programs (e.g., Aid to Families with Dependent Children). Agreements involving HEW and State welfare agencies serve as the basis for providing the assistance and include estimated costs to be incurred by the State as well as local agencies within the State. These agreements provide for 100 percent reimbursement for assistance and services rendered, including administrative costs, because HEW and the Congress did not want the refugees to become a burden on State or local resources.

Eligibility requirements for public assistance to refugees such as determination of need, scope of services,

and level of payments have been based on the program standards of the particular State, which vary considerably among the States. For example, about one-fourth of the refugees have resettled in California where cash assistance payments are slightly higher than the national average. (See app. II for distribution of refugees by State.) The extent and incidence of assistance that may be required for refugees in each State is affected by the income and resources available to them, which in most instances is directly related to their employment situation.

Upward trend in cash assistance and Medicaid

According to figures reported by the HEW Task Force on December 20, 1976, 44,000 of the 144,000 refugees resettled in the United States, or about 30 percent, were receiving cash assistance and were also eligible for Medicaid. Other data reported by the Task Force indicated that the percent of refugees receiving cash assistance had increased from about 19 to 30 percent between December 1, 1975, and December 1, 1976. (See app. III.) In addition, refugees receiving only Medicaid, had increased by 70 percent for the same period (13,000 versus 23,000). 1/

HEW officials informed us that while they consider 30 percent of the refugees on cash assistance to be substantial, it is far less than the 50 percent figure which was originally anticipated in the early stages of the refugee program.

The high number of refugees on the welfare rolls was largely attributed to their lack of marketable job skills and inability to speak the English language.

With the objective of reducing by one-half the number of Indochinese on cash assistance and having them become economically self-sufficient, the HEW Task Force in March 1976, prepared a strategies and objectives plan, requesting the full support and cooperation of the HEW regional offices and the voluntary resettlement agencies. The focus of the plan was on job development, English language training, and vocational and occupational education.

1/ Thirty-two States or jurisdictions have a medically needy program under their Medicaid program in which needy persons ineligible for cash assistance may be eligible for medical assistance.

Better coordination might have helped
reduce public assistance to refugees

While it would appear that the HEW Task Force has recently taken steps to reduce the number of refugees on public assistance, we noted a case involving Washington State, where better coordination between Washington State, VOLAGs and the Interagency Task Force might have prevented increases in the number of refugees on the public assistance rolls.

In June 1975, Washington State became the first governmental entity to resettle refugees. Other refugees were resettled in Washington State through the efforts of the VOLAGs. Once the refugees began arriving, it was the State's policy to provide them with 1 month's financial assistance to help ease their transition into the community. These payments were included in the \$500 resettlement fee provided by the State Department for each refugee resettled. The refugees were directed to apply to the State welfare offices where further assistance would be provided once their financial eligibility had been established. In this regard, SRS policy instructions issued June 1975, provided that where a State finds that refugees in a community apply for welfare shortly after arrival, the SRS regional office should be notified immediately by the State to provide a basis for corrective action and future resettlement planning.

Apparently, however, not much attention had been paid to the increasing numbers of refugees being placed on public assistance by the State. In fact, it was not until October 1975, when, as a result of a congressional inquiry, the Interagency Task Force sent an evaluation team to look into the matter.

The study, completed in early November 1975, showed that 2,462 of the 3,874 refugees resettled, or 64 percent, were on public assistance during October 1975. The high percentage of refugees on public assistance was largely caused by the State's approval of sponsors without the required financial resources for sponsorship, and the State assuring many sponsors that it was acceptable to enroll refugees on public assistance. The study concluded that Washington's great concern for the refugees, as expressed in its willingness to provide financial, medical, and social services to refugees, were principal factors which accounted for the State's high

welfare enrollment. As of December 1, 1976, about 3,000 of the 5,200 refugees (60 percent) resettled in the State were on public welfare.

Resettlement in high unemployment areas

Another matter of great concern to the Interagency Task Force was the resettlement of refugees in States with high unemployment. Labor market information had been provided and interpreted by the Department of Labor on an ongoing basis to VOLAGs to assist them in identifying and avoiding refugee resettlement in areas of high unemployment. By November 1975, Interagency Task Force officials still continued to discourage VOLAGs from resettling refugees in high unemployment areas.

Some Task Force and VOLAG officials told us that pressure came from the Congress and the Executive Branch to remove the refugees from the reception centers as quickly as possible, which may have been a contributing factor to resettlement in high unemployment areas.

Some States with high unemployment received a disproportionate number of refugees relative to their total population. For example, California, with an average unemployment rate of 10 percent for 1975, received about 27,200 refugees, or about 20 percent of the total refugees resettled in the United States. The population of California is about 10 percent of the total national population. Another example is Washington State, which had an average unemployment rate of 9 percent for 1975 and received about 4,200 refugees or about 3 percent of the total refugees resettled. The population of Washington State represents about 2 percent of the total national population. (See app. IV for list of unemployment rates and States where refugees resettled as of December 31, 1975.)

Change in parole status

Views expressed to the HEW Task Force by many refugees indicated that their parole status is of major concern to them and a hindrance to permanent resettlement. As parolees in "indefinite voluntary departure status," refugees are neither American citizens nor permanent resident aliens, but are eligible for certain types of assistance from Federal departments and agencies normally available to citizens or permanent resident aliens. Until recently most could not be employed by the U.S. Government and the refugees still cannot

be employed by certain State and local governments. Also, without permanent residency status, the refugees are not eligible for enlistment in the military services.

Legislation introduced in the 94th Congress on September 10, 1975, (S. 2313), and June 17, 1976 (H.R. 14447), would change the Indochinese refugees' status from parole to that of permanent resident aliens and eventually pave the way for U.S. citizenship. However, section 212(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1182) denies permanent resident alien status to parolees who are likely at any time to become public charges, and as previously discussed in this report about 30 percent of the refugees were on the welfare rolls as of December 1976. H.R. 14447 gave recognition to this potential problem ^{1/} by specifically providing that section 212 (a)(15) would not be applicable to an alien otherwise eligible for permanent resident status under the bill.

In October 1976, the 94th Congress adjourned without taking action on either of the bills.

On February 10, 1977, legislation (Senate bill 694) was introduced in the 95th Congress to change the status of Indochinese refugees to that of permanent resident aliens. This bill was similar to H.R. 14447 in that section 212(a)(15) would not be applicable.

Educational activities

HEW's Office of Education's Refugee Assistance Task Force was designated to administer the refugee education program as part of HEW's responsibility under the Indochina Migration and Refugee Assistance Act of 1975. Approximately \$25 million has been authorized for the education program from the \$100 million appropriated to HEW. The major portion of the funding, \$15 million, has been made available for elementary and secondary education grants to State and local education agencies for an estimated 40,000 school-age children. These grants also provided funds for supplementary English language instruction for refugee children. By early

^{1/} A similar situation existed under the Cuban refugee program and because there was no specific statutory provision making their permanent resident alien status exempt from the application of section 212(a)(15), the Attorney General made an administrative determination to do so.

April 1976, almost 3,000 applications for elementary and secondary education grants had been received from every State, the District of Columbia, and Guam.

Another \$5 million in adult education grants was allocated to the States for special English language instruction for adult refugees. As of November 30, 1976, the \$25 million authorized for the education program had been fully obligated.

Support services for the refugee education program include two nationwide information services, the Georgetown University and the Center for Applied Linguistics telephone "hotlines." The HEW Task Force has reported that both these services have provided needed assistance primarily to elementary and secondary teachers, and administrators in meeting the needs of the students, and have also assisted refugee students in attending post-secondary institutions. In-service training workshops and the development of curriculum materials for refugees have been provided by five of the Office of Education's bilingual centers.

Health training and other health activities

On July 31, 1975, the Secretary of HEW authorized the Public Health Service to spend \$1.3 million in refugee funds to assist the Indochinese refugee physicians prepare for the Educational Commission for Foreign Medical Graduates Examination. In January 1976, 25 refugee physicians passed the examination, but 160 others were unsuccessful in passing the English portion. The HEW Task Force reported in June 1976 that of the 670 refugee physicians identified, 412 were participating in preparatory courses for the examination that was to be held July 21, 1976. As of December 20, 1976, there have been a total of 150 refugee physicians who have successfully passed the examination, and their placement in approved graduate training positions was being undertaken by the American Medical Association and the Bureau of Health Manpower in HEW.

In addition to the physicians program, the Public Health Service is conducting a short-term program to help refugee dentists qualify for practice in the United States. Of 95 Indochinese dentists identified in this country, 40 were selected to begin training at two dental schools in the United States in October 1976. Funds allocated for this program amounted to about \$683,000.

The HEW Center for Disease Control in Atlanta, Georgia, has been performing a study on refugee health problems and access to health care. The HEW Task Force reported in September 1976 that the Center had completed its study confirming earlier observations that in general, refugee health was reasonably good. The study was conducted among 83 randomly selected refugee families, comprising 396 individuals in three locations (Atlanta, Georgia; Fort Smith, Arkansas; and San Diego, California) with high concentrations of refugees. The study found that most of the health problems were dental with respiratory illness being considered the second most common health problem.

Support services

Operating as an integral part of the HEW Task Force are three major refugee support activities: (1) the Resettlement Liaison Unit, (2) Information and Referral Unit, and (3) the Publications Unit. Their efforts were coordinated with regional refugee assistance coordinators in HEW's 10 regional offices.

The focus of the Resettlement Unit has been on consolidating working relationships and establishing followup channels with VOLAGs and State and local resettlement agencies.

The Information and Referral Unit operates a toll-free telephone line to meet the continuing resettlement needs of refugees and their sponsors, and to refer calls to the appropriate sources, such as VOLAGs and HEW regional offices. The unit is staffed by personnel fluent in many languages, including English, Vietnamese, Cambodian, and Laotian. The majority of the inquiries concern refugees who are attempting to locate friends, and who need information about education and job training. Phone calls from the refugees on the toll-free lines also enable the HEW Task Force to know when resettlement inquiries occur.

The Publications Unit publishes a monthly newspaper with the primary purpose of providing refugees with information in their own language about programs and services in both the public and private sectors. It is intended to help them adjust to life in the United States and become productive members of American society.

OTHER FEDERAL RESETTLEMENT PROGRAMS

The following Federal departments and agencies have continued to support the refugee resettlement program since it began.

Department of State

The State Department has provided support to the HEW Task Force in its efforts to obtain current feedback of refugee resettlement conditions from VOLAGs. Other State Department responsibilities include (1) managing the repatriation of refugees who may wish to return to their countries of origin and (2) handling requests and actions concerning refugees in third countries who wish to immigrate to the United States.

Department of Labor

Through the State employment security agencies, the Department of Labor offers job placement services to refugees and also provides funds to States and localities for occupational training programs.

The HEW Task Force reported on March 15, 1976, that of the total 27,671 refugees registered with State agencies, about 5,500 (19 percent) have been placed in jobs, about 6,900 (25 percent) were referred to training or other services, and approximately 13,600 remain listed in active files where they will be considered as job requests are received.

In addition, the HEW Task Force reported that although slightly over one-third of the refugees who registered with State agencies had professional, technical, and clerical classifications, only about 16 percent found jobs at these skill levels. This indicated that many refugees had accepted employment at skill levels lower than their qualifications.

On May 13, 1976, the Department of Labor clarified its regulation under the Comprehensive Employment and Training Act making refugees on cash assistance eligible for monthly incentive allowances of \$30 while receiving training under the Act.

Department of Housing and Urban Development

Some of the HUD programs available to refugees include rental assistance, the sale or rental of HUD-held properties

(single and multifamily), low income public housing (provided necessary qualifications are met), and loan insurance for purchase of mobile homes.

An assessment made of refugee housing by the HEW Task Force concluded that housing problems were frequently encountered because of the high cost of housing in relation to refugee family income. Since many refugees were underemployed and working in minimum wage positions, they were forced to share inadequate housing with other refugee families.

Information compiled by the Interagency Task Force in October 1975 included data on refugee families considered to be potential users of subsidized housing with income below \$10,000, and presently residing with sponsors and relatives, or who had made other living accommodations. An analysis of the data indicated that as of October 22, 1975, about 97 percent of the 1,570 heads of households sampled had income below \$10,000, and approximately 61 percent had been temporarily housed and would be potential consumers of subsidized housing. Projecting these figures meant that approximately 52,000 of about 85,000 refugees resettled, comprising families with two or more members, would be potential users of subsidized housing (the Task Force considered one-third of the refugee population to be one-member families).

A sample survey taken by the HEW Task Force showed that in August 1976 only 5 percent of the refugees were still living with their sponsors, a reduction from almost 30 percent from a December - January HEW Task Force survey. Half the refugees surveyed were then renting apartments and the other half were living in houses. We did not consider the role of HUD in resettlement.

Small Business Administration

Assistance available to refugees from SBA includes business loans, counseling for prospective businessmen, and government subcontract work. A small business investment corporation, whose principal officers are Vietnamese, has been funded by SBA to provide loans to refugees to enable them to start small businesses.

Federal Regional Council

With members from 10 U.S. Government agencies, FRC coordinates Federal, State, and local government activity.

Work performed by FRC at the local level involves advising groups such as corporate leaders, businessmen, and churches of refugee needs and progress in their communities. Presently, FRC's attention has focused on the English language, job training, housing, and transportation.

STATE AND LOCAL
RESETTLEMENT AGENCIES

Aside from the traditional VOLAG resettlement agencies, five States, a local government, and three private nonprofit organizations became involved in the resettlement effort. These non-VOLAG resettlement agencies also received \$500 for each refugee resettled.

Services provided by State and local agencies include licensing programs for drivers, problem referral service, job information and placement service, adult education programs (primarily English language training), and financial and medical assistance. Local groups made community resources available to refugees.

The following schedule shows the number of refugees resettled by State and local resettlement agencies as reported by the HEW Task Force in their report to the Congress dated December 20, 1976.

<u>State and local resettlement agencies</u>	<u>Number of refugees resettled</u>
Indianapolis	80
Iowa	1,207
Maine	167
New Mexico	545
Oklahoma	362
Washington State	1,739
Chinese Consolidated Benevolent Association, California and New York	838 72
Don Bosco (Jackson County, Missouri)	386
Church of Jesus Christ of Latter Day Saints	<u>700</u>
Total	<u>6,096</u>

The HEW Task Force has indicated that the role of the non-VOLAG resettlement agencies was not as large as originally anticipated. The efforts of VOLAGs caused many potential non-VOLAG agencies to either conclude that additional assistance was not needed, or to merge their efforts with those of VOLAGs. The HEW Task Force, while encouraging the establishment of additional resettlement programs, also urged that such programs be channeled through VOLAGs whenever possible.

RECOMMENDATION TO THE CONGRESS

Enactment of legislation similar to Senate bill 694 would help facilitate the Indochinese refugees' adjustment into American society and ultimately lead the way to U.S. citizenship.

Because section 212(a)(15) of the Immigration and Nationality Act could deny permanent resident alien status

to refugees on public assistance, and since 30 percent of the refugees were on the welfare rolls in December 1976, the Congress should deal with that particular segment of the refugee population as proposed in Senate bill 694 or in any similar legislation introduced in the 95th Congress. Otherwise, if the Congress decides to give permanent resident alien status to the refugees without exempting them from section 212 (a)(15), the Attorney General would have to make an administrative determination not to exclude refugees on public assistance from becoming permanent resident aliens in the same manner that was done for the Cuban refugees.

CHAPTER 4

OBSTACLES TO ACHIEVING SELF-SUFFICIENCY

IN REFUGEE RESETTLEMENT

Refugees who came to the United States were for the most part well educated and had worked in white collar occupations. The December 15, 1975, Interagency Task Force report to the Congress, reported that more than 43 percent of heads of households were previously in medical, professional, technical, managerial, clerical, or sales occupations. It also was reported that 75 percent of all heads of households had completed at least a secondary education.

Even though they brought with them these occupational and educational credentials, more than 75 percent of refugee heads of households were reported, in the HEW Task Force Vietnam Resettlement Operational Feedback report, to be employed below their native country occupational level. This feedback report has been part of an ongoing evaluation process to survey the success of the resettlement program.

We spoke to 37 families, comprising 187 persons. Although our interviews were limited, they tended to confirm the Interagency Task Force observations on employment and language skills. In those instances where the refugees interviewed were unable to speak good English, we were assisted by interpreters, sponsors, and members of the clergy.

EMPLOYMENT

One problem is the fact that professionals, including dentists, nurses, pharmacists, lawyers, and educators, face considerable difficulty in establishing qualifications to practice in this country.

One of the refugee families we spoke with, arrived in the United States in May 1975. This family of seven adults and four children settled in New York. None of the refugees were working, including the head of the household who had been a dentist in Vietnam. He had been currently attending dental school so that he would be able to practice in this country. Since he did not completely understand the courses he was taking, he also attended an English language course. It will take more than 2 years for this man to complete the courses necessary for him to practice dentistry in the United States. Some of the other adults in the family were

attending English and vocational courses with the hope of finding jobs in the near future. In the meantime, the refugees were living in the sponsor's home and were receiving public assistance.

We also spoke with a Vietnamese history teacher and a government economist, who were unable to find jobs in the United States. In the case of the economist who held a master's degree in finance and economics, the main obstacle to his obtaining a job commensurate with his abilities was his poor English. The teacher, also, did not know English well enough to teach in America.

Although these professionals and some other refugees were unemployed, we found that most were able to find jobs. In most of the families interviewed, one or more family members were employed full time although many were underemployed. Among the underemployed were some former Vietnamese military personnel. They could not continue working in their occupational fields since their immigration status did not allow them to enlist in the U.S. military services. One man worked as a cafeteria worker, another as a mechanic, and a third one as a maintenance man and, all could speak only minimal English.

While our observations did not yield as high a percentage as indicated in the feedback report, about 65 percent of employed heads of households we interviewed were underemployed.

We also found some refugees who were successful in finding jobs comparable to those they held in Indochina. One man, who speaks English fluently, was the chief of a beverage distribution center in Vietnam. Currently, he has been doing similar work as a sales manager in a manufacturing company. He stated his salary of \$150 per week was adequate to support his family of four.

Another refugee, who did not speak any English, was able to continue his job as a camera repair technician in the United States. A representative of a camera company which the refugee had dealt with in Vietnam, arranged for the company to sponsor the refugee and his family. The refugee is now earning \$200 per week. In this case, lack of English did not prevent the refugee from finding a good job.

LANGUAGE

For professionals as well as for other workers, their employment difficulties were due in large part to language problems. One of the first requirements for gainful employment has been the ability to speak and understand English. The December 15, 1975, Interagency Task Force report to the Congress indicated that 73 percent of the heads of households had a knowledge of English but pointed out that only 37 percent had good English language skills.

We observed some refugees who could converse in English very well while some could not speak or understand any English. Many refugees are trying to improve their situations by attending English classes and all children in our survey were enrolled in school.

HEW has taken steps to allow funding for extensive language training for both adults and children. (See pp. 26 and 27.) It appeared, however, that some school districts may not be requesting this aid, especially if the refugee children had been scattered throughout the district rather than concentrated in certain areas, as was the case in New York City and in many other school districts we visited.

INCOME LEVEL

Even though most of the refugees were employed, many did not earn enough to support their families. Data in the feedback report shows that 42 percent of the refugee households had an annual income below \$2,500. Twenty-seven percent had an income between \$2,500 and \$4,999, and 2 percent had an income over \$10,000 annually. We observed that 71 percent of those employed full time were earning between \$1.50 and \$3.00 per hour at the time of our interviews. One example was a 30 year-old married refugee with two children who spoke English poorly. He was only paid the minimum wage of \$2.10 an hour while working full time in a cafeteria. Because of this low salary he still relied on his sponsor's assistance for paying the rent.

ADJUSTING TO AMERICAN CUSTOMS

The refugees came here with limited knowledge of American customs. In the reception centers, the American Red Cross and other organizations assisted the refugees in becoming familiar with many aspects of American society, such as using the telephone. Sometimes the refugees came

without any family or friends. These people were lonely and found it difficult to adjust to their new surroundings. To combat these types of problems, Vietnam information centers have been established in some areas. In New York City, for example, the Vietnam House was organized in October 1975 and headquartered in a YMCA to service Vietnamese refugees in New York, New Jersey, and Connecticut. They inform refugees about Federal assistance available and housing opportunities, conduct English classes, and plan social events where Vietnamese and Americans can get together.

Perhaps even more important than group help has been the help the sponsor has given to the refugee. The sponsors not only feed and clothe the refugee until he becomes self-supporting, but also assist him in finding a job, enrolling his children in school, and helping him understand our laws and customs. Some of the sponsors we spoke with introduced their friends to the refugees and helped them become part of the community. Efforts of groups like these have undoubtedly helped in easing the cross-cultural adjustment of the refugees.

BREAKDOWNS IN SPONSORSHIP ARRANGEMENTS

A majority of the refugees interviewed by us and covered in the feedback report were satisfied with their sponsorship arrangements. However, through talking with VOLAG officials, it became evident that breakdowns had occurred in some resettlements. A breakdown is a situation in which a sponsor and the refugee have been unable or unwilling to continue their arrangement for a variety of reasons. Breakdowns seem to have occurred more frequently in the use of individual sponsors than in group sponsors. For this reason VOLAGs have preferred group sponsors such as church or community groups. We also found that breakdowns also seemed to occur often in mass resettlements.

The reasons for breakdowns have varied and included circumstances such as

- sponsorship undertaken on an emotional basis without regard to ability to handle moral and financial responsibilities,
- inability of a refugee to find employment,
- refugee moving to a new location, and

--personality conflicts between a refugee and the sponsor.

One refugee told us he was originally sponsored by a friend. After a while, the sponsor could not provide proper financial assistance to the refugee and his family which included his wife and eight children. Consequently, the family had to live in a rundown, leaky, basement apartment. They were in desperate need of assistance and had to contact their VOLAG who then arranged a new sponsorship.

Individual sponsorships

Historically, VOLAGs have always preferred church or community groups as sponsors rather than individuals. The groups offer more resources for the refugee and assume a more responsible attitude toward the refugees. Throughout the Indochinese program, however, according to some VOLAG representatives, the Interagency Task Force pressured VOLAGs to quickly remove the refugees from the camps and encouraged them to use individual sponsors which were easier to obtain than group sponsors. One VOLAG switched to groups because they experienced many breakdowns with individual sponsors. Other VOLAGs also experienced breakdowns with early individual sponsorships and later emphasized the use of groups.

Mass resettlements

In order to resettle large groups of refugees, VOLAGs and the Interagency Task Force used the idea of mass resettlements. These, too, resulted in many breakdowns. In these resettlements at least 10 refugees were sponsored by one individual or organization, often providing refugees with employment, housing, or training as a package, according to Task Force officials.

For example, one group of fishermen was sponsored by a company which provided training and housing. Training in English and new fishing techniques were also taught so that the refugees could become better members of the community. The training program has now been completed and all of the fishermen either have jobs or offers of employment.

During the course of the program, 24 companies or individuals sponsored about 2,000 refugees with employment as the initiating factor. Five of the sponsorships involving

525 refugees have broken down. These breakdowns and other problems were usually handled by the Interagency Task Force Office of Special Concerns.

Although we were able to determine that breakdowns have occurred, especially with individual and mass sponsorships, it was difficult to determine their extent because most VOLAGs have not reported them, as required by their contract. (See p. 18.) If more information were available regarding breakdowns, statistics could act as an important barometer for the program in measuring the success of resettlements.

HEW Task Force officials informed us that the new reporting requirements also have not provided the necessary breakdown statistics (See p. 18.), and that other reporting requirements are being considered.

INDOCHINESE REFUGEES IN THE UNITED STATES
AS OF DECEMBER 1, 1976

(HEW Refugee Task Force Report of December 20, 1976)

Resettled under special parole program	129,792
Resettled under humanitarian parole program	500
Resettled under special Lao program	3,280
Resettled under expanded parole program	10,500
	<hr/>
Total in United States	<u>a/144,072</u>
Potential arrivals under special Lao program	186
Potential arrivals under expanded parole program	<u>500</u>
	<hr/>
Potential total resettled in United States	<u>144,758</u>

a/There are 440 requests for repatriation before the United Nations High Commissioner for Refugees.

INDOCHINESE REFUGEES RESETTLED IN THE UNITED STATES
AS OF DECEMBER 1, 1976
 (HEW Task Force Report of December 20, 1976)

<u>Rank</u>	<u>State</u>	<u>Number</u>	<u>Rank</u>	<u>State</u>	<u>Number</u>
1	California	30,495	22	Arkansas	2,127
2	Texas	11,136	23	Kansas	1,953
3	Pennsylvania	8,187	24	New Jersey	1,918
4	Virginia	5,620	25	Georgia	1,622
5	Florida	5,237	26	Arizona	1,444
6	Washington	5,205	27	Alabama	1,439
7	New York	4,749	27	Massachusetts	1,439
8	Illinois	4,675	28	Nebraska	1,418
9	Minnesota	4,250	29	North Carolina	1,334
10	Louisiana	3,916	30	Connecticut	1,304
11	Oklahoma	3,716	31	Tennessee	1,250
12	Ohio	3,496	32	Kentucky	1,174
13	Iowa	3,352	33	New Mexico	1,047
14	Missouri	3,154	34	Utah	964
15	Michigan	2,949	35	South Carolina	926
16	Maryland	2,828	36	Guam	818
17	Wisconsin	2,461	37	Dist. of Columbia	613
18	Oregon	2,448	38	South Dakota	604
19	Hawaii	2,411	39	Rhode Island	545
20	Colorado	2,350	40	Nevada	519
21	Indiana	2,175	41	Mississippi	493

<u>Rank</u>	<u>State</u>	<u>Number</u>
42	Idaho	421
43	North Dakota	408
44	Maine	376
45	Montana	360
46	West Virginia	268
47	Delaware	173
48	New Hampshire	171
49	Wyoming	143
50	Vermont	106
51	Alaska	94
52	American Samoa	1
53	Puerto Rico	1
	To Unknown State	<u>1,789</u>
	Total	<u><u>144,072</u></u>

PERCENTAGE OF INDOCHINESE REFUGEES
ON FINANCIAL ASSISTANCE--FOR DECEMBER 1, 1975
AND DECEMBER 1, 1976

(HEW Refugee Task Force Report of March and December 1976)

	State	Percent on financial assistance	
		December 1, 1975	December 1, 1976
<u>Region I</u>	Connecticut	5.19	19.02
	Maine	16.26	25.27
	Massachusetts	26.00	30.30
	New Hampshire	13.66	10.53
	Rhode Island	17.48	34.13
	Vermont	12.00	6.60
		<u>15.52</u>	<u>25.12</u>
<u>Region II</u>	New York	7.80	12.19
	New Jersey	30.23	34.25
	Puerto Rico	a/	a/
		<u>14.18</u>	<u>18.54</u>
<u>Region III</u>	Delaware	18.70	34.68
	Maryland	22.94	28.29
	Pennsylvania	6.62	20.87
	Virginia	28.31	23.63
	West Virginia	47.69	19.03
	District of Columbia	16.58	38.34
		<u>16.15</u>	<u>23.65</u>
<u>Region IV</u>	Alabama	9.03	12.72
	Florida	16.34	27.50
	Georgia	9.76	10.79
	Kentucky	40.02	45.23
	Mississippi	2.66	10.75
	North Carolina	13.95	19.27
	South Carolina	2.89	6.91
	Tennessee	0.00	12.40
		<u>13.90</u>	<u>21.21</u>
<u>Region V</u>	Illinois	18.10	25.82
	Indiana	20.22	24.78
	Michigan	27.90	41.30
	Minnesota	6.07	21.18
	Ohio	9.26	22.43
	Wisconsin	12.24	30.27
		<u>14.59</u>	<u>26.96</u>

a/ Not available

	State	Percent on financial assistance	
		<u>December 1, 1975</u>	<u>December 1, 1976</u>
<u>Region VI</u>	Arkansas	3.42	12.22
	Louisiana	2.80	23.67
	New Mexico	8.07	8.40
	Oklahoma	2.76	13.72
	Texas	7.53	15.71
		<u>5.35</u>	<u>16.11</u>
<u>Region VII</u>	Iowa	13.99	18.56
	Kansas	9.22	25.19
	Missouri	8.76	43.41
	Nebraska	11.47	30.82
		<u>10.88</u>	<u>29.56</u>
<u>Region VIII</u>	Colorado	25.25	41.87
	Montana	25.75	25.83
	North Dakota	10.71	30.15
	South Dakota	5.50	23.51
	Utah	14.49	23.03
	Wyoming	14.78	13.99
		<u>18.57</u>	<u>32.80</u>
<u>Region IX</u>	Arizona	2.07	3.74
	California	31.18	46.42
	Hawaii	39.87	61.59
	Nevada	55.32	28.52
	Guam	a/	70.78
	American Samoa	a/	a/
		<u>30.25</u>	<u>46.01</u>
<u>Region X</u>	Alaska	3.70	1.06
	Idaho	3.88	28.03
	Oregon	52.78	75.29
	Washington	66.61	56.85
		<u>57.79</u>	<u>60.25</u>
Total number resettled in United States		123,901	144,072
Number on financial assistance	23,768		44,041
Percent on financial assistance of total resettled in United States		19.18	30.57

a/ Not Available

AVERAGE 1975 UNEMPLOYMENT RATES FOR STATES
WHERE INDOCHINESE REFUGEES RESETTLED

<u>State</u>	<u>Number of refugees resettled by State December 31, 1975</u>	<u>Average 1975 unemployment rate per State (note a)</u>
Alabama	1,262	7.7
Alaska	81	8.1
Arkansas	2,042	8.3
Arizona	1,059	9.5
California	27,199	9.9
Colorado	1,790	6.3
Connecticut	1,175	9.1
Delaware	155	8.6
District of Columbia	1,254	7.6
Florida	5,322	10.7
Georgia	1,331	8.6
Hawaii	2,039	7.2
Idaho	412	7.0
Illinois	3,696	7.1
Indiana	1,785	8.6
Iowa	2,593	5.4
Kansas	1,897	4.5
Kentucky	967	7.3
Louisiana	3,602	7.4
Maine	375	9.4
Maryland	2,319	6.9
Massachusetts	1,169	11.2
Michigan	2,200	12.5
Minnesota	3,802	5.9
Mississippi	488	7.1
Missouri	2,669	6.9
Montana	198	7.6
Nebraska	1,211	6.1
Nevada	338	9.3
New Hampshire	161	6.5
New Jersey	1,515	10.1
New Mexico	1,040	7.2
New York	3,806	9.5
North Carolina	1,261	8.6
North Dakota	448	4.9
Ohio	2,924	9.1
Oklahoma	3,689	7.2
Oregon	2,063	10.6
Pennsylvania	7,159	8.3
Rhode Island	223	13.9
South Carolina	759	8.7

<u>State</u>	<u>Number of refugees resettled by State December 31, 1975</u>	<u>Average 1975 unemployment rate per State (note a)</u>
South Dakota	545	4.7
Tennessee	922	8.3
Texas	9,130	5.6
Utah	559	6.9
Vermont	150	9.6
Virginia	3,733	6.4
Washington	4,182	9.5
West Virginia	195	7.0
Wisconsin	1,821	6.9
Wyoming	115	4.1
Unknown	<u>8,182</u>	
Total	<u>b/ 129,792</u>	

a/ Rates obtained from U.S. Department of Labor.

b/ Includes 1 Vietnamese and 114 Cambodians at Halfway House in Philadelphia. Also includes refugees resettled in Guam (778), American Samoa (1), and Puerto Rico (1). Does not include 822 children born to refugees in the United States.

PRINCIPAL OFFICIALS RESPONSIBLE
FOR ADMINISTERING ACTIVITIES
DISCUSSED IN THIS REPORT
PRESIDENT'S SPECIAL INTERAGENCY TASK FORCE
FOR INDOCHINA REFUGEES

	<u>Tenure of office</u>	
	<u>From</u>	<u>To</u>
DIRECTOR:		
Julia Vadala Taft	May 1975	Dec. 1975
Ambassador L. Dean Brown	Apr. 1975	May 1975

DEPARTMENT OF STATE

SECRETARY OF STATE:		
Cyrus R. Vance	Jan. 1977	Present
Henry A. Kissinger	Sept. 1973	Jan. 1977
COORDINATOR FOR HUMANITARIAN AFFAIRS:		
James M. Wilson	Apr. 1975	Present

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SECRETARY OF HEALTH, EDUCATION, AND WELFARE:		
Joseph A. Califano, Jr.	Jan. 1977	Present
David Mathews	Aug. 1975	Jan. 1977

HEW REFUGEE TASK FORCE

DIRECTOR (ACTING):		
Philip Holman	Oct. 1976	Present
Lawrence L. McDonough	Jan. 1976	Oct. 1976