



MEMORANDUM

To: Members and Staff, Subcommittee on Oversight and Investigations

From: Majority Committee Staff

Re: Hearing on “Stopping the Exploitation of Migrant Children: Oversight of HHS’ Office of Refugee Resettlement”

On Wednesday, July 26, 2023, at 10:00 a.m. (ET) in 2123 Rayburn House Office Building, the Subcommittee on Oversight and Investigations will hold a hearing entitled “Stopping the Exploitation of Migrant Children: Oversight of HHS’ Office of Refugee Resettlement.”

I. WITNESS

- The Honorable Xavier Becerra, Secretary, U.S. Department of Health and Human Services

II. OVERVIEW

The number of unaccompanied migrant children referred to the Office of Refugee Resettlement (ORR) doubled from 15,381 in fiscal year (FY) 2020 to 122,731 in FY2021 and 128,904 in FY2022.¹ Unaccompanied children spend an average of 30 days in ORR custody before being released to sponsors. Although the U.S. Department of Health and Human Services (HHS) oversees the ORR program and is responsible for placing unaccompanied children with suitable sponsors, reports suggest a significant number of unaccompanied migrant children are missing and often end up being exploited in the child labor market. Time and again, HHS Office of Inspector General (OIG) reports and media sources have revealed serious failures in HHS’ ability to provide adequately for the care and wellbeing of these children.

¹ Dep’t of Health and Human Services Office of Refugee Resettlement, *Fact Sheets and Data*, <https://www.acf.hhs.gov/orr/about/ucs/facts-and-data>.

III. BACKGROUND

An unaccompanied child (UC) is defined as “a child who has no lawful immigration status in the United States; has not attained 18 years of age; and, with respect to whom, there is no parent or legal guardian in the United States, or no parent or legal guardian in the United States available to provide care and physical custody.”² The Unaccompanied Children Program is managed by ORR within the Administration for Children and Families (ACF), an operational division of the HHS.³ During FY2021 and FY2022, ORR received over 120,000 UC referrals *each year* from the Department of Homeland Security (DHS).⁴ Once a child enters ORR care, ORR initiates a search for a suitable sponsor, which may be a child’s parents, guardian, or relatives. In some cases, children are placed with unrelated sponsors. UCs spend an average of 30 days in ORR custody.⁵ As of July 5, 2023, there are 6,127 UCs in ORR custody.⁶ Just a few months ago, between March and May 2023, this number averaged over 8,000 children.⁷

The ORR claims it acts in the “best interests of the child” and “takes into consideration the unique nature of each child’s situation and incorporates child welfare principles when making placement, clinical, case management, and release decisions.”⁸ Yet, reports have repeatedly revealed significant failures in ORR’s response to and care of UCs.

In many instances, it is not clear where children released from ORR custody have ended up. In February, the *New York Times* reported that over the last two years, HHS “could not reach more than 85,000 children” and “lost immediate contact with a third of migrant children.”⁹ Caseworkers rushed the sponsor vetting process in response to the Biden administration’s “ramped up demands on staffers to move the children quickly out of shelters and release them to adults.”¹⁰

Unfortunately, many of these children have been exploited in the child labor market. They scrub dishes, wash sheets, debone chicken, and bake dinner rolls sold at grocery stores.¹¹ Others work at slaughterhouses, food processing plants, as well as in the auto and construction industries.¹² Just this month, the Department of Labor (DOL) fined a Minnesota meat production

² Press Release, Dep’t of Health and Human Services Admin. for Children & Families, Fact Sheet: Unaccompanied Children (UC) Program (July 5, 2023), <https://www.hhs.gov/sites/default/files/uac-program-fact-sheet.pdf>.

³ *Id.*

⁴ Dep’t of Health and Human Services Office of Refugee Resettlement, *Fact Sheets and Data*, <https://www.acf.hhs.gov/orr/about/ucs/facts-and-data>.

⁵ Press Release, Dep’t of Health and Human Services Admin. for Children & Families, Fact Sheet: Unaccompanied Children (UC) Program (July 5, 2023), <https://www.hhs.gov/sites/default/files/uac-program-fact-sheet.pdf>.

⁶ *Id.*

⁷ Dep’t of Health and Human Services, *Latest UC Data—FY2023*, <https://www.hhs.gov/programs/social-services/unaccompanied-children/latest-uc-data-fy2023/index.html#overall-data>.

⁸ Dep’t of Health and Human Services Office of Refugee Resettlement, *Unaccompanied Children*, <https://www.acf.hhs.gov/orr/programs/uc>.

⁹ Hannah Dreier, *Alone and Exploited, Migrant Children Work Brutal Jobs Across the U.S.*, N.Y. Times (Feb. 25, 2023), <https://www.nytimes.com/2023/02/25/us/unaccompanied-migrant-child-workers-exploitation.html>.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

plant for employing UCs.¹³ This would not be the first time this year the DOL penalized a company for flouting child labor laws.¹⁴ It is estimated that about two-thirds of UCs end up working full time, and the HHS has been accused of “regularly ignore[ing] obvious signs of labor exploitation.”¹⁵ Apart from missing school, these children are daily at risk from dangerous occupational hazards—many have suffered debilitating injuries or died as a result.

Secretary Becerra is reported to have required “machine-like efficiency” in discharging children placed under ORR custody. In a staff meeting last summer, he said, “[i]f Henry Ford had seen this in his plants, he would have never become famous and rich. This is not the way you do an assembly line.”¹⁶ Last year, the Secretary told former ORR director Cindy Huang “that if she could not increase the number of discharges, he would find someone who could.”¹⁷ A month later, Dr. Huang resigned. Secretary Becerra is reported to have made a similar threat to her successor. On June 23, 2023, HHS ACF Assistant Secretary, January Contreras, whose role involved explaining how so many migrant children have ended up in labor exploitation after being released from ORR custody, announced her resignation only after a year in the job.¹⁸

To combat child labor exploitation and improve its placement process, the ORR conducted an internal audit over a four-week period in March 2023 focused on ORR’s statutory compliance and adherence to program policies related to the vetting process of individuals who sponsored multiple unaccompanied children unrelated to the sponsor. According to the audit report, 344 UCs were released to live with nonfamily sponsors hosting three or more unaccompanied children from 2021-2022.¹⁹ The audit also found more UCs were released to nonfamily sponsors in 2022 than in 2021.

While the ORR gave itself a gold star based on the results of the internal audit, independent reports and reviews paint a darker picture. First, child advocates worry these minors are being sponsored by strangers who could exploit them for child labor—the very thing HHS claims it is trying to curtail.²⁰ Second, although Secretary Becerra said that “HHS takes its

¹³ Christopher Vondracek, *Feds Allege Another Minnesota Meat Plant Illegally Employed Minors*, Star Tribune (July 3, 2023), <https://www.startribune.com/feds-allege-another-minnesota-meat-plant-illegally-employed-minors/600287202/?refresh=true>.

¹⁴ Joe Schulz, *Wisconsin Company Pays \$1.5m Fine for Illegally Employing over 100 Children*, WPR (Feb. 17, 2023), <https://www.wpr.org/wisconsin-company-pays-fine-illegally-employing-child-labor-pssi>.

¹⁵ Dreier, *supra* note 9.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ Press Release, Dep’t of Health and Human Services, Assistant Sec’y Contreras Announces Departure from HHS (June 23, 2023), <https://www.hhs.gov/about/news/2023/06/23/assistant-secretary-contreras-announces-departure-hhs.html>.

¹⁹ Dep’t of Health and Human Services Office of Refugee Resettlement, *Update on Efforts to Mitigate Child Labor Exploitation and Internal Audit on Placement Process Used to Transfer Custody of Unaccompanied Children to Vetted Sponsors* (June 2023), <https://www.acf.hhs.gov/sites/default/files/documents/orr/update-on-efforts-to-mitigate-child-labor-exploitation-internal-audit-placement-process.pdf>.

²⁰ Laura Strickler & Julia Ainsley, *Report Finds More Than 340 Migrant Kids Were Sent to Live with Nonrelatives Who Sponsored Other Children*, NBC News (June 2, 2023), <https://www.nbcnews.com/politics/immigration/advocates-hhs-questions-unaccompanied-migrants-child-labor-re-na87326>.

responsibility seriously” and that the ORR “works hard” on its placement and sponsor vetting processes, and in giving traumatized children “the care and attention they deserve,” HHS OIG reports released in May 2023 found that the ORR needs to improve its oversight related to its placement and transfer of UCs, including for children with behavioral and mental health needs, and improve its practices for background checks during influxes.²¹

In early 2021, during the COVID-19 pandemic, the ORR opened Emergency Intake Sites (EIS) to cope with the influx of unaccompanied children, the largest of which was Fort Bliss. According to the HHS OIG, case managers at Fort Bliss lacked sufficient child welfare training and ineffectively coordinated reuniting children with parents or sponsors.²² One interviewee informed the OIG there was a “pervasive sense of despair” among children at the facility who reportedly experienced distress, anxiety, and in some cases, panic attacks.²³ The OIG reported instances of children physically harming themselves due to case manager negligence.

The OIG found at Fort Bliss that the ORR “eliminat[ed] critical safeguards from the sponsor screening process” thereby “potentially increasing children’s risk of release to unsafe sponsors.”²⁴ According to the OIG, the ORR supervisors grew concerned that policy changes prioritized fast tracking release of unaccompanied children to sponsors, rather than vetting sponsors and protecting “children from risks such as trafficking and exploitation.”²⁵ Supervisors also reported to the OIG that inexperienced ORR case managers “failed to consider children’s significant history of abuse and neglect or whether sex offenders resided in the potential sponsor’s household.”²⁶ The UC program is currently subject to 61 open recommendations from the HHS OIG.²⁷

ORR’s substandard approach to child welfare extends beyond Fort Bliss. A Senate Committee on Homeland Security and Governmental Affairs report, published December 19, 2022, found that the ORR policy does not explicitly prohibit releasing unaccompanied children to sponsors who refuse to submit to required background checks.²⁸ According to the report, due

²¹ *Id.*; Dep’t of Health and Human Services Office of the Inspector General, A-06-20-07002, The Office of Refugee Resettlement Needs To Improve Its Oversight Related to the Placement and Transfer of Unaccompanied Children (May 2023), <https://www.oig.hhs.gov/oas/reports/region6/62007002.asp>; Dep’t of Health and Human Services Office of the Inspector General, A-06-21-07003, The Office of Refugee Resettlement Needs To Improve Its Practices for Background Checks During Influxes (May 2023), <https://oig.hhs.gov/oas/reports/region6/62107003.pdf>.

²² Dep’t of Health and Human Services Office of the Inspector General, OEI-07-21-00251, Operational Challenges Within ORR and the ORR Emergency Intake Site at Fort Bliss Hindered Case Management for Children (Sep. 2022), <https://oig.hhs.gov/oei/reports/OEI-07-21-00251.pdf> at 13.

²³ *Id.* at 14.

²⁴ *Id.* at 16.

²⁵ *Id.* at 17.

²⁶ *Id.* at 12.

²⁷ Dep’t of Health and Human Services Off. of Inspector General, *Recommendations Tracker: ACF Audit*, <https://oig.hhs.gov/reports-and-publications/recommendations/tracker/?report-type=Audit&hhs-agency=ACF&page=2>.

²⁸ S. Comm. on Homeland Security and Gov’t Affairs, Minority Report, *Federal Care of Unaccompanied Children: Minors Remain Vulnerable to Trafficking and Abuse* (Dec. 2022), <https://www.hsgac.senate.gov/wp->

to HHS' inadequate record keeping, it was unable to inform Congress whether any unaccompanied child had been released to sponsors who refused to submit to a background check.²⁹ In a written admission to the Senate committee, HHS disclaimed any legal liability for releasing unaccompanied children to unsafe sponsors.³⁰

ORR's budget grew from \$1.7 billion in FY2021 to \$5.4 billion in FY2022, which is in addition to \$1.9 billion in supplemental funding received in FY2021.³¹

Tragically, since January 2023, four children have died in HHS custody.³² HHS and the ORR cannot continue its operations in a manner that allows already vulnerable children to be exploited, injured, abused, or otherwise harmed. These children, and the American people, deserve better.

IV. KEY QUESTIONS

The hearing may include discussion around the following key questions:

- How has HHS bolstered its sponsor screening process?
- What measures has the agency taken to address the increase in child laborers?
- What efforts, if any, have been taken to remove children from abusive environments and where are these children now?

V. STAFF CONTACTS

If you have any questions regarding the hearing, please contact Subcommittee on Oversight and Investigations Majority staff at (202) 225-3641.

[content/uploads/imo/media/doc/Federal%20Care%20of%20Unaccompanied%20Alien%20Children%20Report%20\(FINAL\).pdf](#) at 37 (“ORR’s policies do not explicitly prohibit the release of a child to a potential sponsor where an adult household member refuses to comply with the required background checks.”).

²⁹ *Id.* at 48-49.

³⁰ *Id.* at 45-48.

³¹ Dep’t of Health and Human Services Admin. for Children & Families, *Justification of Estimates for Appropriations Committees FY 2023*, <https://www.acf.hhs.gov/sites/default/files/documents/olab/fy-2023-congressional-justification.pdf>.

³² Camilo Montoya-Galvez, *Afghan Evacuee Child with Terminal Illness Dies While in Federal U.S. Custody*, CBS News (June 22, 2023), <https://www.cbsnews.com/news/child-evacuated-from-afghanistan-dies-federal-u-s-custody/>.