



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 17, 2019

The Honorable Nancy Pelosi
Speaker of the House of Representatives
U.S. House of Representatives
Washington, DC 20515

Dear Madam Speaker:

We continue to experience a humanitarian and security crisis at the southern border of the United States. The number of unaccompanied alien children (UAC) seeking to enter the country has increased dramatically to unprecedented levels. The Administration is committed to providing all UAC with critical child welfare services and high-quality shelter care, in accordance with programmatic and legal requirements.

As I noted in my May 1, 2019 letter requesting \$2.88 billion in supplemental funding for the UAC Program, there was a significant likelihood that this Program would exhaust all of its resources before the end of the fiscal year. Since then, the situation has continued to deteriorate and is exceeding the previous high-end estimate. In light of this situation, I am attaching to this letter a Report and Notice of Anticipated Deficiency. As stated in the Report and Notice, it is necessary to obligate funds at a rate that will exhaust amounts currently available to fund services that involve the safety of human life, protection of property, and the immediate welfare of individuals and therefore a deficiency apportionment will be approved by the Office of Management and Budget. I also am attaching a letter from the Secretary of Health and Human Services.

We look forward to working with the Congress to enact expeditiously a supplemental appropriation for the UAC Program to ensure that funds are available to provide necessary services to all UAC.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Vought".

Russell T. Vought
Acting Director

Enclosures

Identical Letter Sent to:

The Honorable Mitch McConnell
The Honorable Nancy Pelosi
The Honorable Charles E. Schumer
The Honorable Kevin McCarthy
The Honorable Richard C. Shelby
The Honorable Nita Lowey
The Honorable Patrick J. Leahy
The Honorable Kay Granger

Report and Notice of Anticipated Deficiency
May 17, 2019

The Office of Management and Budget (OMB) hereby notifies the Congress, consistent with 31 U.S.C. section 1515, that it is necessary to obligate funds from the Refugee and Entrant Assistance account in such a manner as to indicate the need for supplemental appropriations and a deficiency apportionment will be approved by OMB to authorize such obligations. Because of the unforeseeable and dramatic increase in the number of unaccompanied alien children (UAC) arriving at the southern border of the United States and transferred to the care of the Department of Health and Human Services (HHS) Office of Refugee Resettlement (ORR), these amounts are necessary to provide services and care involving the safety of human life, protection of property, and the immediate welfare of individuals.

The number of UAC referred to HHS has increased over 57 percent compared to this time last year, while the appropriation for the program has not increased. Referrals have continued to increase, exceeding even the estimates for April and May (month-to-date) that were used to develop the Administration's May 1 request for supplemental appropriations. HHS has already taken several affirmative steps to avoid a deficiency, including a reallocation of \$286 million using the Secretary's Transfer authority pursuant to Public Law 115-245 as well as a reprogramming of \$99 million within the Refugee and Entrant Assistance account to support the UAC Program. The Program has also curtailed expenditures not essential to the health and safety of UAC to ensure all remaining funds remain available for the provision of care and services to UAC. Finally, in order to meet the requirements in 31 U.S.C. section 1515 (b)(1)(B), the Secretary of HHS will be required to reallocate additional funding from within the Refugee and Entrant Assistance account that are not necessary for the safety of human life, protection of property, or the immediate welfare of individuals. A reallocation notice was provided to the Appropriation Committees on May 16. Even after this reallocation, the program is expected to exhaust all of its resources before the end of the year.

The Administration's May 1, 2019, supplemental appropriations request of \$2.88 billion for the UAC Program would remedy the anticipated deficiency, and would allow HHS to increase UAC shelter capacity to 23,600 beds based on the continued high number of UAC anticipated to be referred to ORR.



THE SECRETARY OF HEALTH AND HUMAN SERVICES

WASHINGTON, D.C. 20201

MAY 15 2019

The Honorable Russell T. Vought
Acting Director
Office of Management and Budget
Washington, DC 20503

Dear Mr. Vought:

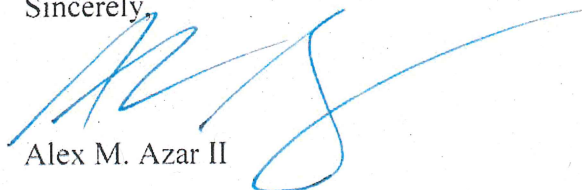
In accordance with section 1515(b)(1)(B) of Title 31, United States Code, I am submitting for your consideration a certification and deficiency apportionment request for the Department of Health and Human Services (HHS) Refugee and Entrant Assistance appropriation account.

The apportionment schedule reflects the deficiency amount which the Department is unable to absorb for the financing of the Unaccompanied Alien Children (UAC) program in fiscal year (FY) 2019. The apportionment document reflects an FY 2019 deficiency estimated at up to \$2 billion given the anticipated increase in the number of UAC in care. Please note that this estimate assumes that all remaining funds planned for refugee activities other than support for the immediate welfare of individuals would be reprogrammed to the UAC program (\$167 million), and that grants to UAC service providers would be obligated through September 30 (creating a large need for funds on October 1). In addition to these amounts, HHS expects to need to make substantial obligations for additional capacity to assure HHS maintains the shelter capacity to continue accepting all UAC referred to care through December.

If Congress provides the \$2.9 billion emergency supplemental appropriation request that OMB submitted to the Congress on May 1, 2019 and referrals from the Department of Homeland Security (DHS) do not significantly exceed what had been DHS's high-end scenario, this deficiency would be resolved. I note, however, that UAC arrivals in April and so far in May have exceeded DHS's high end scenario from late April. As a result, I am concerned that the size of the deficiency could grow further, and be closer to the worst-case scenario HHS had proposed be the basis for the supplemental request, which was \$1.4 billion higher. We will keep your staff apprised.

I have determined that it is necessary to request apportionment of this appropriation on a deficiency basis, indicating the need for supplemental appropriation. The required certification is enclosed. We would be pleased to provide any further information you may need.

Sincerely,



Alex M. Azar II

Enclosures