



The City of New York Office of the Comptroller Brad Lander

OFFICE OF BUDGET AND MANAGEMENT

The Honorable Alejandro Mayorkas Secretary U.S. Department of Homeland Security Washington, D.C. 20528

January 12, 2024

Dear Secretary Mayorkas,

As the chief fiscal officers of New York City and Chicago we are writing to request the Department of Homeland Security (DHS) provide flexibility in the documentation requirements under the Shelter and Services Program (SSP) so that our cities may unlock all of the federal funds awarded to our jurisdictions for Fiscal Year 2023.¹ By doing so, our cities will be able to continue to meet the growing needs of asylum seekers arriving in our cities and help stabilize our resources as we respond to this moment. Given the extraordinary circumstances, we respectfully ask for flexibility for the inaugural SSP grants as our cities update our processes to comply with DHS's reimbursement requirements.

Since the Spring of 2022, our cities have expended tremendous local resources to provide immediate shelter and care for tens of thousands of newly arrived migrants, filling in the gaps of a broken immigration system. Our local governments have stepped up to ensure new arrivals are treated with compassion and dignity, spending many times more on services for migrants than we have been awarded by the federal government.² To date, however, we have not received all the federal reimbursement funds that were awarded to our cities, due to significant administrative barriers in the requirements for reimbursement.

A particular barrier for our cities in receiving these federal funds has been the collection and provision of A-numbers for all who have entered our shelters or received services. Consistent with prior practice under our respective local confidentiality laws, our cities did not initially collect sensitive personal immigration information – including A-numbers and date of release from DHS custody – and were therefore not equipped to meet the reporting requirements for the inaugural SSP grant round. There is no doubt, however, that we provided these services – far in excess of the federal funds we have been awarded – to newly-arrived migrants seeking asylum. There are many other ways that we could document clearly and share with DHS to show that these services were provided and remain eligible for SSP reimbursement. Examples of alternatives could include referrals to immigration legal services and increases in immigration court cases in our respective cities that coincide with increases in our shelter populations.

 $^{^{1}\} https://www.fema.gov/grants/preparedness/shelter-services-program/awards$

² For example, while NYC was awarded over \$106 million in SSP funds, the City has spent \$1.4 billion in asylum seeker related costs. https://comptroller.nyc.gov/services/for-the-public/accounting-for-asylum-seeker-services/fiscal-impacts/. The City of Chicago has received only \$11M in SSP funds directly from FEMA or as a pass-through from the State of Illinois but has spent over \$270M in asylum seeker related costs. https://www.chicago.gov/city/en/sites/texas-new-arrivals/home/cost-dashboard.html

Additionally, as densely populated cities, we have had to rely on hotels and motels to support asylum seekers when our existing shelter infrastructures reached capacity. The requirements that hotel and motel costs not exceed 5% of our overall reimbursement requests and shelter per diem rates limited to a paltry \$12.50, are not remotely reflective of the operational costs and constraints our cities are facing. Our cities need more equitable reimbursement rates to account for regional differences in per diem costs.

In November, DHS published a "Receiving Communities Toolkit" for communities receiving migrants, which includes a range of best practices, including collecting A-Numbers, country of citizenship, date and method of entry into the U.S, and other sample intake questions. We appreciate this toolkit, which offers an array of helpful information. However, the timing of its publication in November 2023, nearly 18 months after migrants began arriving in our cities in great numbers, is testimony to the fact that this situation has been unpredictable and rapidly evolving.

As chief fiscal officers, we are calling on DHS to provide greater flexibility as our cities work to meet SSP's rigid reimbursement requirements for this first year of grant awards. These federal reimbursements will only cover a fraction of what our cities have spent on migrant care costs but will play a critical role in defraying the local costs of sheltering asylum seekers.

We want to continue to welcome new arrivals in accordance with our values and local laws, and in a way that is efficient, coordinated, and minimizes the burden on our staff and taxpayers. Your flexibility is essential to making that happen.

Finally, as the White House negotiates a supplemental funding request with Congress, we devoutly hope it will include a new round of SSP grants to support local governments and non-profits assisting new arrivals.

Thank you for your attention and collaboration on this matter.

Sincerely,

Brad Lander *Comptroller* Office of New York City Comptroller

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Annette Guzman Budget Director Office of Budget & Management, City of Chicago

cc:

The Honorable Deanne Criswell, Administrator of FEMA Tom Perez, Senior Advisor and Assistant to the President and Director of the Office of Intergovernmental Affairs