

TESTIMONY OF SECRETARY XAVIER BECERRA
National Security and Domestic Priorities Supplemental Request

Chair Murray, Vice Chair Collins, and Members of the Committee, thank you for the opportunity to speak today on the Administration's supplemental funding request for critical national security and domestic priorities. I am pleased to appear before you today, and I look forward to continuing to work with you to serve the American people. The Biden-Harris Administration is delivering on its promises – lowering costs for families, protecting American lives from the devastating impacts of challenges like the climate crisis and the opioid epidemic, and ensuring America can compete to win in the global marketplace.

The supplemental request proposes \$22.2 billion for the Department of Health and Human Services (HHS), including \$2.3 billion to continue resettlement support for Ukrainian arrivals and providing for Cuban and Haitian entrants, \$16 billion to ensure millions of American families don't lose access to affordable child care, and \$3.8 billion for domestic disaster response, resources to support communities against the opioid epidemic and to counter fentanyl, and to help families afford home heating costs. The investments within HHS complement the request across other agencies and are needed to meet the needs of the American people, support our communities, and protect our nation and its interests.

Supporting Refugees

As of mid-October, the United States has welcomed approximately 188,000 Ukrainian parolees. Based on the pace of arrivals during this year, we estimate another 80,000 will arrive in FY 2024. To ensure the Office of Refugee Resettlement (ORR) can serve the Ukrainians expected to arrive during this period, we are requesting \$481 million for FY 2024. Our request ensures that Ukrainians have access to vital services while balancing fiscal constraints and our expectation that sponsors will meet their responsibilities to Ukrainian arrivals.

In FY 2023, there were over 530,000 arrivals eligible for refugee benefits, with Cuban and Haitian Entrants comprising 325,000 of those, over 60 percent. While predicting arrivals is

inherently uncertain and dependent on numerous factors, we currently estimate that Cuban and Haitian Entrants could continue at the current pace or could even increase to over 500,000 in FY 2024. The Administration requests an additional \$1.9 billion for the Refugee and Entrant Assistance Account to ensure ORR can support the current and anticipated populations eligible for refugee benefits, including the increased number of Cuban and Haitian Entrants. Without additional funding, ORR would not have sufficient resources to support states, communities, and new arrivals. Newly arriving refugees would have to endure months without access to benefits, and refugees who have been in the United States for just a few months would lose access to English classes, job training, housing, medical care, school enrollment, and overall services that support self-sufficiency. HHS knows from experience that refugees and others such as Cuban and Haitian Entrants can successfully adjust to life in the United States, achieve self-sufficiency, and make positive contributions to their communities, but it is critical that states and our community-based partners have the resources they need to support these eligible new arrivals in this critical time period.

Supporting Access to Affordable Child Care for Families

From the beginning of this Administration, President Biden and Vice President Harris have been focused on expanding access to affordable child care for working families. That is why the President secured the largest one-time investment this country has ever made in child care to prevent a sector that was already in trouble—and a sector that millions of families rely on—from spiraling further downward. What is undisputable today is that the child care stabilization program worked. Over the last two years, all 50 states and D.C. used child care stabilization funds to help more than 225,000 child care providers stay open or reopen so that the parents of nearly 10 million children could get to work. One in three providers reported they would have closed permanently without those funds. Over 97 percent of rural counties received aid in most states. Over 96 percent of all counties received aid.

We also know that child care strengthened families' economic recovery. According to a report that the President's Council of Economic Advisers (CEA) released yesterday, the stabilization program:

- **Saved families with young children who rely on paid child care approximately \$1,250 per child per year** by slowing the rise of child care prices.
- **Helped hundreds of thousands of women with young children enter or re-enter the workforce more quickly**, increasing the labor force participation and employment of mothers of young children by an additional 3 percentage points.
- **Boosted the child care workforce and helped raise the real wages of child care workers**, increasing the availability and reliability of child care options and ensuring the workers who take care of our children receive fairer pay.

The CEA found that, taken together, these investments had a benefit-cost ratio of about 2:1, meaning the benefits of these funds for the broader economy outweighed the costs of the investment.

As I said, the sector was in trouble even before the pandemic, with a more than 10 percent steady decline in center-based child care providers between 2012 and 2019, and unless Congress steps in, those declines will continue.

Failure to sustain Congress' child care investments threatens to drive providers out of business, increase parent fees, or both. For families, this would mean higher out-of-pocket costs, fewer options for care, and more women leaving the workforce.

This is why the President has called on Congress to provide \$16 billion to extend the child care stabilization program, which will help child care providers stay afloat, allow parents to continue working and earning, and keep children in quality care. Families with young children can't work, go to school, or get job training if they don't have child care. If we don't give child care providers—mostly small businesses—the support they need to serve their communities, working families across the country will suffer the consequences. Unstable child care is a main reason workers leave their jobs.

The Administration has assembled an estimated state-by-state breakdown, which highlights the funding each state would stand to receive, the providers funding could reach, and the children who could benefit with the additional year of child care stabilization funding.

It is essential that Congress acts quickly. There are already reports of providers needing to raise parent fees to help cover operating costs that were subsidized by child care stabilization funding, or reduce staff wages, exacerbating challenges in hiring and retaining qualified staff. Some providers may be forced to close without additional resources. If this trajectory continues, hardworking families will pay the price.

The President knows that we need a long-term solution, which is why his past three Budgets have proposed transformative investments to expand access to high-quality child care to most Americans. We stand ready to work with Congress to ensure all families can access affordable, high-quality child care, and all child care workers are compensated fairly. But, today, we need an immediate short-term solution to make sure our families across the country can find the child care they deserve.

Supporting Critical Nutrition Assistance through the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

In addition to the critical national security and domestic priorities included in this supplemental request, the Administration continues to call on Congress to provide full funding for the Special Supplemental Nutrition Program for Women, Infants, and Children, also known as WIC, which is a critical program for the health of nearly 7 million women and children, including nearly half of all babies born in this country. For decades, there has been a bipartisan consensus to ensure that every eligible pregnant woman, new mother, and infant and young child has access to this vital nutrition assistance. At this time of increasing food insecurity, we should not be putting access to healthy food at risk.

Supporting Communities through LIHEAP

The Supplemental request includes \$1.6 billion for the Low Income Home Energy Assistance Program (LIHEAP) to help low-income households cover home heating costs, settle unpaid utility bills, and make cost-effective home energy repairs to lower their heating and cooling bills.

Maintaining safe indoor air temperatures is critically important, particularly for households with older adults, individuals with disabilities, and young children as these populations are more vulnerable to even modest temperature changes. The program typically is only able to serve about 20 percent of eligible households. In recent years, LIHEAP has received additional funding through a variety of supplemental appropriations allowing the program to reach more than six million households, increase benefit amounts, forgive past-due utility bills, expand cooling assistance, and improve the efficiency of home heating and cooling equipment. This funding is critical to preventing drastic service and benefit cuts compared to last year.

Addressing the Overdose Crisis

While some progress has been made in addressing the overdose crisis, illicitly manufactured fentanyl continues to devastate communities across the country. Provisional data from the Centers for Disease Control and Prevention (CDC) indicates that over 107,000 overdose deaths occurred in the United States in 2022, with close to 70 percent of those involving fentanyl. Methamphetamine, xylazine, and other dangerous substances are increasingly complicating the situation for states, Tribes, and territories. For example, CDC reports that the percentage of fentanyl-involved deaths in which xylazine was also detected increased 276 percent between January 2019 and June 2022. Polysubstance use brings with it not only mortality, but other health and social consequences.

The Supplemental request includes \$1.3 billion in resources and technical assistance to states, territories, and D.C. through the Substance Abuse and Mental Health Services Administration's (SAMHSA) State Opioid Response program to help address unmet needs regarding fentanyl and polysubstance use in our communities. The Supplemental request also allocates specific funding to addressing this crisis in Tribal communities. CDC reported that in comparison with other demographic groups, the American Indian and Alaska Native population had the highest drug overdose death rates in both 2020 and 2021, at rates of 42.5 and 56.6 deaths per 100,000 persons. An additional \$250 million will be directed to the Indian Health Service to expand substance use services run both by Indian Health Service and Tribal Nations.

Supporting Communities Through Disaster Recovery

The request proposes \$683 million across HHS to help recover from multiple recent natural disasters including the devastating wildfires in Maui, the Guam typhoon, hurricanes in Florida and the southeastern United States, floods in California and Vermont, tornadoes in Mississippi and other natural disasters across the country. The request includes funding to rebuild and repair infrastructure damaged in disasters. This includes \$160 million within the Health Resources and Services Administration (HRSA) to award funding to Health Centers located in Federal Emergency Management Agency (FEMA) designated disaster areas to respond, recover, and mitigate current and future disaster events and ensure continued access to high quality primary care for underserved populations.

Disasters can significantly disrupt vital services, access to equipment, and the safety net networks that support communities and vulnerable populations. My senior leaders visited Maui and witnessed firsthand the needs across the community. The supplemental proposes to create a Disaster Human Services Emergency Fund within the ACF and to provide \$150 million for Hawaii's human services organizations and providers to collaborate and flexibility meet the most critical human services needs resulting from the Maui wildfires. This approach will support essential human services including harm reduction for vulnerable populations such as youth and families involved in the child welfare system, domestic violence survivors, runaway and homeless youth, and individuals who have experienced or are at risk of human trafficking, and the continuity of culturally appropriate services such as crisis sheltering, child care, mental health counseling, and cultural and language preservation. The new fund builds on the concept proposed in my budget for FY 2024 and will provide funding to the State in a more efficient and effective manner as the State recovers. An additional \$19 million for the ACF would help rebuild and repair two Head Start Centers in Lahaina that were destroyed in the wildfires, repair other damaged facilities, and serve children temporarily through other services. We also request \$12 million to provide more immediate human services case management support for Hawaii for service coordination and support of survivors of the wildfires.

Through the Administration for Community Living (ACL), we request \$19 million to address the severely disrupted Aging and Disability Networks that provide vital services and programs to older adults, people with disabilities, and their family caregivers. Without these services, older

adults and people with disabilities will be unable to live independently in their own communities. There are major losses across the Aging and Disability Networks and its service providers, including to buildings and operations at senior centers and meal sites, the offices of the Hawaii Council on Developmental Disabilities, and the Maui Center for Independent Living. At the same time, the Aging and Disability Networks are facing increased demand for their services, including nutrition services, personal care assistance, legal advocacy, assistance with identifying accessible housing, replacing durable medical equipment, and more. The supplemental requests additional funding for the Aging and Disability Networks to provide gap-filling services for older adults, including older Native Hawaiians, people with disabilities, and their family caregivers for both immediate and long-term response and recovery.

We are requesting \$144 million through SAMHSA to address two main needs identified in Maui. The first is the need for targeted support to address the trauma experienced by children. The supplemental would invest in programs that address both short- and long-term needs for children including in school settings. The second is the need to address the potential increase in alcohol and drug use through targeted prevention and treatment in both adults and youth. The supplemental would invest in various SAMHSA programs to address these critical needs.

The supplemental request includes \$68 million for CDC to provide critical public health expertise to state and local health departments and communities recovering from the impacts of natural disasters including the wildfires in Maui. CDC would provide critical occupational health expertise to address the hazards faced by firefighters and other responders.

Finally, the request includes \$111 million for the Administration for Strategic Preparedness and Response (ASPR) to support three priority program areas: 1) replace and reposition medical caches, 2) improve infrastructure and information technology, and 3) enhance the ASPR Medical Reserve Corps. These additional investments would not only help with the recovery of the Maui wildfires and other natural disasters, but better prepare us for future threats. For example, adequately repositioning critical public health and medical supplies in locations outside the contiguous United States enables us to provide immediate response during an emergency event by mitigating the risk associated with disrupted transportation networks, communications, and

supply chains. Investing in satellite and cellular communication equipment that are critical during an emergency – when Wi-Fi may not be readily available or cellular communications may be degraded due to power outages and damage – will allow us to better respond in the future.

Conclusion

I want to thank the Committee for inviting me to discuss the Administration's supplemental request on national security and domestic priorities. The supplemental reflects the Administration's commitment to stand with communities as they recover from extreme weather and climate disasters for as long as it takes, combat the opioids epidemic, meet the needs of working parents, and invest in national security. Thank you for your dedication and partnership in our shared goal to improve the health, safety, and well-being of our nation.