

Changes to ORR Refugee Support Services Recipients Beginning in FY2026

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Policy Letter 25-04

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The purpose of this Policy Letter (PL) is to share ORR's revised approach to awarding Refugee Support Services (RSS) formula grants, pursuant to section 412(c)(1)(B) of the Immigration and Nationality Act (INA), 8 U.S.C. § 1522(c)(1)(B). ORR will no longer provide nonprofit agency replacement designees with RSS formula funding beginning in FY2026.

Pursuant to the Refugee Act, sections 411-414 of the Immigration and Nationality Act (INA), 8 U.S.C. §§ 1521-1524, ORR must provide for the effective resettlement of refugees and to assist them to achieve economic self-sufficiency as quickly as possible to the extent of available appropriations. 8 U.S.C. § 1522(a)(1)(A); see also 45 C.F.R. §400.1. ORR provides these services through, among other things, Refugee Support Services (RSS) formula grants which are authorized under section 412(c) of the INA. 8 U.S.C. § 1522(c). The bulk of these services are provided via the formula described in § 1522(c)(1)(B), which says that the funds available for each fiscal year shall be allocated “among the States” based on the total number of refugees (including children and adults) who arrived in the United States not more than 36 months before the beginning of the fiscal year and who are actually residing in each State (taking into account secondary migration) as of the beginning of the fiscal year.

When State governments initially began withdrawing from administering all or part of the refugee resettlement program, ORR responded by issuing awards to nonprofit agencies to continue providing services to refugees in the withdrawing States. Initially, those awards were made under the preexisting Wilson-Fish Alternative Program, authorized by § 1522(e)(7)(A). More recently, ORR has responded to State withdrawals by issuing a formula grant directly under § 1522(c)(1)(B) to a replacement designee—i.e., nonprofit agency—in lieu of the withdrawing State. Currently, there are 14 nonprofit agencies receiving formula grants under § 1522(c)(1)(B).

ORR's approach has implicitly assumed that § 1522(c)(1)(B) allows RSS formula grants to be allocated to both States and replacement designees. But that is not what the statutory text says: the Refugee Act requires that the funds allocated pursuant to § 1522(c)(1)(B) be “allocated among the States.”

Here, the goal is to discern Congress's intent. *E.g.*, *Negonsott v. Samuels*, 507 U.S. 99, 104 (1993). The best indicator of Congress's intent is the law's text. *E.g.*, *id.*; *Okla. v. Castro-Huerta*, 597 U.S. 629, 642-43 (2022). We

interpret its words consistent with ordinary English usage. *E.g.*, *Southwest Airlines v. Saxon*, 596 U.S. 450, 455 (2022). Applying those principles, the clear answer is that the RSS formula grants are intended for “the States” and not other non-governmental organizations.

Indeed, ORR’s implementing regulation at Title 45, Part 400, defines “State” as “the 50 States, the District of Columbia, Guam, Puerto Rico, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, and the Trust Territories of the Pacific.” 45 C.F.R. § 400.2 (definition of “State”). This definition plainly does not include “nonprofit agencies.”

Our understanding of the scope of ORR’s formula grant authority is reinforced by looking at other parts of the statute with similar language. Where Congress intended to authorize funds for private nonprofit agencies, it did so explicitly. For example, the authority for discretionary refugee support grants under § 1522(c)(1)(A) says, “The Director is authorized to make grants to...public or private nonprofit agencies.” The fact that the very next provision, § 1522(c)(1)(B), only mentions States reinforces the conclusion that only State governments should be included in RSS formula grant allocation.¹

In sum, ORR interprets section 412(c)(1)(B) of the INA, 8 U.S.C. § 1522(c)(1)(B), as allocating formula grants only to “the States.” Accordingly, for FY2026 ORR will award RSS formula grants, to the extent of available appropriations, only to the States, and will not be allocated to non-State entities.

For questions about this PL, contact the Division of Refugee Policy at RefugeePolicy@acf.hhs.gov.

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Footnotes

1. ORR recognizes that its regulation at 45 C.F.R. 400.301(c) says, “When a State withdraws from all or part of the refugee program, the Director may authorize a replacement designee or designees to administer the provision of assistance and services, as appropriate, to refugees in that State.” But the broad reference to “refugee program” should be understood to mean other refugee-related grant programs, such as (for example) cash and medical assistance under 8 U.S.C. § 1522(e). After all, the preamble to the rule referring to State withdrawals, 60 Fed. Reg. 33584, 33588 (June 28, 1995), cites to § 1522(c)(1)(A) and (e), not § 1522(c)(1)(B). In any event, a reference to “refugee program” that captured RSS formula grants cannot stand, given the clear directive in § 1522(c)(1)(B).