

***Advocacy Recommends Alternatives to State Department
Summer Work Travel Rule to Minimize Costs for Small Businesses***

On February 27, 2017, the Office of Advocacy (Advocacy) filed a comment letter with the U.S. Department of State regarding its proposed rule, which amends the regulations for the Summer Work Travel category of the Exchange Visitor Program.

- The Summer Work Travel program is a popular exchange visitor program for foreign post-secondary school students aged 18-30, which allows participants to work in seasonal placements while learning the culture of the United States. The Department estimates that there are over 90,000 foreign students in this program, 26,000 host employers, and 41 sponsors who coordinate these programs.
- On January 12, 2017, the Department released a proposed rule to strengthen protections for foreign students. The rule requires that small sponsors complete a new form with added information for each exchange visitor, vet and complete background checks for host employers and any third parties they utilize, and conduct interviews with the foreign exchange students. The proposed rule also requires that sponsors ensure that host employers that hire students comply with these regulations, complete cross-cultural activities for exchange visitors, pay for employee uniforms, and notify them of any changes in the program.
- On February 15, 2017, the Office of Advocacy held a conference call with State Department officials, small sponsors and small host employers that hire foreign exchange students. Small host employers commented that the Department did not adequately analyze the economic impacts of this rule for employers. Small sponsors and small host employers expressed concern that the Department underestimated the costs of these additional requirements, which may make it too costly for small businesses to participate in this program.
- Advocacy's comment letter discussed provisions in the proposed rule that are the most costly and burdensome problematic for small sponsors and small employers, and suggested recommendations that may minimize these costs.

For more information, visit Advocacy's webpage at <http://www.sba.gov/advocacy>, or contact Assistant Chief Counsel Janis Reyes by email at Janis.Reyes@sba.gov or by phone at 202-205-6533.