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June 20, 2017

The Honorable John F. Kelly
Secretary of Homeland Security
Washington, DC 20528

Dear Secretary Kelly:

Congratulations on your confirmation as Secretary. We look forward to a productive working relationship with you and your Department.

We are aware that the inter-agency discussion regarding the implementation of the “Buy American, Hire American” Executive Order has included a proposal to dramatically cut the Department of State’s Summer Work Travel (SWT) program. This has us deeply concerned about the well-being of a critical and highly successful cultural exchange program.

We share the Administration’s commitment to ensuring American workers find well-paying, stable jobs and succeed in the workplace. According to a recent analysis by the research firm EurekaFacts, the SWT program, however, is neither the cause of nor associated with unemployment in the United States. In fact, SWT serves to both facilitate cultural exchange and support employers in tourist areas that are facing labor shortages. Please see attached summary of the EurekaFacts study for more detail on the impact of the SWT program on the American workforce and economy.

Imposing restrictions on cultural exchange programs such as SWT will hurt our country’s public diplomacy programs. Restrictions would also reduce opportunities for year-round American employment and devastate American communities that operate seasonally. Many businesses and public services would need to shorten their season, which would in turn negatively impact American business revenues and local sales tax revenues because of the loss in economic activity. Local American staff would be offered fewer hours of employment throughout the affected communities which host SWT students. Fewer tourists and visitors could be supported around the country as businesses shrink their operations – from amusement parks to National Parks.

Most importantly, restricting the SWT program will not create jobs for Americans because employers already hire as many local workers as are available.

The J-1 Exchange Visitor Program overall – and the SWT program in particular – are not foreign labor activities; they are cultural exchange programs that are purposefully managed by the Department of State and not the Department of Labor. These exchange programs provide our country’s broadest reach to young people around the world. And they do so at virtually no cost to the American taxpayer. A work component is included in the program model to help exchange visitors defray their living and travel expenses with their earnings



in the U.S. – making the program more accessible to a greater diversity of students. Including the SWT program in discussions related to the Hire American Executive Order represents a misunderstanding of the nature of this people-to-people diplomacy program and eliminates numerous economic benefits to communities around the U.S.

Furthermore, **the J-1 Exchange Visitor Program, including the SWT program, should continue to be regulated by the Department of State.** Transferring regulatory authority to either the Department of Homeland Security or the Department of Labor, for whatever reason, would add unnecessary regulatory complexity by involving agencies not responsible for advancing our nation’s public diplomacy goals. Other agencies do not provide the same level of program oversight. The State Department’s Bureau of Educational and Cultural Affairs effectively monitors program quality and the performance of U.S. sponsor organizations, and works to ensure the quality of participant experiences. We believe the Department has sufficiently strengthened its regulation and oversight of SWT since 2010, and will continue to do so with more rulemakings currently under consideration.

Constituent support for the program is immense. For example, over 200 American host employers and communities have expressed their support for the SWT program through the Americans for Cultural Exchange coalition and the list of supporters is growing steadily. The coalition’s statement pointedly outlines how SWT is good for Americans and great for America.

We fear that including SWT in changes under consideration to meet the goals of the Hire American Executive Order would undermine our nation’s valuable cultural exchange programs, and through them, the very American workers who rely on this program for both seasonal and year-round American employment. **We respectfully request that you work to ensure the SWT program be removed from consideration as part of the Hire American Executive Order.**

We also request that you meet with us and members of the SWT community so we can learn more about the administration’s views and find ways to strengthen cultural exchange programs, while also creating more American jobs. Please have your staff contact Lisa Heyn at the Alliance for International Exchange to schedule such a meeting.

Thank you very much for your consideration. We look forward to hearing from you.

Sincerely,

Alliance for International Exchange – Washington, DC
AA EDM Corporation – Dexter, MI
Adventures on the Gorge – Lansing, WV
Alliance Abroad Group (AAG) – Austin, TX



American Camp Association – Martinsville, IN
American Hospitality Academy (AHA) – Miami, FL
Bass Pro Shops – Springfield, MO
Beach Mart, Inc. – Nags Head, NC
Ben and Jerry’s Virginia Beach – Virginia Beach, VA
Best Western Plus – Virginia Beach, VA
Big Cedar Lodge – Ridgedale, MO
Big Kahuna’s Water & Adventure Park – Destin, FL
Blazing Saddles Tours and Activities – San Francisco, CA
Branson/Lakes Area Chamber of Commerce – Branson, MO
Brittain Resorts Myrtle Beach – Myrtle Beach, SC
Busch Gardens Williamsburg and Water Country USA – Williamsburg, VA
Camp America – Stamford, CT
Camp Counselors USA (CCUSA) – San Rafael, CA
CampGroup, LLC – White Plains, NY
Camp Lincoln & Camp Lake Hubert – Lake Hubert, MN
Camp Manito-wish YMCA – Boulder Junction, WI
Camp Ramah in the Poconos/Ramah Day Camp – Philadelphia, PA
Camp Sloane YMCA – Lakeville, CT
Camp Wayne for Boys – Preston Park, PA
Candy Kitchen Shoppes, Inc. – Ocean City, MD
Cascade Mountain – Portage, WI
CCI Greenheart – Chicago, IL
Cedar Fair Entertainment Company – Sandusky, OH
Cheley Colorado Camps – Denver, CO
Cherie’s Bikes Virginia Beach – Virginia Beach, VA
CIEE: Council on International Educational Exchange – Portland, ME
City of Sandusky – Sandusky, OH
Coastal Hospitality – Virginia Beach, VA
Courtyard Marriott Virginia Beach/Norfolk – Virginia Beach, VA
Cultural Exchange Network (CENET) – Cape Girardeau, MO
Cultural Homestay International (CHI) – San Rafael, CA
Deer Valley Resort – Park City, UT
Door County Visitor Bureau – Sturgeon Bay, WI
Elitch Gardens – Denver, CO
Enchantment Resort & Mii Amo Spa – Sedona, AZ
Excel Hotel Group – San Diego, CA
Food Lion LLC – Salisbury, NC
Four Seasons Resort and Residences Jackson Hole – Teton Village, WY
GeoVisions – Chesterfield, NH
Global Educational Concepts – Nashville, TN
Grace Hotels – New York, NY



Grand Country Resort – Branson, MO
Grand Geneva – Lake Geneva, WI
Grand Hotel – Mackinac Island, MI
Grand Teton Lodge Company & Jackson Lake Lodge – Moran, WY
Great Alaskan Holidays – Anchorage, AK
Gurney’s Newport Resort & Marina – Newport, RI
Harris Teeter – Johns Island, SC
Hawks Cay Resort – Duck Key, FL
High Sierra Pools – Arlington, VA
Holiday Inn Express – Branson, MO
Hyatt Regency Tamaya Resort & Spa – Santa Ana Pueblo, NM
Indian Head Camp – Equinunk, PA
International Exchange of North America (IENA) – Southbury, CT
InterExchange – New York, NY
International Association of Amusement Parks and Attractions (IAAPA) – Alexandria, VA
Intrax – San Francisco, California
Islamorada Resort Company – Islamorada, FL
Island Lake Camp – Starrucca, PA
Kalahari – Lake Delton, WI
Lagoon – Farmington, UT
Lake Delton Village Board of Trustees – Lake Delton, WI
National Ski Areas Association (NSAA) – Lakewood, CO
Marcus Hotels & Resorts – Milwaukee, WI
Mayor Karen Best, City of Branson – Branson, MO
Mayor William Sessoms, City of Virginia Beach – Virginia Beach, VA
Migis Lodge on Sebago Lake – South Casco, ME
Montage Deer Valley – Park City, UT
Montage Palmetto Bluff – Bluffton, SC
Morey’s Piers (The Morey Organization) – Wildwood, NJ
Mt. Olympus Enterprises Inc. – Wisconsin Dells, WI
Mt. Olympus Resorts LLC – Wisconsin Dells, WI
Newport Harbor Group – Newport, RI
New York State Camp Directors Association – Roslyn, NY
NJY Camps – Fairfield, NJ
Noah’s Ark Water Park – Wisconsin Dells, WI
Ober Gatlinburg Inc. – Gatlinburg, TN
Odyssey Development, Inc. – Duluth, MN
Omni Interlocken Hotel – Broomfield, CO
Omni Mount Washington Resort – Bretton Woods, NH
Orange Hospitality Group – Johns Creek, GA
Pool Management Group – Roswell, GA
Premier Aquatics – Alexandria, VA

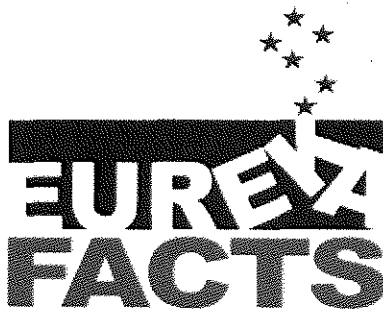


Sanctuary Camelback Mountain Resort & Spa – Paradise Valley, AZ
Safeway Store – Estes Park, CO
Sandestin Golf and Beach Resort – Miramar Beach, FL
Santa Cruz Seaside Company – Santa Cruz, CA
Sherman Lake YMCA Outdoor Center – Augusta, MI
Sonnenalp Hotel – Vail, CO
South Mountain YMCA – Reinholds, PA
Spirit Cultural Exchange – Oak Park, IL
Steamboat Resort – Steamboat Springs, CO
Stein Collection – Park City, UT
Stratton Mountain Resort – Stratton Mountain, VT
Sun Communities & Sun RV Resorts – Casa Grande, AZ
Sun Valley Resort – Sun Valley, ID
Surfstyle – Hollywood, FL
Sweet Frog Virginia Beach – Virginia Beach, VA
Taney County Partnership – Taney County, MO
Tarallucci e Vino – New York, NY
Tennessee International Partnership Services – Maryville, TN
The Broadmoor – Colorado Springs, CO
The Claremont Club & Spa – Berkeley, CA
The Greenbrier – White Sulphur Springs, WV
The Harborside Hotel – Bar Harbor, ME
The Rushmore Hotel – Rapid City, SD
The Westin Ka'anapali Ocean Resort Villas – Lāhainā, HI
United Work and Travel, A Division of American Pool Enterprises, Inc. – Owings Mills, MD
VA Restaurant, Lodging & Travel Association – Richmond, VA
Virginia Beach Hotel Association – Virginia Beach, VA
Virginia Beach Restaurant Association – Virginia Beach, VA
VSA Resorts – Virginia Beach, VA
Wilderness Hotel & Golf Resort – Wisconsin Dells, WI
Winkler Pool Management Inc. – Hyattsville, MD
Wisconsin Dells Visitor & Convention Bureau – Wisconsin Dells, WI
YMCA Blue Ridge – Black Mountain, NC
YMCA Camp Mohawk – Litchfield, CT
YMCA Camp Ockanickon, Inc. – Medford, NJ
YMCA of the Rockies – Estes Park, CO
Yogi Bear's Camp-Resort & Water Playground – Baraboo, WI

Review of Summer Work Travel Program: Program effects and economic impact

Conducted for Alliance
for International Exchange

June 12, 2017



Smart Research Soluti★ns

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Rockville, Maryland 20850

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This study was conducted in compliance with ISO 20252, the international quality standard for market, public opinion and social research.

Executive Summary

Among the public diplomacy programs established under the Mutual Educational and Cultural Exchange Act of 1961 (also known as the Fulbright-Hays Act), are several citizen exchange programs designed to build greater understanding of the American people and culture around the world. These programs are aimed at specific populations of interest to the United States and are regulated by the U.S. Department of State. The State Department selects and oversees various implementing organizations to operate these programs without governmental subsidies. The Alliance for International Exchange is an association of 90 international exchange implementing organizations comprising the international educational and cultural exchange community in the United States. The Alliance for International Exchange commissioned research firm EurekaFacts to conduct a multi-perspective assessment of the Summer Work Travel (SWT) program. This program provides international university students the opportunity to come to the U.S. during their summer break and work during their stay to help defray their cost. The public diplomacy goal is to build ties and positive attitudes toward the U.S. among those who will become leaders around the world.

These findings are based on a review of available reports on summer youth employment, reported placements of Summer Work Travel (SWT) participants in geographic areas, and Bureau of Labor Statistics (BLS) and U.S. Census Bureau data for the same areas. Regression analyses looked at the relationship between the number of SWT program participants and youth unemployment as local workforce and demographic characteristics of the areas of placement. Additionally, a survey of 2,800 SWT alumni was conducted in May 2017 and included SWT participants from program years 2012 through 2016. The survey of 460 employers participating in the program was also conducted in May 2017.

Key findings

General makeup of survey respondents.

- A majority (89%) of employers participating in the SWT program reported working within tourism-related industries, such as hospitality, food services, retail, camps, or entertainment.
- A majority (89%) of employers participating in the SWT program reported managing a small business, consisting of 100 employees or fewer.
- The top countries of citizenship of SWT participants who responded to the survey include:
 - Jamaica (10%)
 - Romania (8%)
 - Bulgaria (8%)
 - Ukraine (7%)
 - Philippines (5%)
 - Serbia (5%)
 - China (5%)
 - Turkey (5%)

SWT participants come to learn about and experience life in the United States.

- Nearly all (91%) of SWT participants report cultural exchange their top reason for participating in the programs: In contrast, very few participants stated learning specific work skills, gaining experience for a degree program or earning money as the top reasons for participating in the program.

Summer Work Travel (SWT) participants generally hold favorable views toward the SWT program.

- Nearly all (91%) SWT program participants reported being either satisfied (40%) or very satisfied (51%) with their experience.
- Similarly, nearly all (94%) SWT participants indicated that they were either likely (23%) or very likely (71%) to recommend the program to their friends.
- In fact, when asked about whether or not participants had already recommended the SWT program to their friends, an overwhelming majority (98%) said yes.

SWT participants expressed positive opinions regarding the United States, and indicate that their overall perceptions of the U.S. improved after participating in the program.

- Overall, SWT participants reported a positive experience while in the U.S. A majority (86%) of respondents indicated that their experience in the U.S. was either very good (33%) or excellent (52%).
- After participating in the SWT program, individuals reported a positive change in their views of several aspects of the United States, including:
 - **The United States** in general: Over three-fourths (76%) of SWT participants reported a positive change in views regarding the U.S.
 - **American culture**: Slightly under three-fourths (72%) of SWT participants reported a positive change in their view of American culture.
 - **American people**: A similar percentage (74%) of SWT participants reported a positive change in how they view American people.
 - **American companies**: Over half (64%) of SWT participants reported a positive change in how they perceive American companies.
 - **American way of doing business**: A similar percentage (62%) of SWT participants reported a higher opinion about how Americans conduct business.
- Nearly all (94%) SWT participants reported making friends with Americans.
- A majority (88%) of SWT participants who reported having made American friends, indicated that they kept in touch with some of them after they left the United States.

The downward trend in youth employment is best explained by competing priorities of American youth enrolled in school rather than effects of the SWT program.

- BLS reports that summer work participation among American youth has been declining consistently since 1990. Although the trend is affected by adverse economic conditions, it does not recover after recessions.¹²

¹ <https://www.bls.gov/opub/btn/archive/declining-teen-labor-force-participation.pdf>

² <http://www.pewresearch.org/fact-tank/2015/06/23/the-fading-of-the-teen-summer-job/>

Review of Summer Work Travel Program

- BLS reports higher summer school enrollment during the same period. Similarly, a Pew Research report notes community volunteerism and internship programs are alternatives to seasonal employment.
- Whereas summer employment for youth not enrolled in school has also declined, BLS notes that participation of this group in the workforce increased at the same time. This finding suggests youth not enrolled in school are more likely to be employed in year-round work and therefore less likely to seek seasonal employment.³

There was no statistical relationship between the number of SWT participants and youth unemployment rates. That is, there is no evidence indicating that SWT participants compete for local jobs.

- Regression analyses examining the factors influencing youth unemployment rates showed no relationship between youth unemployment rates and number of SWT participants (standardized coefficient = -.005 p=.342).
- Youth unemployment rates were related to indicators of a community's economic health such as the overall unemployment rate.
- In the resort communities with high SWT placement (over 1000), SWT participants represented on the average 7% of the workforce involved in tourism related industries.

In fact, further analyses suggest that SWT participants supplement the existing workforce rather than compete for existing jobs with local workers.

- Regression analysis examining the factors influencing areas where SWT participates showed a relationship between the number of SWT placements in a community and factors related to seasonal labor shortages.
 - SWT placement was higher in locations with fewer people ages 18-24 enrolled in institutions of higher learning (standardized coefficient= -.01 p=.0001). Given that college students are potential candidates for seasonal jobs, these findings show that there are more SWT participants in areas where there are fewer college students.
 - SWT placement was higher in locations where there were lower rates of employment in industries that typically rely on seasonal labor (standardized coefficient= -.037, p=.011). More SWT participants were placed in areas where fewer local residents are employed in industries such as hospitality, amusement, or retail as a percentage of the total workforce in the area.

Surveys of employers participating in the SWT program supported findings that there is a seasonal labor shortage and indicated a negative impact on business if the SWT program was not available.

- Almost all (97%) employers reported experiencing a surplus of seasonal employment, with more seasonal jobs available than workers to fill them.

³ https://www.bls.gov/spotlight/2011/schools_out/

Review of Summer Work Travel Program

- Half (50%) of the employers surveyed stated that the absence of SWT participants would have a big negative impact on their revenues.

Employers who participated in the SWT program indicated that without the SWT program, their businesses would suffer.

- One quarter (25%) of employers reported that it is likely or very likely that they would not be able to stay open during the season.
- Roughly two-fifths (39%) of employers said that it is likely or very likely that they would have to reduce hours of operation.
- Slightly under one quarter (22%) of employers reported that it is likely or very likely that they would have to lay off permanent staff after the season.

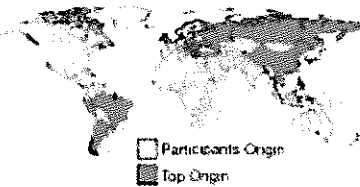
SUMMER WORK TRAVEL PROGRAM

The Summer Work Travel (SWT) program is a public diplomacy program established under the Mutual Educational and Cultural Exchange Act of 1961 (also known as the Fulbright-Hays Act) to foster ties of friendship with citizens of other countries.



PARTICIPANTS

Country of origin



- 100,000 university students from over 100 countries visit the U.S. to learn about American culture every year
- During their summer break, students work and travel for up to four months

98% have **★ RECOMMENDED ★** SWT to their friends



of participants report **cultural exchange** as their top reason for participating in the program

91% satisfied or very satisfied with their program

HOST EMPLOYER

●●●●●●●●●● 9 in 10 employers operate within tourism-related industries, such as hospitality, food services, retail, camps, or entertainment

89% of host employers have fewer than 100 employees



97% employers report experiencing a surge in seasonal employment, with more seasonal jobs available than workers to fill them

50% of the employers state that the absence of SWT participants would have a big negative impact on their revenues

PUBLIC DIPLOMACY



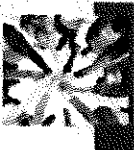
76% of SWT participants have a higher overall regard for the U.S. after the program

74% report a positive change in how they view American people



61% of participants reported higher regard for American companies, and 64% had higher opinion of the way Americans do business

94% made friendships with Americans during their stay, and of those, 88% reported that they keep in touch with their new American friends



COMMUNITIES

- SWT programs tend to occur in places with **seasonal labor shortages**
- Labor employment analyses in SWT participating areas show no statistical relationship with youth unemployment rates

Host Communities



▶ 25% of employers reported that it is likely or very likely that without SWT participation they would not be able to stay open during the summer season

Without SWT, 22% of employers say they would lay off permanent staff after the season



U.S. Citizenship
and Immigration
Services

November 13, 2017

William Gertz
President and CEO
Alliance for International Exchange
1828 L Street, NW, Suite 1150
Washington, DC 20036

Dear Mr. Gertz:

Thank you for your June 20, 2017 letter. Acting Secretary Duke asked that I respond on her behalf.

The Department of Homeland Security (DHS) understands your organization's appreciation for the J-1 nonimmigrant Summer Work Travel (SWT) program, which allows participants to offset at least a portion of their costs through temporary employment in the United States. DHS is also aware that the SWT program has been subject to abuse in the past and has been closely following efforts of the Department of State (DOS), which is principally responsible for the program's administration, to address abuses in the program.¹

On April 18, 2017, the President issued Executive Order (EO) 13788, "Buy American and Hire American." Among other elements, this EO directs the Attorney General and the Secretaries of State, Homeland Security, and Labor to propose new rules and issue new guidance, to supersede or revise previous rules and guidance if appropriate, to protect the interests of U.S. workers in the administration of our immigration system, including through the prevention of fraud or abuse. *See* EO 13788 Section 5(a). In keeping with the mandates of the EO, the departments are closely coordinating review of current regulations and policies to make appropriate improvements, including potentially to the SWT program.

Thank you again for your letter and interest in this important issue. Please share this information with the cosigners of your letter. Should you wish to discuss this matter further, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "L. Francis Cissna".

L. Francis Cissna
Director

¹ The Government Accountability Office (GAO) and DOS have issued reports describing abuses in the SWT program. *See* GAO-15-265, *Summer Work Travel Program: State Department Has Taken Steps to Strengthen Program Requirements, but Additional Actions Could Further Enhance Oversight*, (Washington, D.C.: Feb. 2015). *See also* DOS Notice of Proposed Rulemaking, "Exchange Visitor Program – Summer Work Travel," 82 FR 4120 (January 12, 2017).