

**Severe impact due to COVID-19:
Urgent financial support requested for international exchange community**

The international educational and cultural exchange programs community – sponsors, host employers, institutions, families, and vendors – are being devastated by the impact of COVID-19.

Many exchange and study abroad programs are being cancelled, some with associated expenses in the millions, including from the cost of evacuating American students out of countries around the globe and safely back home to their families. Meanwhile, other sponsors are financially supporting current exchange program participants in the United States who do not have adequate resources of their own and no way to return to their home countries given the unfolding crisis. American host institutions, families, and educational institutions are increasingly declining to commit to continuing participation in exchange programs further exacerbating an already dire situation. Many program sponsors have begun or are preparing employee layoffs, and some may face bankruptcy in the coming months.

International exchange programs are the backbone of American people-to-people diplomacy. They contribute \$45 billion to the U.S. economy and support 458,000 American jobs. Without these programs, the reach of U.S. foreign policy is diminished and national security is weakened. Urgent financial support is needed to bolster international exchange programs and mitigate the devastating economic impact throughout the exchange community and in communities across the country.

▪ **Federal loan/grant assistance**

- Provide access for these providers to federal loans with zero or low interest for the borrower, or forgivable if certain conditions are met (e.g. retaining employees).
- Provide loans equal to lost revenue during emergency period to adversely affected organizations, potentially converting to grants under certain conditions.
- Streamline the federal application and grant process for COVID-19 economic assistance.

▪ **Tax relief**

- Increase monthly tax deduction to \$400 per month for host families. Currently, volunteer host families participating in public diplomacy programs are eligible for \$50 per month tax deduction for expenses incurred associated with hosting exchange student. Provides relief to American host families, as well as incentive to remain in the program.