Program Synopsis

General Information

Document Type:	Grant Notice
Notice of Funding Opportunity Number:	OIT-STEP-2020-02
Posted Date:	February 6, 2020
Original Due Date for Applications:	July 6, 2020
Archive Date:	
Funding Instrument Type:	Grant
Category of Funding Activity	Business and Commerce
Explanation of "Other" Category of Funding Activity:	
Expected Number of Awards:	SBA anticipates making about 48 awards subject to available funding for proposed activities and requested amounts.
Estimated Total Program Funding:	$19,000,000 or more
Award Ceiling:	$1,350,000
Award Floor:	$50,000
CFDA Number	59.061 – State Trade Expansion Program (STEP)

Cost Sharing or Matching Requirement: The Federal share of project cost for States that have high export volumes will be 65% and the State matching funds required will be 35% of the sum of the Federal award. High export volume was determined based upon U.S. Census Bureau export data by state. This means that for every $1 of Federal funds proposed, STEP non-Federal entities must provide <u>$0.53846</u> in match. For purposes of this Notice of Funding Opportunity, the high export volume States are California, Texas, and New York.

The Federal share of project cost for States that <u>do not</u> have high export volume will be 75% and State matching funds required will be 25% of the sum of the Federal award and Recipient match amount. This means that for every $1 of Federal funds proposed, STEP non-Federal entities must provide <u>$0.333333</u> in match.

SBA will waive up to $200,000 of the matching funds required for an insular area non-Federal entity that is an agency or instrumentality of an area's government pursuant to 48 U.S.C. § 1469a, which includes American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of Northern Mariana Islands. <u>If the insular area non-Federal entity is not an agency or instrumentality of the area's government, the full matching funds requirement applies</u>.

Matching funds must be comprised of not less than 50% cash and not more than 50% of indirect and in-kind contributions. Matching funds may not be derived from any Federal program. <u>Non-Federal entity personnel salary and fringe proposed as match will be counted as cash.</u>

<u>Non-Federal entities may not use program income for the purpose of meeting their match</u>.

Eligible Applicants:

The Trade Facilitation and Trade Enforcement Act of 2015 provides that STEP grants may be awarded only to "States," meaning any of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, the Commonwealth of Northern Mariana Islands, and American Samoa. Therefore, only non-Federal entities that meet this definition are eligible to apply for, and administer an award under this Notice of Funding Opportunity.

For purposes of this Notice of Funding Opportunity, the term "eligible non-Federal entity" means a State agency or other entity that, prior to the date of application for this Announcement, has been officially designated by the State Governor, or equivalent thereof (e.g., Mayor of the District of Columbia), as the sole applicant and lead entity for conducting the State's trade and export activities.

i. The organizational structure of the State's designated international trade arm must show an official agency relationship with State government, and the State must provide financial backing in meeting the required match amount and show support for program activities.
ii. Only those proposals accompanied by the written designation of the State Governor, or his/her designee, may submit an application for evaluation and funding consideration.
iii. Should the Governor, or equivalent thereof, assign to a designee the signatory responsibility for the designation letter, the designation letter must include an acknowledgement that the Governor, or his/her equivalent, has authorized the designee to sign the letter on his/her behalf.
iv. For insular areas, the equivalent of a State Governor is the appropriate signatory

Description:
Notice of Funding Opportunity No. OIT-STEP-2020-02

U.S. Small Business Administration/Office of International Trade (OIT)

OPENING DATE: February 6, 2020

CLOSING DATE: July 6, 2020

SUMMARY: The Trade Facilitation and Trade Enforcement Act of 2015 (HR 644), signed into law on February 24, 2016, made the State Trade Expansion Program a permanent provision of the Small Business Act to make grants to States, and the equivalent thereof, to carry out projects that help develop exports by eligible small business concerns (ESBCs) (as defined in Section 8.1.5) . The objective of STEP is to increase (1) the number of U.S. small businesses that export, (2) the dollar value of exports, and (3) the number of U.S. small businesses exploring significant new trade opportunities (as defined in 8.1.15).

The SBA is issuing Notice of Funding Opportunity No. OIT–STEP–2020–02 to invite the several States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of Northern Mariana Islands (hereinafter 'States') to apply for a STEP grant to carry out export development projects that assist 'eligible small business concerns' to become exporters and to increase the value of small business exports. The STEP grants will be awarded on a competitive basis. A State may not submit more than one application for an award under the program. Awards will be made for a two year period of performance.

SUPPLEMENTARY INFORMATION: The objective of STEP is to increase (1) the number of U.S. small businesses that export, (2) the dollar value of exports, and (3) the number of U.S. small businesses exploring significant new trade opportunities (as defined in 8.1.15).

States may apply to SBA for awards of financial assistance under this Notice of Funding Opportunity to fund projects to carry out milestone goals and supporting export activities to assist eligible small business concerns, such as:

1. Participation in foreign trade missions
2. Subscription to services provided by the U.S. Department of Commerce
3. Payment of website fees
4. Design of marketing media
5. Trade show exhibitions
6. Participation in export training workshops
7. Reverse trade mission
8. Procurement of consultancy services
9. Other export initiatives determined appropriate by SBA's Associate Administrator (or the Deputy Associate Administrator) of the Office of International Trade and cannot duplicate the services available from SBA, SBA resource partners, or other applicable Federal trade agencies.

STEP Priorities: To ensure the full utilization of all STEP funds, it is strongly recommended that every non-Federal entity request a Federal award amount that can be managed and realistically achieved within a two-year period of performance, with a base period of 12 months, followed by an option period of 12 months. A non-Federal entity's technical proposal and budget should be clearly focused and targeted based on the TOP PRIORITY exporting needs of small businesses in the non-Federal entity's state that addresses the key performance measures outlined below.

Key Performance Measures:

1. Reach 100% utilization of the award.
2. Increase the number of eligible small business concerns in the State that export.
3. Increase the value of exports by eligible small business concerns in the State.
4. Increase the number of eligible small business concerns exploring significant new trade opportunities.
5. Increase the number of eligible small business concerns in Small Business Communities (as defined in Section 8.1.16) that export.

Non-Federal entities selected for awards under this Announcement are strongly expected to leverage SBA funding by working in conjunction with SBA's District Offices, SBA's Export Finance Managers, and SBA's resource partners such as SBDCs, SCORE, WBCs, Veterans Business Outreach Centers (VBOCs), Small Business Investment Companies (SBICs), Certified Development Companies (CDCs), and SBA lenders. SBA is particularly interested in demonstrated collaboration with Federal agencies (such as the U.S. Commercial Service) and other Federal, state, local, and tribal government export development programs and activities provided by institutions of higher education (i.e., colleges and universities), trade and vocational schools, and private organizations such as chambers of commerce and trade and industry groups and associations.

Examples of working in conjunction include joint planning, coordination, or execution of export activities between the Applicant and the above entities.

SBA may award up to $19,000,000 or more in FY2020, and $19,000,000 or more in FY2021 under this Announcement, subject to availability of funding. The award amounts that can be proposed under this Announcement is a minimum of $50,000 each in the base year and option year.

FOR FURTHER INFORMATION:

Obtain the Notice of Funding Opportunity OIT-STEP-2020-02 at www.grants.gov.

Applicants may submit questions to STEP email inbox (STEP@SBA.gov) during the open period (February 6, 2020 through March 5, 2020). SBA will post answers to the questions on https://www.sba.gov/STEP by March 17, 2020. No additional questions will be answered after March 5, 2020.