

United States Senate

WASHINGTON, DC 20510

May 12, 2022

The Honorable Chris Van Hollen
Chairman
Subcommittee on Financial Services
and General Government
Committee on Appropriations
United States Senate
Washington, D.C. 20510

The Honorable Cindy Hyde-Smith
Ranking Member
Subcommittee on Financial Services
and General Government
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Chairman Van Hollen and Ranking Member Hyde-Smith:

We are writing to express our strong support for the State Trade Expansion Program (STEP) grant program at the Small Business Administration. As you begin work on the fiscal year 2023 appropriations bill for Financial Services and General Government, we respectfully request your support for full funding for the STEP program.

The STEP program was originally created in the *Small Business Jobs Act of 2010* (P.L. 111-240) and provides invaluable support to small businesses. STEP awards competitive grants to states and territories in an effort to increase the number of small businesses offering their products overseas. States then match a portion of these grants and award funds to small businesses. By lowering some of the barriers to exporting, the program has helped increase the number of U.S. small businesses that are selling their products overseas and the value of their exports. According to the Small Business Administration, in FY19, STEP helped small businesses export over \$974 million in goods and services. This yielded a 54-to-1 return on investment. Through this program, small businesses around the country have been able to expand their markets, grow their businesses and create new jobs.

Recognizing the success of this program and the importance of ensuring that small businesses have access to foreign markets, Congress authorized STEP at \$30 million per fiscal year as part of the *Trade Facilitation and Trade Enforcement Act of 2015* (P.L. 114-125). We strongly believe that the enactment of this authorization demonstrates Congress' commitment to the STEP grant program and support for increased levels of funding.

Exports play a critical role in our economy. The Department of Commerce reports that exports supported over 10.7 million American jobs in 2019, representing 7.1% of all employment. Despite the enormous potential of exporting, only 280,000 of the over 30 million small businesses in the United States utilize international markets and export their products. With 95 percent of potential consumers living outside our borders, we are missing opportunities to expand our economy and support our small businesses. The STEP grant program helps bridge this gap and ensure that small businesses are able to benefit from growing markets abroad.

We understand the serious budget constraints that face the subcommittee and the difficult choices that will need to be made. Recognizing the subcommittee will weigh the effectiveness and efficiency of all programs in its decision process, and we believe the STEP program has

proven to be a good investment of taxpayers' dollars and has a demonstrated record of success in helping small business grow and expand their markets overseas. Therefore, we respectfully request you support full funding for this program.

Thank you for your consideration of this request.


Sincerely,



Jeanne Shaheen
United States Senator



Benjamin L. Cardin
United States Senator



Tim Kaine
United States Senator



Mazie K. Hirono
United States Senator



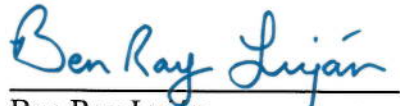
Maria Cantwell
United States Senator



Dianne Feinstein
United States Senator



Margaret Wood Hassan
United States Senator



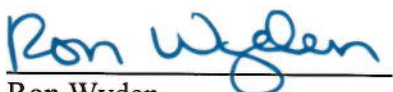
Ben Ray Lujan
United States Senator



Catherine Cortez Masto
United States Senator



Sheldon Whitehouse
United States Senator



Ron Wyden
United States Senator



Angus King
United States Senator