

**THE COUNCIL OF STATE GOVERNMENTS
RESOLUTION ON PROPOSED FEDERAL EXPORT PROMOTION LEGISLATION**

Resolution Summary

Senators Snowe (R-ME) and Landrieu (D-LA) of the Senate Small Business Committee are scheduled to introduce bi-partisan legislation aimed at increasing small business trade opportunities. Of specific note is the proposal to create a United States Trade Representative (USTR) Assistant Secretary position for Small Business to ensure adequate consideration is given to small business in the development of U.S. trade policy. Furthermore, the legislation would establish a three year pilot program, The State Trade and Export Promotion Program (STEP), that will provide \$15 million in grants for state programs offering international trade counselling to small businesses.

Additional Resource Information

- Senate Small Business Committee: www.sbc.senate.gov

Management Directives

Management Directive #1: CSG will share this resolution with the Senate Small Business Committee, the House Small Business Committee, the House and Senate Leadership and the U.S. Department of Commerce.

Management Directive #2: CSG staff will post approved resolution on CSG's web site and make available through its regular communication venues at the state and local level to ensure its distribution to the state government and policy community.

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WHEREAS, small businesses represent approximately 97 percent of all exporters - merely one percent of small firms are currently exporting. This fraction makes up only one quarter of the country's export volume; and

WHEREAS, according to a 2006 World Bank study, every additional dollar spent on export promotion yields a 40-to-1 return in increased export sales; and

WHEREAS, the U.S. is being outspent on export promotion on a per capita basis by our major trading partners by as much as 20-to-1; and

WHEREAS, combined the 50 states spend approximately \$100,000,000 annually on trade promotion programs and employ approximately 1,000 trade specialists; and

WHEREAS, legislation has been introduced in Congress that would assist state trade professionals in the form of a pilot program, The State Trade and Export Promotion Program (STEP), delivering \$15 million in grants to state activities that help small businesses to export.

NOW, THEREFORE BE IT RESOLVED, that The Council of State Governments recognizes the important role trade has to play in America's recovery and supports efforts at the federal level to create a more export focused U.S. economy.

NOW BE IT FURTHER RESOLVED, that The Council of State Governments urges Congress to adopt legislation that supports and enhances state investments in export promotion.

Adopted this ____ Day of November, 2009 at the CSG Annual Meeting in La Quinta, CA.

Gov. Joe Manchin III
CSG President

Sen. Bart Davis
CSG Chairman