

## **NACo International Economic Development Task Force: Spring Conference Call Notes**

Wednesday, May 9, 2018: 3:30PM – 4:30PM EDT

Phone Number: 1-888-757-2790

Passcode: 476059#

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### **Task Force Leadership**

- Chair:** The Hon. Kathryn Starkey, Commissioner, Pasco County, Fla.  
**Vice Chair:** The Hon. Mary Lou Berger, Commissioner, Palm Beach County, Fla.  
**Vice Chair:** The Hon. Suzanne Hart, Board Member, Will County, Ill.  
**Vice Chair:** The Hon. Randy Maluchnik, Commissioner, Carver County, Minn.  
**Vice Chair:** The Hon. Stephanie Wright, Councilmember, Snohomish County, Wash.

### **Meeting Agenda**

- Call to Order and Welcome – The Hon. Kathryn Starkey, Commissioner, Pasco County, Fla.
- Roll Call
- Introduction of Speakers
- Presentation from Mr. Bill Houck, Regional Manager, Small Business Administration (SBA) – Office of International Trade, Export Solutions Group
  - Topic of Presentation: An overview of STEP grants and how counties can partner with SBA to encourage small businesses in their communities to engage in international trade.

#### **Notes from presentation by SBA:**

- Website: [www.sba.gov/international](http://www.sba.gov/international)
- Email: [William.Houck@sba.gov](mailto:William.Houck@sba.gov)
- In 2010, Congress approved state trade expansion program – now known as the State Trade and Export Promotion (STEP) program – for \$30 million/year.
  - Has been reduced to \$18 million in recent years.
- In 2017, it was \$18 million and 47 states received funding from the STEP program.
- To receive STEP funding, state economic development directors put together proposals to show how the funds would be used.
  - Domestic trade shows, trade missions, etc.
- Currently, SBA is looking at 2018 proposals.
  - SBA determines whether funding is appropriate.

- Once approved, states will market the STEP program to eligible small businesses.
    - o Requirements for small businesses: must be at least 1 year in business; must be profitable; must be a small business, as defined by SBA.
      - Can be services/goods – doesn't matter.
  - Online, [there's a map with the STEP amounts](#) and contact information.
    - o Recommend that you set up meetings with those STEP representatives so that small businesses can be reimbursed 50-75% of their expenses to travel abroad and expand businesses.
  - STEP funding helps potential businesses that don't have resources to go on sales calls arranged by state, etc.
  - Should talk with STEP representatives and get them to come to your county and talk with small businesses.
  - There are 22 regional managers around the country; they work closely with chambers of commerce, small business development centers, and more.
  - Their goal = bring as much value as possible.
  - Existing businesses have the potential to grow – SBA is there to help them get access to capital.
  - Regarding foreign direct investment (FDI), SBA has programs that will help companies move to a county.
  - SBA also has a table at the SelectUSA Summit.
  - SBA can help finance small businesses through loan guarantees.
  - Want to help counties grow and build sustainable growth.
  - Have "Meet-the-lender" programs where the county brings in numerous lenders and advertises it with the business community so businesses can have access to capital.
  - SBA will also work to educate economic development employees within the county.
  - Three loan guarantee programs for banks.
    - o Help small banks grow their lending programs.
  - Have different loans for both smaller and larger businesses.
  - Recommend that they speak with small business development centers and export assistance centers.
  - At the moment, it's a borrower's market. There's a lot of liquidity. Very competitive for lenders.
  - In very special situations, SBA can help small companies move from abroad to the U.S. with SelectUSA using loan guarantee programs.
- Presentation from Mr. Andy Karellas, Executive Director, State International Development Organizations (SIDO)
    - o Topic of Presentation: An overview of SIDO and how counties can better partner with state organizations to foster international economic development.

**Notes from presentation by SIDO:**

- Website: [www.sidoamerica.org](http://www.sidoamerica.org)

- Email: [akarellas@csg.org](mailto:akarellas@csg.org)
  - State International Development Organizations (SIDO) represents state trade directors
  - SIDO focuses on building a state by state ecosystem to serve all constituents
  - Each state is very unique, from Florida with 11 USEAC offices, to Wyoming with only 1 USEAC office.
  - For STEP grants, they'll make the announcement in July or August, as to which states received funding, most likely.
  - Get to know your state trade directors – Mr. Karellas will make the introduction.
  - Can go to: [www.sidoamerica.org](http://www.sidoamerica.org) → State Trade Director tab, to find your state director
  - SIDO has a lot of trade education sessions
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- Q & A
  
  - Closing and Announcements

NACo Staff Contact for IED Task Force: Jonathan Harris, Research Analyst, 202.942.4247 or [jharris@naco.org](mailto:jharris@naco.org)

## Speaker Information



**Mr. Bill Houck** is currently the Small Business Administration's (SBA) Office of International Trade Regional Manager for the Mid-Atlantic region. He is based out of the Northern Virginia Export Assistance Center in Arlington, Va. Mr. Houck brings with him 30 years of experience in the fields of international trade finance, trade credit insurance and international corporate credit risk management experience. He has held management positions with the Export-Import Bank of the United States, as well as in the private sector, specializing in asset based lending, corporate credit card risk management and global capital market originations.

**Mr. Andy Karellas** serves as the Executive Director of the State International Development Organizations (SIDO) and the Director of Federal and International Affairs at The Council of State Governments (CSG). Prior to joining CSG, Mr. Karellas served as a senior staffer with the House Small Business Committee, focusing on international trade and technology issues, and as deputy director of government affairs for Aon Corporation in Chicago. He also served as the special assistant to U.S. Commerce Secretary Carlos Gutierrez. A native of Missouri, Andy received his bachelor's degree in international business from Webster University and his master's degree in international commerce and policy from George Mason University.

