

# CA CAPITOL — TO — CAPITOL DC

## ECONOMIC DEVELOPMENT

**Team Leaders:** Jim Alves, SMUD, [Jim.Alves@smud.org](mailto:Jim.Alves@smud.org)  
Rachael Brown, Power Inn Alliance, [rachael@powerinn.org](mailto:rachael@powerinn.org)  
Monique Brown, Growth Factory, [monique@growthfactory.us](mailto:monique@growthfactory.us)  
Trish Kelly, Valley Vision, [trish.kelly@valleyvision.org](mailto:trish.kelly@valleyvision.org)  
Kevin Mather, World Trade Center, [kmather@norcalwtc.org](mailto:kmather@norcalwtc.org)

**Issue Experts:** Kevin Mather, World Trade Center Northern California, [kmather@norcalwtc.org](mailto:kmather@norcalwtc.org)

---

## IN SUPPORT OF INTERNATIONAL TRADE

### Business Nexus

International trade creates wealth, brings in high-quality jobs, and helps regions be more resilient. Businesses and regions with diversified revenue streams, including export dollars, are less vulnerable than those focused primarily on domestic opportunities. It is not a question of whether there will be another economic cycle, but rather when there will be a correction and how severe.

The Greater Sacramento region was badly hit during the housing crisis, which highlighted the need to diversify economically and increase the number of businesses in the region with “tradeable goods and services.” Work with the Brookings Institute, as part of the Global Cities Initiative, clarified key issues facing exporters in our region. Our focus is to promote policies, activities and organizations which support and expand international business and help make the region more economically resilient. These efforts are aligned with and support the greater Sacramento region’s Prosperity Strategy, the efforts of the Innovation ecosystem, and Broadband initiatives.

### Requested Actions

**Increase SBA State Trade Expansion Program (STEP) grant funding to California STEP grants help California exporters access new markets and expand export sales**

California is the 5<sup>th</sup> largest economy in the world, and we request the SBA increase STEP funding to better support the international expansion of the Sacramento region’s exporters.

*2023 Capitol-to-Capitol*

*For additional information, please contact Jack Blattner, Director of Government Affairs at (530) 219-0804 or [jblattner@metrochamber.org](mailto:jblattner@metrochamber.org) | [www.metrochamber.org](http://www.metrochamber.org)*

# CA CAPITOL — TO — CAPITOL DC

## **Safeguard Marketing and Trade Programs in the 2023 Farm Bill**

We should increase funding for the Market Access Program (MAP), Foreign Market Development (FMD) and Specialty Crop Block Grant Program (SCBGP), while maintaining funding for the Emerging Markets Program (EMP) and Technical Assistance for Specialty Crops (TASC).

## **Reengage in the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP)**

Asia matters deeply to California and Capitol Region businesses. The United States needs to reengage and become a signatory to the CPTPP so California companies can benefit. We must maintain a leadership position on global trade agreements and cannot afford to cede economic and geo-political leadership in Asia to China.

## **Timely negotiation of a Free Trade Agreement with India**

India is a large and growing market and is important both economically and geo-politically as a counterbalance to China. The US should negotiate an FTA with India to further economic integration between the two countries.

## **Timely negotiation of a Free Trade Agreement with the UK**

The United Kingdom is the 5<sup>th</sup> largest trading partner of the United States and 12<sup>th</sup> largest for California. An FTA between the U.S. and U.K. will help maintain strong bilateral trade and investment and create opportunities to expand their consumer and industrial markets.

## **Brief Background**

### **SBA STEP Grants**

State Trade Expansion Program grants help exporters expand into international markets. The funds can be used for trade promotion, eCommerce, distribution development, and other high value activities. The revenue generated by exporters helps provide high quality, high wage jobs that improve economic resiliency for employees, companies, and the regions where they are located.

### **US Negotiation of Free Trade Agreements (FTAs)**

We believe FTAs benefit California exporters by creating greater access and market opportunities for their goods and services. Unfortunately, the negotiation and engagement in FTAs does not appear to be a priority. We urge the administration to reengage in the negotiation of FTAs for the benefit of US exporters.

### **California – United Kingdom Trade Background**

The United States and United Kingdom have a strong trade relationship in goods, services, and direct investment. Total combined investment in each other's economies totals over \$1 trillion, and

*2023 Capitol-to-Capitol*

*For additional information, please contact Jack Blattner, Director of Government Affairs at  
(530) 219-0804 or [jblattner@metrochamber.org](mailto:jblattner@metrochamber.org) | [www.metrochamber.org](http://www.metrochamber.org)*

# CA CAPITOL — TO — CAPITOL DC

California exported \$4.7 billion in goods to the U.K. in 2022. Importantly for the Capitol region, this figure includes more than \$200 million in agricultural exports. Exports to the U.K. from California support 106,000 jobs, and another 110,000 Californians are employed by U.K.-owned subsidiaries.

## **Comprehensive and Progressive Trans-Pacific Partnership (CPTPP)**

The eleven signatories of the CPTPP represent 13.4% of global GDP at approximately \$13.5 trillion. The CPTPP is one of the world's largest free trade areas, along with the EU Common Market and the USMCA. China has submitted its application to join the CPTPP and seeks to increase its influence among the signatories, while the United States has done neither. Economically and strategically, the U.S. needs to become a signatory to the CPTPP and regain its leadership position.

- 
1. <https://www.sba.gov/funding-programs/grants/state-trade-expansion-program-step>
  2. <https://export.business.ca.gov/>
  3. [https://www.cdfa.ca.gov/Farm\\_Bill/](https://www.cdfa.ca.gov/Farm_Bill/)