



TEXAS DEPARTMENT OF AGRICULTURE

Request for Grant Application

COMMISSIONER SID MILLER

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Please read all materials before preparing and submitting the application. Failure to follow the instructions and requirements described in this Request for Grant Application (RFGA) may result in the disqualification of the application.

NOTICE REGARDING THE INCLUSION OF CONFIDENTIAL, PROPRIETARY, TRADE SECRET OR PRIVILEGED INFORMATION IN AN APPLICATION

Please take notice of the following:

If it is necessary for Applicant to include proprietary or otherwise confidential information in its application or other submitted information, Applicant must clearly mark and label all confidential, proprietary, trade secret or privileged material in 14 point or higher bold font on each page as it appears, and identify the specific exception to disclosure in the Texas Public Information Act (PIA) for each specific piece of confidential, proprietary, trade secret or privileged information. Additionally, all confidential, proprietary, trade secret or privileged information must be segregated in a separate and discrete section of the application, which must be able to be conveniently separated and detached from the other sections of the application. Failure to properly label, identify and segregate any confidential, proprietary, trade secret or other privileged information in the application may result in all such information or material being disclosed as public information. Merely making a blanket claim that the entire application is protected from disclosure because it contains any amount of confidential, proprietary, trade secret or privileged information is not acceptable, and shall make the entire application subject to release under the PIA. In order to initiate the process of seeking an Attorney General opinion on the release of confidential, proprietary, trade secret or privileged information, the specific provisions of the application that are considered by Applicant to be confidential, proprietary, trade secret or privileged and confidential must be clearly labeled and segregated as described above. Any information which is not clearly identified as confidential, proprietary, trade secret or privileged shall be deemed to be subject to disclosure pursuant to the PIA.



STATE TRADE EXPANSION PROGRAM REQUEST FOR GRANT APPLICATION

COMMISSIONER SID MILLER

STATEMENT OF PURPOSE

Pursuant to the Texas Agriculture Code, Sections 12.002 and 12.027, the Texas Department of Agriculture (TDA) hereby requests applications for the Texas State Trade Expansion Program (STEP) to receive assistance related to export training, consulting, participation in foreign trade missions and trade shows, and other eligible export activities that support foreign market entry. The purpose of the program is to increase the number of eligible small businesses that are exporting and increase the dollar value of exports for small businesses in Texas.

PROGRAM AUTHORITY

The Trade Facilitation and Enforcement Act of 2015 (19 U.S.C. 4301 *et seq.*), 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 (ESBC). The intended outcomes of STEP are to increase the number of U.S. small businesses that export and to increase the dollar value of exports by those small businesses that currently export.

Through a grant from the U.S. Small Business Administration (SBA), Texas has been allocated funds to provide assistance to small businesses under the STEP Program to fund activities related to export training, export activities, state sponsored trade show participation, and state sponsored trade missions.

ELIGIBILITY

Qualifying Texas companies must:

- Be organized or incorporated in the U.S.;
- Operate in the U.S.;
- Export-ready U.S. Company seeking to export goods or services of U.S. origin or have at least 51% U.S. Content;
- Meet
 - a) the applicable industry-based small business size standard established under section 3 of the Small Business Act; or
 - b) the alternate size standard applicable to the program under section 7(a) of the Small Business Act and the loan program under Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 *et seq.*). SBA size standards are found at 13 C.F.R Part 121. Use the following [sba.gov](https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf) link for information on size standards for your business based on your NAICS code: https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf;
- Have been in business for not less than one (1) year at the time of application (TDA will verify this information); and
- Demonstrate understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping; have in effect a strategic plan for exporting; and, demonstrate export readiness.

Eligible small business must meet the following additional criteria to be considered for this program:

- Be a For-Profit Company;
- Be in good standing with the Texas Comptroller of Public Accounts;

- Have a Federal Identification Number tied to a Texas address;
- Have a product/service manufactured, produced, processed or value-added in Texas; and
- ESBCs must be either “new to export” or “market expansion” – that is, the event/activity must help the company to enter a new market or segment, where it does not already have significant export sales.

FUNDING PARAMETERS

Applications must be complete and have all required documentation to be considered. Applications missing documentation or otherwise deemed incomplete will not be considered for funding until sufficient information has been received by TDA within a timeframe set forth by the agency during the administrative review process.

Projects may be funded at varying levels depending on the nature of the project. TDA reserves the right to accept or reject any or all applications submitted. TDA is under no legal or other obligation to make an award on the basis of a response submitted to this RFGA. TDA shall not pay for any costs incurred by any entity in responding to this RFGA.

Written notifications will be made to all applicants. Favorable decisions will indicate the amount of award, duration of the award, and any special conditions associated with the project.

Matching Funds– This grant requires the recipient to expend matching funds equal to or greater than 15% of the total grant award. Demonstration of planned expenditure of funds in excess of the minimum match amount will not impact the selection process. Expenditure of matching funds must be documented on the grantee’s budget and reported to TDA at the time a payment request is submitted. Any reduction of expenditure of recipient’s matching funds that fall below the amount proposed in the application and identified in the grant agreement will result in a proportionate reduction in the grant award and must be approved in writing by TDA.

STATE TRADE EXPANSION PROMOTION PROGRAM COSTS

Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> • Travel <ul style="list-style-type: none"> • Airfare (economy only on U.S. carriers) <ul style="list-style-type: none"> ○ Economy airfare compliant with the Fly America Act for up to two (2) company employees ○ The Fly America Act requires a U.S. flagship carrier for all travel unless there is no service to that destination • Lodging <ul style="list-style-type: none"> ○ Per Diem Maximum Lodging Rate as set by the U.S. Department of State for up to two (2) company employees • Cost associated with CE mark • Rental car and fuel for the rental car • Foreign market sales trips • Trade show fees, activity registration, booth fees, equipment rental, etc. • Trade mission fees, activity registration, etc. • Translation services: web, marketing material, etc. • Services of the U.S. Commercial Service • Market analysis • Export training programs • Design of marketing media (capped at \$8,000) 	<ul style="list-style-type: none"> • Capital goods, product samples and supplies (except for trade show demonstration supplies) • Cellphones and cellphone charges • Cost for enhancement and/or development of an existing company’s product • Efforts to create or augment marketing and advertising campaigns to draw international visitors to a state • Expenses incurred outside of the STEP grant period • Expenses related to entertaining current or prospective clients or government officials • Immunizations • Meals, beverages, tips, alcohol • New product development or alteration of existing products • Passport or visa costs • Printing of business cards • Printing costs for marketing material for an ‘eligible small business concern’ • Television and radio production

Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> ○ brochures ○ advertisements in international magazines ○ website and social media advertisement with an international focus. Social media placement costs must show proof they are targeting foreign markets. ● Pre-award <ul style="list-style-type: none"> ○ Booth Space Rental Fees: Up to one year in advance of the approved trade show is allowable ○ Airfare: Up to six months in advance of the approved trade show is allowable ● Fees for shipping sample products (capped at \$4,000) ● Cost of compliance testing an existing product for entry into an export market (capped at \$6,000) ● Applicant export research tool subscription used to assist STEP Clients with market research (capped at \$2,000) ● Website Fees (capped at \$10,000) <ul style="list-style-type: none"> ○ Design and development of a website with an international focus ○ Translation of website ○ Search engine Optimization ○ Oversight and maintenance and monitoring fees for search engine optimization ○ Online market listing fees ○ E-Commerce platform, including hosting and/or maintenance fees during the grant period only ○ Expenses to set up websites to accept international payments 	<ul style="list-style-type: none"> ● Travel expenses for importers/distributors or in-market company representatives ● Wages, salaries, benefits, bonuses, or other employee incentives ● First Class or Business Class airline tickets <ul style="list-style-type: none"> ○ If you fly first class, you will only be reimbursed up to the Economy rate. ○ To receive reimbursement for the value of an Economy ticket when you fly First/Business class, you MUST provide a model of what the economy fare would have been at the time you booked your First/Business class ticket. ○ Ensure you or your travel agent secures this documentation; without it we cannot reimburse you. ● Airline Point Redemption <ul style="list-style-type: none"> ○ The value of Airline Point Redemption is not a reimbursable expense. You may use points to upgrade to business or first class, however, the economy airfare must be clearly shown on receipts. <p>NOTE: This list is subject to change based on program guidelines given by the U.S. Small Business Administration.</p>

APPLICATION REQUIREMENTS

Applications will be accepted beginning September 2020 and must be submitted on the form provided by TDA. Application materials are available on TDA’s website at www.TexasAgriculture.gov, under the “Grants & Services” tab, STEP Program web page, or available upon request from TDA by calling (512) 463-6616.

SUCCESSFUL APPLICATION REQUIREMENTS

As a condition of receipt of funds under this Program, the applicant will be required to execute an award agreement with TDA, and acknowledges that failure to timely execute the award agreement will result in withdrawal of any funds awarded, and those funds will be redistributed to other qualified applicants in accordance with state law and TDA rules.

Selected applicants will be required to submit performance reports. Reporting timelines will be provided in the award agreement.

EVALUATION AND SELECTION INFORMATION

TDA will determine whether the applicant was responsive to the requirements of this RFGA. Applications may be shared with other entities for review and determination of export capabilities. Such other entities include the Governor's Economic Development and Tourism Office, and the U.S. Department of Commerce.

DEADLINE FOR SUBMISSION OF RESPONSES

Late or incomplete applications will not be considered for funding.

Applicants must submit one complete, signed grant application package. The complete application packet including the application with signatures must be **RECEIVED by close of business (5:00 p.m. CT) on Thursday, July 29, 2021**. Applications may not be supplemented after the submission deadline. It is the applicant's responsibility to submit all required materials early enough to ensure timely delivery. Unreadable submissions may be deemed unresponsive and will not be reviewed for funding consideration.

Applications will be accepted on a first come, first served basis depending on selected activity and eligibility. STEP Applications will be reviewed in the order received.

Funding is not guaranteed, and demand is anticipated to be higher than available grant resources. TDA encourages you to thoroughly review the application and guidelines and submit a complete application prior to the deadlines. Incomplete applications will not be considered.

For questions regarding submission of the proposal and/or TDA requirements, please contact TDA's Grants Office at (512) 463-6616, or by email at Grants@TexasAgriculture.gov.

1. Email submission of complete application packet:

Grants@TexasAgriculture.gov

The e-mail subject line must reference the RFGA title and applicant (Ex: 2021 STEP Program – Client Name). The applicant is solely responsible for ensuring that their complete application is sent to, and actually received by, TDA in a timely manner and at the proper destination server, including all attachments.

TDA staff will send an email acknowledging receipt of the application as soon as administratively possible with an application ID number.

GENERAL INFORMATION

Selected applicants will receive a Notice of Grant Award (NGA) letter and an official Grant Agreement from TDA. The NGA is not legally binding until a grant agreement is fully executed.

TDA reserves the right to fund projects partially or fully. TDA reserves the right to negotiate individual elements of any application and to reject any and all applications. Where more than one application is acceptable for funding, TDA may request cooperation between grantees or revisions/adjustments to an application in order to avoid duplication and to realize the maximum benefit to the state. Selected projects will receive funding on a cost-reimbursement basis.

TDA is not liable for costs incurred by the applicant in the development, submission, or review of the application, or costs incurred by the applicant prior to the effective date of the grant agreement.

Right to Amend or Terminate Program

TDA reserves the right to alter, amend, or clarify any provisions, terms, or conditions of this program or any grant awarded as a result thereof, or to terminate this program at any time prior to the execution of an agreement, if TDA deems any such action to be in the best interest of TDA and of the State of Texas. The decision of TDA will be administratively final in this regard.

Proprietary Information/Public Information

If it is necessary for an applicant to include confidential, proprietary, trade secret or privileged information (the "Proprietary Information") in its application or other submitted information, the applicant must clearly mark and label all Proprietary Information in 14 point or higher bold font on each page as it appears, and identify the specific exception to disclosure in the Texas Public Information Act (PIA) for each specific piece of Proprietary Information. Additionally, all Proprietary Information must be segregated in a separate and discrete section of the application or other submitted information, which must be able to be conveniently separated and detached from the other sections of the application.

Failure to properly label, identify and segregate any Proprietary Information in the application or other submitted information may result in all such information or material being disclosed as public information.

Unless specifically exempt from disclosure under the PIA, all applications and materials submitted under this program are subject to release under the PIA.

Conflict of Interest

The applicant is required to disclose any existing or potential conflicts of interest relative to this grant program. Failure to disclose any such relationship may result in the applicant's disqualification or termination of any resulting grant agreement.

GENERAL COMPLIANCE INFORMATION

1. Grantees must comply with TDA's reporting requirements and financial procedures outlined in the grant agreement. Any delegation by the Grantee to a subcontractor regarding any duties and responsibilities imposed by the grant award must be approved in advance by TDA and shall not relieve the Grantee of its responsibilities to TDA for their performance.
2. All grant awards are subject to the availability of funds appropriated and authorized by the Texas Legislature.
3. Grantees must remain in full compliance with state and federal laws and regulations. Non-compliance may result in termination of the grant or ineligibility for reimbursement of expenses.
4. Grantees must keep a separate bookkeeping account with a complete record of all expenditures relating to the project. Records shall be maintained for four (4) years after the completion of the project, or as otherwise agreed upon with TDA. TDA and the Texas State Auditor's Office (SAO) reserve the right to examine all books, documents, records, and accounts relating to the project at any time throughout the duration of the agreement and for three years immediately following completion of the project. If any litigation, claim, negotiation, audit or other action is initiated prior to the expiration of the retention period, then the records must be retained until authorized by TDA. TDA and the SAO shall have access to the physical locations related to project activities.

5. If the Grantee has a financial audit performed during the time the Grantee is receiving funds from TDA, upon request, TDA shall have access to information about the audit, including the audit transmittal letter, management letter, and any schedules in which the Grantee's funds are included.
6. Grantees must comply with Texas Government Code, Chapter 783, Uniform Grant and Contract Management, the Texas Grant Management Standards (TxGMS), and 2 CFR Part 200.