

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, DC 20515

March 26, 2012

The Honorable John Boehner
Office of the Speaker
H-232 The Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Office of the Democratic Leader
H-204, The Capitol
Washington, DC 20515

The Honorable Eric Cantor
Office of the Majority Leader
H-329, The Capitol
Washington, DC 20515

The Honorable Steny Hoyer
Office of the Democratic Whip
H-148, The Capitol
Washington, DC 20515

Dear Speaker Boehner, Leader Pelosi, Leader Cantor and Whip Hoyer:

We write to urge you to bring to the House floor, as soon as possible, a strong Export-Import (Ex-Im) Bank reauthorization bill -- with at least a four-year reauthorization and an increase in the exposure limit of at least \$60 billion.

As you know, the Export-Import Bank of the United States helps finance exports of American goods and services, with the objective of contributing to the employment of U.S. workers, primarily in circumstances where alternative financing is not available. The Bank is self-sustaining, with a net appropriation expected to be \$0.

In a matter of weeks, the Bank will reach its lending cap under current law and will be unable to provide additional loans, guarantees, and insurance to support American exports and jobs. This deadline comes at a critical time, as the U.S. economic recovery is beginning to strengthen, and exports are a critical ingredient to that recovery and to job creation.

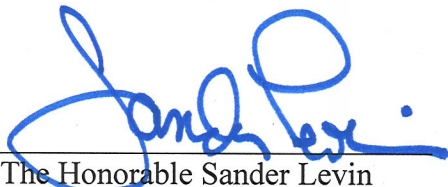
American businesses of all sizes rely upon the Bank's export financing. More than 85 percent of the Bank's work is for small business. The Bank set a record in FY 2011 with \$6 billion in financing and insurance for small businesses -- and it has set a target of \$9 billion for those businesses by 2015.

Ex-Im Bank financing is needed now more than ever before. Many of our trading partners have dramatically increased their export financing programs over the past several years. As a result, according to Bank Chairman Fred Hochberg, the Bank is “clearly outgunned when it comes to foreign [export credit] competition.” For example, from 2006 through 2010, China issued over \$203 billion in new medium- and long-term export credit financing, an amount four times the amount invested by the United States in absolute dollars, and ten times more as a share of GDP.¹ And Germany, France, and India all provided at least seven times more export assistance as a share of GDP than the United States did in 2010.²

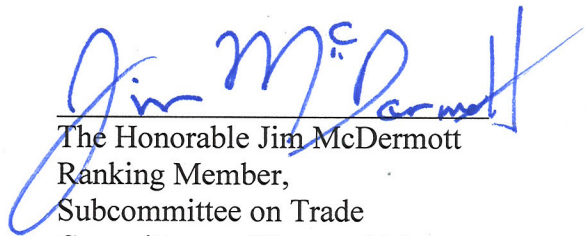
In light of this extremely competitive environment, and the critical role that U.S. exports play in our ongoing economic recovery, we believe the legislation that comes to the House floor should include at least a four-year reauthorization and an increase in the exposure limit of at least \$60 billion per year. We also support efforts to determine whether there is a better methodology for calculating the economic impact of the provision of financing by the Bank, provided that the methodology does not disclose proprietary business information.

We appreciate your attention to this important matter.

Sincerely,



The Honorable Sander Levin
Ranking Member,
Committee on Ways and Means



The Honorable Jim McDermott
Ranking Member,
Subcommittee on Trade
Committee on Ways and Means

¹ Stephen Ezell, “Understanding the Importance of Export Credit Financing to U.S. Competitiveness,” The Information Technology & Innovation Foundation, June 2011.

² Id.