

Crapo Statement at Hearing on the Reauthorization of the Export-Import Bank
June 27, 2019

WASHINGTON – U.S. Senator Mike Crapo (R-Idaho), Chairman of the U.S. Senate Committee on Banking, Housing and Urban Affairs, delivered the following remarks at a hearing entitled “Oversight and Reauthorization of the Export-Import Bank of the United States.”

The text of Chairman Crapo’s remarks, as prepared, is below.

“Today, the Committee turns its focus to the Export-Import (EXIM) Bank of the United States.

“Just last month, the Senate confirmed Kimberly Reed to be President and Chairman of the Export-Import Bank, along with board members Spencer Bachus and Judith Pryor.

“The nominations of Claudia Slacik and Paul Shmotolokha to be Board members have been approved by this committee and are pending before the full Senate.

“United States exporters are able to compete very effectively in international markets on the basis of price and quality.

“However, when aggressive foreign governments provide subsidies as a matter of policy or general practice to their exporters, U.S. exporters are placed at a competitive disadvantage purely because of such financing arrangements.

“According to the 2017 EXIM Bank Competitiveness Report, Chinese export credit agencies provided more medium- and long-term investment support than the rest of the world combined.

“As President Trump and other senior officials in his administration have noted, a fully-functioning Export-Import Bank has the ability to provide financing and level the playing field in response to governments, like China, which can provide almost limitless subsidies from its Treasury, which places U.S. exporters at a disadvantage.

“Director of the National Economic Council Larry Kudlow recently noted that the EXIM Bank is vitally necessary in the current trade environment in order for the United States to compete and succeed in international markets, calling it ‘a financial tool and a national security weapon.’

“During her confirmation process, Chairman Reed committed to focusing on strong standards of conduct, increased transparency, sound risk management practices, and eliminating waste, fraud and abuse at the Bank.

“Now that she has been confirmed, I look forward to hearing about the work that has been done, and that which still needs to be done, to process the backlog of pending

export deals, and how the reforms that Congress initiated in the 2015 reauthorization are being implemented.

“In addition, we will begin the debate about what changes, if any, should be included in the reauthorization for the EXIM Bank’s charter, which is set to expire at the end of September.

“We have been seeking feedback from stakeholders, our colleagues and the Administration as part of the reauthorization process.

“In the 2006 reauthorization, I worked on a number of provisions to make sure the small business community has an advocate to help address its needs and concerns.

“However, the Bank historically has had trouble meeting its 20 percent small business mandate in terms of authorizations, as opposed to sheer number of transactions.

“I look forward to discussing what changes should be considered to promote small- and medium-sized businesses, while continuing to ensure that any risk to the American taxpayer is minimized.

“Despite only being on the job a short time, Chairman Reed’s perspective is very valuable to this process and she will be a critical partner throughout reauthorization.”

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