

Statement of Kimberly A. Reed
Nominee for President, Export-Import Bank of the United States
United States Senate
Committee on Banking, Housing, and Urban Affairs
July 19, 2018

Chairman Crapo, Ranking Member Brown, Senators, thank you for the opportunity to appear before you today.

Thank you as well for this Committee's favorable bipartisan vote to advance my previous nomination to serve as First Vice President of the Export-Import Bank of the United States (ExIm, Bank).

I now return to you as the President's nominee to serve as President of ExIm, a position that includes serving as Chairman of the Bank's Board of Directors. I thank President Trump for his confidence in me to advance ExIm's mission: creating and supporting American jobs by facilitating the export of U.S. goods and services.

If confirmed, I will be both the first woman and the first West Virginian to be President and Chairman of this 84-year-old institution.

I also appreciate the encouragement and support of the President's National Economic Council Chairman Larry Kudlow and diverse organizations focused on American prosperity.

I would like to recognize and thank my father Terry and sister Ashley. I lost my mother, Janet Logue Reed, to cancer when I was nine years old, and tomorrow would be her seventieth birthday, so I send her my love and know that she is with us.

I thank you for the encouraging and supportive individual meetings to discuss your views and the positive impact ExIm has made for the workers in your states, and the potential to do more to support them. If confirmed, I will work especially hard to maintain open lines of communication with you.

I am grateful for the support of my home state Senators Shelley Moore Capito and Joe Manchin. I would bring the grounding of my West Virginia upbringing to ExIm. In 1985, Senator Capito's father, Governor Arch Moore, bestowed upon me a golden horseshoe pin for an academic award that I wear today. Its inscription reads: "Montani Semper Liberi" – "Mountaineers are Always Free."

I believe that freedom, in the form of free-market principles, is the best way to foster economic opportunity for all Americans. Throughout my twenty-two year career, I have embraced these principles to make a positive difference for our nation's businesses and workers while also protecting the American taxpayer. I would bring these values to ExIm.

Still, there is room for improvement to keep America on this road to prosperity, and ExIm is no exception. If confirmed, I will work to ensure that ExIm faithfully implements all laws and reforms enacted by the Congress. I would launch a review to ensure that ExIm truly is the "bank of last resort" and not the other way around.

There are now 109 foreign Export Credit Agencies (ECAs) in other countries – up from 95 when I testified before you last November. (Attachment.) ExIm recently reported on “the increasing ‘weaponization’ of export trade credit by the world’s ECAs to complement increasingly nationalistic trade policies—particularly those initiated by China.” If confirmed, I look forward to working with the Administration and the Congress on an aggressive response to China’s unfair trade policies.

In a perfect world, there would be no ECA financing. If confirmed, I will work with the U.S. government and, as appropriate, the OECD, G20, WTO, and other forums to move towards the ultimate goal of eliminating all ECA financing. On that you have my pledge.

Until that goal is reached, the United States should not unilaterally disarm in a fiercely competitive global economy. While we negotiate, we should not place our nation in a worse position than our foreign counterparts. As President Trump stated regarding export financing: “[W]hen other countries give it, we lose a tremendous amount of business.”

Therefore, if the Senate confirms a Bank Board quorum, I will take responsible steps to get ExIm operational so America can compete on a more level playing field. ExIm has more than \$40 billion in pending applications supporting 250,000 U.S. jobs. We need to keep and support these jobs in the United States while we, at the same time, work to reform the export subsidies of our competitors to save even more. We can do both.

ExIm also must treat *all* American companies fairly, especially small and medium enterprises. I would ensure that ExIm – working with community banks and community development financial institutions that I am so familiar with – helps small businesses and the agriculture sector, which is vital to rural America.

In closing, I would like to underscore that good governance is critical. ExIm, which has a very low 0.4% default rate, is self sustaining because of the fees and loans it charges to the foreign purchasers, and has returned \$14.6 billion to the U.S. Treasury since 2000. We need to ensure that it stays that way.

Building on my time working for the Congress on oversight, investigations, and government reform, I would focus on strong standards of conduct, increased transparency, and sound risk management practices. I would work with you and our Inspector General to ensure we are doing all we can to eliminate waste, fraud, and abuse and give better value to the taxpayer.

Thank you for your consideration. I would be pleased to answer any questions.

ATTACHMENT

Statement of Kimberly A. Reed¹
Nominee for First Vice President, Export-Import Bank of the United States
United States Senate
Committee on Banking, Housing, and Urban Affairs
November 1, 2017

Chairman Crapo, Ranking Member Brown, and Members of the Committee, thank you for this opportunity to appear before you today. I am honored to be the President's nominee to serve as First Vice President of the Export-Import Bank of the United States (Bank), a position that includes being Vice Chairman of the Bank's Board of Directors. As a West Virginian, I am grateful to Senators Shelley Moore Capito and Joe Manchin for their support.

I am pleased to introduce my father Terry and sister Meghan. My father taught me the importance of public service and helping others. My mother, Janet Logue Reed, passed when I was nine years old, but I know that she is with us. My brother Mark, sister Ashley, and brother-in-law Jeremy, a Purple Heart recipient, are watching online.

My interest in public service was sparked when I was four years old and my father was a counsel to the then newly-founded Republican Study Committee. This is when I first met former House Ways and Means Chairman Bill Archer and his Chief of Staff Don Carlson. They have supported me my whole life, and I am deeply honored to have them join us today.

When it comes to helping others, I serve on the Alzheimer's Association National Board of Directors. This disease impacts five million Americans and fifteen million unpaid caregivers, and my thanks goes to Members of Congress, as well as advocates watching today, who take action to end our nation's most expensive disease.

I appreciated the opportunity to meet many of you to discuss your hopes for the Bank. Creating good American jobs is a top priority for the President, as I am sure it is for all of you. If confirmed, I will deliver on this priority. We are on the cusp of an American renaissance in manufacturing, including for small and new entry companies.

I am committed to serving our nation, and, if confirmed, look forward to bringing two decades of bi-partisan experience to my work at the Bank, which has more than 400 dedicated career professionals. Throughout my career, I have engaged not only with CEOs and world leaders, but also with thousands of constituents and small businesses in your states.

As Director of the Treasury Department's Community Development Financial Institutions Fund under President George W. Bush, I made job creation in distressed communities a key priority. I oversaw efforts to provide \$4 billion in financing – in the forms of New Markets Tax Credits, loans, and grants – to financial institutions and economic development groups that were investing in our nation's rural, Native American, and urban communities.

¹ Written Opening Statement – 11/01/17 Hearing: <https://www.banking.senate.gov/imo/media/doc/Reed%20Testimony%2011-1-17.pdf>; Video – 11/01/17 Hearing (Reed Opening Statement – Minute 35): <https://www.banking.senate.gov/hearings/2017/11/01/executive-session-and-nomination-hearing>

As Counsel to three Congressional Committees, I focused on oversight and reform to improve our federal agencies. I deeply appreciate the valuable role Congress plays in oversight of federal programs, including the Bank, and the importance of faithfully executing all our laws consistent with the intent of Congress.

As Senior Advisor to U.S. Treasury Secretaries John Snow and Henry Paulson, I helped advance our nation's economic program. I know the value of working as part of an Administration's team and making sure Congress and the American people are fully informed about the President's agenda.

Most recently, as President of the International Food Information Council Foundation, I worked with the U.S. Departments of Agriculture and State in numerous emerging market countries around the world to increase acceptance of U.S. exports.

The Bank has become an important source of funding for small businesses and an avenue for job creation. Nonetheless, there are needed reforms to ensure that taxpayer dollars are protected from waste and fraud and that Americans are obtaining the best value.

With respect to the activities of the Bank, my friend, Chairman Archer, taught me that any reform must not occur at the expense of our national interests. He warned against unilateral disarmament in a fiercely competitive global economy. I share his concerns and would never advocate to place American exporters and workers in a worse position than our foreign counterparts. There are now 95 foreign Export Credit Agencies – including eleven acknowledged in the past year – many of which are used by foreign governments attempting to move U.S. jobs and business revenue to their countries.

In West Virginia, my grandfather taught me the importance of having the necessary tools in life. As an eighth grader during the Great Depression, he launched Reed's Dairy. When private sector financing was not available, the Federal Land Bank filled the gap, and the dairy became one of the most successful small enterprises in the state. My grandfather farmed for the rest of his life and was meticulous with his toolbox. The United States must have the right tools – including a fully functioning Export-Import Bank – in our toolbox to be successful in the global marketplace.

But, those tools need to be constantly repaired and reformed. I am especially interested in making sure that small and medium enterprises, just the kind of businesses that I am so familiar with in West Virginia, have full access to the programs authorized by Congress.

If confirmed, I will bring a fresh set of eyes to the Bank to strengthen U.S. competitiveness and bring better value to the taxpayer, as the opportunity for Americans to create and export has never been brighter.

Thank you for your consideration. I would be pleased to answer any questions.