

Issue Brief

Export-Import Bank Quorum & Large Deal Financing

Background

In Pennsylvania, the Export-Import Bank of the United States (Ex-Im) directly supports 6,238 million in export sales and 40,000 jobs and is a critical playing field leveler for our regional exporters. The bank has been a key part of our region's continued export growth. Without a fully operational board allowing for a quorum, however, many deals have been delayed and jeopardized. Without a quorum, the bank cannot currently approve financing above \$10 million.

A few years ago, Ex-Im began to come under fire, with some arguing that government should have no role in helping American manufacturers compete on the world stage, no matter how much other countries tilt the playing field in their own favor with subsidies and other support.

They called Ex-Im “crony capitalism” – a memorable insult but an untrue one since the bank is open to all American companies selling goods overseas. They claimed it hurts taxpayers, when in fact, by charging interest and fees for its services, Ex-Im not only pays for itself but also returns a significant surplus to the U.S. Treasury (In fiscal year 2016, the bank transferred \$284 million in deficit-reducing receipts to the U.S. Treasury's General Fund).

After many years of fighting to reauthorize the bank, we must now remove the barriers to large-scale financing.

Conclusion

- We supported reauthorization of the Ex-Im bank and we support the bank's mission.
- We support Rep. Dent's amendment to remove the quorum requirement for large-scale loans.
- We also support pro-exporter nominees to the board of the bank.