

Strengthen the Export-Import Bank

Problem:

The Export-Import Bank of the United States (EXIM) operates under a renewable general statutory charter, most recently extended through Dec. 31, 2026, as part of a consolidated appropriations bill from the 117th Session of Congress. Enacted on Dec. 20, 2019, the reauthorization permits the Bank to approve new transactions as the official U.S. export credit agency (ECA), providing financing and insurance to facilitate U.S. goods and services exports when the private sector is unable or unwilling to do so.

- For FY2021, EXIM reported authorizing \$5.1 billion for more than 2,000 transactions, supporting approximately \$9.2 billion of U.S. export sales – the lowest authorization rates have been since 2018 (down from \$20 billion authorized in 2014). With a Congressional mandate to make least 30 percent of its total financing authority available to support small business exports, small businesses comprised 28.2 percent of FY2021’s authorizations.
- On Feb. 9, 2022, the Senate confirmed President Biden’s nomination of Reta Jo Lewis to serve as EXIM’s president through January 2025. Currently, the Board operates with the EXIM president serving as the chair, an acting vice chair, and a member (confirmed in 2019, for a term expiring in January 2023). Nominations for the first vice president and a member are currently pending in the Senate, and, while EXIM is still able to operate by a minimum board quorum, there is currently a \$39 billion backlog of projects awaiting approvals.
- With EXIM still reconciling effects of vacancies and lapse reauthorizations, even for small business, China, Germany, and the UK continue to dominate global export credit financing, underscoring the competitive disadvantage the United States faces when one of its small business credit arteries is clogged by partisanship and bureaucratic inefficiencies.

Solution:

Working with the Small Business Exporters Association (SBEA) – NSBA’s export and trade policy arm – EXIM should continue to strive to exceed its mandates of supporting small business exporting efforts and reestablishing its reliability as a resource to address inabilities to access traditional credit or financing. Sluggish progress on addressing backlogged, pending project finance requests is costing American jobs and competitiveness overseas, leading to trade imbalances and slower growth opportunities, especially for small exporters.

- Congress should ensure EXIM is able to operate at maximum efficiency given EXIM’s critical role in filling gaps in private-sector financing for small business exports, and helping U.S. firms compete against foreign ECA-backed firms.