

CALIFORNIA CHAMBER of COMMERCE



October 15, 2015

To: Members of the California Congressional Delegation

From: (Mrs.) Susanne T. Stirling
Vice President, International Affairs
California Chamber of Commerce

Re: REAUTHORIZATION FOR THE EX-IM BANK - SUPPORT

In order to prevent the loss of U.S. jobs to our foreign competitors, I write on behalf of the California Chamber of Commerce to ask for your support of reauthorizing the Export-Import Bank. Failure to reauthorize the Ex-Im Bank, which expired on June 30, 2015, will seriously disadvantage U.S. companies—small and large—in foreign markets, potentially resulting in the loss of thousands of U.S. jobs.

The California Chamber of Commerce, established in 1890, is the largest, broad-based business advocate that works at both state and federal levels to influence government actions affecting all California businesses. Our members include more than 13,000 firms of all kinds and sizes, as well as 300 affiliated local chambers of commerce and 200 trade associations. Our members employ one-fourth of the private sector workforce in California. Through its grassroots action program, the California Chamber reaches out to a statewide network of 430,000 small business owners.

The CalChamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

Ex-Im has a proven record of success, and turns a profit for the American taxpayer. Since 1990, Ex-Im has refunded \$7 billion to the U.S. Treasury above all costs and loss reserves, including \$674.7 billion in FY 2014 alone.

The potential impact of a lack of financing for exports for both small and large businesses will be damaging to the economic recovery of both California and the United States. Over the last five years, Ex-Im assisted 800 businesses from California, and the vast majority was small businesses.

In fact, small businesses account for approximately 89% of Ex-Im's transactions; further, these small business transaction figures are in addition to the tens of thousands of small and medium-sized businesses that supply goods and services to large exporters. In FY 2014, Ex-Im provided more than \$5 billion in financing and insurance for U.S. small businesses.

California is one of the top economies in the world with a gross state product of over \$2 trillion. In 2014, California exported to approximately 229 foreign markets. Trade offers the opportunity to expand the role of California's exports.

Failure to reauthorize the Ex-Im Bank would put at risk the more than 150,000 U.S. jobs at 3,000 companies that depend on Ex-Im to compete in global markets. The California Chamber of Commerce strongly urges you to consider legislation to reauthorize the Export-Import Bank of the United States as expeditiously as possible.