

California District Export Councils



September 10, 2019

To: Members of the California Congressional Delegation (via fax)

From: Dean Fealk, DLA Piper/ Chair, Northern California DEC
Tsvi Guy, Vecron Exim/Chair, Central California DEC
Timothy E. Kelley, Imperial Valley EDC/Chair, San Diego & Imperial DEC
Marvin Sepe, CTC Global Corporation/Chair, Southern California DEC
Nick Grooters, Pacer Technology/Vice Chair, Inland Empire DEC

Re: REAUTHORIZATION FOR THE EX-IM BANK - SUPPORT

As you return to Washington, DC the five California District Export Councils are writing in support of the continued authorization of the Export Import Bank set to expire on September 30.

In order to prevent the loss of U.S. jobs to our foreign competitors, we are writing on behalf of the California District Export Councils to ask for your support in reauthorizing the Export-Import Bank. Failure to reauthorize the Ex-Im Bank charter, which has only recently re-established a quorum after four years, will seriously disadvantage U.S. companies—small and large—in foreign markets, potentially resulting in the loss of thousands of U.S. jobs.

The over 60 District Export Councils (DEC) nationwide contribute leadership and international trade expertise to complement the U.S. Commercial Service's export promotion efforts through counseling businesses on the exporting process and conducting trade education and community outreach.

The DEC members are appointed by the Secretary of Commerce. These international trade professionals use their knowledge and international business experience to act as consultants to small and medium sized businesses who want to export their products into markets outside of the United States.

For more than 40 years, DECs have served the United States by assisting companies in their local communities' export, thus promoting our country's economic growth and creating new and higher-paying jobs for their communities.

Ex-Im has a proven record of success, and turns a profit for the American taxpayer. In the past ten years, Ex-Im has refunded approximately \$5 billion to the U.S. Treasury above all costs and loss reserves.

In fact, small businesses accounted for 90.5% of Ex-Im's transactions in FY 2018; further, these small business transactions figures are in addition to the tens of thousands of small and medium-sized businesses that supply goods and services to large exporters.

California is one of the top economies in the world with a gross state product of over \$2.7 trillion. In 2018, California exported \$178.4 billion to approximately 230 foreign markets. Trade offers the opportunity to expand the role of California's exports.

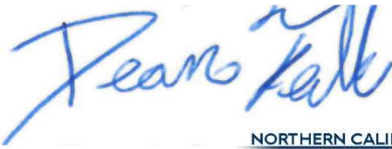
In 2018 alone, Ex-Im Bank assisted approximately 190 California exporters, helping to support almost \$1 billion in exports. Over the past 5 years, the Bank authorized \$3 billion in financing to support \$6 billion of California exports. Over this period, Ex-Im supported approximately 590 California exporters, 470 of which were small businesses, including 176 minority-owned and women-owned enterprises.

Failure to reauthorize the Ex-Im Bank Board will put at risk tens of thousands of U.S. jobs. Over the last decade, the Ex-Im bank has supported more than 1.8 million jobs in all 50 states; however, in FY 2018, lacking a board quorum for several consecutive years, the number of jobs supported dwindled to 33,000 from 40,000 in FY 2017. These American workers, and the almost 2,200 small businesses they worked for in FY 2018, depend on Ex-Im to compete in global markets.

The California District Export Councils strongly urge you to reauthorize the Export-Import Bank of the United States as expeditiously as possible.

Thank you for your consideration.

Sincerely,



Dean Fealk
Chair, Northern California DEC
Partner, DLA Piper



Nick Grooters
Vice Chair, Inland Empire DEC
Director of Int'l Sales, Pacer Technology



Marvin Sepe
Chair, Southern California DEC
CTC Global Corporation



Timothy E. Kelley
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