



July 10, 2017

Support the Export-Import Bank Termination Act, H.R. 3114

On behalf of our activist community, I urge you to contact your representative and urge him or her to cosponsor the Export-Import Bank Termination Act, H.R. 3114, sponsored by Rep. Justin Amash (R-Mich.). Several other House conservatives have cosponsored the bill, including Reps. Dave Brat (R-Va.), Michael Burgess (R-Texas), Thomas Massie (R-Ky.), and Tom McClintock (R-Calif.). The bill would abolish the Export-Import Bank, a relic of the New Deal and the face of cronyism.

In a 1981 speech to a joint session of Congress, President Ronald Reagan noted that most of the recipients of funding from the Export-Import Bank were “profitable corporations.” Unfortunately, not much has changed in the nearly 36 years since President Reagan gave that speech.

The Export-Import Bank has earned the nickname “Boeing’s Bank.” In FY 2014, for example, 68 percent of Ex-Im’s long-term loan guarantees and 40 percent of its authorizations went to Boeing. General Electric and Caterpillar were also among the top five of Ex-Im’s beneficiaries.

While apologists for the Bank both inside and outside of the halls of Congress claim that it supports small businesses, this claim is wholly misleading.

“By dollar value, in 2014, some 25 percent of the Ex-Im Bank’s activities benefited small businesses,” Mercatus Center economist Veronique de Rugy noted in congressional testimony. “[I]t is worth noting that the Ex-Im Bank has been caught mislabeling its data to make it look as if more lending has gone to benefit small businesses, and it has been touting small business successes of companies that were large or already successful before any involvement with the Ex-Im Bank.”

Although its rent-seeking supporters argue that the Bank turns a profit, a May 2014 report from the Congressional Budget Office (CBO) noted that Ex-Im would actually lose \$2 billion between 2015 and 2024 using the fair-value accounting method.

The Export-Import Bank may be good for politically-connected businesses and K Street lobbyists, but it picks winners and losers in the marketplace at the expense of taxpayers. It's time to send this relic of the New Deal to the grave. For these reasons, I urge you to contact your representative and ask him or her to cosponsor the Export-Import Bank Termination Act, H.R. 3114.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Brandon', with a stylized flourish at the end.

Adam Brandon
President, FreedomWorks