



October 27, 2017

The Honorable Michael D. Crapo
Chairman of the Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Crapo:

We urge you and your fellow committee members to support the nomination of former Representative Scott Garrett (PN 673) to serve as President of the Export-Import Bank (Ex-Im Bank) of the United States. To be clear, we do not believe the Ex-Im Bank needs additional board members; however, if the Trump administration insists on refilling the board then the committee should confirm a reform-oriented leader, and Mr. Garrett is perfect for that job.

In 2013, you asked former Ex-Im Bank Chairman Fred Hochberg what steps he would “take to mitigate the tension between the Bank’s support for export transactions and adverse impact to domestic companies?” It was an insightful question and one that we hope the committee will remember in the upcoming hearing. As the American Action Forum, which supports the Bank, argued in 2011, “Export financing merely redistributes jobs across the economy rather than create more overall jobs.” Similarly, a 1981 Congressional Budget Office report that explained “Subsidized loans to exporters will increase employment in export industries, but this increase will occur at the expense of non-subsidized industries: the subsidy to one industry appears on other industries’ books as increased costs and decreased profits.”

As many of your fellow committee members previously noted, the Ex-Im Bank needs additional reforms to better address waste, fraud and abuse. The Trump administration agrees that the Bank is “in serious need of reform and Scott Garrett is the one to do it.” We urge the Banking Committee members to ignore pressure from the business community to defeat Mr. Garrett’s nomination to lead the Bank. President Trump ran for and won the presidency by promising Americans he would drain the swamp, and rightly said the Ex-Im Bank was little more than “feather bedding” for “a few companies ... that can do very well without it.” As noted above, one company’s “feather bedding” is another company’s government-imposed competitive disadvantage. Mr. Garrett understands these economics and the president’s desire to make America great again, and he deserves to be confirmed.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Needham", with a long horizontal flourish extending to the right.

Michael A. Needham
Chief Executive Officer

cc: The Vice President
The Honorable Mitch McConnell, Senate Majority Leader
Senate Committee on Banking, Housing, and Urban Affairs