

Assembly Joint Resolution

No. 37

Introduced by Assembly Member Muratsuchi

February 19, 2014

Assembly Joint Resolution No. 37—Relative to the Export-Import Bank of the United States.

LEGISLATIVE COUNSEL'S DIGEST

AJR 37, as introduced, Muratsuchi. Export-Import Bank of the United States.

This measure would urge Congress to support legislation reauthorizing the Export-Import Bank of the United States.

Fiscal committee: no.

1 WHEREAS, The Export-Import Bank of the United States
2 (Ex-Im) is the official export credit agency of the United States
3 and exists for the purposes of financing and insuring foreign
4 purchases of United States goods for customers unable or unwilling
5 to accept the credit risk; and

6 WHEREAS, The mission of the Ex-Im is to create and sustain
7 United States jobs by financing sales of United States exports to
8 international buyers; and

9 WHEREAS, The Ex-Im is the principal government agency
10 responsible for aiding the export of American goods and services,
11 and thereby creating and sustaining United States jobs, through a
12 variety of loan, guarantee, and insurance programs for small and
13 large businesses; and

14 WHEREAS, The Ex-Im has supported more than \$400 billion
15 in United States exports in the past 70 years and helps to cover

1 critical trade finance gaps by providing loan guarantees, export
2 credit insurance, and direct loans for United States exports in
3 developing markets where commercial bank financing is
4 unavailable or insufficient. In Fiscal Year 2012, Ex-Im financing
5 of United States exports exceeded \$35 billion, assisting more than
6 3,400 United States companies and supporting approximately
7 255,000 export-related American jobs; and

8 WHEREAS, The Ex-Im is a self-sustaining agency, which
9 operates at no cost to the taxpayer and, between the 2008–09 to
10 2011–12 fiscal years, inclusive, the Ex-Im has generated \$1.6
11 billion in excess revenue for United States taxpayers; and

12 WHEREAS, The Ex-Im enables United States companies large
13 and small to turn export opportunities into sales that help to
14 maintain and create in the United States jobs and contribute to a
15 stronger national economy. On average, more than 85 percent of
16 the Ex-Im’s transactions support United States small businesses;
17 and

18 WHEREAS, Exports are particularly important to the California
19 economy as California is currently ranked second in exports among
20 all states. If California’s manufacturing base is to grow, we must
21 continue to expand our ability to export goods from California
22 facilities. Given the key role the Ex-Im plays in facilitating export
23 sales, failure to reauthorize it would be devastating to existing
24 industry and to those that we hope to create in the future; and

25 WHEREAS, Over the past five years, the Ex-Im has assisted
26 more than 900 California companies to export their products.
27 Nearly 200 of those companies are women or minority owned and
28 668 are small businesses. These companies export their products
29 and services around the globe totaling more than \$19 billion in
30 sales. Fifty-two of the 53 congressional districts in California had
31 companies benefit from the Ex-Im loans; and

32 WHEREAS, A reauthorization of the Ex-Im is critical to the
33 ability of many United States exporters to compete on a level
34 playing field in a commercial market where current and future
35 competitors continue to enjoy aggressive support from their
36 countries’ export credit agencies; and

37 WHEREAS, A failure to reauthorize the Ex-Im would amount
38 to unilateral disarmament in the face of other nations’ aggressive
39 trade finance programs that favor their domestic companies over
40 American companies; and

1 WHEREAS, Economic growth depends on increasing exports
2 from both small and large manufacturers and service providers in
3 California and reauthorization means support for California exports
4 and California jobs; now, therefore, be it

5 *Resolved by the Assembly and the Senate of the State of*
6 *California, jointly,* That the Legislature urges Congress to support
7 legislation reauthorizing the Export-Import Bank of the United
8 States; and be it further

9 *Resolved,* That the Chief Clerk of the Assembly transmit copies
10 of this resolution to the President and Vice President of the United
11 States, to the Speaker of the House of Representatives, to the
12 Majority Leader of the Senate, and to each Senator and
13 Representative from California in the Congress of the United
14 States.

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