



18 June 2015

The Honorable Richard C. Shelby
Chairman, U.S. Senate Committee on Banking, Housing & Urban Affairs
304 Russell Bldg.
Washington, DC 20510

Dear Mr. Chairman:

I am writing to communicate the conditional support of the Institute of Electrical and Electronics Engineers – United States of America (IEEE-USA) for Congressional action to reauthorize the U.S. Export-Import Bank before its charter expires.

It is clear to us that the Export-Import bank plays an important role in promoting American exports and improving our nation's economy. The bank has been very successful at supporting American business interests abroad and protecting American companies that export (and their employees), and therefore is worthy of being reauthorized.

However, it is also clear to us that the Bank is not contributing as much to the U.S. economy as it could. Despite a Congressional mandate to help entrepreneurs, small businesses and new businesses, the Bank could do much more to help smaller enterprises.

Currently the Bank devotes a relatively small percentage of its resources to these vital companies. The experiences of IEEE's U.S. members who have tried to utilize the Bank suggest that it is still not focused on working with truly small businesses—especially ones focused on technology and including most new businesses.

The International Trade Administration reports that Small Entities (up to 50 employees, a much lower number than that used by the Bank) were responsible for 24% of goods exports in 2011, and that Small Entities could sharply boost exports by entering new markets. Small & Medium Entities (SMEs) were responsible for 33% of goods exports in 2011. And most of this was without meaningful support from the Export-Import Bank. With support, we believe SMEs could be exporting far more than they already are.

We therefore recommend that Congress enact the following reforms in the reauthorization to help the Bank be more useful to small and new businesses:

1. Require the Bank to treat all applications from small businesses, including micro businesses, equally. Companies should not be placed at any material disadvantage because they only need a small amount of assistance.
2. Require the Bank to devote more of its resources to its Small Business Group, and increase the visibility and authority of that group. The Small Business Group ought to operate as an advocate for small businesses within the Bank and should be instructed to focus most of its efforts on the smallest and newest companies.
3. Require the bank to devote a larger percentage of its resources to contracts worth less than \$5 million to encourage companies that do not currently export to begin to do so.

IEEE-USA believes that, with these reforms, the Export-Import Bank will be able to play an even more constructive role in promoting American exports and creating American jobs than it already does.

Sincerely,

A handwritten signature in black ink, appearing to be 'T. Tierney', written in a cursive style.

Dr. Thomas Tierney
IEEE-USA Vice President for Government Relations

IEEE-USA is an organizational unit of the IEEE, the world's largest membership society for technical professionals and an international advocate for the advancement of science, technology, engineering and mathematics for the benefit of humanity. IEEE-USA supports the public policy interests of more than 205,000 engineers, scientists, information technologists and allied professional who are U.S. members of the IEEE.



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The Honorable Jeb Hensarling
Chairman, U.S. House Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

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