

Chairman Jim Jordan
Opening Statement
As Delivered

Today's hearing continues the Committee's important work examining the Export-Import Bank.

In just 19 days the Bank's charter is set to expire. When this happens, the sky will not fall. The seas will not rise. In fact, in my view, and in the view of many economists, quite the opposite will happen.

The expiration of the Bank's charter will mean that companies doing business overseas will reorient themselves away from Washington and towards market signals. The Bank's absence will make our economy stronger.

Besides the economic rationale, there are also serious problems with the manner in which the Bank has operated that make its continued existence untenable.

In just the past couple months, one former Export Import bank loan officer was indicted and pleaded guilty for accepting over \$78,000 in bribes and we learned that the Inspector General's office – who we have with us today – has dozens of other investigations open that may yield more indictments.

Over its history, the bank has been plagued by scandals and systemic corruption.

Many people forget that the \$90,000 dollars in cash found in former Representative William Jefferson's freezer related directly to a bribe taken to help a company secure financing from the Export-Import Bank.

Recently, another scandal has emerged. NewSat, an Australian satellite company that received over \$300 million dollars in direct loans from Ex-Im defaulted on its payments and declared bankruptcy. It is now clear that there were significant problems at NewSat. Had the bank done proper due diligence it almost certainly would've been aware of these issues before putting taxpayer dollars at risk.

Even more troubling is that NewSat's disgraced former CEO appears to have had a cozy relationship with Ex-Im Chairman Hochberg.

These kinds of revelations have become all too common at the Export-Import Bank and it's another reason I am glad that it appears my colleagues will finally let the Bank expire.

This is a no brainer for Congress. Like ending earmarks after the Bridge to Nowhere, the problems at the Bank are so awful that they should be a wakeup call not just about Ex-Im, but about the problems with corporate welfare across the federal government.

At the end of June, the Bank will not fire all of its employees. It will not lock its doors and board up its windows. The Bank will be allowed to continue servicing existing loans and go through an orderly wind-down. The stories of calamity are over-stated and no one outside of the few major corporations benefiting from its financing will notice.

Many will make a push to revive the Bank after its charter lapses. But much like Dr. Frankenstein and his monster, the world would be much better off letting the Bank remain dead after it expires at the end of the month.

It's now time to show the Bank the door. The chairmen of the relevant committees – Chairman Ryan of Ways and Means, Chairman Chaffetz of Oversight, Chairman Price of Budget and Chairman Hensarling of Financial Services – support ending the bank. Majority Leader McCarthy and Majority Whip Scalise have both expressed opposition publically.

As I mentioned at our last hearing, the best part about this is that all we need to do is nothing – something the American people think Congress is pretty good at.

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