Export-Import Bank Reauthorization Act of 2012: Every Reform Completed

Less than three years ago, Congress voted to reauthorize the Export-Import Bank of the United States, including a number of reforms (P.L. 112-122). Ex-Im Bank has now completed and implemented every single reform. But reforming and improving our operations doesn’t begin or end with a bill’s passage. At Ex-Im Bank, we pride ourselves on “government at the speed of business,” and we’ve taken a number of steps in recent years to improve the customer experience for small business exporters, streamline operations, manage risk, and improve transparency.

Section by Section: Export-Import Bank Reauthorization Act of 2012 Status

Section 1: Short Title; Table of Contents ......................................................... No Action Required

Section 2: Extension of Authority ................................................................. No Action Required

Section 3: Limitations on Outstanding Loans, Guarantees, and Insurance .............. Completed

Ex-Im Bank met all conditions for an increase in its exposure cap to $130 billion in 2013 and an increase to $140 billion in 2014 (see sections 4-6, 11).

Section 4: Export-Import Bank Exposure Limit Business Plan .................................. Completed

Ex-Im Bank sent its final business plan to Congress and the Comptroller General on September 28, 2012.

Section 5: Study by the Comptroller General on the Role of the Bank in the World Economy and the Bank’s Risk Management ......................................................... Completed

GAO submitted its report to Congress in March 2013. The Bank submitted its report to Congress on the implementation of GAO’s recommendations in June 2013.

Section 6: Monitoring of Default Rates on Bank Financing; Reports on Default Rates; Safety and Soundness Review ................................................................. Completed Quarterly

Ex-Im Bank submits a default rate report to Congress each quarter.

Section 7: Improvement and Clarification of Due Diligence Standards for Lender Partners ................................................................. Completed

Ex-Im Bank updated its due diligence standards and “know your customer” requirements on May 30, 2014.

Section 8: Non-Subordination Requirement ................................................................. Completed

Ex-Im Bank added this requirement to its Policy Handbook and completed training of Ex-Im Bank staff.

Section 9: Notice and Comment for Bank Transactions Exceeding $100,000,000 .................. Ongoing

Notices are regularly published in the Federal Register as required.

Section 10: Categorization of Purpose of Loans and Long-Term Guarantees in Annual Report .......... Completed

Ex-Im Bank first included a categorization of long-term loans and guarantees in its FY 2012 Annual Report. The categorization will continue to be included in all future Ex-Im Bank Annual Reports.

Section 11: Negotiations to End Export Credit Financing ........................................... Completed Annually by U.S. Department of Treasury

Completion of this reform was assigned by Congress to the U.S. Department of the Treasury. Treasury provides a report on export credit financing to Congress annually.

Section 12: Publication of Guidelines for Economic Impact Analyses and Documentation of Such Analyses ................................................................. Completed

Updated economic impact procedures and methodology were approved by Board on November 19, 2012. They were published online and reported to Congress, GAO, and the Inspector General on November 26, 2012.
**Section by Section: Export-Import Bank Reauthorization Act of 2012 Status**


Ex-Im Bank submitted this report to Congress on November 26, 2012.

**Section 14: Examination of Bank Support for Small Business**

Ex-Im Bank’s Small Business Report was submitted to Congress on November 26, 2012.

**Section 15: Review and Report on Domestic Content Policy**

Ex-Im Bank’s report to Congress on domestic content policy was submitted on May 30, 2013.

**Section 16: Improvement of Method for Calculating the Effects of Bank Financing on Job Creation and Maintenance in the United States**


**Section 17: Periodic Audits of Bank Transactions**

GAO completed an initial audit of underwriting guidelines, lending policies, due diligence procedures, content guidelines, and fraud controls. It was sent to Congress on September 9, 2014. Future audits will take place periodically.

**Section 18: Prohibitions on Financing for Certain Persons Involved in Sanctionable Activities with Respect to Iran**

Procedures and certificates have been posted on Ex-Im Bank’s website, and training of Ex-Im Bank staff has been completed. Certificates are being collected as required.

**Section 19: Use of Portion of Bank Surplus to Update Information Technology Systems**

Ex-Im Bank is modernizing its IT systems.

**Section 20: Modifications Relating to the Advisory Committee**

Beginning in 2013, each Ex-Im Bank Advisory Committee has included a textile industry representative. That member helps ensure that the Advisory Committee is working to advise Ex-Im Bank on how to increase support for the U.S. textile industry.

**Section 21: Financing for Goods Manufactured in the United States Used in Global Textile and Apparel Supply Chains**

Ex-Im Bank’s Report on Global Textile and Apparel Supply Chains was sent to Congress on November 30, 2012.

**Section 22: Technical Correction**

No Action Required

**Section 23: Sub-Saharan Africa Advisory Committee**

No Action Required

**Section 24: Dual-Use Exports**

No Action Required

**Section 25: Effective Date**

No Action Required

Ex-Im Bank has also enacted a number of additional voluntary improvements to better serve exporters and protect taxpayers:

- Realigned internally by industry sector to respond to market trends and better serve U.S. exporters.
- Improved customer service for U.S. exporters through the new Customer Contact Center at 1-800-565-EXIM.
- Established the office of Chief Risk Officer and created the Enterprise Risk Committee to maintain comprehensive and systematic risk management.
- Mandated ethics training for every single Ex-Im Bank employee, resulting in a 100% participation rate.