

114TH CONGRESS
1ST SESSION

H. R. 597

To reauthorize the Export-Import Bank of the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2015

Mr. FINCHER (for himself, Mr. WILSON of South Carolina, Mr. ADERHOLT, Mr. HUNTER, Mr. STIVERS, Mr. COLLINS of New York, Mr. RODNEY DAVIS of Illinois, Mr. DOLD, Mr. COLE, Mr. HULTGREN, Mr. LUCAS, Mr. PITTS, Mr. REED, Mrs. WAGNER, Mr. BOST, Mr. HARPER, Mr. KING of New York, Mr. NEWHOUSE, Mr. TIBERI, Mr. GIBBS, Mr. CRENSHAW, Mr. LONG, Mr. ROGERS of Alabama, Mr. AMODEI, Mrs. WALORSKI, Mr. GRAVES of Missouri, Mr. BOUSTANY, Mr. JOYCE, Mr. RICE of South Carolina, Mr. MICA, Mr. BUCSHON, Mr. MEEHAN, Mr. COSTELLO of Pennsylvania, Mr. THOMPSON of Pennsylvania, Mr. TURNER, Mr. GIBSON, Mr. HANNA, Mr. KELLY of Pennsylvania, Mr. MACARTHUR, Mr. SHIMKUS, Mr. BARLETTA, Mr. CRAMER, Mr. SHUSTER, Mr. REICHERT, Mr. LOBIONDO, Mr. KINZINGER of Illinois, Mr. JOHNSON of Ohio, Mr. MARINO, Mr. MULLIN, Ms. STEFANIK, Mr. KATKO, Mr. CRAWFORD, Mr. JOLLY, Mr. CALVERT, Mrs. COMSTOCK, Mr. SCHOCK, Mrs. HARTZLER, and Mr. VALADAO) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To reauthorize the Export-Import Bank of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Reform Exports and
3 Expand the American Economy Act”.

4 **SEC. 2. TABLE OF CONTENTS.**

5 The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—IMPROVING TRANSPARENCY OF THE EXPORT-IMPORT
BANK OF THE UNITED STATES

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- Sec. 102. Review of fraud controls.
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- Sec. 105. Independent audit by the Comptroller General.
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TITLE II—IMPROVING THE ACCOUNTABILITY OF THE EXPORT-
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- Sec. 201. Earnings retention.
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- Sec. 207. Chief Risk Officer.
- Sec. 208. Participation and risk-sharing by private sector lenders and export-
ers.
- Sec. 209. Reauthorization of information technology updating.

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- Sec. 301. Extension of authority.
- Sec. 302. Dual use exports.
- Sec. 303. Small business and medium-sized enterprises reports.
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- Sec. 305. Extension of suspension of supplemental guidelines for high carbon
intensity projects.
- Sec. 306. Updated definition of loan terms.

Sec. 307. Updated loan amounts.

Sec. 308. Updated environmental effects consideration.

Sec. 309. Updated export amounts.

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1 **TITLE I—IMPROVING TRANS-**
 2 **PARENCY OF THE EXPORT-IM-**
 3 **PORT BANK OF THE UNITED**
 4 **STATES**

5 **SEC. 101. MAKING THE OFFICE OF ETHICS STATUTORY.**

6 Section 3 of the Export-Import Bank Act of 1945
 7 (12 U.S.C. 635a) is amended by adding at the end the
 8 following:

9 “(k) OFFICE OF ETHICS.—

10 “(1) ESTABLISHMENT.—There is hereby estab-
 11 lished an Office of Ethics within the Bank, which
 12 shall oversee all ethics issues within the Bank.

13 “(2) HEAD OF OFFICE.—The head of the Office
 14 of Ethics shall be the Chief Ethics Officer, who shall
 15 be appointed by the Board of Directors of the Bank,
 16 within 180 days after the date of the enactment of
 17 this paragraph, from among persons with a back-
 18 ground in law who have experience in the fields of
 19 law and ethics, including the individual serving as a
 20 designated agency ethics official for the Bank pursu-
 21 ant to Ethics in Government Act of 1978. The Chief
 22 Ethics Officer shall report to the Board.

1 “(3) DUTIES.—The Office of Ethics has juris-
2 diction over all employees and contractors of, and
3 matters relating to, the Bank. With respect to em-
4 ployees and contractors of the Bank, the Office of
5 Ethics may—

6 “(A) recommend administrative actions to
7 establish or enforce standards of official con-
8 duct;

9 “(B) investigate alleged violations of the
10 Code of Official Conduct or of any applicable
11 rules, laws, or regulations governing the per-
12 formance of official duties or the discharge of
13 official responsibilities;

14 “(C) report to appropriate Federal or
15 State authorities substantial evidence of a viola-
16 tion of any law applicable to the performance of
17 official duties that may have been disclosed in
18 an Office of Ethics investigation, subject to ap-
19 proval of the report by an affirmative vote of a
20 majority of the Board of Directors of the Bank;
21 and

22 “(D) render advisory opinions regarding
23 the propriety of any current or proposed con-
24 duct of employee or contractor of the Bank,

1 and issue general guidance on such matters as
2 necessary.”.

3 **SEC. 102. REVIEW OF FRAUD CONTROLS.**

4 Section 17(b) of the Export-Import Bank Reauthor-
5 ization Act of 2012 (12 U.S.C. 635a–6(b)) is amended
6 to read as follows:

7 “(b) REVIEW OF FRAUD CONTROLS.—Not less fre-
8 quently than every 4 years, the Comptroller General of
9 the United States shall—

10 “(1) review the adequacy of the design and ef-
11 fectiveness of the controls used by the Export-Im-
12 port Bank of the United States to prevent, detect,
13 and investigate fraudulent applications for loans and
14 guarantees and the compliance by the Bank with the
15 controls, including by auditing a sample of Bank
16 transactions, and

17 “(2) submit to the Committees on Financial
18 Services and Appropriations of the House of Rep-
19 resentatives and the Committees on Banking, Hous-
20 ing, and Urban Affairs and Appropriations of the
21 Senate a written report regarding the findings of the
22 review and providing such recommendations with re-
23 spect to the controls as the Comptroller General
24 deems appropriate.”.

1 **SEC. 103. REVIEW OF BANK PRODUCT PRICING AND CRED-**
2 **IT STANDARDS TO AVOID CROWDING OUT OF**
3 **PRIVATE EXPORT FINANCE.**

4 Section 8 of the Export-Import Bank Act of 1945
5 (12 U.S.C. 635g) is amended by adding at the end the
6 following:

7 “(k) REPORTS ON PRIVATE EXPORT FINANCING AND
8 BANK PRICING AND CREDIT STANDARDS.—

9 “(1) PRIVATE EXPORT FINANCING.—The Board
10 of Governors of the Federal Reserve System shall
11 issue a semiannual report to the Congress on the
12 terms and conditions (including interest rates, matu-
13 rities, and credit standards) that apply in the provi-
14 sion of export finance by private financial institu-
15 tions.

16 “(2) BANK PRICING AND CREDIT STAND-
17 ARDS.—The Bank shall issue an annual report to
18 the Congress on the steps taken by the Bank to ad-
19 just the pricing of products offered, and the credit
20 standards used, by the Bank to avoid crowding out
21 private export finance.”.

22 **SEC. 104. PROHIBITED COUNTRIES.**

23 Section 8 of the Export-Import Bank Act of 1945
24 (12 U.S.C. 635g), as amended by section 103 of this Act,
25 is amended by adding at the end the following:

1 “(1) **RECOMMENDATIONS REGARDING PROHIBITED**
 2 **COUNTRIES.**—The Board of Directors of the Bank, in
 3 consultation with Congress, the President, and the Sec-
 4 retary of State, shall develop recommendations annually
 5 regarding the countries with whom and in which the Bank
 6 should not be doing business, and the Bank shall include
 7 the recommendations in its annual report to the Congress
 8 under subsection (a).”.

9 **SEC. 105. INDEPENDENT AUDIT BY THE COMPTROLLER**
 10 **GENERAL.**

11 Section 3(c) of the Export-Import Bank Act of 1945
 12 (12 U.S.C. 635a(c)) is amended by redesignating para-
 13 graph (10) as paragraph (11) and inserting after para-
 14 graph (9) the following:

15 “(10) **INDEPENDENT AUDIT BY THE COMPTROLLER**
 16 **GENERAL.**—

17 “(A) **ANNUAL AUDIT.**—The Comptroller Gen-
 18 eral of the United States shall, before the end of the
 19 1-year period beginning on the date of the enact-
 20 ment of this paragraph and each year thereafter,
 21 carry out an audit of the Bank’s loan, guarantee, in-
 22 surance, and credit programs.

23 “(B) **REPORT.**—At the completion of each audit
 24 required under subparagraph (A), the Comptroller

1 General shall issue a report to the Bank and the
2 Congress containing—

3 “(i) all findings and determinations made
4 in carrying out the audit; and

5 “(ii) any recommendations that the Comp-
6 troller General may have—

7 “(I) to assist the Bank in fulfilling
8 the accounting and reporting responsibil-
9 ities of the Bank;

10 “(II) to ensure that the Bank has
11 adequate administrative and financial con-
12 trols; and

13 “(III) with respect to procedures for
14 the internal audit functions of, and the use
15 of independent accountants by the Bank.”.

16 **SEC. 106. EMPLOYEE CERTIFICATION AND FINANCIAL DIS-**
17 **CLOSURE.**

18 Section 3(e) of the Export-Import Bank Act of 1945
19 (12 U.S.C. 635a(e)) is amended by adding at the end the
20 following:

21 “(3) ETHICS.—

22 “(A) CODE OF ETHICS.—

23 “(i) IN GENERAL.—The Chief Ethics
24 Officer shall draft a Code of Ethics that
25 sets out strict and definite standards of of-

1 ficial conduct for all Bank directors, offi-
2 cers, and employees, which Code shall in-
3 clude a policy that prohibits conflicts of in-
4 terest, as described in paragraph (1) of
5 this subsection, and other policies, prohibi-
6 tions, and restrictions that the Chief Eth-
7 ics Officer deems appropriate.

8 “(ii) CONSIDERATIONS.—In drafting
9 the Code of Ethics, the Chief Ethics Offi-
10 cer shall consider the Principles of Ethical
11 Conduct for Government Officers and Em-
12 ployee set forth in Executive Order 12731
13 (Oct. 17, 1990).

14 “(iii) CONSISTENCY WITH ETHICS IN
15 GOVERNMENT ACT OF 1978.—The Chief
16 Ethics Officer shall ensure that the Code
17 of Ethics is consistent with the Ethics in
18 Government Act of 1978 and the regula-
19 tions promulgated under such Act.

20 “(iv) EFFECTIVENESS; AMEND-
21 MENT.—The Code of Ethics (and an
22 amendment to the Code) shall take effect
23 on approval by the Board. The Code of
24 Ethics may be amended only on the rec-
25 ommendation of the Chief Ethics Officer.

1 “(v) ANNUAL EMPLOYEE CERTIFI-
2 CATIONS.—The Board, in consultation with
3 the Chief Ethics Officer, shall implement a
4 policy that requires all Bank directors, of-
5 ficers, and employees to certify annually
6 that they have read, understand, and com-
7 plied with and will continue to comply with
8 the Code of Ethics. The annual certifi-
9 cations shall contain a statement that noti-
10 fies the signatory that section 1001 of title
11 18, United States Code, applies to the cer-
12 tification.

13 “(B) FINANCIAL DISCLOSURE.—

14 “(i) IN GENERAL.—Within 180 days
15 after the date of the enactment of this
16 paragraph, the Board, in consultation with
17 the Chief Ethics Officer, shall prepare a fi-
18 nancial disclosure form for Covered Indi-
19 viduals, which form shall—

20 “(I) require information about
21 assets, income, debts, and any other
22 financial information that the Board
23 deems appropriate for ensuring that a
24 Covered Individual is in compliance

1 with the Code of Ethics established
2 under subparagraph (A); and

3 “(II) be no less extensive than fi-
4 nancial reports required to be filed
5 under title I of the Ethics in Govern-
6 ment Act of 1978 and the regulations
7 promulgated under such Act.

8 “(ii) FINANCIAL REPORTING POL-
9 ICY.—The Board, in consultation with the
10 Chief Ethics Officer, shall implement a
11 policy that—

12 “(I) requires each Covered Indi-
13 vidual and the spouse of the Covered
14 Individual to annually complete the fi-
15 nancial disclosure form and submit
16 the completed form to the General
17 Counsel or his or her designee for re-
18 view; and

19 “(II) allows any Covered Indi-
20 vidual who is required to file financial
21 reports under title I of the Ethics in
22 Government Act of 1978 or any other
23 Federal law to file the financial re-
24 ports under such title or other law in
25 lieu of the financial disclosure form

1 described in this subparagraph, but
2 the Board may require those who do
3 so to supplement the financial report
4 with all information required to be
5 disclosed under this subparagraph.

6 “(iii) COVERED INDIVIDUAL DE-
7 FINED.—In this subparagraph, the term
8 ‘Covered Individual’ means any Bank di-
9 rector, officer, employee, or contractor with
10 the ability to affect any Bank decision re-
11 lating to financing, funding, insuring, or
12 otherwise providing backing to any com-
13 pany or project.

14 “(iv) AVAILABILITY OF COMPLETED
15 FINANCIAL DISCLOSURE FORMS.—

16 “(I) IN GENERAL.—The Bank
17 shall make completed financial disclo-
18 sure forms available to the Office of
19 Inspector General for the Bank.

20 “(II) PROHIBITIONS.—A com-
21 pleted financial disclosure form shall
22 not be made available—

23 “(aa) to another Bank direc-
24 tor, officer, employee, attorney,
25 or agent, except as necessary to

1 ensure compliance of a Covered
2 Individual with this subpara-
3 graph, the Code of Ethics, or any
4 applicable law; or

5 “(bb) to the public.

6 “(C) RULE OF INTERPRETATION.—Noth-
7 ing in this paragraph shall supersede, modify,
8 change, or otherwise affect any requirement,
9 procedure, or restriction applicable to a Bank
10 employee, officer, or director under the Ethics
11 in Government Act of 1978 that applies in ad-
12 dition to the requirements, procedures, and re-
13 strictions applicable to a Bank employee, offi-
14 cer, or director under this paragraph.”.

15 **SEC. 107. STUDY OF FINANCING FOR INFORMATION AND**
16 **COMMUNICATIONS TECHNOLOGY SYSTEMS.**

17 (a) ANALYSIS OF THE INFORMATION AND COMMU-
18 NICATIONS TECHNOLOGY INDUSTRY USE OF BANK PROD-
19 UCTS.—The Export-Import Bank of the United States (in
20 this section referred to as the “Bank”) shall conduct a
21 study of the extent to which the products offered by the
22 Bank are available and used by companies that export
23 services and related goods. In conducting the study, the
24 Bank shall examine the following:

1 (1) The impediments to the use of Bank prod-
2 ucts by the companies.

3 (2) The number of jobs in the United States
4 that are supported by the export of goods and serv-
5 ices, and the degree to which access to financing will
6 increase exports.

7 (3) The reduction in the financing by the Bank
8 of information and communications technology (in
9 this section referred to as “ICT”) services from
10 2003 through 2013.

11 (4) The impediments posed by local content re-
12 quirements to ICT companies that seek to use a
13 Bank product.

14 (5) The activities of foreign export credit agen-
15 cies to facilitate the export of ICT goods and serv-
16 ices.

17 (6) Specific proposals for how the Bank, using
18 its authority and products, could provide additional
19 financing for ICT goods and services, including
20 through risk-sharing with other export credit agen-
21 cies and other third parties.

22 (7) Ways in which the Bank can take into ac-
23 count the full global ICT goods and services supply
24 chain—in particular, the ultimate manufacturer or
25 provider of the finished goods or services that would

1 result from the supply chain—in making credit and
2 risk determinations and the creditworthiness of the
3 ultimate purchaser.

4 (8) Proposals for new products the Bank could
5 offer to provide the financing, including—

6 (A) the extent to which the Bank is au-
7 thorized to offer new products;

8 (B) the extent to which the Bank would
9 need additional authority to offer the new prod-
10 ucts to meet the needs of the ICT industry;

11 (C) specific proposals for changes in law
12 that would enable the Bank to provide in-
13 creased financing for ICT goods and services in
14 compliance with the credit and risk standards
15 of the Bank;

16 (D) specific proposals that would enable
17 the Bank to provide increased outreach to the
18 ICT industry about the products the Bank of-
19 fers; and

20 (E) specific proposals for changes in law
21 that would enable the Bank to provide the fi-
22 nancing to build ICT infrastructure in compli-
23 ance with the credit and risk standards of the
24 Bank so as to allow for market access opportu-
25 nities for United States ICT companies to oper-

1 ate services on the infrastructure being financed
2 on receipt of funds from the Bank.

3 (b) REPORT.—Within 180 days after the date of the
4 enactment of this Act, the Bank shall submit to the Con-
5 gress a report that contains the results of the study re-
6 quired by subsection (a).

7 **SEC. 108. ELECTRONIC PAYMENTS AND DOCUMENTS.**

8 Section 2(b)(1)(E) of the Export-Import Bank Act
9 of 1945 (12 U.S.C. 635(b)(1)(E)) is amended by adding
10 at the end the following:

11 “(xi) ELECTRONIC DOCUMENTS.—Not later than the
12 end of the 2-year period beginning on the date of the en-
13 actment of this clause, the Bank shall implement policies
14 to accept electronic documents whenever possible, includ-
15 ing copies of bills of lading, certifications, and compliance
16 documents.

17 “(xii) ELECTRONIC PAYMENTS.—Not later than the
18 end of the 2-year period beginning on the date of the en-
19 actment of this clause, the Bank shall implement policies
20 to accept electronic payments in all of its programs.”.

21 **SEC. 109. PARALLEL GAAP REPORTING.**

22 Section 8 of the Export-Import Bank Act of 1945
23 (12 U.S.C. 635g), as amended by sections 103 and 104
24 of this Act, is amended by adding at the end the following:

1 “(m) PARALLEL GAAP REPORTING.—With any re-
 2 port issued by the Bank to the Congress or any committee
 3 of the Congress that contains accounting information that
 4 is not prepared using generally accepted accounting prin-
 5 ciples, the Bank shall issue a 2nd report providing the
 6 same accounting information prepared using generally ac-
 7 cepted accounting principles.”.

8 **SEC. 110. MAKING THE BANK THE LENDER OF LAST RE-**
 9 **SORT FOR LOANS, ATTEMPTING PRIVATE FI-**
 10 **NANCING FIRST.**

11 Section 2 of the Export-Import Bank Act of 1945
 12 (12 U.S.C. 635) is amended by adding at the end the fol-
 13 lowing:

14 “(k) APPLICANTS FOR BANK ASSISTANCE REQUIRED
 15 TO DEMONSTRATE INABILITY TO OBTAIN CREDIT ELSE-
 16 WHERE.—The Bank shall not guarantee, insure, or extend
 17 credit, or participate in an extension of credit in connec-
 18 tion with a transaction, to a privately owned foreign appli-
 19 cant, other than a financial institution, unless the appli-
 20 cant demonstrates to the Bank that—

21 “(1) the applicant has sought, and has been un-
 22 able to obtain, competitive financing for the trans-
 23 action without any support from the Overseas Pri-
 24 vate Investment Corporation or the Small Business
 25 Administration; or

1 “(2) financing from a foreign export credit
2 agency is available to the applicant to support com-
3 parable foreign goods and services competing with
4 the United States exports that would be financed by
5 the Bank through the application.”.

6 **SEC. 111. AUDIT COMMITTEE.**

7 Section 3(c) of the Export-Import Bank Act of 1945
8 (12 U.S.C. 635a(c)), as amended by section 105 of this
9 Act, is amended by redesignating paragraph (10) as para-
10 graph (11) and inserting after paragraph (9) the fol-
11 lowing:

12 “(10) AUDIT COMMITTEE.—

13 “(A) MEMBERSHIP.—

14 “(i) IN GENERAL.—In addition to such
15 other duties as they may be appointed to per-
16 form under subparagraph (5), the directors who
17 are neither Chairman nor Vice Chairman of the
18 Board shall constitute the Audit Committee of
19 the Board.

20 “(ii) SPECIAL RULE.—If that there is only
21 1 director who is neither Chairman nor Vice
22 Chairman of the Board, the Chief Risk Officer
23 of the Bank shall be a temporary member of
24 the Audit Committee until a 2nd Bank director

1 who is neither Chairman nor Vice Chairman of
2 the Board is appointed to the Board.

3 “(B) DUTIES.—

4 “(i) Within 1 year after the date of the en-
5 actment of this paragraph, the Audit Com-
6 mittee shall develop and implement a program
7 to audit, on a regular and routine basis, the
8 loan, guarantee, insurance, and credit programs
9 of the Bank.

10 “(ii) The Audit Committee shall—

11 “(I) provide assistance to the Board
12 in fulfilling the accounting and reporting
13 responsibilities of the Board;

14 “(II) evaluate whether the Bank has
15 adequate administrative and financial con-
16 trols;

17 “(III) review the financial statements
18 prepared by management for distribution
19 to the Congress and the public; and

20 “(IV) provide direction over the inter-
21 nal audit function and the independent ac-
22 countants of the Bank.

23 “(C) REPORTS.—The Audit Committee shall re-
24 port to the Board regularly on its activities but may

1 act independently of the Chairman and Vice Chair-
2 man.

3 “(D) PROCEDURAL RULES.—

4 “(i) QUORUM.—2 members shall constitute
5 a quorum of the Audit Committee.

6 “(ii) ACTION ONLY BY MAJORITY VOTE.—

7 The Audit Committee may act only by majority
8 vote.”.

9 **SEC. 112. REPORT ON PRIVATIZING THE BANK.**

10 Within 270 days after the date of the enactment of
11 this Act, the President, in consultation with the Advisory
12 Committee of the Bank, the Comptroller of the Currency,
13 and the Governors of the Federal Reserve Board, shall
14 submit to the Committees on Appropriations and Finan-
15 cial Services of the House of Representatives and the
16 Committees on Appropriations and Banking, Housing,
17 and Urban Affairs of the Senate a report on the programs
18 of the Bank that may be fully or partially privatized,
19 which report shall—

20 (1) consider, but not be limited to, the estab-
21 lishment of a public-private partnership to create a
22 market window, as allowed under Section 15 of the
23 Export-Import Bank Act of 1945, to compete
24 against similar foreign-supported market windows to
25 maximize private-sector participation;

1 (2) include an evaluation of whether the admin-
2 istration of the insurance and working-capital pro-
3 grams of the Bank could be partially or completely
4 privatized; and

5 (3) include an analysis of the current regulatory
6 restrictions related to capital-allocation requirements
7 for pre-export working capital and cross-border lend-
8 ing in amounts exceeding \$25,000,000.

9 **SEC. 113. INDEPENDENT AUDIT OF BANK PORTFOLIO.**

10 (a) **AUDIT.**—The Inspector General of the Export-
11 Import Bank of the United States shall conduct an audit
12 of the portfolio risk management procedures of the Bank,
13 including a review of the implementation by the Bank of
14 the duties assigned to the Chief Risk Officer under the
15 Export-Import Bank Act of 1945.

16 (b) **REPORT.**—Not later than 1 year after the ap-
17 pointment of the Chief Risk Officer of the Export-Import
18 Bank of the United States, the Inspector General shall sub-
19 mit to the Committee on Financial Services of the House
20 of Representatives and the Committee on Banking, Hous-
21 ing, and Urban Affairs of the Senate a written report con-
22 taining all findings and determinations made in carrying
23 out subsection (a).

1 **TITLE II—IMPROVING THE AC-**
2 **COUNTABILITY OF THE EX-**
3 **PORT-IMPORT BANK OF THE**
4 **UNITED STATES**

5 **SEC. 201. EARNINGS RETENTION.**

6 Section 2(a)(1) of the Export-Import Bank Act of
7 1945 (12 U.S.C. 635(a)(1)) is amended by striking “Net
8 earnings of the Bank after reasonable provision for pos-
9 sible losses shall be used for payment of dividends on cap-
10 ital stock.” and inserting “The Bank shall retain not less
11 than 30 percent of total net earnings as a provision for
12 possible losses. Notwithstanding the previous sentence,
13 during any period when the aggregate of such retained
14 earnings is less than 10 percent of the applicable amount
15 (as defined under section 6(a)(2)), the Bank shall retain
16 not less than 80 percent of total net earning as a provision
17 for possible losses. Net earnings that are not retained as
18 a provision for possible losses shall be used for payment
19 of dividends on capital stock.”.

20 **SEC. 202. OFFICE OF THE PRESIDENT AND TERM LIMITS.**

21 Section 3 of the Export-Import Bank Act of 1945
22 (12 U.S.C. 635a) is amended—

23 (1) in subsection (b), by inserting “who shall be
24 chosen from among those individuals with at least

1 15 years of banking experience,” before “and who
2 shall serve as chief executive”; and

3 (2) in subsection (c)(8)(A)—

4 (A) in clause (iii), by striking “and” at the
5 end;

6 (B) in clause (iv), by striking the period at
7 the end and inserting “; and”; and

8 (C) by adding at the end the following:

9 “(v) no person may serve as the President of
10 the Bank for more than 2 terms.”.

11 **SEC. 203. REPAYMENT AS PRIORITY.**

12 Section 2(b)(1) of the Export-Import Bank Act of
13 1945 (12 U.S.C. 635(b)(1)) is amended—

14 (1) in subparagraph (B), by striking “, that
15 loans, so far as possible consistent with the carrying
16 out of the purposes of subsection (a) of this section,
17 shall generally be for specific purposes, and, in the
18 judgment of the Board of Directors, offer reasonable
19 assurance of repayment”; and

20 (2) by striking subparagraph (C) and inserting
21 the following:

22 “(C) The Bank shall conduct all programs
23 of the Bank in a manner that, in the judgment
24 of the Board of Directors, offers reasonable as-
25 surance of repayment and minimizes risk of

1 loss. Loans made by the Bank shall be for spe-
2 cific purposes.”.

3 **SEC. 204. NEGOTIATIONS TO END EXPORT CREDIT FINANC-**
4 **ING.**

5 Section 11 of the Export-Import Bank Reauthoriza-
6 tion Act of 2012 (12 U.S.C. 635i–5) is amended—

7 (1) in subsection (a)—

8 (A) by striking “Secretary of the Treasury
9 (in this section referred to as the ‘Secretary’)”
10 and inserting “President”; and

11 (B) in paragraph (1), by striking “goal of
12 eliminating” and inserting “possible goal of
13 eliminating, before the end of the 10-year pe-
14 riod beginning on the date of the enactment of
15 the Reform Exports and Expand the American
16 Economy Act,”;

17 (2) in subsection (b), by striking “Secretary”
18 each place such term appears and inserting “Presi-
19 dent”; and

20 (3) by adding at the end the following:

21 “(c) **REPORT ON STRATEGY.**—Not later than the end
22 of the 180-day period beginning on the date of the enact-
23 ment of this subsection, the President shall submit to the
24 Congress a proposal, together with a strategy for achiev-
25 ing the proposal, that the United States Government will

1 pursue with other major exporting countries, including
2 members of the Organisation for Economic Co-operation
3 and Development (OECD) and non-members of the
4 OECD, to eliminate over a period of not more than 10
5 years subsidized export-financing programs, tied aid, ex-
6 port credits, and all other forms of government-supported
7 export subsidies.

8 “(d) NEGOTIATIONS WITH NON-OECD COUN-
9 TRIES.—The President shall initiate and pursue negotia-
10 tions with countries that are not members of the
11 Organisation for Economic Co-operation and Development
12 (OECD), to bring the non-members into a multilateral
13 agreement establishing rules and limitations on officially
14 supported export credits.

15 “(e) ANNUAL REPORTS ON PROGRESS OF NEGOTIA-
16 TIONS.—Not later than 180 days after the date of the en-
17 actment of this subsection, and annually thereafter
18 through calendar year 2019, the Secretary shall submit
19 to the Committee on Banking, Housing, and Urban Af-
20 fairs of the Senate and the Committee on Financial Serv-
21 ices of the House of Representatives a report on the
22 progress of any negotiations described in subsection (d).”.

1 **SEC. 205. LIMITATIONS ON OUTSTANDING LOANS, GUARAN-**
2 **TEES, AND INSURANCE.**

3 Section 6(a)(2) of the Export-Import Bank Act of
4 1945 (12 U.S.C. 635e(a)(2)) is amended to read as fol-
5 lows:

6 “(2) APPLICABLE AMOUNT.—In paragraph (1),
7 the term ‘applicable amount’ means
8 \$130,000,000,000.”.

9 **SEC. 206. CREDIT RISK.**

10 Section 2(b)(1)(A) of the Export-Import Bank Act
11 of 1945 (12 U.S.C. 635(b)(1)(A)) is amended by inserting
12 after “(as defined in section 10(h)(3))” the following: “,
13 provided that this objective is accomplished in a manner
14 calculated to minimize financial risk to the Bank”.

15 **SEC. 207. CHIEF RISK OFFICER.**

16 Section 3 of the Export-Import Bank Act of 1945
17 (12 U.S.C. 635a), as amended by section 101 of this Act,
18 is amended by adding at the end the following:

19 “(1) CHIEF RISK OFFICER.—

20 “(1) IN GENERAL.—Subject to the approval of
21 the Board of Directors of the Bank, the President
22 of the Bank shall appoint a Chief Risk Officer, from
23 among individuals with experience at a senior level
24 in financial risk management, who—

25 “(A) shall rank not lower than senior vice
26 president;

1 “(B) shall have as the officer’s sole func-
2 tion to serve as chief risk officer of the Bank;

3 “(C) shall report directly to the Board;
4 and

5 “(D) shall be removable only by the Board.

6 “(2) DUTIES.—The Chief Risk Officer shall, in
7 coordination with the Audit Committee of the Board
8 of Directors, develop, implement, and manage a
9 comprehensive process for identifying, assessing,
10 monitoring, and reducing business risks to the
11 Bank’s overall portfolio that may interfere with the
12 ability of the Bank to fulfill its purposes, but may
13 not exercise any authority over the operations of the
14 Bank.”.

15 **SEC. 208. PARTICIPATION AND RISK-SHARING BY PRIVATE**
16 **SECTOR LENDERS AND EXPORTERS.**

17 Section 2 of the Export-Import Bank Act of 1945
18 (12 U.S.C. 635), as amended by section 110 of this Act,
19 is amended by adding at the end the following:

20 “(1) PARTICIPATION AND RISK-SHARING BY PRIVATE
21 SECTOR LENDERS AND EXPORTERS.—

22 “(1) The Bank shall develop and implement
23 policies (in coordination and in consultation with pri-
24 vate sector stakeholders) that incentivize trans-

1 actions in which third parties share risks of loss with
2 the Bank. In the policies, the Bank shall—

3 “(A) allow the retention of risk to be borne
4 either by a lender or an exporter;

5 “(B) not require a lender to retain addi-
6 tional risk beyond the risk retained by an ex-
7 porter;

8 “(C) share fees with the risk-sharing party
9 equal to the risk retained, but not share the in-
10 terest earned on a direct loan portion of a
11 transaction; and

12 “(D) ensure that any administrative bur-
13 dens for third parties are calculated to promote
14 participation by third parties in the risk-sharing
15 programs of the Bank.

16 “(2) The policies of the Bank to encourage
17 risk-sharing shall give additional authority to a third
18 party that retains risk of loss of greater than 50
19 percent of a transaction.

20 “(3) The Bank may guarantee a capital mar-
21 kets purchase of not more than 50 percent of an ex-
22 port portfolio by a captive finance company or affil-
23 iate to encourage expansion of equipment exports
24 from the United States.”.

1 **SEC. 209. REAUTHORIZATION OF INFORMATION TECH-**
2 **NOLOGY UPDATING.**

3 Section 3(j) of the Export-Import Act of 1945 (12
4 U.S.C. 635a(j)) is amended—

5 (1) in the subsection heading, by striking
6 “BANK SURPLUS” and inserting “ADMINISTRATIVE
7 FUNDS”;

8 (2) in paragraph (1), by striking “Subject to
9 paragraphs (3) and (4), the Bank may use an
10 amount equal to 1.25 percent of the surplus of the
11 Bank during fiscal years 2012, 2013, and 2014 to”
12 and inserting “Subject to paragraphs (2) and (3),
13 the Bank may use amounts, including fees, made
14 available to the Bank for administrative expense for
15 systems infrastructure, to”;

16 (3) by striking paragraph (2) and redesignating
17 paragraphs (3) and (4) as paragraphs (2) and (3),
18 respectively; and

19 (4) in paragraph (2) (as so redesignated), by
20 striking “2012, 2013, and 2014” and inserting
21 “2015 through 2019”.

22 **TITLE III—JOB GROWTH**

23 **SEC. 301. EXTENSION OF AUTHORITY.**

24 Section 7 of the Export-Import Bank Act of 1945
25 (12 U.S.C. 635f) is amended by striking “2014” and in-
26 serting “2019”.

1 **SEC. 302. DUAL USE EXPORTS.**

2 Section 1(c) of Public Law 103–428 (12 U.S.C. 635
3 note) is amended by striking “2014” and inserting
4 “2019”.

5 **SEC. 303. SMALL BUSINESS AND MEDIUM-SIZED ENTER-**
6 **PRISES REPORTS.**

7 (a) IN GENERAL.—The Export-Import Bank Act of
8 1945 (12 U.S.C. 635 et seq.) is amended by inserting
9 after section 8A the following:

10 **“SEC. 8B. SMALL BUSINESS CONCERNS AND MEDIUM-SIZED**
11 **ENTERPRISES REPORTS.**

12 “(a) STUDY.—Not later than 180 days after the date
13 of the enactment of this section, and annually thereafter,
14 the Bank shall—

15 “(1) carry out a study on the programs, prod-
16 ucts, and policies of the Bank that support exports
17 from small business concerns and medium-sized en-
18 terprises in the United States, including the pro-
19 grams, products, and policies with respect to the im-
20 plementation of the export credit insurance program,
21 delegated lending authority, and direct loans of the
22 Bank; and

23 “(2) determine the extent to which the policies
24 adequately meet the needs of small business con-
25 cerns and medium-sized enterprises in obtaining
26 Bank financing to support the maintenance or cre-

1 ation of jobs in the United States through exports,
2 consistent with the requirement that the Bank ob-
3 tain a reasonable assurance of repayment.

4 “(b) REPORT.—On the completion of each study re-
5 quired under subsection (a), the Bank shall issue a report
6 to the Congress containing—

7 “(1) all findings and determinations made by
8 the Bank in carrying out the study;

9 “(2) an analysis of the extent to which small
10 business concerns and medium-sized enterprises sup-
11 ply exporters with goods and services, the content of
12 which is included in exports supported by a Bank
13 program; and

14 “(3) recommendations to enhance the support
15 the Bank may provide small business concerns and
16 medium-sized enterprises.

17 “(c) SMALL BUSINESS CONCERN DEFINED.—In this
18 section, the term ‘small business concern’ has the meaning
19 given the term under section 3(a) of the Small Business
20 Act.”.

21 (b) REPORT ON BANK SUPPORT FOR SMALL- AND
22 MEDIUM-SIZED COMPANIES THROUGH SUPPLY
23 CHAINS.—Section 8 of such Act (12 U.S.C. 635g), as
24 amended by sections 103, 104, and 109 of this Act, is
25 amended by adding at the end the following:

1 “(n) BANK SUPPORT FOR SMALL- AND MEDIUM-
2 SIZED COMPANIES THROUGH SUPPLY CHAINS.—The
3 Bank shall include in its annual report to the Congress
4 under subsection (a) an analysis of how, and to what ex-
5 tent, the Bank provides indirect support to small- and me-
6 dium-sized companies through the supply chains of me-
7 dium-sized and large companies to which the Bank has
8 provided support.”.

9 **SEC. 304. MEDIUM-SIZED ENTERPRISES.**

10 Section 2(b)(1)(F) of the Export-Import Bank Act
11 of 1945 (12 U.S.C. 635(b)(1)(F)) is amended to read as
12 follows:

13 “(F) FAIR CONSIDERATION FOR MEDIUM-SIZED EN-
14 TERPRISES.—In addition to the programs of the Bank to
15 encourage the participation of small businesses in inter-
16 national commerce, the policies of the Bank shall give fair
17 consideration to making loans and providing guarantees
18 for the export of goods and services by medium-sized en-
19 terprises.”.

20 **SEC. 305. EXTENSION OF SUSPENSION OF SUPPLEMENTAL**
21 **GUIDELINES FOR HIGH CARBON INTENSITY**
22 **PROJECTS.**

23 Notwithstanding section 7081 of division K of the
24 Consolidated Appropriations Act, 2014, paragraph (4) of
25 such section shall apply through September 30, 2019, with

1 respect to the Supplemental Guidelines for High Carbon
2 Intensity Projects, approved by the Export-Import Bank
3 of the United States on December 12, 2013.

4 **SEC. 306. UPDATED DEFINITION OF LOAN TERMS.**

5 Section 2(a)(2)(A) of the Export-Import Bank Act of
6 1945 (12 U.S.C. 635(a)(2)(A)) is amended—

7 (1) in clause (i), by striking “and” at the end;

8 and

9 (2) by adding at the end the following:

10 “(iii) with principal amounts of not more
11 than \$25,000,000; and”.

12 **SEC. 307. UPDATED LOAN AMOUNTS.**

13 Section 2(d)(2) of the Export-Import Bank Act of
14 1945 (12 U.S.C. 635(d)(2)) is amended by striking
15 “\$10,000,000” and inserting “\$25,000,000”.

16 **SEC. 308. UPDATED ENVIRONMENTAL EFFECTS CONSIDER-**
17 **ATION.**

18 Section 11(a)(1)(A) of the Export-Import Bank Act
19 of 1945 (12 U.S.C. 635i-5(a)(1)(A)) is amended by strik-
20 ing “\$10,000,000” and inserting “\$25,000,000”.

21 **SEC. 309. UPDATED EXPORT AMOUNTS.**

22 Section 3(g)(3) of the Export-Import Bank Act of
23 1945 (12 U.S.C. 635a(g)(3)) is amended by striking
24 “\$10,000,000” and inserting “\$25,000,000”.

1 **SEC. 310. INFLATION ADJUSTMENT.**

2 Section 12 of the Export-Import Bank Act of 1945
3 (12 U.S.C. 635i-6) is amended to read as follows:

4 **“SEC. 12. INFLATION ADJUSTMENT.**

5 “Beginning on the date on which the Bureau of
6 Labor Statistics of the Department of Labor first pub-
7 lishes the Consumer Price Index after the date that is 1
8 year after the date of the enactment of this section, and
9 annually thereafter, the Bank shall adjust all dollar
10 amounts specified in this Act by the percentage change
11 in the Consumer Price Index published on that date from
12 the Consumer Price Index published the previous year.”.

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