

**PREPARED STATEMENT OF FRED P. HOCHBERG
PRESIDENT AND CHAIRMAN DESIGNATE
OF THE
EXPORT-IMPORT BANK OF THE UNITED STATES
BEFORE THE
SENATE BANKING, HOUSING AND URBAN AFFAIRS COMMITTEE**

April 24, 2009

Chairman Dodd, Senator Shelby, members of the Committee:

I am honored to appear before you today to testify regarding my nomination to be president and chairman of the Export-Import Bank of the United States. I am grateful to President Obama for the trust he has placed in me, and I want to thank the committee for its prompt scheduling of this hearing. If confirmed, I will bring my thirty years of experience in the private sector, government, international affairs and education to immediately begin working on the challenges facing Ex-Im Bank in particular and the U.S. economy in general.

In preparing for this hearing, I have been able to develop an initial understanding of Ex-Im Bank policies and procedures. It is very clear Ex-Im Bank's mandate is to protect and sustain US jobs. The Bank does this by meeting foreign competition from other export credit agencies, and stepping in when commercial financing is not available for otherwise viable transactions. The Bank keeps a watchful eye on taxpayer money by acting where it can find a "reasonable assurance of repayment".

Mr.Chairman, I do not have to tell any member of this committee that these are not ordinary times. But the history of the Bank has shown that it is frequently at its best in times such as these. It was established seventy-five years ago by Franklin Roosevelt during the great depression. It played an integral role in the implementation of the Marshall Plan. It helped our country to meet the Latin American and Asian debt crises of the 1980's and 1990's.

The past is prologue. I believe Ex-Im Bank can do even more in the months and years ahead. First, total Bank business is showing a significant increase, in the range of twenty per cent. As Secretary Geithner said yesterday, our country's economic recovery depends on reversing the decline in exports. Moreover, for the first time in its history the Bank has authorized over \$1 billion for the support of small businesses in the first six months of the fiscal year.

Second, I have had the opportunity to meet with several Ex-Im Bank career staff, and I have come away impressed with their dedication, expertise, and competence. Third, with my background, including Deputy and Acting Administrator of the Small Business Administration, Dean of Milano the New School for Management and Urban Policy, as well as experience as a Commissioner on the Port Authority of New York and New Jersey, I am prepared for this challenge.

But I am also prepared because of my experience in the private sector and my personal life. I come to this position as a businessman. I have run a business founded by my mother, who came to this country at age ten as a refugee from Nazi Germany. That business, Lillian Vernon, grew from our kitchen table into a public company, doing business around the world. I know first-hand what it takes to make a small, family-owned enterprise succeed, and how difficult that can be. But I also know first hand that our economy relies on entrepreneurs for innovation and growth, and I want to provide them with all the tools of success Ex-Im Bank has to offer.

If confirmed, I fully commit to:

Actively searching for new policy initiatives and solutions to problems, in order to move the Bank forward;

Streamlining our services and eliminating bottlenecks; and

Providing top-notch customer service to all our constituents, be they American exporters or the banks that support them.

I will do this by:

Consulting with our constituents in exporting, banking, and labor;

Working closely with our colleagues in the administration,

Strengthening our support for small businesses and environmentally sound exports; and of course

Keeping in close contact with this Committee and the rest of Congress as we navigate through these troubled times.

Ex-Im Bank is the right agency in the right place for these times.

In closing, I ask for your support for my nomination.

Thank you. I will be happy to answer your questions.