

**Vice Chairman Troy Balderson**  
**Opening Statement - Subcommittee on Oversight and Investigations**  
**“Examining Ways to Enhance our Domestic Critical Mineral Supply Chains”**

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*As prepared for delivery*

Chairman Palmer, thank you for holding this hearing on critical minerals. This is an important opportunity to discuss a path forward to end our over-reliance on foreign adversaries for critical minerals, including ways we can create comprehensive and resilient domestic supply chains for critical minerals.

The U.S. imports at least half of its supply for 41 out of the 50 critical minerals on the U.S. Geological Survey’s 2022 critical mineral list, and nearly a quarter of those 50 minerals are entirely imported.

The U.S.’s reliance on foreign nations for critical minerals—mainly China—is not a new issue, and the Committee held hearings on critical minerals last Congress. However, given recent events by the Chinese Communist Party (CCP) government, this dire situation continues to escalate.

Specifically, in August and October 2023, the People’s Republic of China (PRC) began restricting the export of graphite, gallium, and germanium to the U.S. and in July 2024, announced a state-run database to ensure that extraction, export, and use of all rare earth resources are strictly controlled by China.

More recently, in December 2024, the PRC banned exports of three rare earth elements—antimony, gallium, and germanium—to the U.S. Then, as recently as February of this year, the CCP restricted the export of five additional critical minerals—including tungsten, which is used in artillery shells and armor plating, and indium, which is used in phones, televisions, and semiconductors. Just last month, the PRC put seven more rare earth elements that are vital to the American economy and national security on an export control list, including samarium, which plays an essential role in nuclear reactors.

These export controls and bans are significant, especially given that China has a monopoly on critical mineral processing and refining, particularly for rare earth elements. Specifically, China refines up to 90 percent of the world’s supply of rare earth elements and other critical minerals including graphite, lithium, cobalt, and copper. Additionally, the heavy rare earth elements on the PRC’s export control list are only refined in China.

China’s monopolization of critical minerals supply chains, combined with the increasing number of restrictions they have placed on critical mineral exports, will have a significant effect on our national, economic, and energy security. If we want to ensure national security, energy

dominance, and that the U.S. is a leader in technological innovations such as AI, we must prioritize our critical mineral supply chains.

Because of these developments, it's essential that we decouple from China and create resilient and robust critical mineral supply chains that are separate from foreign adversaries.

One pathway towards doing this is to develop domestic capabilities across all elements of the supply chain. The volatile nature of geopolitics makes our overreliance on other countries, even friendly ones, an unsustainable strategy. This is why we need to shift our focus on domestic mining and midstream processes.

While the U.S. used to have a more robust critical mineral supply chain, over time, the American critical minerals industry has become unappealing to many investors due to burdensome regulations as well as financial and political uncertainty. It is time to address these issues and break free from China's stronghold.

President Trump has already signed executive orders to help boost American critical mineral supply chains, remove bottlenecks, and relieve unnecessary red tape to operationalize critical mineral companies.

Now, it is Congress's turn to step in and help identify remaining challenges and opportunities to strengthen America's critical minerals supply chains.

I want to thank the witnesses for being here today and I look forward to your testimony. I also want to thank the Subcommittee Chairman, Mr. Palmer, for his interest and leadership on this important issue. I yield back.