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House Natural Resources Subcommittee on Energy and Mineral Resources H.R. 5598, Boundary Waters Wilderness Protection and Pollution Prevention Act February 5, 2020

Thank you for the opportunity to testify on H.R. 5598, the Boundary Waters Wilderness Protection and Pollution Prevention Act. The bill withdraws 234,328 acres of Federal lands managed by the USDA Forest Service (Forest Service) in the Superior National Forest in northern Minnesota from the operation of the public land, mining, mineral, and geothermal leasing laws.

The Bureau of Land Management (BLM) administers the subsurface minerals underlying Federal lands, and seeks concurrence from the surface management agency in order to allow mineral leasing or development activities underlying those lands. The Administration supports the responsible development of the minerals underlying the Superior National Forest, as it implements the President's vision to balance conservation strategies and polices with the need to produce minerals that add value to the lives of all Americans. Domestic mineral production benefits the American economy by providing families with good paying jobs, businesses with economic opportunity, and manufacturers with raw materials that are produced at home, decreasing our reliance on foreign countries.

Under President Trump and Secretary Bernhardt's leadership, the Department of the Interior (Department) and the BLM have made it a top priority to develop the vast domestic energy and mineral resources on public lands in an environmentally responsible manner — to create jobs, lower costs for working Americans, decrease reliance on foreign sources, and build a strong economy. On December 20, 2017, the President signed Executive Order 13817, which called upon agencies across the Federal government to develop a strategy to reduce the Nation's susceptibility to critical mineral supply disruptions. The Department in turn took the first step to implement the strategy, releasing a list of minerals deemed critical to the U.S. economy and security in May of 2018. Then, in June of 2019, the Administration released, "A Federal Strategy to Ensure a Reliable Supply of Critical Minerals," to make America's economy and defense more secure. The strategy directs the Department to locate domestic supplies of those minerals, ensure access to information necessary for the study and production of minerals, and expedite permitting for minerals projects. Our nation is blessed with mineral abundance, but that bounty can only be produced where it is found.

For these reasons, the Administration opposes the proposed withdrawal in H.R. 5598. It is not consistent with the Administration's priorities regarding the responsible development of the mineral commodities that are important to the Nation's security and economic prosperity.

Background

The Superior National Forest, in northern Minnesota, is managed by the Forest Service. It is also home to the Boundary Waters Canoe Area Wilderness (BWCAW), which was designated by Congress in 1964 and later expanded in 1978 to protect the natural values and environmental quality of the wilderness, of which the Rainy River Watershed is largely comprised. The Forest Service manages the Federal surface estate of the National Forest, consisting primarily of reserved National Forest System public domain lands, with some acquired lands. The Duluth (mineral) Complex is a 16-mile-long geologic series of 1.0 to 1.8-billion-year-old rocks, and underlies a portion of the Superior National Forest. Estimates from core data gathered by Twin Metals Minnesota, LLC indicate that this area contains one of the world's largest undeveloped deposits of copper, nickel, and platinum group metals, as well as the presence of gold and other critical minerals, such as cobalt and titanium. These critical minerals are essential elements needed for the manufacture of batteries and electronics, and for the aerospace and defense industries. Minnesota has a long history of mineral development, including a significant contribution of the iron ore produced to support the nation's needs during World War II.

The BLM manages the Federal mineral estate underlying the National Forest. The remaining, non-Federal mineral estate found within the Superior National Forest boundary is state land (45 percent), managed by the Minnesota Department of Natural Resources, and a small area of private lands managed by South Kawishiwi Landowners Association and Twin Metals Minnesota, LLC (TMM). In addition, the BLM currently oversees 41 additional mineral applications in the Superior National Forest. These include existing prospecting permits, new prospecting permit applications, applications to extend prospecting permits, and three Preference Right Lease Applications.

Mineral Leases

The BLM originally issued preference right mineral leases within the Superior National Forest in 1966 and renewed them in 1989 and 2004 with consent from the Forest Service. In 2016, the Forest Service submitted an application to the BLM requesting that the Secretary of the Interior withdraw approximately 234,328 acres of federal land from disposition under the mineral and geothermal leasing laws, subject to valid existing rights. On January 19, 2017, 1 day before the new Administration took office, the BLM published a Federal Register Notice announcing the proposed withdrawal. While the notice contained an error that was later fixed, this action initiated a two-year segregation from mineral leasing laws. However, in 2018, the Forest Service withdrew the withdrawal application and the temporary segregation expired on January 19, 2019.

Also, on December 22, 2017, the Department's Solicitor issued a legal opinion that concluded that the original 1966 leases gave the lessee a non-discretionary right to a third lease renewal, subject to reasonable changes to the terms and conditions, ultimately resulting in BLM issuing a third lease renewal for both leases on May 15, 2019, which included revised lease terms and conditions.

In December 2019, TMM submitted a proposed plan of mining operations to the BLM and the Forest Service. The BLM will work with the Forest Service, U.S. Army Corps of Engineers, and the U.S. Environmental Protection Agency as well as tribal partners in developing an

Environmental Impact Statement (EIS) analyzing the environmental impacts of the proposed plan in the near future. The State of Minnesota has indicated that it will conduct an independent EIS for the project; the BLM will continue to work cooperatively with the State in an effort to reduce duplication and to coordinate our review of the project.

H.R. 5598

H.R. 5598, the Boundary Waters Wilderness Protection and Pollution Prevention Act, withdraws approximately 234,328 acres of Federal lands managed by the Forest Service in the Superior National Forest from operation of the public land, mining, mineral, and geothermal leasing laws. H.R. 5598 (section 3(d)) also authorizes the Forest Service to permit the removal of sand, gravel, granite, iron ore, and taconite from the withdrawn lands if the removal is determined to not be detrimental to the water quality, air quality, and health of the forest habitat within the watershed.

The Administration opposes the proposed withdrawal in H.R. 5598 because it is not consistent with the Administration's priorities regarding the responsible development of the mineral commodities that are important to the Nation's security and economic prosperity.

Conclusion

Thank you for the opportunity to testify on H.R. 5598.