

Ranking Member Westerman
Opening Statement
EMR Subcommittee Hearing – May 12, 2022

Thank you, Mr. Chairman, and thank you to the witnesses for being here today.

Today, we will consider H.R. 7580 to supposedly “reform” the Mining Law of 1872. Before I get to that, however, the administration made announcement yesterday that I must address – DOI is *cancelling* the remaining lease sales in the 5-year offshore leasing plan, lease sales 258, 259, and 261.

I cannot express how terrible this decision is for the country, not to mention tone deaf, in light of gas prices hitting new record highs this week at \$4.40 a gallon. This is yet another example of the Biden administration claiming to do all it can to relieve energy prices and other rising costs for Americans, but taking actions that will have the exact opposite effect.

We have seen this flawed, contradictory approach in the administration’s mining policy as well. What we should be discussing today the *true* minerals problem – the alarming global shortage of hardrock resources needed for our future. We know that demand for renewable energy, electric vehicles, battery storage, and other technologies will soon surpass the known supply of the minerals to build them.

So I am bewildered and disappointed when the Department of the Interior and many of my colleagues on the other side of the aisle take actions and support bills – like the bill we are discussing today – to kill some of the most promising mining projects in North America.

First, let's talk about "fair return" for the taxpayer, as my colleagues across the aisle say. There will be *no* return to the taxpayer if harmful bills like this are made law, and mining in the U.S. becomes too difficult and uneconomic to occur. Further, the idea that federal lands are somehow "given away" to operators is a myth. In addition to location fees and annual claim maintenance fees paid to maintain mineral rights, mining generates billions of dollars in federal, state, and local tax revenue and provides thousands of high-paying jobs throughout the West.

I have also heard comments about the mining industry not being regulated enough. The Mining Law itself is essentially a land tenure law, with an extensive network of environmental protection statutes and financial assurance requirements laid over it. Outside of the Mining Law, hardrock operations are subject to approximately three dozen environmental laws and regulations including NEPA, the Endangered Species Act, the Clean Water Act, the Clean Air Act, and the National Historic Preservation Act. The additional requirements in this bill would add no additional benefit to what already exists.

However, I am aware of the abandoned mine sites from operations before modern regulation. This is a significant problem that needs to be addressed. That said, if the true goal is remediation of these abandoned sites, assessing a high gross royalty and additional fees on current operators is not an effective way to do so. Instead, operators would likely move onto non-federal lands or even overseas, leaving the abandoned mine problem unsolved.

I believe my colleagues on both sides of the aisle and even the administration seem to share the same goal – responsibly acquiring the minerals our country needs. However, if we enact legislation or administrative policy that make mineral development too challenging or uncertain, the inevitable result is a total reliance on China and other nations to meet skyrocketing demand. I don't think that future is what anyone here wants. It is vital to keep that in mind as we consider H.R. 7580 today.

Thank you and I yield back.