

**SECURING SUPPLY CHAINS: ACCESS
TO CRITICAL MINERALS IN THE
AMERICAN SOUTHWEST**

OVERSIGHT FIELD HEARING

BEFORE THE

SUBCOMMITTEE ON OVERSIGHT AND
INVESTIGATIONS

OF THE

COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

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OVERSIGHT FIELD HEARING ON SECURING SUPPLY CHAINS: ACCESS TO CRITICAL MINERALS IN THE AMERICAN SOUTHWEST

Friday, July 21, 2023

U.S. House of Representatives

Subcommittee on Oversight and Investigations

Committee on Natural Resources

Goodyear, Arizona

The Subcommittee met, pursuant to notice, at 10 a.m., at the Goodyear Recreation Center, City of Goodyear Recreation Campus, 420 S. Estrella Parkway, Goodyear, Arizona, Hon. Paul Gosar [Chairman of the Subcommittee on Oversight and Investigations] presiding.

Present: Representatives Gosar and Collins.

Also present: Representatives Biggs, Crane, Ciscomani, and Lesko.

Dr. GOSAR. The Subcommittee on Oversight and Investigations will come to order. I am actually thrilled to be here today in Arizona instead of the swampy place that we know as Washington, DC.

I want to thank my colleagues for taking the time to be here and to participate in the field hearing.

Without objection, the Chair is authorized to declare a recess of the Subcommittee at any time.

Good morning, everyone, and I want to welcome those witnesses and their guests in the audience today. It is going to be a wonderful day to be here, particularly that we are not in Washington, DC. It may be hot but it is not humid.

Under Committee Rule 4(f), any oral opening statements at the hearing are limited to the Chairman, myself, and the Ranking Minority Member, who is not here. Therefore, I ask unanimous consent that all other Members' opening statements be made part of the hearing record if they are submitted in accordance with the Committee Rule 3(o). Without objection, so ordered.

By the way of introductions, I am Congressman Paul Gosar, the Chairman of the Subcommittee on Oversight and Investigations for the House Committee on Natural Resources. I also represent the 9th District of Arizona. I am grateful to be joined today by several Members who represent the great state of Arizona and other Members from our Committee who have traveled to talk about these important issues.

Therefore, I ask unanimous consent that the gentlemen from Arizona: Mr. Biggs, Mr. Crane, and Mr. Ciscomani, and the gentlewoman from Arizona: Ms. Lesko, be allowed to participate in today's hearing.

Without objection.

To begin today's hearing, I will now defer to my distinguished colleague, Congressman Collins, who came all the way from Georgia, who will not only serve as my Vice Chair on the Subcommittee but does an amazing job representing the 10th District of Georgia.

He traveled all the way here to be with us and actually had a big layover last night in Georgia. They had a bunch of thunderstorms. So, we are glad to have Mike here and we appreciate you spending time here and glad you are with us, Mike, and I would like to recognize you for your brief statement.

**STATEMENT OF THE HON. MIKE COLLINS, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF GEORGIA**

Mr. COLLINS. Thank you, Mr. Chairman. I find it amazing every time we go west they announce that I am from Georgia, and I think you all probably understand that because you all have an accent out there.

[Laughter.]

Mr. COLLINS. I appreciate you inviting us and allowing us to be here. It is dry and hot out here. I was expecting you all to put one of those humidifier type things that would mist me so I would feel the humidity that we have along with the hot weather in Georgia.

But, Chairman Gosar, since this is a congressional hearing and like all important hearings that we have, I know we are going to open up the session as always with the posting of the colors and the Pledge of Allegiance.

So, it is my honor to recognize the Luke Air Force Base Color Guard for the presentation of the colors and we also have Mayor Joe Pizzillo of the city of Goodyear to lead us in the Pledge Allegiance.

If you would, please rise.

[Nation Anthem is played.]

[Pledge of Allegiance is recited.]

Dr. GOSAR. You can have a seat. Thank you, everybody. Now I am going to recognize myself for an opening statement. Let's start this all over again.

**STATEMENT OF THE HON. PAUL GOSAR, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF ARIZONA**

Dr. GOSAR. I am thrilled to be here today. We would typically be back in the swamp and it would be nice and humid. But today, it is dry and hot. I will take that any day.

I want to thank each and every one of you for coming out today and to listen to an important issue that we need to spend some time thinking about, particularly in Arizona.

One of the great things about this hearing is that there is no difference between this congressional oversight hearing that we would have in Washington, DC, except for the added benefit that this is in a venue right here in Goodyear.

Our staff, the Members, the cameras, everything here this is 100 percent official and it is on the record of history. The history we will make here today is to assess, discuss, and steer congressional policy on something many people take for granted or simply do not understand, the role of critical minerals in our daily life. Without

such minerals, we would not be in a room like this benefiting from the LED lights, air conditioning, Wi-Fi, and a host of other amenities.

Today, we will discuss one of the most important topics facing our country, access to critical and hard rock minerals. Not surprisingly, given today's hearing location, we are focusing on mineral production here in the American Southwest. Minerals like copper, lithium, cobalt, phosphate, and dozens of others are integral to our modern way of life. They are used in almost all high-tech applications, including smart phones, satellites, and missile defense systems.

They are also essential for agriculture, national defense, as well as the function of the renewable energies technologies, electric vehicles, and battery storage.

Indeed, rapid growth in the renewable energy technology is expected to drive mineral demand up by several orders of magnitude, exacerbated by the national goals pledged by the Biden administration and other international organizations.

For instance, if we were to achieve net-zero emissions globally by 2050, the world would require a sixfold increase in the mining by 2040, sixfold just by 2040. As it stands today, the United States has an alarming reliance on foreign nations to meet our demands for minerals.

Our recycling can provide a certain amount of minerals for reuse. Today's recycling technologies cannot supply the massive volume of resources we need in our near future and demand for many of these minerals is predicted to grow exponentially.

Most alarmingly, today's mineral supply chains both the production and the refining levels are unquestionably controlled by China. China controls nearly two-thirds of the world's critical mineral supply. China is the largest source of imports for 26 of the 50 minerals classified as critical by the U.S. Government.

The American Southwest has a rich history of mining and will remain a top mineral producing region in America particularly for copper, molybdenum—a key agent for steel and iron production, uranium, potash, and saleable minerals. I am proud to state that Arizona produces the highest value of nonfuel minerals out of any state in America at \$10.1 billion, accounting for 10.31 percent of the total mineral production value in America.

We also produce more copper than any other state, which is why most kids in school grew up learning the five Cs: copper, cattle, citrus, cotton, and climate. Today, we are known as the Copper State.

Yet, there are so many who oppose mining and seek to shut down existing mines and stop new mines. I find their arguments for doing so as irrational and beyond comprehension.

Just this week, we heard about this Administration's rally for a new monument in the northern half of our state in large part to banning of mining of uranium. The Biden administration is part of the irrational and destructive course to stop mining in this country and this state.

Despite the exponential demand for minerals and America's dangerous reliance on China for minerals, recent actions from the Biden administration have shut down domestic mining projects and

severely limited America's capacity to meet the demands of increased renewable energy sources and the challenges posed by China's mineral dominance.

In March 2021, the Biden administration rescinded the previously approved Resolution Copper Mine in Superior, Arizona days before it was to transfer thousands of acres of Federal property for the project, the project which will fulfill 25 percent—think about this—25 percent of just the United States' demand will be done by this one mine.

But it has been caught in this regulatory quagmire with no end in sight as the U.S. Forest Service has told a Federal court that is not sure when or if it will complete the review and approve the land swap necessary for the project.

This is in spite of Congress dictating otherwise. I personally championed the Resolution Copper land exchange over 10 years ago. Congress made it clear and Obama signed it into law that this land exchange was to proceed and this mine was to start with producing copper. Rest assured if this mine were in China, Peru, South Africa, or even Canada we would be seeing refining copper 9 years ago.

In January 2022, the Biden administration stopped two decades old mineral leases in the Superior National Forest in Minnesota and simultaneously began the withdrawal process of 225,000 acres of mineral-rich land in the same area from an imperative copper-nickel-cobalt mine in the same area.

Despite union support for the project, the Biden administration finalized the withdrawal in January of this year. Then just last month, the Biden administration withdrew another copper-nickel project in Minnesota. While Biden pays a lot of lip service to union jobs on the campaign trail, he betrays union workers in the northeast Minnesota. Fundamentally, the Biden administration policies betray America. There is no good policy outcome for these actions.

In New Mexico in June of this year, the Biden administration withdrew 336,000 acres of public land from mineral, oil, and gas development when it arbitrarily created a 10-mile buffer around the Chaco cultural heritage site.

The withdrawal was condemned by the Navajo Nation Council for jeopardizing the economic future of the area, including the immediate impact of over 5,600 Navajo allottees. Just 3 years ago, my staff and I went out to the allottees and took their testimony with cameras.

This represents anywhere from \$80,000 to \$100,000 or more for each family, and with the loss of the Navajo Generating Station with a coal-fired plant this is one of the only means they have for financial services.

There was no vote by Congress. There was no vote of the people allowing any of this. I have met with the Navajo peoples, I said, including hundreds of the allottees who were financially devastated by this reckless action.

It is estimated that the 22-year withdrawal would affect 22,000 allottees, cost current allottees \$6.2 million a year in royalties, and reduce royalties to the Navajo members by \$194 million over the next 20 years.

The economic impacts of the withdrawal are calamitous for the Navajo people, which has a poverty rate of 40 percent, nearly triple the poverty rate of the United States as a whole.

It is clear the irrationality of the Biden administration has no bounds. While there is unprecedented global demand for minerals and America is increasingly reliant on the Chinese Communist Party for our mineral supply, Joe Biden and his cronies are shutting down mineral projects across the nation.

The anti-mining actions by the Biden administration hurt America's economy, threaten our national security, and push mineral production abroad where environmental and labor standards pale in comparison to our own.

Let me say that west of us in Yuma, Arizona, and west to that is the Imperial Valley of California. These two areas combine to produce over 90 percent of the vegetables we eat in this country during the winter months from the end of October to the end of April. The mineral phosphate is fundamentally necessary for the production of nitrogen in fertilizer. Without phosphate, we cannot grow our own food.

What kind of administration would seek to shut down phosphate mining? What kind of groups would seek to stop phosphate, uranium, copper, cobalt, and other mining operators when the evidence is so clear that these minerals will enable us to all live?

In addition to these important issues, today we will discuss not only what minerals should be listed as critical minerals like copper, and Representative Lesko will shed light on her pending bill, but even minerals that are listed to face steep hurdles in getting produced in this country.

Take antimony for example. We were informed that antimony was included in the U.S. Geological Survey listing of critical minerals in 2017 mainly because of its use in military applications. The USGS states that the leading uses of antimony are flame retardants; metal products, including lead and ammunition; and nonmetal products, including ceramics and glass.

But getting a permit to mine antimony and refine it has proven almost impossible. So, we need not only have the listings, but the administrative action to follow to get this mining approved and to be processed.

Today, we will expose the irrationality of the Biden administration that highlight the access to the minerals we have here in America, particularly in the Southwest, if only our Federal bureaucracy could just get out of the way.

Again, I appreciate everyone for being here, taking the time out of your busy schedules to be here in Goodyear. Whether you are from Arizona or from farther east, we know Arizona is hot but we always have a smile for you. So, thank you very much, and I yield back.

Now I am going to introduce our witnesses. First, we have Mr. Misael Cabrera, Director of School of Mining and Mineral Resources, University of Arizona; Mr. James Carlson, Chairman, Boundary Line Foundation; Mr. Steve Crim, Executive Director, Common Sense America; Mr. Jeremy Harrell, Chief Strategy Officer, ClearPath; and Mr. Craig Wiita, President and CEO of Del Sol Refinery.

Let me remind the witnesses that under Committee Rules, you must limit your oral statements to 5 minutes but your entire statement will appear in the hearing record.

We use timing lights. When you begin, the light will turn green. When you have 1 minute remaining, that light will turn yellow. At the end of that 5 minutes, it will turn red. If it hits red, we ask you to please complete your statement but summarize very quickly. I will also allow all witnesses to testify before they are questioned.

Now, I am going to recognize Mr. Cabrera for 5 minutes.

STATEMENT OF MISAEL CABRERA, DIRECTOR, SCHOOL OF MINING AND MINERAL RESOURCES, UNIVERSITY OF ARIZONA, TUCSON, ARIZONA

Mr. CABRERA. Thank you, Mr. Chair and members of the Committee. My name is Misael Cabrera, and I am the Director of the School of Mining and Mineral Resources at the University of Arizona. The school was formed to address the pressing need for a sustainable supply of critical minerals. We do this through industry-advancing research and by developing the interdisciplinary mining and minerals workforce of tomorrow.

Prior to this appointment, I served in the position of Director of the Arizona Department of Environmental Quality. Today, I am not speaking on behalf of the university. In fact, my comments are based largely on nearly 30 years of experience as an environmental professional.

Low-carbon energy technologies like solar panels, wind, and geothermal are significantly more mineral intensive than fossil fuel technologies. Under the International Energy Agency's most aggressive scenario, total demand for mineral resources will grow by as much as 3.5 billion tons by the year 2050, and demand for cross cutting minerals like copper, which is prescient for decarbonization, will exceed the total demand across all human history.

Thus, the speed of decarbonization relies heavily on a ready supply of minerals and, consequently, the productivity of responsible and sustainable mining operations. Even if metal recycling efforts were to increase a hundredfold, there simply isn't enough material in circulation to meet the growing demand.

Thus, the unavoidable truth is that we cannot develop cleaner, greener technologies without more minerals and we cannot secure enough minerals without a significant focus on mining. Supplying the planet with the necessary minerals required requires a balanced approach, walking the line between responsible environmental protections and the ability to move into extractive operations in a much more streamlined fashion.

Since mining practices became codified in the United States, the industry has swung from unforeseen environmental consequences to inefficient bureaucratic processes that are crippling our ability to supply minerals.

In contrast, many foreign governments do not operate under the same strict regulatory environment that we do in the United States, creating an unfairly advantaged dominance when it comes to mineral production.

In 2020, China led all other countries in copper smelting. To add environmental insult to economic injury, much of that smelting capacity is powered by fossil fuels.

While many nations including the United States are striving to reduce their carbon footprint China's negative environmental impact is growing. From 2017 to 2020, we reduced cumulative emissions by 11 percent while China's emissions increased by 7 percent. Astonishingly, China's carbon pollution now surpasses all other developed countries combined.

It is not an overstatement to say that by allowing China to maintain its chokehold on supplies of critical minerals, we are condemning the Earth to be mined in ways that are less responsible and entirely unsustainable.

A key factor in a reliable domestic mineral supply chain is streamlining the Federal Government's permitting process. One of the means to that end is Fast-41. On May 8, 2023, the South 32 Hermosa project was the first mining initiative to gain Fast-41 coverage. I recommend that this process be applied to new major mining projects that will produce minerals that are essential not only for defense but also for green technology.

When considering our need for minerals like copper as a free society, it is important to assess where the greatest risks lie. I believe that the risks of global pollution as a result of over-reliance on foreign mining is much higher and I believe that the potential for decarbonization delays because of supply chain constraints is too great.

When we add national defense vulnerabilities and American jobs, the asymmetric risk of not fostering sustainable and responsible domestic mineral supplies becomes very, very clear.

It has been my distinct privilege to share these comments with you. I am available to answer any questions that you may have.

[The prepared statement of Mr. Cabrera follows:]

PREPARED STATEMENT OF MR. MISAEL CABRERA, PE, DIRECTOR AND PROFESSOR OF PRACTICE, SCHOOL OF MINING & MINERAL RESOURCES, UNIVERSITY OF ARIZONA

Mr. Chair and Members of the Committee, my name is Misael Cabrera, and I am the inaugural Director of the School of Mining & Mineral Resources at the University of Arizona. The School was formed to address the pressing need for a sustainable supply of critical minerals for generations to come. We do this through industry-advancing research, and by developing the interdisciplinary mining and minerals workforce of tomorrow. We also offer students from all majors a Sustainable Minerals Minor Degree so that the multiplicity of professionals that the mining industry needs can share a fundamental understanding of the issues facing this essential industry.

Prior to this appointment, I served in the position of Director of the Arizona Department of Environmental Quality longer than any other Director in the department's history. During my tenure at ADEQ, we dramatically increased environmental outcomes, delivered award-winning online systems, and were recognized 28 times by local and national organizations. Prior to serving in Arizona State Government, I held a variety of leadership roles in private sector, international engineering firms.

Today, I am not speaking on behalf of the University. In fact, my comments are based largely on nearly 30 years of experience as an environmental professional.

It is this career-long commitment to the environment that has led me to notice that our planet's population has doubled in my lifetime and is forecasted to reach 10 billion in the next 25 years. Today's global population is also more prosperous

than it was 50 years ago¹ and that expanding population wants better infrastructure, the latest consumer electronics, more advanced medical equipment, more effective defense systems, and cleaner energy to address the effects of climate change.

But low-carbon energy technologies like solar panels, wind, and geothermal are significantly more mineral-intensive than fossil fuel technologies. Under the International Energy Agency’s most aggressive scenario, total demand for mineral resources will grow by as much as 3.5 billion tons by the year 2050.² And demand for cross-cutting minerals like copper, which is prescient for decarbonization, will exceed the total demand across all human history.³

Different scenarios driven by choice of technology, material substitution, and potential technological improvements over time can shift these demand estimates, but there is no lower-carbon pathway that does not significantly increase our need for minerals.

The 2020 World Bank Report, *Minerals for Climate Action: The Mineral Intensity of the Clean Energy Transition*, states plainly that “. . . any potential shortages in mineral supply could impact the speed and scale at which [green] technologies may be deployed globally.”⁴ Thus, the speed of decarbonization relies heavily on a ready supply of minerals and consequently, the productivity of responsible and sustainable mining operations.

Even if metal recycling efforts were to increase 100-fold, there simply isn’t enough material in circulation to meet the growing demand. Thus, the unavoidable truth is that we cannot develop cleaner, greener technologies without more minerals. And we cannot secure enough minerals without a significant focus on mining.

Supplying the planet with the necessary minerals requires a balanced approach, walking the line between responsible environmental protections, and the ability to move into extractive operations in a much more streamlined fashion. Since mining practices became codified in the United States, the industry has swung from the “move fast, dig deep” approach that had unforeseen environmental consequences, to today, when inefficient, bureaucratic processes are crippling our ability to supply the minerals necessary to address climate change.

To illustrate this over-correction, it takes an average of 16 years from the time of initial mineral discovery until the first production takes place in a new mine.⁵ Much of this lag is caused by the regulatory environment that is a direct after-effect of legacy mining practices that are no longer used in the United States. Modern mine operators take their responsibility to the planet and neighboring communities very seriously, with clear criteria for environmental performance during and after mining operations, including responsible closure and post-closure reclamation protocols.

In contrast, many foreign governments do not operate under the same strict regulatory environment that we do in the United States, creating an unfairly advantaged dominance when it comes to mineral production. China is a perfect example of this, producing eight times more rare earth element (REE) tonnage than the U.S., and accounting for 85 percent of global supply of REE in 2016.⁶ And China’s mineral dominance is not limited to REEs. In 2020, China led all other countries in copper smelting, producing over 7.2 million metric tons of the commodity.⁷ The closest competitors, Japan and Chile only produced 1.7 and 1.2 million metric tons, respectively.⁸

To add environmental insult to economic injury, much of that smelting capacity is powered by fossil fuels. While many nations, including the U.S., are striving to reduce their carbon footprint, China’s negative environmental impact is growing. Case in point: from 2017–2020, we reduced cumulative emissions by 11 percent

¹Macrotrends, *World Poverty Rate 1981–2023*. Accessed April 15, 2023. <https://www.macrotrends.net/countries/WLD/world/poverty-rate>

²2020 World Bank Report. *Minerals for Climate Action: The Mineral Intensity of the Clean Energy Transition*. © 2020 International Bank for Reconstruction and Development/The World Bank. <https://pubdocs.worldbank.org/en/961711588875536384/Minerals-for-Climate-Action-The-Mineral-Intensity-of-the-Clean-Energy-Transition.pdf>

³Jones, Allan G. *Mining for Net Zero: The Impossible Task*. Accessed July 19, 2023. <https://library.seg.org/doi/10.1190/tle42040266.1>

⁴IBID

⁵International Energy Agency. *The Role of critical minerals in clean energy transitions: world energy outlook special report*. Revised March 2022. Website: www.iea.org

⁶Harvard International Review. 2021. *Not So “Green” Technology: The Complicated Legacy of Rare Earth Mining*. Edited by Jaya Nayar. 12 August. Accessed June 30, 2022. <https://hir.harvard.edu/not-so-green-technology-the-complicated-legacy-of-rare-earth-mining/>.

⁷Statista. 2022. *Global copper smelter production in 2020, by key producing country*. Accessed July 1, 2022. <https://www.statista.com/statistics/1241253/world-annual-copper-smelter-production-by-country/>.

⁸IBID

while China's emissions *increased* by 7 percent.⁹ Astonishingly, China's carbon pollution now surpasses all other developed countries, combined.¹⁰ It is not an overstatement to say that by allowing China to maintain its chokehold on supplies of critical minerals, we are not only abdicating our economic and technological independence, we are condemning the Earth to be mined in ways that are far less responsible and entirely unsustainable for future generations.

President Biden acknowledges the inherent risks of dependence on foreign sources of critical minerals, even to our homeland security. In his March 31, 2022, *Memorandum to the Secretary of Defense*, he wrote about these risks, calling for "... sustainable and responsible domestic mining [and] processing."

A key factor in developing a reliable domestic minerals supply chain is streamlining the Federal Government permitting process. With layers of regulatory oversight from local, state and federal levels, it is imperative to identify what improvements can be made to mine permitting without reducing opportunities for public input or limiting the comprehensiveness of environmental reviews.

One of the means to that end is the U.S. Federal Permitting Improvement Steering Council's (FPISC) FAST-41 process. FAST-41 for Infrastructure Permitting is a "coordinated framework for improving the federal environmental review and authorization process," and on May 8, 2023, the South32 Hermosa project was the first mining initiative to gain FAST-41 coverage.¹¹ I recommend that this process be applied to new major mining projects that will produce minerals that are essential for not only defense, but also for green technology.

And given that we are in the copper state, I would like to point out that an electric vehicle contains about four times the amount of copper as a traditional internal combustion engine automobile. Copper is also the second most used metal in defense platforms by weight,¹² and is the gateway to over a dozen important minerals and rare earth elements that are only produced as co-products. Until the 1980s the U.S. was a global leader in refined copper production. Today we have lost our position and China is the globally dominant producer of refined copper.

When considering our need for minerals like copper as a free society, it is important to assess where the greatest risks lie. I believe that modern U.S. mines present relatively low environmental risk; I believe that the risk of global pollution as a result of over-reliance on foreign mining is much higher; and I believe that the potential for decarbonation delays because of supply chain constraints is too great. When we add national defense vulnerabilities and American jobs, the asymmetric risk of not fostering sustainable and responsible domestic mineral supplies becomes very clear.

It has been my distinct privilege to share these comments with you. I am available to answer any questions that you may have.

Dr. GOSAR. Thank you, Mr. Cabrera.

Now, I am going to recognize Mr. Carlson for 5 minutes.

STATEMENT OF JAMES R. CARLSON, CHAIRMAN, BOUNDARY LINE FOUNDATION, CHICAGO, ILLINOIS

Mr. CARLSON. Thank you, Mr. Chairman and members of the House Subcommittee on Oversight and Investigations, for the opportunity to summarize for the Congressional Record the policy and issues and some considerations that could lead to stable and ongoing access to domestic sources of strategic critical minerals.

⁹World Population Review. 2022. "World Population Review. Carbon Footprint by Country 2022." [worldpopulationreview.com](https://worldpopulationreview.com/country-rankings/carbonfootprint-by-country). Accessed July 10, 2023. <https://worldpopulationreview.com/country-rankings/carbonfootprint-by-country>

¹⁰De Chant, Tim. 2021. "China's carbon pollution now surpasses all developed countries combined." [arstechnica.com](https://arstechnica.com/tech-policy/2021/05/chinas-carbonpollution-now-surpasses-all-developed-countries-combined/). 6 May. Accessed July 10, 2023. <https://arstechnica.com/tech-policy/2021/05/chinas-carbonpollution-now-surpasses-all-developed-countries-combined/>.

¹¹Permitting Dashboard, Federal Infrastructure Projects, Accessed July 10, 2023. <https://www.permits.performance.gov/fpisc-content/permitting-council-announces-first-ever-critical-minerals-mining-project-gain-fast-41>.

¹²McGroarty, Daniel. *Got copper? New pentagon report spotlights key role of critical metals*. 04/13/15. Accessed July 19, 2023. <https://thehill.com/blogs/congress-blog/homeland-security/238483-got-copper-new-pentagon-report-spotlights-key-role-of>

I am appearing before the Subcommittee as the Chairman of the nonprofit corporation Boundary Line Foundation (BLF). BLF is a growing nonprofit whose charitable purpose is to educate and equip county commissioners for active, county-to-agency engagement with executive agencies during Federal administrative actions.

A typical BLF initiative includes statutory research, preparation of policy audits, education of county commissioners, and support for county governments as they actively apply Federal statutes and procedures to the agencies themselves.

The objectives of my remarks are this. First, summarize for the HNR Subcommittee how critical minerals policies of the Biden administration are illegitimately transitioning responsibility for the domestic mineral supply chain away from free markets toward a nationalized system.

No. 2, demonstrate how the decision of the Secretary of the Interior to withdraw the Duluth copper-nickel-sulfide mineral complex in Minnesota is not consistent with the public lands laws of the United States and requires Federal action.

In its June 2021 100-day report on building resilient critical mineral supply chains, the White House Interagency Working Group ignores any mention of the Mining Act and Minerals Policy Act of 1970 and the Federal Land Policy Management Act whose statutory construction and intent is for the private sector to lead in the exploration, development, mining, and reclamation of critical minerals.

The all-of-government approach recommended by the IWG to address mineral supply chain issues is derived from Executive Order 14017 and is a pattern throughout the Biden administration that proposes to expand the role of Federal agencies in public land management.

If implemented as proposed, the IWG recommendations will vastly expand the role of Departments of Defense, Commerce, Health and Human Services in critical minerals permitting, mining, reclamation, and data hub monitoring while pre-empting and subordinating the statutory role of the Secretary of the Interior.

On December 14, 2016, and again in September 2021, the U.S. Forest Service submitted an application, now I am on Minnesota, to the Department of the Interior requesting withdrawal of the same 235,000-acre parcel from the working public lands of the Superior National Forest.

After 2 years of county-to-agency policy engagement with the U.S. Forest Service, the Department of the Interior, and the White House, the U.S. Forest Service canceled the withdrawal application, stating that the agency had enough information and existing laws were sufficient to protect the environment with the standard mineral leasing activities in the Superior National Forest and that could be done and achieved without a 20-year land withdrawal.

It is important to note that the 1978 designation of the Boundary Waters Canoe Area Wilderness by the Congress recognized and segregated the copper-nickel-sulfide deposits in the working lands of the Superior National Forest by establishing a geopolitical mining protection area.

BLF has gone on record as documenting that only Congress—only Congress can affect, remove, or change that statutory enacted MPA boundary.

In October 2021, the Secretary of the Interior again published notice of a second application for the same parcel in the Superior National Forest and in January 2021 the Boundary Line Foundation placed in the public record our survey and application of delegated authorities, a policy document to challenge this withdrawal.

The survey demonstrates that in the public record that Secretarial Public Land Order 7917 by the Secretary of the Interior exceeds the 5,000-acre litmus threshold for mineral withdrawals in requiring congressional action.

This Secretarial Order, Public Land Order 7917, illegitimately extinguishes FLPMA principal use of minerals exploration and extraction to exclusively protect ecosystems and the environment.

I am out of time, Mr. Chairman, but there are three more things that could be done. I will yield the floor back to you, sir.

[The prepared statement of Mr. Carlson follows:]

PREPARED STATEMENT OF JAMES R. CARLSON, CHAIRMAN,
THE BOUNDARY LINE FOUNDATION

Introduction; About BLF—

Thank you Mr. Chairman and Members of the House Subcommittee on Oversight and Investigations for the opportunity to summarize for the congressional record the policy issues and some considerations that could lead to stable and ongoing access to domestic sources of strategic and critical minerals.

I am appearing before the subcommittee as the Chairman of the nonprofit corporation Boundary Line Foundation (BLF). BLF is a growing non-profit whose charitable purpose is to educate and equip county commissioners for active, county-to-agency engagement with executive agencies during Federal administrative actions.

A typical BLF initiative includes statutory research, preparation of policy audits, education of county commissioners, and support for county governments as they actively apply statutes and procedures to the agencies during administrative processes.

Testimony Objective—

The objective of my remarks is to:

1. Summarize for the HNR subcommittee how the critical minerals policies of the Biden administration are illegitimately transitioning responsibility for the domestic mineral supply chain away from free markets and toward a nationalized system.
2. Demonstrate how the decision by the Secretary of the Interior to withdraw the Duluth Copper/Nickel sulfide mineral complex is not consistent with the public land laws of the United States and requires congressional action.

Executive Order 14017 and the 100-Day White House Report—

- In its June, 2021 100-Day Report on building resilient critical mineral supply chains,¹ the White House Interagency Working Group (IWG) ignores any mention of the controlling Mining Act and Minerals Policy of 1970 and the Federal Land Policy Management Act, whose statutory construction and intent is for the private sector to lead in the exploration, development, mining, and reclamation of critical minerals.
- The *all-of-government* approach recommended by the IWG to address mineral supply chain issues is derived from Executive Order 14017 and is a pattern

¹*Building Resilient Supply Chains, Revitalizing American Manufacturing, and Fostering Broad-Based Growth*. 100 Day Reviews under Executive Order 14017. Brian Deese and Jake Sullivan June 2021.

throughout the Biden administration that proposes to expand the role of Federal agencies in public land management.²

- If implemented as proposed, the IWG³ recommendations will vastly expand the role of the Departments of Defense, Commerce, and Health and Human Services in critical minerals permitting, mining, reclamation, and data hub monitoring, while preempting and subordinating the statutory role of the Secretary of the Interior.

Summary of Land and Mineral Withdrawals in Minnesota—

- On December 14, 2016 and again on September 20, 2021, the United States Forest Service (USFS) submitted an application to the Department of the Interior, requesting withdrawal of the same 235,000 acre parcel from the working public lands of the Superior National Forest (SNF).
- After two years of county-to-agency policy engagement with USFS, the Department of Interior, and the White House, USFS canceled its withdrawal application, stating that the agency had enough information, that existing laws were sufficient to protect the environment, and that standard mineral leasing activities in the SNF could be effective *without* a 20-year land withdrawal:

“ . . . the USDA Forest Service has enough information to determine a withdrawal is not needed,”

and,

“laws that govern mineral development within the Rainy River Watershed provide considerable discretion as to whether to allow new mineral leases,”

and,

“Future lease offerings can adequately be evaluated and regulated on a case-by-case basis without invocation of a 20-year withdrawal.”⁴

- It is important to note that during the 1978 designation of the Boundary Waters Canoe Area Wilderness (BWCAW) that the Congress recognized and segregated the copper nickel sulfide deposits in the working lands of the SNF by establishing the geopolitical Mining Protection Area (MPA) boundary. BLF has gone on record as documenting that only Congress can effect, remove or change the statutory-enacted MPA boundary.

Current Land and Mineral Withdrawal; Public Land Order 7917—

On October 21, 2021, the Secretary of the Interior published notice of a second application by USFS to withdraw a 225,504 acre parcel from the SNF,⁵ and on January 31, 2023 the Secretary issued Public Land Order 7917 effecting that withdrawal.

- On January 14, 2021 the Boundary Line Foundation placed in the public record its statutory “Survey and Application of Delegated Congressional Authority for Land and Mineral Withdrawal By the Secretary of the Interior”⁶ that documents 15 years and 3 administrative actions in the SNF.
- The BLF Survey demonstrates in the public record that:
 1. Secretarial Public Land Order 7917 exceeds the 5,000-acre FLPMA threshold for mineral withdrawals requiring congressional action;
 2. Secretarial Public Land Order 7917 illegitimately extinguishes the FLPMA Principal Use of Minerals Exploration and Extraction to exclusively protect ecosystems and the environment;
 3. Secretarial Public Land Order 7917 administratively redraws the Boundary Water Canoe Area Wilderness Mining Protection Area Boundary, a prerogative exclusively belonging to the Congress.

² Executive Order 14017. “Americas Supply Chains” February 24, 2021. Sections 3 and 4.

³ Ibid. 100-year Report Page 17.

⁴ Correspondence: Kathleen Atkinson, U.S. Forest Service Regional Forester, Eastern Region to Mitchell Leverette, BLM State Director, Eastern States Office. September 6, 2018.

⁵ FR Vol. 86, No. 2011, Thursday October 21, 2021. Application for Withdrawal and segregation of Federal Lands; Cook, Lake, and Saint Louis Counties, MN.

⁶ *Survey and Application of Delegated Congressional Authority for Land and Mineral Withdrawal by the Secretary of the Interior*. Boundary Line Foundation. January 14, 2021.

4. In enacting FLPMA, the Congress reserved for itself the exclusive prerogative to decide Federal land and mineral withdrawals:
 - a. of greater than 5,000 acres;
 - b. for which one or more Principal Uses could effectively be eliminated; or,
 - c. for those land and mineral withdrawals that would affect a preexisting Act of Congress.
5. The Secretary of the Interior has failed to furnish both chambers of Congress, with a detailed, site-specific inventory and analysis of the effect the withdrawal will have on 190,321 acres of Minnesota School Trust Lands, Minnesota Swamp Trust interests, Tax Forfeited lands, and private inholdings as identified by the Land Commissioners of Cook, Lake, and Saint Louis counties. (Table 1, Attachment A).
6. The organic statutory mission of USFS is to manage the national forests of the United States for a *continuous supply of merchantable timber* and to ensure the forests are managed to ensure *favorable conditions of water flow*, not water quality.
7. In carrying out its mission under the Multiple Use and Sustained Yield Act of 1960, USFS is not to “*affect the use of administration of mineral resources of national forest lands or to affect the use or administration of Federal lands not within national forests.*”

The organic and statutory mission of the USFS does not include expanded protections of ecosystems that extinguish a FLPMA principal use and the application should have been rejected by the Secretary of the Interior.

Thank you for the opportunity to provide remarks on this important subject. I will stand to questions.

ATTACHMENTS

Table 1 FLPMA Required Administrative and Economic Studies for Land Withdrawals of greater than 5,000 Acres ¹	
FLPMA Pre-submission Procedural and Technical Requirements ²	Comment
(1) A clear explanation of the proposed use of the land involved which led to the withdrawal proposal;	Following segregation and within three months of notification in the <i>Federal Register</i> and Congressional consideration, land and mineral withdrawal applications submitted by the Secretary are required to analyze and report the economic impact on residents, property owners, and the tax base. The Land Commissioners from Lake, Cook and St. Louis Counties have provided detailed land and mineral information that is required to be analyzed and incorporated with the USFS withdrawal application for congressional consideration.
(2) An inventory and evaluation of the current natural resource uses and values of the site and adjacent public and nonpublic land and how it appears they will be affected by the proposed use, including particularly aspects of use that might cause degradation of the environment, and also the economic impact of the change in use on individuals, local communities, and the nation;	
(3) An identification of present users of the land involved, and how they will be affected by the proposed use;	
(4) An analysis of the manner in which existing and potential resource uses are incompatible with or in conflict with the proposed use, together with a statement of the provisions to be made for continuation or termination of existing uses, including an economic analysis of such continuation or termination;	
(5) An analysis of the manner in which such lands will be used in relation to the specific requirements for the proposed use;	
(6) A statement as to whether any suitable alternative sites are available (including cost estimates) for the proposed use or for uses such a withdrawal would displace;	The Saint Louis County Land Commissioner reports 46,288 acres of private inholdings; 5,596 acres of <i>active</i> state mineral leases; 12,400 acres of State Mineral Trust holdings; 12,600 acres of State Swamp Trust mineral holdings; 16,963 acres of State Tax Forfeited land; and 38,765 acres of state mineral forfeited interests; 86 miles of county and township roads; 19 publicly owned gravel pits and 9 active recreation Cabin Leases. See Attachment X
(7) A statement of the consultation which has been or will be had with other federal departments and agencies, with regional, state, and local government bodies, and with other appropriate individuals and groups;	
(8) A statement indicating the effect of the proposed uses, if any, on state and local government interests and the regional economy;	
(9) A statement of the expected length of time needed for the withdrawal;	The Lake County Land Commissioner reports 63,182 acres of private inholdings; 12,220 acres of <i>active</i> state mineral leases; 17,671 acres of State School Trust Mineral Trust holdings; 45,079 acres of State Swamp Trust mineral holdings; 16,169 acres of State Tax Forfeited mineral interest; 16 miles of high voltage utility corridors; 5 gravel pits and 12 recreation cabin leases; and 5 gravel pits. See Attachment X
(10) The time and place of hearings and of other public involvement concerning such withdrawal;	
(11) The place where the records on the withdrawal can be examined by interested parties; and,	
(12) A report prepared by a qualified mining engineer, engineering geologist, or geologist which shall include but not be limited to information on: general geology, known mineral deposits, past and present mineral production, mining claims, mineral leases, evaluation of future mineral potential, present and potential market demands.	

¹ Information required to be submitted to Congress within three months of *Federal Register* notification. 43 U.S.C. § 1714 (e)(1) and 43 U.S.C. § 1714 (e)(2) 1-12.

² The studies, reports and analyses required to be submitted to Congress by the Secretary under 43 U.S.C. § 1714 (e) are in addition to the NEPA and CEO requirements.



Saint Louis County

Land and Minerals Dept. • www.stlouiscountymn.gov • landdept@stlouiscountymn.gov

Mark Weber
Land Commissioner

August 9, 2017

Mr. Jim Carlson
Stillwater Technical Solutions
PO Box 93
Garden City, KS 67846

Dear Mr. Carlson

This letter is in response to your request to review St. Louis County land records as they relate to the proposed withdrawal of approximately 248,328 acres of federally owned minerals within the Superior National Forest. The following data was compiled from existing county, state and federal GIS databases.

Federal Holdings:

- The total surface area enclosed within the boundary of the proposed federal mineral withdrawal is approximately 589,070 acres. The total enclosed surface area within St. Louis County is approximately 148,759 acres.
- The U.S. Forest Service has surface holdings of approximately 63,039 acres within the boundary in St. Louis County.
- There are approximately 34,295 acres of federally owned minerals within the boundary in St. Louis County.

Tribal Government Holdings within the Federal Mineral Withdrawal Boundary in St. Louis County:

- The Bois Forte Band of Chippewa has surface holdings of approximately 172 acres.

State of Minnesota Holdings within the Federal Mineral Withdrawal Boundary in St. Louis County:

- The State of Minnesota has surface holdings of approximately 21,667 acres.
- The State of Minnesota has School Trust mineral holdings of approximately 12,400 acres, and Swamp Trust mineral holdings of approximately 12,600 acres.

St. Louis County Holdings within the Federal Mineral Withdrawal Boundary:

- St. Louis County manages approximately 16,963 acres of State Tax Forfeited land.
- The State of Minnesota has identified approximately 38,765 acres of mineral ownership that may have a tax forfeited mineral interest.¹

¹ More research is needed to verify State tax forfeited mineral ownership for many of these parcels.

☐ Land Commissioner's Office
320 West 2nd Street, GSC 208
Duluth, MN 55802
(218) 726-2606
Fax: (218) 726-2600

☐ Pike Lake Area Office
5713 Old Miller Trunk Hwy
Duluth, MN 55811
(218) 625-3700
Fax: (218) 625-3733

☐ Virginia Area Office
7820 Highway 135
Virginia, MN 55792
(218) 742-9898
Fax: (218) 742-9870

"Trust Lands, Managed For The People Of This County"

Private Holdings within the Federal Mineral Withdrawal Boundary in St. Louis County:

- There are approximately 46,288 acres of private surface ownership.
- Forest Service document *Appendix A* (Land List for Proposed Superior National Forest Mineral Withdrawal Fee Simple Lands) does not list any parcels having private surface with federal mineral ownership in St. Louis County. Appendix A is missing a Township and Range heading on page 26 making it difficult to compare surface and mineral ownership. Also, ambiguous legal descriptions in Appendix A made it difficult to locate the listed parcels and demonstrate their impact. As a result, 68 privately and publically owned surface parcels totaling 246 acres were identified in which the underlying federal mineral ownership is uncertain.
- St. Louis County land records indicate there are two parcels totaling 40 acres having privately owned surface overlying federally owned minerals.

State Mineral Leases within the Federal Mineral Withdrawal Boundary in St. Louis County:

- The State of Minnesota has identified approximately 5,596 acres of active State mineral leases and approximately 1,908 acres of active State Tax Forfeited mineral leases.²

Utility Corridors within the Federal Mineral Withdrawal Boundary in St. Louis County:

- There are approximately 24 miles of fiber optic lines.
- There are approximately 164 miles of primary overhead; 36 miles of secondary overhead; and 51 miles of underground electrical power lines.
- There are approximately 12 miles of high voltage transmission lines.

Easements within the Federal Mineral Withdrawal Boundary in St. Louis County:

- The Land and Minerals Department has issued approximately 10 miles of easements across State Tax Forfeited land.
- St. Louis County found no data for county road right-of-way easements.

Roads within the Federal Mineral Withdrawal Boundary in St. Louis County:

- There are approximately 61 miles of US and State highways.
- There are approximately 86 miles of County and Township roads.

Water Rights within the Federal Mineral Withdrawal Boundary in St. Louis County:

- St. Louis County found no data on riparian water rights.

Revenue Producing Operations within the Federal Mineral Withdrawal Boundary in St. Louis County:

- St. Louis County has identified 10 publically owned gravel pits.
- St. Louis County is planning to harvest approximately 2,115 acres of State Tax Forfeited land over the next 10 years.
- St. Louis County has 9 active Recreation Cabin Leases.

Please note that this report was compiled from existing spatial data located in various county, state and federal offices, and St. Louis County is not responsible for any inaccuracies contained herein. Please let me know if you have any questions or if further actions are needed to fulfill St. Louis County's data request.

² 2012 State of MN data.

Sincerely,



Mark Weber
St. Louis County Land Commissioner



**Nate Eide
Land Commissioner
Forestry/Land Dept.**

Mailing Address
Lake County Courthouse
601 3rd Ave
Two Harbors, MN 55616

Office Phone: 218-834-8340
Email: nate.eide@co.lake.mn.us

August 4, 2017

Mr. Jim Carlson
Stillwater Technical Solutions
PO Box 93
Garden City, KS 67846

Dear Mr. Carlson

This report is in response to your request to review Lake County land records as they relate to the proposed withdrawal of approximately 248,328 acres of federally owned minerals within the Superior National Forest.

Federal Holdings:

- The total surface area enclosed within the boundary of the proposed federal mineral withdrawal is approximately 589,070 acres. The total enclosed surface area within Lake County is approximately 421,146 acres.
- The U.S. Forest Service has surface holdings of approximately 279,883 acres within the boundary in Lake County.
- The Bureau of Land Management has mineral holdings of approximately 188,858 acres within the boundary in Lake County.

Tribal Government Holdings within the Federal Mineral Withdrawal Boundary in Lake County:

- None

State of Minnesota Holdings within the Federal Mineral Withdrawal Boundary in Lake County:

- The State of Minnesota has surface holdings of approximately 55,979 acres.
- The State of Minnesota has School Trust mineral holdings of approximately 17,671 acres, and Swamp Trust mineral holdings of approximately 45,079 acres.

Lake County Holdings within the Federal Mineral Withdrawal Boundary in Lake County:

- Lake County manages approximately 3,075 acres of State Tax Forfeited land.
- The State of Minnesota has identified approximately 16,169 acres of mineral ownership that may have a tax forfeited mineral interest.¹

¹ More research is needed to verify State Tax Forfeited mineral ownership.



Private Holdings within the Federal Mineral Withdrawal Boundary in Lake County:

- There are approximately 63,182 acres of private surface ownership.
- Lake County is not aware of any parcels having private surface with federal mineral ownership.

Mineral Leases within the Federal Mineral Withdrawal Boundary in Lake County:

- The State of Minnesota has identified approximately 12,220 acres of active mineral leases. 237 acres of these are industrial mineral and 11,983 acres are non-ferrous.

Utility Corridors within the Federal Mineral Withdrawal Boundary in Lake County:

- There are approximately 16 miles of High Voltage lines

Easements within the Federal Mineral Withdrawal Boundary in Lake County:

- Readily available data is not available for county road right-of-way easements.

Roads within the Federal Mineral Withdrawal Boundary in Lake County:

Road Type	Miles
Unknown	3
State	36
CSAH	54
County	12
Township	14
UT	2
Nat. Forest	398
State Forest/Park	37
State Forest/Park	1
Private	33
County Forest	1
Sum	591

Revenue Producing Operations within the Federal Mineral Withdrawal Boundary in Lake County:

- Lake County has identified approximately 5 gravel pits (2 county, 1 private, 1 state, 1 federal)
- There are 12 Recreation Cabin Leases with structures.

Tax Revenue within the Federal Mineral Withdrawal Boundary in Lake County:

- The annual tax revenue from the parcels within the Withdrawal Boundary in Lake County in 2017 is \$2,621,051

Please note that this report was compiled from existing spatial data located in various county, state and federal offices, and Lake County is not responsible for any incorrectness herein. Please let me know if you have any questions or if further actions are needed to fulfill Lake County's data request.

Sincerely,

Nate Eide
Lake County Land Commissioner



COOK COUNTY LAND SERVICES
TIM NELSON ~ DIRECTOR
LISA KERR ~ LAND COMMISSIONER/ PARKS & TRAILS DIRECTOR
411 W. 2ND ST GRAND MARAIS, MN 55604
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July 31, 2017

Jim Carlson
Stillwater Technical Solutions
PO Box 93
6505 South Highway 83
Garden City, KS 67846
(620) 260-9169
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Re: County Land-Data Request

Dear Mr. Carlson

As Cook County Land Commissioner I have worked through your information request with the following results. The area of the USFS Withdrawal Application in Cook County is all owned by the Federal Government under the name of United States of America or USFS Superior National Forest with a total acreage of 11,457.27. Within the USFS Withdrawal area there is 5 miles of Perent Lake Rd, which is a County Rd with an Public Road Easement dated 4-1-1993 with verbiage that the covenant shall attach to and run with the land. There is an old Federal Gravel Pit, labeled on the map, no longer in operation. There are two Severed Mineral Interests within the USFS Withdrawal area with each being 80 Acres. One Severed Mineral Interest is in private ownership, RGGGS Lands & Minerals LTD LP, and the other is Cook County Tax Forfeit, also labeled on the map.

Cook County contains roughly 92% publicly owned lands encompassing Federal, State, County and City ownerships. The area directly surrounding the USFS Withdrawal Area is Federally owned, with nearby State land holdings as well. These ownerships are designated on the map using numeric coding. The map identifies the boundary of the USFS Withdrawal Area, between Lake and Cook Counties as well as the boundary of the BWCAW (Boundary Waters Canoe Area Wilderness) that starts just north of the USFS Withdrawal Area.

Any information not provided does not exist or pertain to Cook County for this data request. I hope the information provided here is sufficient to fulfill your data request. Please let me know if there are questions or further actions needed to fulfill Cook County's data request.

Regards,

Lisa Kerr

Cook County Land Commissioner/Parks & Trails Director

Dr. GOSAR. Thank you, Mr. Carlson.
I now recognize Mr. Crim for 5 minutes.

**STATEMENT OF STEVE CRIM, EXECUTIVE DIRECTOR,
COMMON SENSE AMERICA, McLEAN, VIRGINIA**

Mr. CARLSON. First and foremost, I want to thank each and every one of you for standing up for America's agriculture, technology, and defense sectors by protecting the production of critical minerals.

Common Sense America is an advocacy group dedicated to advancing common sense policy solutions for the challenges facing

our country. Today, I am here to urge Congress to take action to maximize the domestic production and development of critical minerals to reduce our dependence on China.

According to the Pew Research Center, 67 percent of Americans, an overwhelming majority, understand China's threat to our very way of life. That is because China produces around two-thirds of the world's lithium and cobalt.

It is the source of nearly 60 percent of aluminum and 80 percent of polysilicon. These minerals are key to producing the cars, phones, lights, and other products we depend on every single day.

Just 2 weeks ago, China restricted the export of gallium and germanium, which are used in the production of semiconductors, solar panels, and missile systems. The *Wall Street Journal* called this move more than just a trade salvo but a warning to the United States. The realization that a foreign adversary can exert such control over the items we use daily is alarming. Yet, this situation can escalate even further, potentially even impacting our food supply.

According to the United States Geological Survey, China is the world's largest producer of phosphate and Russia is fourth. Together they produce almost five times the phosphate America produces.

In the second half of last year, China reduced the export of phosphate from 5½ million tons to 3 million tons, a 45 percent decrease in exports over the same time the previous year and that is why your work here today is so important.

There is no doubt that China fears your ability to safeguard our critical minerals. It is why they have attempted to circumvent you by focusing their efforts on local communities across America, communities just like Goodyear.

Their strategy is obvious, influence local governments to advance their own agenda. This fact became painfully clear in March when the Office of Director of National Intelligence released its annual threat assessment.

It found that China was redoubling its efforts to build influence at the state and local level to shift U.S. policy in China's favor because of Beijing's belief that local officials are more pliable than their Federal counterparts.

It has become evident that China will utilize any method available to them to infiltrate our local governments and communities. Case in point, a Hollywood production company controlled by a Chinese national, Cinema Libre Studios, produced a propaganda film about phosphate, a film that demonizes the critical mineral and was used as part of a larger influence campaign to encourage local governments to support policies that banned phosphate mining.

These documentaries are an example of how real and imminent the threat of Chinese infiltration and manipulation of our local leaders can be. But their influence goes beyond just Hollywood. When it comes to critical minerals, the keep it in the ground mentality of environmental groups hinders mining and production of America's own critical minerals and gives China even more control over us.

One such organization is the Center for Biological Diversity, which files lawsuit after lawsuit to prevent the exploration and development of critical minerals. They have spearheaded hundreds of lawsuits and just last week sought a court order to stop a copper mining exploration project right here in Arizona.

Their lawsuits have created endless barriers for our nation's companies and even our Federal, state, and local permitting agencies to conduct the important business that leads to American self-reliance.

Leveraging the Endangered Species Act, this organization can recover attorney fees often paid for by taxpayers. This practice places an undue financial burden on taxpayers, diverts resources away from essential government programs, and harms America's independence.

Worst of all, it aligns with the Office of the Director of National Intelligence warnings that shifts U.S. policy in China's favor. Advancing common sense policy solutions such as designating phosphate as a critical mineral, implementing measures to curtail foreign influence, and ending the recovery of attorneys' fees of frivolous lawsuits we can safeguard our nation's food supply and promote the common sense policies our citizens deserve. Let's work together to ensure a self-reliant and resilient America.

I extend my heartfelt appreciation for you all for conducting this public hearing on protecting our nation's critical minerals and for your unwavering dedication to the well being of our great nation. Thank you.

[The prepared statement of Mr. Crim follows:]

PREPARED STATEMENT OF STEVE CRIM, PRESIDENT, COMMON SENSE AMERICA

First and foremost, I would like to express my gratitude to each and every one of you for standing up for America's agriculture and defense sectors by protecting the production and use of critical minerals such as lithium, cobalt, and phosphate. My name is Steve Crim, and I am the Executive Director of Common Sense America (CSA), an advocacy group dedicated to advancing a common sense approach to our government.

An overwhelming majority of Americans understand the threat China plays to our very way of life. According to Pew Research Center, 67% of Americans view China as a threat. Yet too often, partisan politics gets in the way of real action to protect our country from this existential threat.

When it comes to critical minerals, the "keep it in the ground" mentality of environmental groups plays into China's strategy by hindering mining and production of America's critical minerals.

Two weeks ago China restricted the export of gallium and germanium which are used in the production of semiconductors, solar panels, and missile systems. The Wall Street Journal called this move more than just a "trade salvo" but a warning to the US. That's because China processes around two thirds of the world's lithium and cobalt and is the source of nearly 60% of aluminum and 80% of polysilicon. These minerals are key to producing the cars, phones, lights, and other products we use everyday. The realization that a foreign adversary holds such control over the items we use daily is troubling.

Yet, the situation can escalate further, potentially impacting our food supply. According to the USGS, China is the world's largest producer of phosphate and Russia is fourth. Together they produce almost five times the phosphate America produces. In fact, in the second half of last year, China reduced the export of phosphate from 5.5 million tonnes to 3 million tonnes—a 45% decrease in exports over the same time the previous year.

And that's why your work here today is so important.

There's no doubt that China fears your ability to safeguard our critical minerals, but that's why they have been attempting to circumvent your efforts by focusing their efforts on local communities across America—communities just like Goodyear.

Their strategy is clear—influence local governments and communities to keep America’s critical minerals in the ground. This fact became painfully clear in March when the Office of National Security released its threat assessment. It found that China was “redoubling its efforts to build influence at the state and local level to shift U.S. policy in China’s favor because of Beijing’s belief that local officials are more pliable than their federal counterparts.”

We have witnessed reports of China’s spy balloons surveilling our military operations and farmland; their acquisition of vast tracts of American lands; data collection through platforms like TikTok, the use of “spy cranes” to disrupt supply chains and gather shipment data, and even operating illegal secret police stations.

It has become evident that China will utilize any and every tool available to them to infiltrate our local governments and communities—even Hollywood.

Case in point, a Hollywood production company, owned and controlled by a Chinese national, produced a propaganda film about phosphate. This company, Cinema Libre Studios, produced and distributed a film called PhosFate—a film that demonizes phosphate and was used as part of a larger influence campaign to encourage local governments to support policies that ban phosphate mining.

These “documentaries” are an example of how real and imminent the threat of Chinese infiltration and manipulation is, especially at the local level. Unlike members of Congress, many local elected officials do not have professional staff, agency review or systems to vet material brought before them. This vulnerability makes it easier for China to impact local policy in support of their strategic goals.

But, their influence goes beyond Hollywood and seeps into environmental organizations that often oppose American industries. Requiring these organizations to disclose foreign donors is crucial for ensuring transparency and protecting American interests.

One such organization is the Center for Biological Diversity, which frequently files lawsuits to prevent the exploration and development of critical minerals—potentially threatening American national security. Their lawsuits have created a hostile environment for our nation’s companies—and even our governmental permitting agencies—to operate.

They have led over 2,000 lawsuits and just as recently as last week here in Arizona, they sought a court order to stop a copper mining exploration project. Under the Endangered Species Act, this organization can recover attorney fees, often paid for by taxpayers, regardless of the merits of their cases. This practice places an undue financial burden on taxpayers, diverts resources away from essential government programs, and stifles the growth of our industries.

Worst of all, it aligns with the Office of National Intelligence warnings and shifts US policy in China’s favor.

In conclusion, the issue of America’s food independence demands our immediate attention and concerted efforts. By designating phosphate as a critical mineral, implementing measures to curtail foreign influence, and ending the recovery of attorney’s fees in frivolous lawsuits, we can safeguard our nation’s food supply, protect American industries, and promote common-sense policies that our citizens deserve.

Let us work together to ensure a self-reliant and resilient America in the face of these pressing challenges. I extend my heartfelt appreciation to you all for conducting this public hearing on this critical issue and for your unwavering dedication to the well-being of our great nation.

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Dr. GOSAR. Thank you, Mr. Crim.

Now, I would like to introduce one of my former staffers. He has done himself very well and that is Jeremy Harrell.

**STATEMENT OF JEREMY HARRELL, CHIEF STRATEGY
OFFICER, CLEARPATH, WASHINGTON, DC**

Mr. HARRELL. Thank you, Chairman Gosar, Vice Chairman Collins, and other members of the Arizona Delegation. It is great to be back here in Arizona and I appreciate the opportunity to testify today on American mineral independence.

Our nation's energy demands are rapidly increasing and our current dependence poses a significant risk to our national security and our economic growth. According to some estimates, the United States needs to double our power system in the coming decades to meet expected energy demand.

Concurrently, the International Energy Agency predicts that global demand for energy-related minerals like lithium, cobalt, graphite, and nickel could grow 20 to 40 times by 2040. As demand for critical minerals increases, the choice for American policy-makers is clear. We will either responsibly develop these resources here at home or continue to rely on foreign sources, which poses national security, human rights, and environmental complications.

It is difficult to overstate our dependence on foreign supply chains. The United States is 100 percent reliant for 12 of 50 critical minerals and we are more than 50 percent reliant for an additional 31.

As the Chairman underscored, China is the leading producer of 30 of those resources, and equally as concerning China exerts con-

trol over the refining process for each of these minerals regardless of where they are mined.

Here in the Copper State, we should not forget that copper plays a fundamental role in the construction of energy technologies like battery storage, solar, transmission, and vehicles.

Failure to scale up domestic production of minerals undercuts our ability to compete globally. Regulatory approvals for mines here at home have fallen to the lowest level in decades, coinciding with substantial demand growth for products that require them for raw materials like grid and transportation technologies.

To fix this urgent problem, policymakers should work toward three key objectives: (1) restoring predictability to the permitting process; (2) streamlining judicial review; and (3) fostering trade and collaboration with allies.

First, restoring regulatory predictability is essential. Never has the phrase time is money been more appropriate. Regulatory delays greatly increase the cost of projects and, furthermore, the projects most likely to be held up in the permitting purgatory are those that offer the greatest benefits to our nation. Reform should change the paradigm to one that expedites the approval process for projects that bring net benefits and comply with laws meant to ensure clean water and clean air.

We must eliminate unnecessary bureaucracy in areas where the economic environmental benefits outweigh opportunity costs. A place-based approach which preassesses areas based on national needs, environmental factors, and community support would alleviate permitting bottlenecks while also ensuring compliance once a project is operational.

Federal action can also no longer vacillate according to political winds. Developers must be able to rely on decisions from one administration to the next and we have seen this in mining like the Resolution Copper Mine here in Arizona or the Twin Metals project in Minnesota. The Administration's inconsistent approach increases U.S. reliance on minerals sourced from overseas.

Instead, our system must create jobs here, promote American innovation, and foster better global environmental outcomes everywhere.

Second, the judicial reform process must be reformed. The current system is broken as the structures in place are overwhelmingly tilted toward those who seek to delay or block projects as opposed to those who seek to build. Once a project is approved, further legal challenges should be addressed expeditiously.

H.R. 1, the House permitting bill, requires legal disputes to be resolved in less than 1 year. Other major House and Senate permitting proposals include injunctive relief, clarifications on standing, and deadlines on the statute of limitations.

Judicial review is the biggest wildcard in the current permitting system. Congress should limit legal challenges to plain and obvious errors related to natural resources laws while also narrowing the scope and adhering to strict review timelines.

And, lastly, realistically, we are not going to end our reliance on foreign resources overnight. There is an opportunity to expand bilateral and multilateral trade agreements with allies that secure critical mineral supply chains.

Take the nuclear fuel supply chain, for example. At the April G-7 meeting, Canada, the U.K., France, Japan, and the United States agreed to reduce reliance on Russian nuclear products and jointly leverage their nuclear sectors to ensure a stable supply of fuel for both existing and future nuclear power plants.

However, these agreements must be in addition to, not a substitute for, maximizing domestic production.

In conclusion, reliance on foreign mineral supply chains threatens both our national security and economic future. It is imperative that Congress implement a national strategy to maximize private sector investments in our critical mineral supply chains.

ClearPath looks forward to working with this Committee to further American mineral independence and I look forward to today's discussion.

[The prepared statement of Mr. Harrell follows:]

PREPARED STATEMENT OF JEREMY HARRELL, CHIEF STRATEGY OFFICER,
CLEARPATH, INC.

Good afternoon, Chairman Gosar and members of the Committee. My name is Jeremy Harrell, and I am the Chief Strategy Officer of ClearPath, a 501(c)(3) organization that develops and advances policies that accelerate innovations to reduce and remove global energy emissions. To further that mission, we educate and provide analysis to policymakers as well as collaborate with relevant industry partners to inform independent research and policy development.

Thank you for the opportunity to testify today and for holding this minerals-related hearing in the West. America's energy demands are rapidly increasing. Some estimates say the U.S. will need to double the capacity of our bulk power system over the coming decades to meet expected energy demand. As a result, the International Energy Agency (IEA) predicts that demand for energy-related minerals like lithium, cobalt, graphite, and nickel could grow 20 to 40 times by 2040.¹

As global demand for critical minerals increases, the choice for policymakers is clear: the U.S. will either responsibly develop these resources here at home or continue to rely on foreign sources—resources prevalent in nations that, in many cases, pose human rights challenges, present national security risks, and/or enforce worse environmental standards.

It is difficult to overstate America's dependence on foreign supply chains. According to the 2023 U.S. Geological Survey's Mineral Commodities Summary, the U.S. was 100 percent net import reliant for 12 of the 50 individually listed critical minerals and was more than 50 percent net import reliant for an additional 31 critical mineral commodities.² Meanwhile, China was the leading producing nation for 30 of those same 50 critical minerals.³ A recent Aspen Institute report further underscored that rising demand for minerals will place major stress on global supply chains and undermine the ability of the U.S. to deploy more clean energy.⁴

Equally concerning, regardless of where the minerals are mined, China exerts dominant control over the refining process for a large majority of rare earth elements and has demonstrated a willingness to leverage its influence to pursue political objectives.⁵ This includes an announcement earlier this month to restrict the export of two key minerals related to the energy supply chain.⁶ The concentration of mineral supply chains creates risks of disruption from political or environmental events, provides poor transparency and traceability, and sacrifices the expertise necessary for value-adding innovation and jobs.

Despite these dynamics, the U.S. struggles to permit projects to unlock these critical minerals. Recent data from Goldman Sachs shows that regulatory approvals

¹ <https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions/executive-summary>

² <https://pubs.er.usgs.gov/publication/mcs2023>

³ *ibid*

⁴ <https://www.aspeninstitute.org/wp-content/uploads/2023/06/Critical-Minerals-Report.pdf>

⁵ <https://chinapower.csis.org/china-rare-earths/>

⁶ <https://www.wsj.com/articles/china-controls-minerals-that-run-the-worldand-just-fired-a-warning-shot-at-u-s-5961d77b>

for mines have fallen to the lowest level in a decade, coinciding with substantial demand growth for products that require them as inputs, like grid and transportation technologies.⁷

This Committee has rightly brought attention to the benefits of using domestic minerals over the first six months of this Congress. It put permitting reform front and center, passing the Lower Energy Costs Act as H.R. 1 and successfully secured a handful of those provisions in the debt ceiling deal enacted through the Fiscal Responsibility Act.

This Committee has not taken its foot off the gas, recognizing that the inability to scale up the domestic production of American resources undercuts America's ability to deploy domestically abundant resources and compete on the world stage.

As policymakers continue to work towards bolstering American supply chains, reducing critical mineral dependence, and furthering sustainable economic growth, there are a handful of solutions Congress should consider. These initiatives would restore predictability, streamline litigation, and bolster private sector investments across the critical minerals supply chain.

Restore Predictability to the System

Never has the phrase “time is money” been more appropriate. Regulatory delays that can last nearly a decade are making projects more expensive. The projects most likely to be held up in permitting purgatory are those that offer the greatest benefits to the United States, including reduced energy costs, enhanced energy independence, increased economic opportunity, and lower global emissions. The current system is broken as the structures in place are overwhelmingly tilted toward those who seek to delay or block projects as opposed to those who seek to build.

Federal permitting reform must change the paradigm to one that expedites the approval process for projects that bring net benefits and comply with the legal requirements meant to ensure clean water and clean air.

First, we need to identify geographic areas for development where economic and environmental benefits of these projects should not be delayed by unnecessary bureaucracy. For example, replacing a retiring power plant with a zero-emissions advanced nuclear generator at an existing site or building a battery manufacturing facility on a brownfield site should not require a years long permitting process.

A list of prequalified geographic areas could include previously disturbed locations, such as brownfield sites that are well categorized, and can utilize existing infrastructure. The environmental impacts to these locations related to energy deployment are minimal, and in many cases, these locations are in or near communities that need the redevelopment most urgently.

For mine projects specifically, a “place-based approach,” which pre-assesses areas, based on national needs, environmental factors, and community support, could alleviate permitting bottlenecks while also ensuring environmental compliance once operational.

In addition, Congress could consider ways to pair regulatory incentives with existing financial incentives, such as the “Opportunity Zones” and “Energy Communities,” which were established by Congress. Matching financial incentives with regulatory certainty will create a strong signal to project developers during the site selection process that choosing these areas is advantageous and will not be delayed by unnecessary bureaucracy. These types of reforms could go a long way towards on shoring American manufacturing and creating jobs in areas that need them the most.

Second, federal action can no longer vacillate according to political whims, particularly when Congress has acted. Project developers need to be able to rely on regulatory certainty from one Administration to the next to bring a project from financing to construction. This need is most acute for projects that seek to unlock critical minerals.

Resolution Copper is one of the most prominent examples of America's inability to permit mines. After a decade of objections by extreme environmental organizations and some Arizona Tribes to the proposed legislation authorizing a land exchange by the U.S. Forest Service, Congress explicitly authorized the project when the Southeast Arizona Land Exchange and Conservation Act was enacted into law with the Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (P.L. 113-291). Once approved, the proposed mine is expected to become the largest copper mine in North America, capable of producing

⁷ <https://www.goldmansachs.com/insights/pages/gs-research/copper-is-the-new-oil/report.pdf>

up to 25 percent of U.S. copper demand each year.⁸ The proposal received a final Environmental Impact Statement (EIS) in January 2021, only to have it unpublished by the Biden Administration two months later.⁹ The Administration is explicitly subverting Congressional intent with this project. These unnecessary delays precede a decade of construction before operations can begin, delaying the project timeline to at least two full decades from its inception.

In addition to these administrative roadblocks, the recent 9th circuit decision in the *Center for Biological Diversity v. U.S. Fish and Wildlife Service*, more commonly referred to as the Rosemont decision, has placed new impediments on domestic mining operations.¹⁰ These new barriers will further stymie domestic production and jeopardize federal infrastructure investing to reshore domestic supply chains. House Republicans rightly prioritized this issue with their signature energy package H.R. 1, the Lower Energy Costs Act. These necessary reforms have earned strong bipartisan support in the Senate as well.

Even more recently, the Mountain Valley Pipeline saga further underscores the need for reform and the unpredictability of the U.S. system. Congress acted explicitly to clear the way construction of the pipeline by explicitly approving its permits in the Fiscal Responsibility Act. Unfortunately, just a few short weeks later, the 4th U.S. Circuit Court of Appeals issued two orders to temporarily freeze construction on the project. Even after Congressional action, the project may require Supreme Court intervention to finally resolve contentions.

This back and forth regulatory flux is far too common and must be addressed so that entrepreneurs know that they can move forward in a responsible manner.

Provide More Streamlined Litigation

Once a project is approved, any further legal challenges should be addressed as expeditiously as possible. Judicial review is the biggest wildcard in the current permitting system, and nearly every major permit reform proposal introduced by Republican and Democratic policymakers in the House and Senate includes at least modest provision to tackle this issue.

H.R. 1 appropriately recognized judicial review as an area ripe for modernization and established new requirements for when permits are challenged. While this is a good start, we need to do more and should be looking at ways to ensure that we can resolve any legal disputes in less than one year.

Other proposals have injunctive relief, clarifications on standing, deadlines on the statute of limitations, and shifts of judicial jurisdiction. One proposal immediately elevates legal challenges under NEPA to the federal appellate court where the project is to be constructed or alternatively the DC Circuit. This would match the process already used under the Federal Power Act and Natural Gas Act to challenge agency decisions and would streamline the process in a meaningful way.

Any changes to judicial review must balance a plaintiff's right to have his or her day in court with the goal of reaching finality on a more predictable timeline. Like other forms of major infrastructure, critical minerals projects face additional challenges even after permits have been issued because of prolonged litigation. These delays increase uncertainty and raise project costs.

To remedy this, the paradigm should shift to a set strict timelines on the adjudication process for critical mineral permits. More specifically, Congress should limit legal challenges to plain and obvious errors applying the relevant natural resource and permitting laws. A specific scope and timeline for the review process will prevent the possibility of long delays and improve efficiency.

Further Allied Partnerships

Absent a clear, predictable, and streamlined American regulatory environment, the U.S. will continue to rely on critical minerals sourced from overseas. This includes countries that pose national security risks or those that lack basic environmental and human rights protections. The choice should be clear: producing American resources here at home creates jobs, promotes innovation, increases energy security, and leads to better global environmental outcomes.

At the same time, we will not end our reliance on imports overnight. The U.S. must work with partner and allied countries to further diversify and secure critical mineral supply chains. While the current Administration has convened partnerships and multilateral mineral security dialogues with friendly nations such as Australia, Canada, Japan, South Korea and others to address these challenges, both the public and private sector need to move beyond dialogue to action.

⁸ <https://resolutioncopper.com/project-overview/>

⁹ <https://www.fs.usda.gov/detail/r3/home/?cid=FSEPRD858166>

¹⁰ <https://cdn.ca9.uscourts.gov/datastore/opinions/2022/05/12/19-17585.pdf>

The U.S. should consider how to increase the quality of international markets for critical minerals commodities. Right now, the true price for many minerals is not publicly available, and some recent supposed shipments of critical minerals turned out to just be rocks. Modernizing and maturing the market integrity for critical minerals will lead to more reliable prices and more assurance for American firms.

Specific to nuclear power, a secure and robust nuclear fuel supply chain is critical to ensuring American families receive clean, affordable, and reliable energy from our nation's nuclear power plants. Approximately 95% of the uranium used in the U.S. today is imported, of which nearly 50% comes from Russia and Kazakhstan.¹¹ Because nuclear energy accounts for 1/5th of U.S. electricity production, this leaves 10% of total U.S. electricity vulnerable to these two countries.¹²

It is a national security imperative that the U.S. establish a secure and reliable supply of nuclear enrichment capabilities for itself and its allies. Reducing America's reliance on Russian fuel provides the market certainty required to incentivize domestic industry, build new capacity, and support our allies. On the sidelines of the April G7 minister meeting in Japan, Canada, France, Japan, the UK and U.S. entered into an agreement to leverage their civil nuclear power sectors to ensure a stable supply of nuclear fuel for existing and future reactors.¹³ The U.S. Congress should also act to further invest in more effective partnerships with U.S. allies.

There is an opportunity to expand bilateral and multilateral frameworks to establish diversified critical mineral supply chains and support the negotiation and passage of trade agreements among countries that meet American standards. It is important to note, however, that agreements must be in addition to, not a substitute for, maximizing domestic production.

Conclusion

The current permitting system unnecessarily stymies and broadly delays the highest impact projects from delivering benefits, projects needed for our economic, environmental, and global competitive future. It is imperative that Congress address both aspects of the permitting process to maximize public and private sector investments and put steel in the ground.

ClearPath looks forward to working with this Committee to further American critical mineral independence. I look forward to today's discussion.

Dr. GOSAR. Thank you, Mr. Harrell.

Now, I recognize a friend of Arizona, Mr. Wiita, for 5 minutes.

STATEMENT OF CRAIG WIITA, PRESIDENT AND CEO, DEL SOL REFINING, INC., PRESCOTT, ARIZONA

Mr. WIITA. Thank you very much. Hello. My name is Craig Wiita. I am the President and CEO of Del Sol Refining in Amargosa Valley, Nevada.

First, I would like to thank Congressman Gosar for hosting this very important event. At Del Sol Refining, we are a strategic and critical mineral refinery. We do research and development for the mining industry through a three-step process: lab scale, bench scale, and pilot scale. Think of it as grams, pounds, and tons for sizing.

If recovery stays consistent through all three scales and remains economically viable, the mine is ready to open except for permits. Currently, Del Sol Refining is conducting a pilot scale recovery circuit for Century Lithium.

Upon receiving the required permits, Century Lithium will be capable of producing close to 14,000 kilos of lithium per day. Fourteen thousand kilos of lithium per day would end the U.S.

¹¹ <https://www.eia.gov/energyexplained/nuclear/where-our-uranium-comes-from.php>

¹² <https://www.eia.gov/energyexplained/electricity/electricity-in-the-us.php>

¹³ <https://www.energy.gov/articles/statement-civil-nuclear-fuel-cooperation-between-united-states-canada-france-japan-and>

dependence on lithium from other countries. This is a great start toward U.S. lithium independence.

But what about the other strategic and critical minerals? Our goal needs to be ending the United States' dependency on strategic and critical minerals completely. The United States is dependent on imports for vital strategic metals that are necessary for components for military weapons systems, cell phones, solar panels, lithium ion batteries, and all high-technology products.

The reason for this dependency is not due to geologic impediments, but due to politics. Large portions of public lands in the western United States have not been sufficiently explored and the permitting process in the United States takes 7 to 10 years compared to 2 to 3 years in Canada and Australia.

Of great importance to the United States are rare earth elements. The estimated value of rare earth compounds and metals imported in 2021 was \$160 million. That is a significant increase from the \$109 million in 2020.

These are consumption estimates only, with no allowance to accumulate a much needed U.S. stockpile. The only current option the United States has to purchase these rare earth elements is mostly from China as we have not yet developed our own existing sources.

What the U.S. Government needs to do is invest in U.S. production and refining of these metals and elements.

Here is a quick example. Fiscal Year 2021 and 2022 has these two rare earth elements on a potential acquisitions list for stockpile: 600 metric tons of neodymium, 70 metric tons of praseodymium, for a combined cost of \$355 million. Both aforementioned rare earth elements are needed for rare earth magnets, which are used in everything from wind-generated power to cell phones.

It would take 25 percent of the purchase price of these elements, or just under \$90 million, to open a mine and a processing facility here in the United States. This would create supply chain independence, jobs, strengthen our national security and, oh yes, keep \$355 million from going to China.

The loan to fund the mine and recovery facility would quickly be repaid in production and now create a U.S. source. A couple other strategic and critical minerals I would like to address today are tellurium and antimony.

Tellurium is needed for the newest generation of solar panels—cadmium telluride thin film solar panels. Tellurium makes up only .0001 percent of the Earth's crust but tellurium occurs in economic viable quantities in the porphyry copper deposits of the western United States and Alaska.

Tellurium is primarily produced from anode slimes associated with these copper occurrences. Rio Tinto at their Kennecott Mine in Utah has installed an addition to their processing circuit that can now produce 20 tons of tellurium per year. China produced 580 tons last year.

The other one I would like to speak about is antimony. Antimony is used as a hardener in lead for storage batteries, other alloys, and in all flame retardant formulations. The United States has plenty of antimony present in the stibnite formations of Idaho. The

problem is there is nowhere to refine it. An old mill sits dormant in Butte, Montana, that could do it. But without feed from mines that are waiting on permits, why would anyone bring it back to life?

America is way behind the curve on stockpiling strategic and critical minerals. China, with their Belt and Road Initiative, is making deals all over the continent of Africa to the extent of assimilating many African nations.

A break in the mineral supply chain would cripple day-to-day life as we know it and will affect our military's ability to do their job. There is nothing to worry about if America is America's supply chain.

Again, I would like to thank Congressman Gosar and others in attendance for giving me the opportunity to speak here today.

[The prepared statement of Mr. Wiita follows:]

PREPARED STATEMENT OF CRAIG WIITA, PRESIDENT AND CEO, DEL SOL REFINING

Hello, my name is Craig Wiita. I am the president and CEO of Del Sol Refining in Amargosa Valley, NV.

First, I would like to thank Congressman Gosar for hosting this very important event.

At Del Sol Refining we are a strategic and critical mineral refinery. We do research and development for the mining industry through a three-step process; lab scale, bench scale, and pilot scale—think of small, medium, and large for sizing. If recovery stays consistent through all three scales and remains economically viable, then the mine is ready to open.

Currently Del Sol Refining is conducting a pilot scale recovery circuit for century Lithium.

Upon receiving the required permits, century Lithium would be capable of producing close to 14,000 kilos of lithium carbonate (battery grade) per day upon the completion of their Clayton Valley, NV. lithium mine and recovery circuit. 14,000 kilos per day would end the U.S. dependence on lithium from other countries.

This is a great start towards US lithium independence, but what about the other strategic and critical minerals?

Our goal needs to be ending the United States' dependency on strategic and critical minerals completely.

The United States is dependent on imports for vital strategic metals that are necessary for components for military weapon systems, cellphones, solar panels, lithium-ion batteries, and many high-technology products.

The reason for this dependency is not due to geologic impediments, but due to politics. Large portions of public lands in the western United States have not been sufficiently explored, and the permitting process in the United States takes 7–10 years compared to 2–3 years in Australia and Canada.

Of great strategic importance to the U.S. are Rare Earth Elements (REE). Lanthanides are the actual group known as REEs.

The estimated value of rare earth compounds and metals imported in 2021 was \$160 million, a significant increase from \$109 million in 2020. These are consumption estimates only, with no allowance to accumulate a much-needed U.S. stockpile.

The only current option the U.S. has is to purchase these rare earth elements, mostly from China, as we have not yet developed our own existing sources.

What the U.S. government needs to do is invest in U.S. production and refining of these metals and elements.

Here is a quick example: FY 2021 and 2022 has these two REEs on a potential acquisitions list for stockpile.

- Neodymium 600 metric ton (m/t)
 - Cost \$345 million
- Praseodymium 70 m/t
 - Cost \$9.9 million

Combined cost—\$355 million

Both fore-mentioned REEs are needed for rare earth magnets which are used in everything from wind-generated power to cell phones.

It would take 25% of the purchase price of these elements, or just under \$90 million, which as previously stated, would have to be purchased from China. Or, we could allow for permitting to mine and open a processing facility here in the U.S.

This would create supply chain independence, jobs, strengthens our national security, and keeps \$355 million from going to China.

The loan to fund the mine and recovery facility would be quickly repaid in production and create a U.S. source.

A couple of other strategic and critical minerals I would like to address are tellurium and antimony.

Tellurium is needed for the newest generation of solar panels, cadmium-telluride thin film solar panels. Tellurium makes up only .0001% of the earth's crust.

Tellurium occurs in porphyry copper deposits in the western U.S. and Alaska. Tellurium is primarily produced from anode slimes associated with these copper occurrences. Rio Tinto at their Kennecott Mine in Utah has installed an addition to their processing circuit that can now produce 20 tons of tellurium per year.

Antimony is used as a hardener in lead for storage batteries, other alloys, and in flame retardant formulations.

The U.S. has plenty of antimony present in stibnite formations in Idaho. The problem is there is nowhere to refine it. An old mill sits dormant in Butte, Mt. that could do it, but without feed from mines that are waiting on permits why would anyone bring it back to life?

America is way behind the curve on stockpiling strategic and critical minerals. China, with their "Belt and Road Initiative" is making deals all over the continent of Africa, to the extent of assimilating many African nations.

A break in the mineral supply chain would cripple day to day life as we know it, it will affect our military's ability to do their job, but there is nothing to worry about if America is America's supply chain.

Again, I would like to thank Congressman Gosar and others in attendance for giving me the opportunity to speak here today. Thank you.

Dr. GOSAR. Thank you, Mr. Wiita. Now, you can understand why we have such talent in this state.

I am now going to recognize Members for 5 minutes for their questions. We are going to start with Mr. Biggs. He has a time crunch. So, Mr. Biggs, you are recognized for 5 minutes.

Mr. BIGGS. Thank you, Chairman Gosar, for holding this hearing. Thank you to your wonderful staff and the Committee staff for putting this on. They have done a great job organizing and setting this up. And to my colleagues, I am grateful that you are here and I am grateful to the community here and the city of Goodyear for their willingness to host this.

I have introduced a piece of legislation called the Federal Land Freedom Act, which would allow states to voluntarily take on permitting for projects on Federal lands within their state boundaries, and I think that Congress needs to do more to ensure that the legislative branch takes back its oversight authority and its regulatory authority to rein in the out-of-control bureaucracy, the executive branch, and the judiciary itself with its out-of-control orders that are being manipulated by groups who don't want to see mineral development and extraction.

It is necessary if we are going to remain a strong economy and if we are going to go down in history as a self-immolating country or whether we are going to hold it together and become once again a free and prosperous nation.

Minerals are critical to virtually everything. Let me give you an example. I will start with you, Mr. Cabrera. An electric vehicle,

how much more copper is necessary to go into an electric vehicle than just a traditional internal combustion automobile?

Mr. CABRERA. Chair Gosar, Representative Biggs, on average, an electric vehicle contains four times the amount of copper as a traditional internal combustion engine.

Mr. BIGGS. And when was the last time the United States was the world's copper manufacturing leader?

Mr. CABRERA. Chairman Gosar, Representative——

Mr. BIGGS. You do not have to go through the Chair in Congress. You used to be a state legislator.

[Laughter.]

Mr. CABRERA. Thank you. I know that in the 1980s we were a global leader in copper production.

Mr. BIGGS. Now who is No. 1?

Mr. CABRERA. We are not even in the top 10. Today, it is China by far.

Mr. BIGGS. Yes, and that is a constant theme that we are going to see as we go through here today is that the United States, an incredibly blessed nation minerally, has ceded it to China.

So, let's go to you now, Mr. Harrell. I want to emphasize some of the things that you talked about. How reliant are we? USGS says we are reliant on critical minerals. I want to know, give us those numbers again that you gave us.

Mr. HARRELL. Yes, absolutely. I can repeat those. For over 31 of the 50 critical minerals that USGS has identified as "critical," we are over 50 percent reliant and another 12 were 100 percent reliant.

Mr. BIGGS. So, out of 50 critical minerals listed we are reliant either wholly or more than 50 percent on 43 of those, right? The other thing about that is I want to know who is supplying the vast majority of critical minerals to the world?

Mr. HARRELL. China. China, particularly on 30 of 50 of those.

Mr. BIGGS. Yes. So, when we get to China and we start looking at it, we have a massive critical problem because they control the supply chain on so much of everything.

Let's go here next to Mr. Wiita. I want to talk to you about rare earth elements. The last mine I was tracking was several years ago trying to open up rare earth element production. They got swamped by bureaucracy. Couldn't do it. Tell me what dangers we have because our bureaucracy is stifling rare earth element development.

Mr. WIITA. First of all, America has the safest and cleanest mining and refining in the world.

Mr. BIGGS. Absolutely.

Mr. WIITA. That has to be first and foremost. I have a property that I have had since about 2005 in Arizona that has all 16 rare earth elements on it, as well as yttrium and scandium. I would walk into the BLM office and they would say, we can talk about anything today, Craig, but rare earth elements, because they don't want to see me get this into production.

It is actually more hazardous to leave it on the ground because with every rain you get percolation of these elements going to the aquifers. It is almost a cleanup and it is something that we could benefit with all 16 rare earth elements, as well as scandium.

Mr. BIGGS. And as you pointed out, we have to have rare earth elements to do just about everything, cell phones, et cetera.

I want to thank the Chairman again for allowing me time. I apologize to everyone that I have to go. But this is really an important and critical hearing. Thank you, Mr. Chairman, for holding it and I yield back.

Dr. GOSAR. I thank the gentleman. The gentlewoman from Phoenix, Ms. Lesko, is recognized for 5 minutes.

Ms. LESKO. Thank you very much, and I first want to say thank you to you, Mr. Gosar, for leading this and to all the people that showed up and know how important this issue is.

I am Congresswoman Debbie Lesko. I represent Peoria, large parts of Glendale, the Sun Cities, and large parts of Phoenix here, and I serve on the Energy and Commerce Committee. Paul serves on the Natural Resources Committee dealing with mining and critical minerals, but the energy portion of what I serve on relies on those critical minerals. So, I cannot overemphasize to you how important this hearing is and this issue is.

I just got back from a trip from Japan and South Korea. It was an energy trip, but part of the trip we went to an Air Force base and a Navy base, and we got briefings about the importance of the region and the threat from China.

And we, as Congress Members, hear a lot about the threat from China. They are United States' major threat, and one of the things that we are giving to China right now is we are handing over to them through the Biden administration's policies, we are becoming more reliant on them.

The Biden administration is putting forth mandates on electric vehicles, mandates for more solar, for more wind. They are funneling hundreds of billions of dollars of our taxpayer dollars into subsidies for those programs, and they claim that they are for domestic mining.

Yet, on the other hand, they are shutting down mines here in Arizona, as Jeremy Harrell brought up, and also in Minnesota and elsewhere. So, you can't have it both ways, although they do because people aren't paying attention.

I truly believe that the policies that the Biden administration and Democrats are putting forward benefit China, not the United States. And we better wake up and we better get our act together because otherwise we are going to be speaking Mandarin, and I don't want that. And we are going to be totally reliant on them. Look what happened in COVID-19. We found out just how reliant we are on China.

Folks, we here, these Congress Members here, are fighting for you. But it is a daily battle, a daily battle each and every day. So, I really appreciate you coming out and listening about this and supporting us, and with the 2:21 I have left, I do have some questions. The first one is going to be for Mr. Harrell.

Mr. Harrell is with ClearPath and they do a lot of work on energy issues in Washington, DC. Mr. Harrell, states can speed up the permitting process by implementing Federal requirements directly, like we have seen with states obtaining primacy for Class VI wells, which is like carbon capture storage wells.

Arizona is currently in the preapplication phase seeking Class VI primacy from the EPA. The timeline will reflect a full 5 years from the inception of this process to ultimately receiving approval between state and Federal rulemaking.

Mr. Harrell, what further reforms can be done to ensure future states going through this process and others similar to it have faster review timelines and greater process certainty?

Mr. HARRELL. Thank you for the question, Congresswoman, and for your leadership. I mean, to underscore what she pointed out, this state is fortunate to have leaders like you across the energy committees, so excited for it.

Bringing these decisions down to the state levels is essential. We know it is more efficient and it can have the same standards that you would have that environmental laws require. In the Class VI process that you mentioned, states take control of it and ultimately have to do the same rigorous work, but the people of the states know the geology better and I think that could be translated over to the mineral space as well.

We have to hold the agencies like the EPA accountable. They like to blame resources as a restriction. But Congress actually has tried to bolster that so we can increase the permitting process. We need to cut out litigation. We need to shorten the scope of things that challenge these types of things and bringing more of these decisions to the state level.

Ms. LESKO. Thank you. The Republicans passed H.R. 1, which you talked about, Mr. Harrell, and it basically will help reform permitting laws. Can you tell us the status of where that is at?

Republicans passed it out of the House. Did we have a few Democrats sign on? And I think Joe Manchin is supportive of some of the permitting reforms.

But what do you think the prospects are of that being passed out of the Senate?

Mr. HARRELL. Yes, it is a great question. One, House Republicans should be commended for making it issue No. 1. It is literally H.R. 1 and saying that permitting is one of the most essential issues that we should be taking on. It got bipartisan support.

House Republicans were able to secure components of that in the large debt deal that happened, which is a good start to the fight, and now I think we need to continue to lean in and do some more of these bigger reforms particularly focused on judicial review and how we streamline more consideration. So, I think House Republicans should keep fighting, and I think in every package we have moving forward going through Congress we should be getting another bite at the apple to help solve this problem.

Ms. LESKO. Thank you, and I yield back.

Dr. GOSAR. I thank the gentlelady. Now we are going to get into the first of our freshmen. I yield 5 minutes to Mr. Crane for his testimony.

Mr. CRANE. Thank you, Congressman Gosar, for hosting this today and bringing some experts together and also a bunch of folks so we can get more educated and active on this very important topic.

It is an honor to be here today. I definitely do not consider myself an expert on critical minerals. That being said, I do recognize it is

important and, to me, I am going to be honest with you guys, this seems like one more example of self-sabotage in this country. It really does. And sometimes I don't know if it is intentional or we are just so foolish that we can't figure it out, and it is hard sometimes.

In my district, which is Arizona's 2nd Congressional District, we have several very important mines. We have Resolution Copper, Freeport McNamara, Ivanhoe, Santa Cruz, which I just toured a couple of weeks ago down in Casa Grande.

They are exploring their field right now and, hopefully, we will be mining soon, Asarco Pinto Valley, Baghdad Mine, and those are some of the mines in my district.

But when I look at this issue and I try to boil it down into three key areas, I would say that the ones that I am most focused on are economic impact, national security threat, and then, obviously, the environmental harm that many of these folks have already talked about.

The economic impact, obviously, we have sent a lot of our jobs overseas. Many of these mining towns have become ghost towns because of, in my opinion, our foolishness and then you have, obviously, the national security piece.

When you outsource these critical minerals that we use in our everyday technology and consumer products, when you outsource those to a foreign country that in many cases like we are talking about our focus on China today happens to be an enemy.

How many of you guys out here in the audience think that China has your best interest in mind? Anybody? I hope not. OK.

And then, obviously, the environmental harm as well. I think that everybody up here would love to see us be able to harvest our own critical minerals, and I would even go so far to say gas and oil. I am big on using the natural resources we have.

But I think all of us want to see us do it in a clean and safe way that protects our environment. But, once again, we have an administration that has basically declared war on a very, very important industry, and it is going to hurt and affect us all if we don't figure it out.

So, that is how I look at these issues, and I want to start with Mr. Harrell.

Besides the buckets that I mentioned, sir, of economic impact, national security, and environmental harm, are there any other buckets that we need to be focused on as we educate ourselves more on this issue?

Mr. HARRELL. Yes. I think the reforms to the judicial system that is required is really essential as we move forward. The judicial system gets weaponized to block U.S. development. One critical ruling that recently occurred, the Rosemont ruling, is a nonsensical interpretation of the law of saying that you can't put mining facilities on public land that doesn't have minerals under it. Why would you locate operations on lands that can't be mined, for example, and it is just an example of where the judiciary is going outside the bounds of the law and, ultimately, there are just inconsistencies there. And House Republicans have looked to resolve that in H.R. 1.

Mr. CRANE. Thank you, sir.

Is there anybody on the panel, just for the education of myself and everybody else in here, outside of those three buckets: economic impact, national security, environmental harm to the globe, are there any other buckets we should be focusing on?

Anybody at all? Does that kind of sum up the three big buckets? Does anybody not see this as a national security threat in here? Does anybody want to expound on the economic impact this has to our country, our communities, and the families that live here?

Sir, on the end?

Mr. WIITA. When you are waiting 7 to 10 years for permits in the United States, you basically deplete 25 percent of your reserves just in getting permits. A lot of companies can't make that meet up. So, the length of the permits is what is killing most projects.

Mr. CRANE. Does anybody want to take a shot at the why here, why you guys think this Administration is promoting the policies that are so harmful to critical minerals? Anybody?

Go ahead, Mr. Carlson.

Mr. CARLSON. I would like to address the economic. The economic issues is that the Biden administration and previous administrations aren't concerned about the economic impacts. There are laws on the books already—Regulatory Flexibility Act, National Environmental Policy Act that requires economic analysis.

They simply ignore them. So, I would suggest to the Congress that we have to go about this a different way to hold the agencies accountable.

Mr. CRANE. Thank you. The last thing I will say before I yield back my time is this, guys. Clearly, this is a Republican dominated panel today, but I hope we can all educate ourselves and agree that this issue because of its severity should not be a partisan issue.

We should have Independents, Democrats, and Republicans supporting the responsible usage of our own natural resources for the three buckets that we are talking about. It is massively important and, Chairman Gosar, thanks again for inviting me and hosting this very important panel.

Dr. GOSAR. I thank the gentleman.

Now, the second of our talented freshman class, Juan Ciscomani, for 5 minutes.

Mr. CISCOMANI. Thank you, Chairman, and thank you to the panel for spending time with us this morning and sharing your expertise with us. Thank you to the staff and, obviously, also thank you to everyone here that showed up to listen to this important conversation, and to my colleagues as well.

I am Juan Ciscomani. I represent Arizona's 6th Congressional District down in the southeastern part of the state, Tucson and also Cochise County and I will talk about the mines in a second, but Graham, Greenlee Counties and Pinal as well. So, about five counties, a lot of rural area, and obviously natural resources are very, very important to us.

The committee that I serve on is the Appropriations Committee—that is one of them—that I have the distinct honor of being the appropriator from Arizona and that puts me in a position where I look at the funding, obviously, and what we are doing with it, and the last couple of months we have been going through the whole appropriations process.

And one of the areas that we have been focusing on is halting the burdensome EPA and the BLM rules. As we have heard today, government interference in this is really causing a lot of the issues that are unnecessary.

We keep hearing over and over again how this is in our own making and then how we are putting ourselves at a disadvantage against foreign countries that are not friendly to us and that they want anything but to see America succeed. Obviously, China leading the way on that.

In the Interior and the Energy Water Subcommittee, we are actively working to halt some of the burdensome regulations that the Biden administration is attempting to put in place and we want to make it easier for Americans to mine critical minerals here in the United States and that is where we are coming from.

And speaking of critical minerals, I have a bill that deals with some of this. So, I want to turn it over to the panel and whoever wants to jump at this. I know Director Cabrera well, and I call him Director Cabrera because that is how I met him and worked with him for 8 years under the Ducey administration.

But I am wondering if you could talk about the importance of a mineral being designated as a critical mineral and why it is necessary that a mineral received the designation and status of being a critical mineral.

I have a bill before Congress that designates copper as a critical mineral. We have just been hearing how important that is, how much it includes and, obviously, being one of the five Cs in Arizona and we lead the way in its production. We want to make sure that we keep it going and vibrant.

So, Director, can you jump in on that?

Mr. CABRERA. One of the most practical benefits of being designated as a critical mineral is that then you become eligible for the Fast-41 permitting process. It is the one process that I have seen at the Federal level that actually stands a chance of streamlining the Federal bureaucracy.

It is actually quite effective. We saw that during the previous administration. Becoming a critical mineral also makes you eligible for the Fast-41 project. It also makes you eligible for a whole host of Federal grants, a whole host of Federal streamlining events. So, I agree with you that having that designation is actually quite important for an element that is so important for our future.

Mr. CISCOMANI. Thank you, Director.

Anybody else want to jump in on that?

Great. Well, you know, for context, as I said, I am very interested in copper being designated as a critical mineral. Southern Arizona leads the country in the development of copper and it is home to just incredibly productive mines like Safford and Morenci, and as you all mentioned, copper plays a key role in the energy technology, defense, consumer electronics, and many other important applications, and I want to ensure that we are not relying on foreign enemies for this mineral.

That is key and essential for us for our national security and for our strength around the world and also for our supply that we need here. So, it is concerning to me that the USGS does not list it as a critical mineral and we need to change that.

With that, I yield back, Mr. Chair.

Dr. GOSAR. I thank the gentleman.

Now, we are going to the third of our popular freshmen. This is my Vice Chair, Mike Collins, from Georgia.

Mr. COLLINS. Thank you, Mr. Chairman.

You know, I am a freshman. I have only been there, I guess, a little over 200 days. But when I ran, I ran on several different things—the debt, China, border security, and something I called oversight, and that is what I kind of want to focus on because we only control the House of Representatives and we are passing a lot of good bills but they are falling into a black hole over there in the Senate because they won't take it up. But oversight is one area that we can really get our message out and put a face on what is going on out there.

I am a small businessman. In other words, I look at things as what is the problem and what is the solution. So, as we go through this I hope you will join me try to figure out what the problem is and just what is the solution.

I am also in the trucking industry, second generation. Been at it over 30 years. My wife and I started our own business. Now, on the trail, I would say I am in the most regulated business area in the world. But as I have been out there doing these hearings, I swear I think we are all in the most regulated industry in the world.

There is not one that I haven't seen that hasn't been affected. And you know what, I want to recognize something, Mr. Chairman. We had over a week's notice for this hearing, a week's notice. I don't know if you all noticed it or not, there is not a single Democrat sitting up here, not a single one of them that will come out here and see you face to face to understand one on one what you are feeling and what you are going through. And in the hearings that I have been to they haven't been there either, and I think that is very telling.

But I have been up to Minnesota, started out with permitting problems out there. The world's largest deposit of critical metals, been trying to get permitting for 20 years. The East Coast, dealing with rulemakings that are going to kill the entire recreation fishing up and down the entire Eastern seaboard. Been out on the Western coast where they want to do away with hydroelectric dams out there to promote this green new deal that they have. As a matter of fact, the \$1.7 trillion infrastructure bill where they only put \$600 billion to fix your roads and bridges and it really isn't doing that.

The rest of it went to this crap so that they could push EVs on you and they are out there putting up chargers that aren't even going to work by the time they get them put up because the chargers are going to change.

I am going to use up all my time on a rant, Mr. Chairman. I am sorry.

Dr. GOSAR. OK.

Mr. COLLINS. But here we are out here in your state, which not only is dealing with border issues but dealing with mining issues as well. And just like Mr. Crane, I don't know a lot about mining.

But I guarantee you one thing. It is worth it to be out here with you to see your concern. I am second generation trucking, and I

guarantee you there are second, third generation folks sitting out here that are worried about their family, worried about their next generation and taking over their business.

So, Mr. Harrell, I want to jump into modernizing the permitting system right quick. Does America have any chance to become energy and resource independent from China and Russia?

Mr. HARRELL. Not without permitting reform. We have to narrow the amount of time it takes to permit these things from 7 to 10 years to more like 2 years like our allies Canada and Australia do.

Mr. COLLINS. Yes, sir. Well, can you give us some specific reforms on what Congress can do?

Mr. HARRELL. Yes, absolutely. I think there are three key components that need to be moving forward.

One, we need some strict deadlines to move through the process and really narrowing the scope of the issues that are considered. We need to streamline litigation so our judicial system stops being used as a tool to obstruct American economic development.

And, ultimately, we need better coordination between Federal and state entities so that those things sync together and we can ultimately drive projects forward and bring some of those decisions down to the local level where folks know things best.

Mr. COLLINS. Thank you. And that leads into another totally different subject. But judicial reform and a lot of it, I think, is in the way of tort reform.

You have all these environmentalists out there that will drop a suit on you as soon as one kind of gets settled or dropped just to keep the permitting processing going.

And I know I harp on that every day about how we have to have better tort reform in this country. And the other thing is just the fact that, you know, when I was in Minnesota there was a mine next door to that mine that they were trying to permit for 20 years. They have been mining that for years because it was on state land. Had no problem with state permitting. Next door, Federal couldn't get it done.

With that, Mr. Chairman, I better yield back.

Dr. GOSAR. I thank the gentleman.

I will challenge myself with the questions. How many in the audience has a car? Who is all worried about their catalytic converter going missing? Why would I ask that, Craig?

Rhodium is pretty expensive, isn't it?

Mr. WITA. Rhodium, yes.

Dr. GOSAR. Like all the rest of these critical minerals, they have a cost and the way China does this is when you have a company that gets started in the United States they start building up. They are starting to get that money and then all of a sudden what happens is China starts lowering the price. They get you sucked in and then they bottom you out so you go out of business. That is how this is done.

So, Jim, I am going to ask you another question. What is unusual about the Superior National Forest? Is there a withdrawal area? Is there a buffer area?

Mr. CARLSON. Yes, Mr. Chairman, there is. In 1978, when the Congress permitted or actually set aside the boundary waters mining or Boundary Waters Canoe Area Wilderness, Congress had

the wisdom to draw a boundary around it, and they called that the mining protection area.

It is 3 miles wide, and in that legislation that is wilderness area and in that legislation they protected mining. Now, to the south where the withdrawal just occurred by the Secretary of the Interior, those lands are managed working Federal lands under the Federal Land Policy Management Act. So, they are separate.

One is managed as wilderness by the U.S. Forest Service. The second is managed as Federal Land Policy Management Act working lands under FLPMA. There are six principal uses, and I hope I am addressing your question, there are six principal uses in this statute and what the Secretary of the Interior is taking advantage of is, No. 1, bureaucracy, and what they are doing is they are withdrawing the lands of the Superior National Forest of the Duluth Mineral Complex. They are withdrawing that and eliminating the principal use of mining and extraction.

There is where Congress has an opportunity to affect the process because this is on the statute. This is FLPMA. It is a very complex law. But under FLPMA, in order to eliminate one or more principal uses, the Secretary of the Interior has to come to Congress. They didn't.

Dr. GOSAR. Mr. Cabrera, we have heard a lot about the Congo and one thing I haven't heard, though, is child labor practices. Can you address that for us?

Mr. CABRERA. Yes. The Democratic Republic of Congo is known for utilizing child labor in their mines that produce cobalt. Cobalt is a very important mineral. It is used in lots of technology and it is also quite rare. And the fact of the matter is that other countries do not protect the environment, or the worker, or the economy of their local residents and the communities around the mines as well as we do.

Dr. GOSAR. And the quality of life for those individuals has to be horrendous, doesn't it?

Mr. CABRERA. When you see photographs of these mining operations in foreign countries it is grieving. There is a group called Better in My Backyard, and I agree with that phraseology. We know how to mine well, we know how to mine sustainably, and we know how to do this within our communities such that it is a win-win scenario. And there are actually very few countries that do it as well as we do.

Dr. GOSAR. So, my question to you is, in allowing this child labor use, we are actually part of the problem, are not we?

Mr. CABRERA. I would agree.

Dr. GOSAR. Really interesting. I kind of want to go now to Craig. I have been told by a number of experts that we have a great recycling program in the United States. Is that true?

Mr. WITA. We have a good recycling program. We can't recycle everything we need. Not even close. The only recycling we are getting for nickel is coming out of stainless steel. Very small percentage. It is not enough to make up the deficiency that we can fill with mining and refining.

Dr. GOSAR. So, if we were looking at recycling, what would be some of the things that you could see us doing in recycling? Could

we be looking at turbines? Could we be looking at batteries? Could we be looking at solar cells? What should we be looking at?

Mr. CABRERA. What we need to start recycling is solar panels and EV batteries. We can regain a little bit of the product but we are also keeping a huge mess from hitting the landfills.

We have 12 heavy metals—four of them are carcinogens—in every photovoltaic solar panel—heavy ones, cesium, cadmium. If they get down to the aquifers, the solar panels could ruin every aquifer on Earth.

Reaching a little bit, but we don't want that stuff getting down into our water supplies and we need to have recycling centers for everything that is the modern solar panels, EV batteries. And I think Kingman, Arizona would be a good place for it.

Dr. GOSAR. Well, you also said that you like clean air, clean water, and clean land, didn't you?

Mr. CABRERA. I love it.

Dr. GOSAR. So do I. I love it big time.

My time has expired. I am going to go to a second round of questions. We will start with Ms. Lesko.

Ms. LESKO. Thank you, Mr. Chair. I have introduced a bill that would add uranium to the critical mineral list and I also co-sponsored Juan Ciscomani's bill that would add copper to the critical mineral list.

The reason I think uranium is so important is because I am on the Energy Committee and we have a real concern about providing enough electricity to people because of all of the excess demand that is being put on with the electric vehicles and all the electronics that use electricity.

One of the solutions is nuclear, and we are actually getting some bipartisan support on nuclear, and not so much the large nuclear plants like we have Palo Verde Nuclear Plant here, which by the way, if you don't know it provides the most amount of nuclear energy of any other nuclear plant in our nation.

But it is called a modular nuclear. So, they are smaller and they need uranium. Right now, U.S. nuclear plants are about 40 to 50 percent reliant on Russian uranium.

Mr. Cabrera, can you tell me if you think it is important that we add uranium to the critical minerals list?

Mr. CABRERA. I believe that would be prudent. That mineral can fuel the only zero-emissions power source that we have available to us.

Ms. LESKO. Yes, and that is why some of my Democratic colleagues are actually coming around on nuclear and are becoming supportive.

Mr. Cabrera, you had some really good points in your testimony, so I want to reiterate them a little bit. One of them, even if metal recycling efforts were to increase a hundredfold, there simply isn't enough material in circulation, I assume in the United States, to meet the growing demand. Thus, the unavoidable truth is that we cannot develop cleaner, greener technologies without more minerals and we cannot secure enough minerals without a significant focus on mining.

And when the Secretary of Energy was in front of our committee I asked her, are you supportive of domestic mining? She says, oh, yes, the Biden administration is very supportive.

I said, so why did you basically close down the Resolution Copper Mine, which is over in Superior? Because under the Trump administration they gave the green light, and 2 months after Biden gets in office he basically closes it down. This is total insanity and, again, we are just handing over things to the Chinese.

You said, sir, that you can process some lithium. Yet, electric vehicles need lithium batteries. Backup storage needs lithium and, yet, China processes most of the lithium. So, when you increase the demand for electric vehicles, solar panels, that are all made over in China, you are just helping China.

So, you have to open up our markets and that is why us Republicans are trying to do permitting reform, because compared to other countries it takes us way too long to start these mines, to start energy projects, to start pipelines, to start anything, quite frankly, and we have to mine in the United States.

Mr. Cabrera, can you tell Congress Members that you have in front of us right here if you have any other ideas besides the permitting reform that we put in H.R. 1 and sponsoring legislation to add things to the critical minerals list? What can we as Congress Members do more?

Mr. CABRERA. Hold the Federal agencies accountable. One of the things that I learned in my 18 years in the private sector and then I learned when I became a state employee about 11 years ago, first in Arizona state government and now at a university system, is that in the private sector there are natural accountability processes. If you don't produce, if you don't serve your customers, you die.

Government entities don't have that same accountability. So, that kind of accountability and oversight is an appropriate role for Congress.

Ms. LESKO. Thank you. In a last second, Mr. Wiita, you had said earlier to me personally that you are not getting all of these taxpayer funds that are supposed to help with expanding U.S. production of critical minerals.

Can you touch on that? What is happening to you and your company?

Mr. WIITA. I know that there was \$140 million out there for expanding exploration out here in the Western United States. I have a pretty big exploration company. We haven't even heard of a dime of it. The lithium that we are doing right now there was over \$7 billion in there for securing lithium for EV batteries. We haven't seen a dime of it. I could go on. There are so many out there that were in the Inflation Act.

Ms. LESKO. Thank you for not saying reduction.

Mr. WIITA. I couldn't say reduction. I am sorry.

Ms. LESKO. It is not reduction. Me either. The Inflation Act, yes.

Mr. WIITA. But where is it going? Is it going to Chinese companies? Right now, the largest copper discovery since Resolution has been tabled here in Arizona. It is called the Antler project right in the Kingman area. It is an Australian company that has paid the

whole way. It is not even a U.S. company. They have a beautiful riff of about 4 to 5 percent copper.

I don't know if they will ever see permits. The last time I got a mine approved for a mine plan of operation here in Arizona, let's see, Fish & Game had to come out and tell me how high to put my entrance signs so that wild burros don't bump their heads.

If you have ever been through Quartzite on Interstate 10 you have seen the dry washes. Well, mine was declared a commercially navigable wash by the Army Corps of Engineers, and I explained to Billy that even if you were in a canoe in the biggest monsoon of the year it wouldn't move unless you were hooked to the back of my Jeep.

And it wasn't a navigable wash. It was a commercially navigable wash. So, what that really meant was another \$75,000 permit to Army Corps. Arizona Game & Fish needed an extra \$50,000 so that the burros won't bump their heads. We were in over \$3 million to get a set of permits for a small operation here in Arizona.

And thank you, Paul, for helping me get that one through.

Ms. LESKO. Good. Thank you. That is something I would like to look into is why he and other companies are not getting this money that was doled out.

Dr. GOSAR. The gentlelady brings up some great ideas. I mean, you bring up this modular nuclear. Folks, modular nuclear, they have been doing it for 70 years. It is called submarines and aircraft carriers. That is what they are called, and I will leave you with kind of a cartoon. The wife tells her husband go turn on the power. He goes OK, mama. Then he goes back down and he flips the switch, and there is a nuclear sub in the back.

So, I mean, there is a lot of room here. We will look at that, Ms. Lesko.

I will now look at one of the freshmen again.

Eli Crane.

Mr. CRANE. Thank you. I will try to be quick.

I do want to go back to something Mr. Cabrera and Congressman Gosar were talking about with the cobalt mining in the Congo. Do you guys remember them talking about that and the slave labor that is going on there.

If you guys want to go look at some of the pictures that Mr. Cabrera wisely brought up, I highly suggest you do and I suggest you share it with your friends, OK?

If you guys go Google Joe Rogan cobalt mining, how many of you guys have watched that video? Anybody? All right. That is an assignment for you guys.

It will only take you 10 or 12 minutes. But Joe Rogan brought on an expert who was looking at this, who had some photos from the cobalt mines and was talking about the humanitarian crisis in making and producing some of these critical minerals and what it actually costs to create some of these electric vehicles that we are working on.

And I am not going to sit here and say electric vehicles are bad. Please don't hear that. What I am saying is it goes back to the three buckets we were talking about. You have your economic bucket, you have your national security bucket, and then you have

your environmental bucket, and some of the panelists have talked about this today.

As Americans, we are a consumer driven culture. We love to be able to go into Wal-Mart or any store and just buy these products cheaply. But I think it is often not until we actually see what the cost is, see how people are affected, that we start to maybe wise up and make some wiser consumer choices. So, please go watch that video if you haven't.

The next thing I want to do real quick is I want to ask you guys, because the why of this is really important to me. I said I am not an expert in critical minerals, but I have served my country in the military for many years.

I did five combat deployments. I love this country. I love the people here, and the only reason I ran for Congress is because I got so tired of seeing the foolishness and the self-destruction that I was talking about earlier.

How many of you guys by show of hands think that this Administration, when you look at many of the things going on, what we are talking about today, the mining, the natural resources, us not using it but being perfectly fine outsourcing it and buying it from other countries that are often enemies of ours, by show of hands how many of you guys think that the causation of that is foolishness?

By a show of hands, how many of you think it is an environmentally conscious decision? That is why this Administration is making these types of choices. OK, we got a couple. That is fair.

All right. What about corruption? Anybody? Whoa. All right.

How about self-sabotage? OK.

I am glad because I think it is important that we understand and we look at the cause and what you guys are actually seeing, because I think it is a mixed bucket.

I think that there are many of those things that I listed off that are the causation of what I consider to be very foolish self-destructive policies. But the bottom line is, until we the people get loud and make sure our Representatives on every side of the aisle know that this is a problem, they will just keep coming up there to Washington, DC, to the State capitol house, and they will continue to vote the same way and this will never change.

And, guys, I am going to tell you that is the byproduct of having a government that is of, by, and for the people. When the people of the country are checked out, when they are complacent and when we are not educated, this is the very type of thing that you see and nobody is held accountable and it is up to us as citizens to hold our Representatives and our elected officials accountable for this.

So, thank you for showing up. Thank you for getting educated and please go watch that video with Joe Rogan. I yield back my time.

Dr. GOSAR. So, I am not the only one who gives assignments. We are going to go to the next freshman that is very talented, Juan Ciscomani.

Mr. CISCOMANI. Thank you, Mr. Chair. I will not be giving an assignment. Maybe that deserves a round of applause, too. But no homework from me.

I do just want to touch on something that Debbie mentioned, though, and I think it is very important regarding the permitting reform. That, in my mind, is a big piece of the issue and a big part of the problem because it is, once again, we are all here accountable to the people that elected us and, obviously, we have an executive branch that is also accountable or should be accountable to the people that elected that person as well, and the judges have their own checks and balances method.

But it seems that the agencies are almost immune to accountability many times, and from Congress that is our job. We have power of oversight and we also have the power of the purse. These are two areas that we can really tweak, and then 7 months in now as a freshman I am learning that more and more as an appropriator especially where you can add pressure for things to happen and get done and gain attention.

There is a lot of lip service going on in Washington. I think you know that, and it has been going on for a long time. You don't get people's attention until you start pointing the finger and squeezing resources out of whatever they want to be spending on that, and permitting reform is a big part of this. At the same time, we want to make sure that we are empowered to be able to do the things that we need to do as a community. The permitting reform is a big one.

We just met with CEMEX just before this and they were talking about some easy permitting and hearing the stories even here in Arizona, imagine what it is like in California. I mean, no state is perfect but I do think that Arizona has done a much better job than other states in this under the leadership of Misael Cabrera and others like him.

But it is the Federal intervention that really makes it way more difficult for states to be able to be innovative in this because so much of it is controlled at the Federal level.

So, in terms of the permitting reform, they were saying that it could take 7 to 10 years for some small permits to just do something very simple. This is time that they are not being productive. This is time that we are wasting that other countries are not wasting, and they are actually producing and beating us to the punch once again.

That is extremely frustrating, and I was going to pose a question on that but I think we have discussed that enough. But a segue into what I saw in the plant today, I have seen that in Cal Portland in the plant over in my own district and whenever I visit a mine I am increasingly impressed by the technology they use, by how innovative they are, how resourceful they are, especially with our precious water.

I mean, when you build the fifth largest city in the country in the middle of the desert you do something well with water, right, and Arizona has been leading the way in that.

Would any of you jump in to talk a little bit about the mining industry and how that has changed over the years? And I know that some people cite past environmental aggressions to criticize the industry.

So, I would like to hear more about where the industry is now and where it is headed in terms of its efficiency and in my mind,

is one of the best examples we have in our country of how you can protect the environment while not choking the free enterprise and business out of its existence as well.

Mr. WIITA. If I may.

Mr. CISCOMANI. Sure.

Mr. WIITA. With the permitting process, it is the little things that keep ending up as speed bumps in front of you. It is a very simple process. Here in the United States, we are clean, safe.

Here is a good example. With lithium over in China, even down in Argentina, they are using huge ponds of sulfuric acid to do the dissolve. We also use acid, but we regenerate 95 percent of our acid through distillation.

That is not just use it once and done. That is constantly being able to use 95 percent of it over, and over, and over. That is something that other countries don't even try. That is something that a lot of U.S. companies haven't even tried. But we have perfected it.

We can get 95, some days even 97 percent, of our acid back in the same PH ready to use again instead of just discarding and starting with new.

Those are the things that we do to keep it cleaner here and safer, and it costs us a little bit more. Trust me, these distillers, they aren't free. But when you can do something and save 95 percent of your reagent to reuse, you are doing something correct. That is how we make mining cleaner, safer.

Mr. HARRELL. If I could just add one other thing. I have been to copper, silver, gold, uranium, and coal mines across this country. These are not 5-year, 10-year partnerships. These resources that are available are in many cases a 50-year partnership. They are members of the committee. They want to invest in our schools because that is their workforce.

They want to reclaim these lands because there are opportunities for economic development once you have pushed through projects moving forward. They want to be contributors to the local economy, things along those lines.

So, I think far too often the bureaucracy thinks about the opportunity cost of moving forward on these projects in simplistic terms, like, oh, we are just going to mine this land. These are opportunities to build out our community, the sustainable jobs, and have decades-long partnerships while increasing our national security.

Mr. CISCOMANI. Absolutely. Well, thank you so much. Once again, thank you all for your time this morning. And thank you all for being here as well.

Mr. Chair, I yield back.

Dr. GOSAR. I thank the gentleman.

Now, our Vice Chair, Mr. Collins.

Mr. COLLINS. Thank you, Mr. Chairman.

In my district, it is mostly rural Georgia and it is mostly made up of, I would say, just blue collar folks, farms, row crops and dairy farms and cattle, and I kind of want to talk about fertilizer for a minute, and I don't mean the fertilizer that comes out of the south end of a northbound cow.

But, Mr. Crim, where does the United States get most of its phosphate from?

Mr. CRIM. Mostly from China.

Mr. COLLINS. So, it is imported?

Mr. CRIM. Yes.

Mr. COLLINS. What can the United States do to ensure that we are not dependent on China for this phosphate?

Mr. CRIM. The United States needs to be more deliberate in its efforts to move phosphate to the critical minerals list.

Mr. COLLINS. Good, and just for information, phosphate is a very necessary component in fertilizer and I know I am not a farmer, but the farmers that we do talk to on a daily basis with the amount of inflation that is going on out there especially from fuel prices and everything, their fertilizer has gone sky high.

So, obviously, if you can't grow food or you don't have food, then the population is not going to be there as well.

So, Mr. Chairman, I want to quit my question because I think we have found out what the problem is, folks. The problem is that you have a Federal Government out there that is over-reaching into your life and in your business, a Biden administration that is bent on this left-wing socialistic agenda to change us and to change our country.

We also have the Federal agencies out there that are out of control. As a matter of fact, I would say they don't even think they have to answer to you. They can submit a rule for comment. Yes, you can send your comments in. Heck, they aren't going to read them. They don't care. They don't care what you have to say. They are going to make the rule anyway.

As a matter of fact, between them and the Biden administration they think you live too good anyway. They think you need to be cut back a notch or two.

So, the more they can reach into your lives and make things difficult, I don't even think they want you really going EV. You know what I think they want? I think they want you riding mass transit.

I think they want you living in a rental house and not owning your own housing, be dependent on Federal health care, so that everything you do, every decision you make, you are going to look to the Federal Government first to get that answer.

I don't know about you but that is not the America I know. It is not the America that I want to live in. So, what are the solutions? I think Representative Crane hit the nail on the head. I have been around this a long time.

I am second generation in Congress, and I was told as long as I was a kid there isn't a dad blame thing that happens in that town up there until the American people demand it.

When you stand up and you say we have had enough, finally, that crowd up there will get a hint and they will start changing things and that is what we need today.

We passed H.R. 1 bringing back lower energy costs back here to the United States to make it easier. But it is sitting over there in the Senate. I guess them people are still out playing pickle ball. I don't know what they are doing. They need to take up legislation and either pass it or don't pass it.

We have NEPA reforms, Mr. Chairman, that we got through on that debt ceiling. That is good. That is a good thing. But we need other things. We need tort reform to bring in that judicial part.

So, I would say, if there is one ask that I could ask of you for an assignment, contact your Senator. Contact all of them and tell them you have had enough. You aren't the only one.

You have generations after you that want to make a living out here doing what you know best, and if they are interfering with it, then they need to get off of your back. We need this Federal Government off our back and out of our back pocket.

Mr. Chairman, I yield back and I appreciate the time.

Dr. GOSAR. I thank the colorful gentleman for his testimony.

I am going to try to put this all together.

Mr. Harrell, you made the comment, and Mr. Wiita followed up on it, that there is really no American mining company, is there?

Mr. HARRELL. Most of the major mining companies are multinational global mining.

Dr. GOSAR. Why is that?

Mr. HARRELL. How you make these projects pencil out and then, frankly, like doing business in the United States isn't as appealing as it is in other places.

Dr. GOSAR. Yes. You have to run the table on all the rest of your assets before you get the one that comes through in the United States.

Mr. HARRELL. Maybe the harder stuff.

Dr. GOSAR. Yes. So, once again, I should have had an empty chair up here for the Democrat who is not here. But, Mr. Cabrera, thank you for bringing up the Mining Law of 1872. What is it about that Mining Law of 1872 that they are after?

Mr. CABRERA. First of all, that law and how it is described is mischaracterized. That law has actually been amended dozens of times. Just because something is old, does not mean that it is outdated. That is the first issue.

The second issue is that they are constantly trying to completely change the rules of engagement for such an important industry in our country, so that law is being attacked for its age and mischaracterized as not being modern enough simply because they don't like the outcomes of that law and the outcomes are that mining companies are able to leverage Federal lands in order to get mineral supplies.

If we couple that law as it is today with the NEPA reforms that you all just passed—thank you—plus permitting reform from H.R. 1, we could actually make a go of it.

Dr. GOSAR. I just want to get kind of a feel for the amount of money that is with these companies. So, what is the average salary for one of these mining companies?

Mr. CABRERA. An average worker in a mining company are graduates from the University of Arizona, folks with mining engineering or economic geology backgrounds, also mechanical engineers and others. Mining industries employ lots of professionals. The average salary that we calculate is about \$80,000 a year.

Dr. GOSAR. Eighty thousand dollars. I sure could use \$80,000. How about you guys?

You also brought up the aspect of how do we get this reform back and it has been brought up by a number of people, and Arizona is perfectly suited for this. We just need a chief executive who has some cojones.

So, what is that? It is divesting the Federal Government of its assets back to the states, and I am glad I got Tim sitting over here because he is one of our finest here in Arizona.

But the equal footing clause plays a big part in Arizona, so let's go through this. The first time Arizona puts up for their statehood they were rejected by Taft. Taft is not your ordinary president. Taft is the only President to go on to serve in the Supreme Court, the only.

So, what does he do? He comes back to Arizona and he says, OK, what you are going to do is we are going to force you to take the Federal doctrine, Federal lands, and what we are going to do there is we are going to use the multiple use doctrine so you never have to worry about that.

He forms a contract. He forms a contract with the state of Arizona. Now, why is that important? Because it would sure be nice to have an executive, a governor, that challenges that doctrine and say whoa, whoa, whoa. The Federal Government isn't last in line. It is the state of Arizona.

The more we can devolve back to the states the better. Mike hit the nail on the head. What is going on there is a sewer, a sewer of despair. We want to give as little as we can to the Federal Government. Remember what our Framers said. We give limited powers to the Federal Government. The rest is reserved for the people in the state.

We have this backwards. We really have this backwards. I hope you are as ticked off as I am, especially after my Vice Chair's comments. I think that is very, very apropos about that.

I am going to end with one more thing, uranium. So, now you have a group of people that are trying to withdraw this area up in northern Arizona in uranium.

Let me ask you a question, Mr. Cabrera. Would it be better to take out the uranium because of the depression? It gets water, water seeps there. The air hits there. Wouldn't it be better to take those out and put your sedimentary rock in there so that you get permeation of water from the surface to the subsurface to refill some of those aquifers? Doesn't that seem a little bit more apropos?

Mr. CABRERA. It is accurate that removing uranium from the subsurface will leave less mass that can interact with groundwater and create naturally occurring uranium concentrations in groundwater.

We have naturally occurring uranium concentrations in groundwater in various places across our state and it is accurate that removing that source of uranium will allow less interaction between the groundwater and the uranium.

Dr. GOSAR. Yes. I guess the next part I want to say is if we are going to compact or these modular nuclear processes, pretty safe, aren't they?

Mr. CABRERA. I am not an expert in nuclear power but what I do know is in the United States we have had no major incidents at nuclear facilities in multiple decades, and when you look at the

trade-offs of other traditional power sources nuclear power is economic, it is clean, and in the United States we know how to do it safely.

Dr. GOSAR. And last point. Earlier this year, we were about a minute away from having a rolling blackout in the United States. Is that true?

Mr. CABRERA. Sir, I am not aware of that but I would not be surprised.

Dr. GOSAR. Yes. Well, part of this problem is this temporary or intermittent type effects as to fuel and then baseload power. What is the difference? When the wind doesn't blow and the sun doesn't shine, you don't watch your television. Remember Donald Trump saying that? Well, baseload power, when you flip the switch, it is always on 24/7/365.

So, if you are utilizing all these renewables, and I will tell you right now I am for all of the above because we don't need less energy, we need more energy, right. So, I am just taken aback by that. I am going to end with a question for every single one of you.

What was the question that you most wanted to answer and what is its answer? We will start with you, Mr. Cabrera.

Mr. CABRERA. The question that I most wanted to answer is what are some simple things that we can do to accelerate permitting at the Federal level, and the answer to that question is realize that 95 percent of the total elapsed time for any administrative process is simply waiting.

In other words, there is no connection between quality or protection and time. Time is simply a waste. The private sector has realized that. If we just apply private sector streamlining techniques to Federal permitting processes, we can accelerate Federal permits by 90 percent as we did in the state of Arizona.

Dr. GOSAR. Thank you. Mr. Carlson, same question?

Mr. CARLSON. The question that I hoped would be asked is, Jim, how do we hold Federal agencies accountable, and my response would be that when you have an opponent that is out to work against you, what do you do, and there you learn the rules that they are playing by, and the rules that the Federal agencies have to abide by are the missions of the individual agencies—Bureau of Land Management, U.S. Forest Service, U.S. Fish and Wildlife Service, et cetera.

So, we learn what the rules are that those agencies have to go by the statutes and then we apply those statutes to the bureaucrats. Now, there are two levels of bureaucrats. There are appointees that come in with the Administration and then there are career bureaucrats that come in later.

And during the administrative processes, I believe it was Congressman Crane alluded to the comment period, no, it actually was your Vice Chair, alluded to the comment period and during the comment period that is under the Administrative Procedures Act. That is where you address the agencies and you do it technically, strategically.

And then the last thing of my response is this, bureaucrats exist on anonymity. That is how they get away with what they are doing, so when we hold agencies accountable to their mission in life that was delegated by the Congress and we hold bureaucrats

accountable to what they are supposed to be doing and put pressure on them legitimately with dignity and respect it works great.

Dr. GOSAR. Mr. Crim, same question.

Mr. CRIM. I believe that the question that I would have liked to have been asked is how do we shift America's dependence from foreign adversaries to the United States, and I think what the answer would be is that our Federal Government, U.S. Congress, taking the lead in its oversight role is to be very deliberate.

China didn't just get here by accident. China was very deliberate its actions. They have repeated over and over again their goals. They want to be in control of our global supply chains so that they can exert power over us, and not over us but all of their adversaries, whether it is in the Pacific with regard to Taiwan and a host of other issues.

They want to be able to control our supply chain so that we have to bow down at some point to their demands, and they are utilizing every mechanism at their disposal. They have a whole government approach to the way they do things and they have a whole government approach to the way they are trying to infiltrate our democracy, not just at the Federal level but also at the state and local level.

Dr. GOSAR. Mr. Harrell?

Mr. HARRELL. Mr. Chairman, we tiptoed around it a little bit today but we can't spend our way out of this problem. In the end, we need a fundamental change in the paradigm on how we permit things in this country.

If you believe—and I do—that we are going to have to double our grid in the next 30 years and, like you, I think that means more wind, more solar, more advanced nuclear, more geothermal, more CCUS, more gas production—we are going to have to build a lot of things in this country, both generation and storage and grid infrastructure and manufacturing tied to it.

If you just back that out a little bit, and I will give you some stats to underscore this, like, some modeling will say that means over that time period 1,400 new projects a year would need to be permitted. That is three projects a day.

There is no money that we can throw at the bureaucracy that is going to get them approving three projects a day. We have to do something fundamentally different to take our own economic competitiveness in our own hands.

Dr. GOSAR. So, you are actually telling me government is not the answer?

Mr. HARRELL. The government is not the answer. No.

[Laughter.]

Dr. GOSAR. Craig?

Mr. WIITA. As you know, Congressman Gosar, rare earth elements have been a passion of mine for the last 20 years. It is a very easy solution, but it is mixed up in a Federal matrix. The other two elements I spoke about today, tellurium, this is a byproduct of porphyry copper deposits.

Rio Tinto is the only one recovering it right now. They only spent \$2.9 million on the addition to their loop. That is peanuts. Antimony, there are such wonderful deposits up through Idaho.

This is another real low-hanging fruit and right now most of antimony is either being refined in China or in Oman. SPMP in Oman is one of the other companies that is doing it.

Even if it is through off take agreements from existing mines because we just can't get refineries open quick enough. I could expand. My property is over 40 acres and right now we are utilizing 10 acres for lithium. I can easily put in tellurium—we made this off of copper slimes. I could easily put in antimony and rare earth all on the property that I have right now under the permit that I have now through the EPA.

It isn't, like, if you build it they will come. I built it. The Administration changed. I lost 75 percent of my customers. That is reality. That is where the rubber hits the road. Seventy-five percent of my clients on public land were completely wiped out when this Administration took charge.

I have never laid off an employee. We have our full staff. As to your question earlier, my employees start out at \$88,000 a year. I try to make it to where a single wage earner can support their family, their kids are not being raised by daycare. They are being raised by the mother or the father—a parent. And we are just in this tailspin. If you can't get permits, you really shouldn't open a refinery because you don't have product.

Dr. GOSAR. Well, and that goes, Craig, for you—if you have a semiconductor plant, you better have the product to actually make semiconductors.

Mr. WIITA. Exactly.

Dr. GOSAR. I don't care how big it is. It is not going to make any more if you don't have any product.

Mr. WIITA. And as I mentioned earlier, we have plenty of germanium here. I know of a property out in Darwin, California that could do our whole germanium supply.

We have the Gordonville mine in Middle Tennessee that could take over all the gallium needs, and actually when you get back to the question earlier on recycling the glass on solar panels—you can make the unicorn, the five or six nine purity silica, to be put back into the supply chain.

There are so many things to do it is hard to say where we begin because we have been behind the eight ball for so many years. We are already so many layers down in that onion.

Dr. GOSAR. And it also makes you speculate. You know, when somebody is telling you yes you can, how do we help you, and then you go, no, you can't, you aren't going to have anybody.

Mr. WIITA. It is almost like they are trying to pick up the dog turd from the clean end.

[Laughter.]

Mr. WIITA. There is no clean end. Pick it up.

Dr. GOSAR. Yes, you are right. Exactly right.

I hear you loud and clear. There is one person sitting in the audience I want to just actually say—Dave, would you stand up? Let me ask you a question. How much money has Resolution Copper put into mitigation in regards to that mine site?

Voice. [Off mic.]

Dr. GOSAR. Folks, I would tell you this is the mine that is ready to take off. We have to go visit. We need to go ask. We need to go

demand. We need to go get this thing off the ground. You can see all the things they have done. It is amazing what they have done. Strictly unbelievable. The water is cleaner than they get it. This is amazing technology.

So, if I had one ask of you, let's get out to Resolution Copper. Let's get that over the hurdle, and then we will get to the next project, then we will get to the next project, then we will get the next project. You have my word. I will be happy here answering questions and I will be that dog on a bone. I will be that dog on the bone.

I want to thank the witnesses for their valuable testimony and the Members for their questions. The members of the Committee may also have some additional questions for the witnesses and we will ask you to respond to those in writing.

Under Committee Rule 3, the members of the Committee must submit questions to the Subcommittee Clerk by 5 p.m. on Wednesday, July 26. The hearing record will be held open for 10 business days for these responses.

I would also like to thank the Luke Air Force Base Color Guard. Let's give them a round of applause.

[Applause.]

Dr. GOSAR. And I would also like to single out everybody on that panel. So, let's give them a round of applause.

[Applause.]

Dr. GOSAR. If there is no further business, without objection the Subcommittee stands adjourned.

[Whereupon, at 12 p.m., the Subcommittee was adjourned.]

[ADDITIONAL MATERIALS SUBMITTED FOR THE RECORD]

Comment Sheet Filled out at the Hearing**Submit Your Comments**

Please submit your comments below for the House Committee on Natural Resources, Subcommittee on Oversight and Investigations, oversight field hearing titled "Securing Supply Chains: Access to Critical Minerals in the American Southwest."

Thank you all! Very eye opening.
 Hold Federal Agencies Accountable
 Water in Arizona is a Critical Natural Resource. La Paz Co has allowed Fondemonte to produce alfalfa and ship in back to Saudi Arabia, using unlimited amounts of our water. Can't be grown in Saudi Arabia because its water is expensive. When they've drained the aquifer, my well will go dry.

Name:

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53775 Kissing Tree Lane, Salome, AZ 85348

Phone:

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E-mail:

desertdiva133@gmail.com

To receive regular email updates from Chairman Westerman, check here



Submissions for the Record by Rep. Gosar

Statement for the Record

Retired Brigadier General Ernest John Teichert III

Honorable members of the committee. I'm retired Brigadier General Ernest John Teichert III and I had the honor of serving our country for over 28 years in the United States Air Force. I have served as the commander of the 11th Wing and Joint Base Andrews in Maryland, the commander of the 412th Test Wing and Edwards Air Force Base in California, the Senior Defense and Defense Attaché to Iraq, and most recently as the Assistant Deputy Undersecretary of the Air Force, International Affairs. During the last decade, I have focused extensively on strategic competition with China and Russia, and I can tell you that our national security depends on vigilance and resilience, a strong and well-equipped military, a thriving economy, and a robust industrial base.

We are in a global environment of strategic competition. At the end of World War II, the United States created a world order that was free, open, prosperous, and secure for all of humanity. The U.S. and her partners and allies have painstakingly maintained that world order for the last 80 years. Yet, malign activities by countries like China and Russia have demonstrated their determination to erode that world order and remake it in a way that only benefits them. We see it today in Eastern Europe, the Western Pacific, and all around the globe.

In 1999, two Chinese Communist Party Colonels published a strategy of Unrestricted Warfare that has been playing out as planned during the last two decades. Their theory of victory is to use all means, in all domains, in all places, and in all spectrums at the same time to achieve their interests. We have seen it in hundreds of billions of dollars a year of stolen American intellectual property, a wholesale theft of governmental personnel records, free speech sapping Chinese communist clubs on campuses, secret police facilities in our cities that restrict freedom of expression, and intentionally designed and financed disinformation operations and propaganda campaigns. We see it in action in the infiltration of our companies, our media, our entertainment, and our public dialogue. In February, the Office of the Director of National Intelligence released the "Annual Threat Assessment of the U.S. Intelligence Community." One key point of extreme concern is the deliberate Chinese activities designed to manipulate policy by: "redoubling its efforts to build influence at the state and local level to shift U.S. policy in China's favor because of Beijing's belief that local officials are more pliable than their federal counterparts." These insidious actions hinder our ability to act in our own best interests while diminishing our *capabilities* and reducing our national *will*. And, when the CCP believes that the time is right, they *will* take greater steps of aggression.

In an environment of strategic competition and to counter the temptation of Chinese aggression, the stated U.S. strategy is integrated deterrence. It is designed to alter the perceptions of benefits, costs, and risks of the Chinese action that we hope to prevent, and fundamentally uses proven *capability* and demonstrated *will* as its foundation. Anything that hinders our *will* ultimately diminishes our deterrence and makes it more likely that a communist-controlled China will be tempted to take aggressive action.

During the last 17-months, we have seen the heart-breaking war of aggression against the freedom-loving people of Ukraine by Vladimir Putin and the Russian Federation. Putin is a serial war criminal and a ruthless thug. Ukraine has held their ground brilliantly. Yet, the war was in part prompted by Putin's perception that the west did not have the *will* to provide the support necessary for Ukraine to repel their invasion. He has been surprised by their resilience and our consistent support. The war, however, continues to wreak havoc in part because Putin's oversized influence on food and energy supplies prevents the world from taking further action to stop his aggression. He flexed his muscle in this way even earlier this week. Humanity's reliance on these resources has hindered our *will*, and China is watching.

Even in the last month, China has enacted new export controls on critical metals that are essential to the production of semi-conductors, missile, systems, lasers, and radars. Such action should be considered a warning shot of their resolve and a test of our *will*. The United States and our allies and partners have settled into a plan for de-risking in key areas with China to minimize our vulnerabilities and diminish Chinese influence. We must take great care to prioritize our de-risking in areas that are particularly important, where we are notably vulnerable, and where our supply

chains are heavily reliant on or insidiously persuaded by harmful external influences.

Specifically today, I want to emphasize the critical importance of phosphate and its derivatives to the ongoing strategic competition and our national security, particularly in the context of *capability* and *will* that make up a successful strategy of integrated deterrence. It is important to note the developing stranglehold enjoyed by malign actors in this area with China sitting as the undisputed top producer of phosphate with over 30 percent of world-wide extractions. Russia ranks a hefty fourth.

Phosphate and its derivatives serve as indispensable components in the production of military weapons, explosives, and propellants, while also providing the treatments that maintain the longevity of a variety of weapon systems. Phosphate enables the proper explosions of our weapons, the accuracy of our aim, the survivability of our aircraft, and the propulsion of our ships. It is a key element of warfighting that must be maintained through a safe, sustainable and reliable supply chain that cannot be held hostage to Chinese malign interests and underhanded influence activities. This makes up the *capability* component of integrated deterrence, and the loss or reduction of these warfighting systems would be devastating to our military success. Yet, the *will* component of our deterrent strategy is even more critical.

Phosphate and its derivatives serve as key components of fertilizer and animal feed. Thus, worldwide food supplies are reliant on this single mineral and can be held hostage by those who control it. As a result, it is also a particularly vulnerable target for Chinese-backed disinformation operations. Far more fundamental than even the wheat resources that have played a major role in the lack of western *will* to fully push back against Russia in its war of aggression in Ukraine, phosphate is a necessary component for the survival of humanity. Any Chinese threats of disruption for a substantial portion of worldwide phosphate supply would weigh heavily on our decision-making calculus and may tip the scales that makes the Chinese Communist Party believe that our *will* is simply too fragile to resist their acts of aggression when international and domestic food security is at risk. At that point, they *WILL* act to secure their interests and it *WILL* be counter to our interests.

This is a true national security threat. America must develop policies that make our phosphate supply chain safe, sustainable, and resilient in the face of China's multi-pronged assault of Unrestricted Warfare. To combat that assault, I believe that phosphate must be designated a critical mineral and that we must be extremely wary of Chinese disinformation and propaganda influence at all levels that would dissuade us from aggressively de-risking in this area. I see these as key steps forward in protecting our national security and maintaining a strong posture of integrated deterrence against Chinese aggression.

Statement for the Record

L.J. Bardswich, P.E.
Director

United States Antimony Corporation

Antimony was included on the United States Geological Survey (USGS) listing of critical minerals in 2017 “mainly because of its use in military applications.” Antimony is also on the European Union Critical Minerals list. The USGS states that the leading uses of antimony were as follows: flame retardants, 40%; metal products, including antimonial lead and ammunition, 36%; and nonmetal products, including ceramics and glass and rubber products, 24%.

It is understood that 90% of the world's supply of antimony comes from China either as a product of their mines or from mines in other countries but is smelted and refined in China. There are presently no primary antimony mines in the US. The proposed re-opening of the antimony mine in Stibnite, Idaho (which was the primary source of antimony for all the allies during World War II), has a two-year construction time frame to production **after permitting is finalized**. United States Antimony Corporation (USAC) with head office and a small smelter and refinery in Thompson Falls, Montana has particular expertise in the production and refining of antimony products. Canada's largest mining company trucks a waste product from their lead/zinc smelter to the Thompson Falls facilities where antimony is recovered. Small mines in Mexico supply antimony ores to a larger USAC smelter in Madero, Mexico. USAC products include antimony metal ingots, antimony trioxide and antimony trisulphide.

Metal and/or trioxide can be used in flame retardants, antimonial lead and in many non-metal products. **Antimony trisulphide is required for primers for ammunition and tracer bullets** (recycling of this antimony is obviously not an option). Presently, USAC, from mines in Mexico, is the only approved North American mine source of antimony for the production and supply of antimony trisulfide to the Department of Defense/Defense Logistics Agency (DOD) for primers in munitions. All the major munition manufacturers in the USA have evaluated and approved the use of antimony trisulfide produced at the Thompson Falls, MT plant (using proprietary methods developed over the last 12 years) sourced from Mexican mines. However, these mines are in remote areas of Mexico, generally controlled by the cartels, and with poor roads and other infrastructure. The safety of miners, technical personnel and management is of great concern, and the lack of infrastructure, especially roads, inhibits the optimal operation of these mines. United States government assistance in encouraging the Mexican government to provide protection to their citizens and to improve their roads to these small mining communities would be extremely helpful.

USAC continues with the search for additional antimony trisulphide sources in Idaho, Montana, Nevada, Alaska, and Canada. Most antimony showings are either too small, have erratic mineralization, or have deleterious impurities which make them uneconomic and difficult (or unsuitable) to meet DOD specifications. An exception is the Beaverbrook antimony mine in Newfoundland, Canada, however it has been purchased by a China-based corporation. (Prospectors in Alaska also report the presence of China-based parties seeking sources of antimony, but this has not been confirmed). If the search for an economic deposit becomes successful, the track record of mining companies obtaining permits on federal lands in the United States, on a timely basis, is extremely poor. The situation in Canada has recently improved but remains very time consuming. Small, high-grade deposits are easier to permit and are being mined in Mexico (utilizing lower labor costs than in the US). There may be some deposits on private land or State land in the US which may be feasible, however, to date none have been identified.

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Submissions for the Record by Rep. Grijalva

SAN CARLOS APACHE TRIBE San Carlos, Arizona

July 21, 2023

Hon. Rep. Paul Gosar
U.S. House of Representatives
2057 Rayburn House Office Bldg
Washington, DC 20515

Hon. Rep. Andy Biggs
U.S. House of Representatives
252 Cannon House Office Bldg
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Hon. Rep. Eli Crane
U.S. House of Representatives
1229 Longworth House Office Bldg
Washington, DC 20515

Hon. Rep. Debbie Lesko
U.S. House of Representatives
1214 Longworth House Office Bldg
Washington, DC 20515

Hon. Rep. Mike Collins
U.S. House of Representatives
1223 Longworth House Office Bldg
Washington, DC 20515

Dear Representatives Gosar, Biggs, Crane, Lesko and Collins:

On behalf of the over 17,000 members of the San Carlos Apache Tribe, I invite you to meet with Tribal leaders during your upcoming visit to Arizona to discuss substantive issues related to the proposed Resolution Copper Mine. We suggest meeting on sacred Apache ground at Oak Flat following your field hearing in Goodyear on Friday afternoon. The issues we propose to discuss include:

A. Resolution Copper Company's ties to Communist China

Facts

The United States currently exports 25% of the copper concentrate produced by the nation's 25 copper mines, according to the US Geological Survey. The U.S. has two operating copper smelters, neither of which has the capacity to process the projected 500,000 tons of copper concentrate that Resolution Copper Company projects will be produced annually. Resolution has stated it does not intend to build a smelter. Resolution Copper is a joint venture owned by foreign-based miners Rio Tinto (55%) and BHP (45%). Last year, more than half of the sales from each company were to China. Rio Tinto's single largest shareholder is Chinalco, a Chinese state-owned aluminum producer, which controls nearly 15% of Rio Tinto's stock. China is by far the world's leading importer of copper concentrate. Resolution Copper has never definitively stated where it intends to process raw copper extracted from the Resolution Mine.

Discussion

Why are you supporting a project that will result in copper being mined from beneath land currently controlled by the U.S. Forest Service and exported overseas for processing, most likely to Communist China, where it will be used to grow the Chinese renewable energy economy rather than America's?

B. Resolution Copper will deplete groundwater aquifers in the East Salt River Valley

Facts

The Resolution Copper Mine will consume at least 775,000-acre feet of finite groundwater supplies (250 billion gallons) in the East Salt River Valley. The amount is likely to be far higher based on Resolution Copper's technical reports. Arizona groundwater laws allow mining companies to pump unlimited amounts of groundwater without paying the state a dime. The Biden Administration is currently paying farmers, cities and Tribes \$1.2 billion not to purchase Colorado River water over the next three years, equal to \$521 an AF. Resolution Copper's depletion of groundwater will only increase demand for surface water in the future. Based on the \$521 AF value for water in the Southwest, the state of Arizona will provide at least \$404 million worth of groundwater to Resolution Copper for free.

At the same time Arizona is giving away groundwater for free, the Arizona Department of Water Resources projects that East Salt River Valley will be the most severely impacted by depleted aquifers.

Discussion

Why are you supporting a mining project that relies on a massive state groundwater subsidy that will ultimately destroy groundwater aquifers permanently damaging future, and far more sustainable, economic development in East Salt River Valley?

As we say in our Apache language, Ahi'yi'é (thank you) in advance for your review and consideration of our request for a meeting.

Sincerely,

TERRY RAMBLER,
Chairman

