



ALLIANCE FOR
MINERAL SECURITY

Testimony for the Record

Nicole Rodgers

President

Alliance for Mineral Security

Nicole@mineralalliance.org

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To:

Chairman Roger Williams

Ranking Member Galton

House Committee on Small Business

Washington, D.C.

Subject: Testimony for the Record – Strengthening the U.S. Rare Earth Supply Chain

Dear Chairman Williams, Ranking Member Galton, & Members of the Committee,

Thank you for the opportunity to submit this testimony for the record on an issue of growing strategic urgency: the vulnerability of the United States' rare earth and critical mineral supply chains. We are in the throes of a five-alarm fire of supply chain vulnerabilities, and we ignored all of the previous warnings and fire drills from the rare earth embargo in 2010 and the market manipulation of 2016 to the 2023 export bans from China on gallium, germanium, graphite, and antimony. As President of the Alliance for Mineral Security with almost three decades of experience in federal appropriations, national security policy, and industrial base resilience, I offer the following observations and recommendations:

A. The United States Must Treat Critical Mineral and Rare Earth Independence as National Security Imperative

Critical minerals are not just the foundation of clean energy technologies—they are embedded in nearly every defense and advanced system we rely on. From the F-35's 920 pounds of rare earths to missile guidance systems and secure communications, these inputs are non-negotiable. China's 90% control over downstream processing—and its recent embargo on gallium and other critical materials—puts our military readiness and economic sovereignty at unacceptable risk.

B. Funding Alone Is Not Enough Without Procurement Certainty

While programs such as the Defense Production Act (DPA) and Small Business Innovation Research (SBIR) are essential, the federal government must go further. It should issue bankable off-take agreements and long-term contracts to American producers. The absence of market guarantees is preventing private capital from flowing into this space, particularly for mid-stage and scaling technologies. We must stabilize the market by acting as a first buyer and anchoring industrial demand.

C. Appropriations and Authorizations Should Be Synchronized

The federal government has committed over \$300 billion across agencies to strengthen supply chains for critical minerals, rare earths, and essential components. But much of that funding remains unallocated—and where dollars have been designated, they've often been deployed in a fragmented way, missing the mark on full value chain coverage. To secure real resilience for our industrial base, Congress must ensure that authorizations are backed by timely, targeted appropriations—with clear directives that prioritize commercial deployment and supply chain buildout, not just academic research.

Alliance for Mineral Security Policy Recommendations to Strengthen U.S. Critical Mineral Security

1. Treat Rare Earth and Critical Mineral Independence as a National Security Imperative

- Recognize rare earths and critical minerals as strategic defense assets, vital to missile systems, communications, space platforms, and advanced manufacturing.
- Develop legislative mandates that tie mineral security to defense readiness, codifying supply chain independence as a core national interest.

2. Establish a U.S. Strategic Critical Mineral Reserve and Commercial Access Mechanism

- Create a Strategic Critical Mineral Reserve modeled after the Strategic Petroleum Reserve.
- Integrate a Defense Logistics Agency (DLA)-administered right-of-first-refusal program for domestically warehoused commercial materials, allowing the government to access pre-positioned supply during crises without distorting markets or assuming storage costs.
- Focus acquisition on minerals with immediate strategic vulnerability, such as neodymium, dysprosium, terbium, gallium, and graphite.
- Require rotation strategies, blending national security goals with market stability.

3. Expand the Defense Price Index Across All Strategic Inputs

- Create a Defense Price Index for all critical minerals, materials, and components procured, contracted for, or stockpiled by the U.S. government.
- The index should establish allowable price premiums over spot market rates to reflect geopolitical risk, procurement urgency, and compliance with DFARS non-China sourcing mandates.
- Use the index to streamline contracting, increase transparency, and give suppliers and investors clear economic expectations.

4. Provide Procurement Certainty Through Long-Term Government Offtake Agreements

- Direct federal agencies to issue long-term offtake agreements and first-buyer contracts to American producers.
- Prioritize bankable, milestone-driven agreements that unlock private capital for midstream and refining capacity, not just raw extraction.
- Coordinate between DOD, DOE, and GSA to align procurement pipelines with U.S. industrial base needs.

5. Streamline Permitting for Critical Minerals Through Congressional Modernization

- Enact a permitting modernization bill for strategic materials with enforceable timelines, interagency coordination mandates, and judicial review limitations.
- Expand FAST-41 eligibility to cover all Critical Supply Chain Sectors.
- Require agencies to balance environmental stewardship with national security imperatives.

6. Launch a Critical Supply Chain Sectors Designation Program

- Establish a formal federal designation for qualifying sectors such as rare earths, battery metals, defense alloys, and semiconductor materials.
- Provide designated projects with:
 - Tax credits
 - Workforce and STEM education support
 - Accelerated permitting
 - Coordinated interagency reviews
 - Access to DOD, DOE, and DOC industrial base programs

7. Leverage Waste Recovery and Urban Mining as Strategic Resources

- Treat recycling of coal ash, mine tailings, and e-waste as strategic mineral recovery operations.
- Fund proven recovery methods (e.g., ionic liquid extraction, supercritical CO₂ separation) with commercialization grants and DOE pilot project support.
- Require federal agencies to assess recovery potential in federal and tribal lands before approving new foreign-sourced procurement.

8. Harmonize Appropriations with Industrial Deployment Goals

- Ensure that Congressional authorizations (e.g., DPA Title III, IRA, IIJA) are backed by timely and accessible appropriations.
- Include statutory guidance requiring at least 40% of mineral-related funding to be allocated for near-term industrial deployment, not just research.

9. Support Small Business Participation in Mineral and Material Innovation

- Create a simplified federal grant application pathway for awards under \$100 million focused on critical mineral innovation and scale-up.
- Establish a “Small Business Advantage” clause in DOE, DOD, and NSF mineral-related solicitations to ensure equity in access.

10. Expand EB-5 Immigrant Investor Expedited Status for Strategic Industrial Base Projects

- Grant automatic USCIS expedited status for EB-5 investments in domestic mining, refining, processing, and strategic materials manufacturing projects.
- Reduce immigration-related delays for investors supporting critical U.S. infrastructure.

In conclusion, the United States is at a strategic inflection point. We must rapidly de-risk our supply chains—not through rhetoric, but through contracts, permits, education, and procurement policy. I urge this Committee to continue its strong bipartisan leadership on this issue and to work with appropriators, defense officials, and technology leaders to drive meaningful, timely change.

Respectfully submitted,

Nicole Rodgers

President

Alliance for Mineral Security

MineralAlliance.org

Biography:

Nicole deSibour Rodgers

President, Alliance for Mineral Security

Nicole Rodgers is a nationally recognized leader in industrial base strategy, critical mineral policy, and supply chain security. She serves as the founding President and Executive Director of the Alliance for Mineral Security (AMS), an organization she was asked to establish by leading industry stakeholders seeking a focused voice to advocate for U.S. mineral independence and industrial resilience.

In addition to her role at AMS, Nicole is a Senior Director at Clark Hill Public Strategies, where she advises clients in the defense, energy, transportation, and technology sectors. She previously served as Chief Government and External Affairs Officer for an investment and advisory firm specializing in the critical mineral sector.

With nearly three decades of experience in advocacy, strategic communications, and public affairs, Nicole brings a unique blend of sectoral depth and cross-industry insight. Her background includes over ten years of direct lobbying and more than a decade of senior-level association leadership. She has worked extensively across the energy, transportation, financial services, and government contracting landscapes—leveraging her policy expertise to craft innovative solutions that advance American competitiveness.

Nicole holds an MBA from George Washington University and a BA from Duke University. She serves on the Executive Committee of the Rare Earth Industry Association (REIA) and remains an active thought leader in U.S. industrial policy circles.