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Submission of Testimony:
House Committee on Small Business

"Securing America's Mineral Future: Unlocking the Economic Value Beneath Our Feet"

US Critical Materials – June 24, 2025
Harvey Kaye, Executive Chairman

Thank you for the opportunity to speak with you today about a matter of growing urgency for the United States—our near-total dependence on foreign adversaries, particularly China, for the rare earth elements essential to our modern economy, energy systems, medical safety, and national defense.

We find ourselves, quite frankly, in a precarious position. The United States—once a global leader in rare earth element production—has fallen far behind. While China accounts for more than 80% of global REE processing, the U.S. lacks both sufficient upstream mining capacity and the downstream processing infrastructure to support a resilient, secure, and independent supply chain. This is not merely a trade issue; it is a national security imperative.

Fortunately, there are real-time solutions here at home. One of the most promising is the Sheep Creek deposit in Montana, operated by U.S. Critical Materials Corp. This is not a speculative play or a minor resource—Sheep Creek represents a world-class deposit with extremely high concentrations of critical heavy rare earth elements like neodymium, praseodymium, dysprosium, and terbium—elements that are indispensable for permanent magnets used in electric vehicles, wind turbines, precision-guided munitions, and advanced medical technologies.

What makes Sheep Creek especially remarkable is that it shows some of the highest total rare earth oxide (TREO) grades discovered in the U.S. to date, with favorable geology for low-impact extraction. This is the kind of domestic resource we must prioritize if we are to reassert our leadership and reduce dependency on foreign-controlled supply chains that do not align with our values or strategic interests. The site also contains a significant amount of gallium and samarium, which are critical minerals essential for technologies such as semiconductors, permanent magnets, and nuclear control rods - and unfortunately - the marketplace for these mineral elements are also dominated by China.

Historically when confronted with similar challenges, the United States has responded with bold industrial policy when our future was at stake. We invested massively in the nuclear enterprise, in our aerospace programs, and in defense innovation—all because we understood the stakes of falling behind in strategic sectors. Businesses large and small fit into this matrix in a wide-scale effort to demonstrate America's greatness.

Current day solutions to fortifying a rare earth element supply chain are constrained to say the least. Our increasing tensions with China over trade and geopolitics can reduce the flow of rare earths to the United States in a heartbeat - impacting smaller scale projects more adversely. There are no near term or even short term solutions in Greenland or Ukraine, and frankly, before we see any commercial quantities of critical minerals from these two locations, it could be decades - time we as a country do not have.

In closing, let me remind this committee of one of the most pivotal moments in that history: when the Soviet Union beat us to space with the launch of Sputnik in 1957. It was a global wake-up call, a technological and psychological shock. But it was also a catalyst. The United States responded with urgency and vision—rallying public-private partnerships, dedicating substantial resources,

and ultimately leapfrogging the Soviet Union to not only win the space race, but to unlock decades of technological and economic leadership.

We now face a similar Sputnik moment—this time not in orbit, but in the ground beneath our feet. We must treat rare earth elements with the same seriousness we once gave to satellites and rockets. If we do, if we match our ambition with investment, coordination, and smart policy, we can build a resilient domestic REE supply chain that not only supports our clean energy transition and national defense but also reclaims U.S. leadership in critical material technology.

I strongly urge this committee to support legislative and regulatory frameworks that accelerate domestic permitting, incentivize investment in U.S.-based projects like Sheep Creek, strengthen our ability to process and refine rare earths here at home, mitigate red tape challenges to producing and processing these critical minerals, and implement the full support and backing of the United States Government in these important endeavors..

Let's not wait for another wake-up call. The time to act is now. Thank you.

Executive Chairman
US Critical Materials