



**Opening Statement: Legislative Hearing on S. 883
The American Mineral Security Act of 2015
Chairman Lisa Murkowski
May 12, 2015**

Good morning, everyone. We'll call to order the energy committee hearing.

We are here this morning to hear testimony on S. 883, the American Mineral Security Act of 2015. It's nice to be able to welcome everyone to the committee here this morning.

This is an important topic I think for us. The mineral security of our nation directly affects everything from our economic competitiveness to our national security. This is the third consecutive Congress now that I have introduced legislation on this subject. I think this is the best version yet, but I also believe that passage of this legislation is probably more important now than ever.

I've said this before, and I will say it again. I think that we have a real problem on our hands, as a result of our nation's borderline-insidious reliance on mineral imports and it's not just the rare earth elements. *60 Minutes* had a feature on this some weeks ago but the reality is the United States now depends on many other nations for a vast array of minerals, metals, and materials.

And we've the numbers to back it up. In 1978, the USGS reported that the United States was importing at least 50 percent of our supply of 25 minerals, and 100 percent of seven of them.

According to the latest figures, that dependence is now far deeper. In 2014, we imported at least 50 percent of 43 different minerals, including 100 percent of 19 of them.

Electric vehicles, solar cells, advanced defense systems – you can almost name the technology, almost anything that you can find in modern society, and then you can go look up who we import at least some of the raw materials from.

Our foreign dependence is difficult enough. But the concentration of that supply presents additional challenges. Our minerals often come from a handful of countries that are less than stable – or who might be willing to cut off our supply, to serve their own purposes or meet their own needs.

Rare earth elements are again probably the best example of this. It's true that our production has picked up thanks to Moly Corp out in California but China still produces 86 percent of the world's supply in 2014 and close to 60 percent of our supply was imported.

When I look at our foreign mineral dependence, and where those minerals are coming from, I see reason after reason to be seriously concerned. It is not hard to foresee a day of reckoning, when this will become real for all of us – when we simply cannot acquire a mineral, or when the market for a mineral changes so dramatically that entire industries are affected.

I'm glad the Office of Science and Technology Policy is taking up our idea for critical mineral designations. It's good to see more attention being paid at high levels of government. But executive agencies are not as coordinated as they need to be, and they do not have all of the statutory authorities needed to make lasting progress on this issue.

And so once again I have offered a broad bill to rebuild our mineral supply chain. I don't think that there is any substitute for legislation.

When it comes to permitting delays for new mines, our nation is still among the worst in the world. We are stumbling right out of the gate, right at the very start of the supply chain, and we really never catch up. And it's our own fault here.

When we decide a mineral is critical, we should go survey our lands, to determine the extent of our resource base – so we know what we can produce, right here at home.

We should keep working on alternatives, efficiency, and recycling options for the minerals that our nation does not have in significant abundance. I think that is a very important part of our discussion here this morning. We think we know what we have again looking to what alternatives might be reasonable and recycling options are important.

We should build out a forecasting capability, to provide a better understanding of mineral-related trends – and an early warning when problems arise.

We also need to ensure a qualified workforce. The United States we know is down to just a handful of mining schools. A large share of their faculty will be retiring in the near future, and we need smart young people who want to go into these fields.

This Congress offers a perfect opportunity to bring our mineral policies into the 21st century. My bill offers us that chance. I want to thank Senator Heller and Senator Risch for cosponsoring it, and Secretary Moniz and his team at the Department of Energy for providing technical assistance to us as we drafted it. I also want to thank our panel of witnesses here today.

Thank you Commissioner Fogels for joining us all the way from Alaska here this morning. It's a long haul for you.

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