



Opening Statement
Full Committee Hearing on Mineral Security, including
S. 1052 (REEACT Act) and S. 1317 (American Mineral Security Act)
Chairman Lisa Murkowski
May 14, 2019

Good morning, everyone. The Committee will come to order.

We are here this morning to consider ways to strengthen our nation’s mineral security. In many ways this is a little bit of *déjà vu* all over again – by my count, this is the 7th hearing that we have held on the on this issue since I’ve been on this Committee. That’s a lot of hearings. I wish that I could say that we are further along now than we were when we began. We’re going to get it done. Over the course of several years, we have repeatedly heard from witnesses who have underscored our vulnerability in relying on foreign nations for the minerals used to keep our economy strong and our nation safe.

In 1997, we imported 100 percent of 11 different minerals and 50 percent or more of another 26. Now, a little over twenty years later, our dependence has almost doubled. So, we’re going the wrong direction. According to the USGS, last year we imported at least 50 percent of 48 minerals, including 100 percent of 18 of them.

The concentration of that supply – who we buy it from – is also a problem. Of the 48 minerals that I mentioned, China is a primary supplier for 26 of them. China is actually mentioned 375 times in the USCS 204-page mineral commodity summaries report. So they get the front page there.

Of course, this issue is not limited to the sourcing of raw minerals. China is also monopolizing other aspects of the supply chain, including the technology used to process and refine minerals.

So why is this a problem? Whether we realize it or not, minerals are the foundation of our modern society. We use them in just about everything. But our foreign dependence threatens our national security and is driving jobs and industries – whether electronics or electric vehicles or something else – to other countries.

Our foreign mineral dependence is our Achilles’ heel for competitiveness, for manufacturing, and for geopolitics. And in my view it’s way past time to address it.

I do appreciate the steps that President Trump has taken, including his executive order to identify a list of critical minerals and to develop a ‘whole of government’ strategy to reduce our foreign

dependence. So I look forward to their policy recommendations, which I understand should be released any day now.

The administration's actions are important, but they are not enough, and Congress needs to complement them with legislation. And that's why Ranking Member Manchin and I have put forth two legislative proposals. S. 1317, which is my American Mineral Security Act, and S. 1052, his Rare Earth Element Advanced Coal Technologies or "REEACT" Act. You get the prize for the better acronym. I just don't deal with the acronyms but REEACT. It's good.

The American Mineral Security Act takes a comprehensive approach to rebuilding our mineral supply chain. It directs multiple departments to evaluate and update a list of critical minerals every three years and to conduct geological assessments to determine where deposits are located. It authorizes R&D to promote recycling and the development of alternatives; forecasting so we can better anticipate supply and demand; and workforce development to ensure that we have qualified professionals operating at the highest standards in the world.

Our legislation also takes modest steps to provide predictability to the federal permitting process, which of course we know is notoriously slow and bureaucratic. It can take seven to 10 years to finish permitting here in the United States. We should all be able to agree that it's very hard to compete for capital and investment when other nations take a much shorter period of time, as little as two to three years, to finish permitting.

While my legislation provides a good framework to begin understanding and addressing our foreign mineral's dependence, I think that there is more that we can do, and I look forward to working with my colleagues to ensure a robust domestic industry – one that continues to be held to the highest environmental and labor standards in the world – and to building the workforce and infrastructure needed to bring downstream processing and manufacturing back to the States.

I hope that this is finally the year that Congress will work together to advance bipartisan legislation that will help rebuild our mineral supply chain. I want to thank you, Senator Manchin, you Senator McSally, Senator Sullivan, and Senator Cramer for cosponsoring my legislation. I'd ask other members of the committee to take a look at it, consider signing on. I thank our witnesses for being here this morning – I appreciate you Mr. Balash being here as a great Alaskan, being able to share you expertise from that perspective, but also from within the Department. So we thank you for that.

Senator Manchin, your comments this morning as we kick things off.

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