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Witnesses Stress the Importance of Domestic Critical Minerals And Metals Production

CONTACT: Press Office

202-226-9019

Call for Increased Access to these Vital Manufacturing Components

WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held an oversight hearing on "American Metals and Mineral Security: An Examination of the Domestic Critical Minerals Supply and Demand Chain." This hearing examined the vital role that critical minerals and metals play in American manufacturing and why it's important to ensure the continued this domestic production.

"America's dependence on foreign nations for minerals is a choice. Our solution to our dependence isn't a lack of resource; it is a lack of courage and commitment to produce the resources here. It is a policy of the Obama Administration that is bent on destroying jobs in the mining industry, from vetoing approved coal mines in Appalachia, to pre-emptively vetoing mines which haven't even been proposed in Alaska," said Subcommittee Chairman Doug Lamborn (CO-05). "The United States is among the world's largest producer of many important metals and minerals and one of the biggest road blocks to increased domestic mineral exploration and development is the very cumbersome permitting process in the United States."

Witnesses at the hearing offered expert testimony on the importance of critical minerals and rare earth elements to America's economy.

Anthony Y. Ku, Senior Scientist in Manufacturing and Materials Technology at GE Global Research, underscored the importance of critical minerals and rare earth elements in the production of GE's products calling them "fundamental to everything we [GE] do as a company. We are constantly watching, evaluating, and anticipating supply changes with respect to materials that are vital to GE's business interests." Increasing the supply of these rare earth elements and critical minerals is important to meeting the nation's future needs in energy, healthcare, and transportation. Ku added, "We believe GE's experience in addressing its material needs can inform the Federal government's efforts to develop a clear and comprehensive national policy to assure availability of minerals essential for national economic well-being, national security, and global economic competitiveness."

<u>Mark Fellows</u>, Director of Consulting at SNL Metals & Mining, called the consumption of metals and minerals "integral to the standard of living that Americans enjoy." Fellows

cautioned that federal government regulations and red tape are hurting America's competitive advantage in mineral mining. "While the U.S. mining sector is ideally positioned to support manufacturers' need for greater sustainability and shorter supply chains in the production process, an outdated, inefficient permitting system presents a barrier to American companies' access to minerals they need and thus to the economic competitiveness of the U.S. mining industry." Fellows called it a "shame that mining activity in the U.S. is handicapped by a permitting system which severely hampers the development of a sustainable mining industry in the U.S."

Jerry Pyatt is the Chairman and CEO of The Doe Run Resources Corporation, which is one of the largest lead producers in the world. Lead produced from Doe Run's mines is found in batteries for cars, wind and solar energy storage, telecommunications, data centers, national defense systems, along with many more applications. Pyatt testified to the Subcommittee that increased environmental regulations by the federal government have caused Doe Run to stop producing lead in the United States and ship the raw lead abroad to be produced in countries like China that have minimal environmental standards. He noted that it's not just lead that's being overregulated by the federal government, "Mining is increasingly costly as we have to search further and further and deeper for mineral resources, while adhering to standards that in some cases require us to return water to streams at levels that are cleaner than drinking water standards." Pyatt called for a "responsible and reasonable" approach to regulation that doesn't hinder access to these critical minerals.

Brett Lambert, Senior Fellow at the National Defense Industrial Association, has over 25 years of experience in the private defense and intelligence markets. Lambert underscored how vital these critical minerals and rare earth elements are to the defense market. "The end products used by our war fighters are produced using a wide variety of minerals that often compose critical elements. These products are used by an extremely diverse set of companies that provide, directly and indirectly, to the Defense Department." Lambert testified that increased access to these minerals is "essential" and echoed calls from other witnesses that "potential restrictions to this access can add costs and time to system development and deployment."

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