

U.S. HOUSE OF REPRESENTATIVES

NATURAL RESOURCES COMMITTEE REPUBLICANS

CONGRESSMAN DOC HASTINGS, RANKING MEMBER

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## **Updates to Mining Law Must be Reasonable, Responsible and Protect American Jobs**

**WASHINGTON D.C.** – The House Natural Resources Subcommittee on Energy and Mineral Resources held a hearing today on H.R. 699, the Hardrock Mining and Reclamation Act of 2009. While updates do need to be made to the Mining Law, the royalty structure in H.R. 699 could seriously impede domestic mineral production and harm our nation's economy.

“We must be honest that the jobs of American workers are at risk if the federal government imposes excessive and costly regulations and fees on mining in America,” **said House Natural Resources Committee Ranking Member Doc Hastings (WA-4)**. “With our shaky economy, Congress needs to be extremely thoughtful and act very carefully in the consideration of mining law changes.”

“This legislation, if enacted, could pose a serious threat to the domestic hard rock mining industry, sending some of the highest paying jobs in the American West overseas and making the U.S. even more dependent on foreign sources of mined materials,” **said Energy and Minerals Subcommittee Ranking Member Doug Lamborn (CO-5)**. “There are updates that need to be made to the Mining Law, but our goal should be to craft a bill that will grow, not shrink, America's economy.”

**Below is a copy of Rep. Lamborn's opening statement from today's subcommittee hearing:**

*Thank You, Mr. Chairman. Today we are meeting for the first of what I hope will be several hearings on mining in America. There are a number of critical issues which hopefully we will be addressing in this committee.*

### *HEARINGS*

*We should hold a hearing focusing on the importance of an expanded domestic mineral supply. According to the USGS, we are more than 50% dependent on “43 mineral commodities and 100% import reliant for 18.” This reliance threatens our economic security. Tuesday night the President called upon America to expand our domestic renewable resource manufacturing. That expansion will depend heavily on the mineral resources of America to provide the raw materials for that manufacturing.*

*The President specifically highlighted the manufacturing of lithium batteries. The United*

*States is currently 50% dependent on foreign sources of lithium, and we will not be able to rely on foreign imports forever. I would like to offer for the record a recent article highlighting a move by Bolivia to nationalize its lithium mines.*

*We should hold other hearings on how to best improve abandoned mine lands and how to streamline the permitting process. Hopefully, in future hearings we can actually have experts from industry give us that important perspective.*

## MINING LAW

*Updating the Mining Law has been an elusive task. We can constructively explore many of the same principles: discussing a reasonable royalty going forward, using a portion of the proceeds from locatable minerals to help pay for improving abandoned mine lands, and presumably maintaining a vital domestic mining industry. However, just as with the debate on oil and gas development in the outer continental shelf, environmental activists make what should be a simple task extremely difficult.*

*It is reflected in the legislation we will be discussing today. Many witnesses at the hearings held in 2007 told us this legislation, if enacted, would decimate the domestic hard rock mining industry sending some of the highest paying jobs in the American West overseas, and making the U.S. even more dependent on foreign sources of mined materials.*

*Members from western states like mine will fight vigorously to keep these jobs because the West cannot survive off of tourism alone. I want to submit for the record at this point a recent CRS report comparing the salaries of workers in the mining industry versus those in the tourism industries.*

*If the past is any indication, we are going to hear some real rhetorical whoppers about the 1872 Mining Law here today. We will hear that: "The law was passed in 1872 and is 137 years old". Simply because something is old, doesn't mean that it is inherently bad, Yellowstone National Park was also created in 1872. The fact is the Congress that passed the law that created Yellowstone National Park and a few days later passed the Mining Law recognized that while we need to protect special areas, we also need to use some of our lands to supply the raw materials to develop a growing nation.*

*We may hear that: "The law allows public lands to be purchased for \$2.50 or \$5.00 per acre". In reality while those are the statutory fees included in the law, there has been a moratorium on patenting since 1994.*

*We may hear that: "The Mining Law needs modern environmental laws." Modern mining operates under the same strict environmental laws that Americans rely on to protect their air, water, and quality of life.*

- *The Clean Air Act (CAA);*
- *The Clean Water Act (CWA);*
- *The Endangered Species Act (ESA);*
- *The Resource Conservation and Recovery Act (RCRA);*
- *The Comprehensive Environmental Response Compensation Liability Act (CERCLA), otherwise known as Superfund;*

- *The Toxic Substance Control Act, and*
- *National Environmental Policy Act (NEPA).*

*All these laws provide for public notice and comment opportunities, citizen lawsuit provisions, and various appeal processes that allow the public and affected communities to fully participate in the mine permitting process. In fact all of these opportunities to challenge mining projects have served to draw out the permitting process for projects on federal lands and today it can take 12 years or more to get final approval to operate a mine.*

### *CLOSING*

*Mr. Chairman, two years ago when the House considered this legislation we were in a very different economy. For example, copper prices were over \$3 per pound and global demand was resulting in record prices for recycled copper. This demand for recycled copper led to an epidemic of copper theft across the United States. In California, thieves have stolen copper wire from irrigation pumps which left farmers incapable of watering their crops.*

*However, that economy is not the economy which we have today. Today we are struggling to rebuild America's economy and create jobs. This bill as drafted would do irreparable harm to that recovery. We need the raw materials we get from mining to expand our economy and build the infrastructure we need. And we need mining jobs, many of which are unionized, and which are some of the highest paying in the country.*

*If we want to become the world leader in lithium battery production, we need to mine more lithium. If we want to lead the world in the manufacturing of solar panels, than we need to produce more silicon and titanium. If we want to lead the world in the manufacturing of wind turbines, we need more zinc. Finally, if we want a smart grid electrical system and hybrid cars, we must have copper. All of these resources must be mined. Building the mines to supply the resources, and building the factories that use these resources will put Americans to work in the private sector.*

*Like offshore oil, this is a debate about using American resources to create American jobs and wealth. There is much we can agree on Mr. Chairman and I hope that going forward with additional hearings we can examine many of those areas and craft a bill which will grow, not shrink, America's economy.*

*Thank you for this time, and I look forward to hearing from our witnesses.*

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