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Chairman Hastings: Passage of H.R. 1904 Will Expand U.S. Minerals Production to Create Jobs, Strengthen Economy

WASHINGTON, D.C. – House Natural Resources Committee Chairman Doc Hastings delivered the following statement (as prepared for delivery) on the House floor in support of H.R. 1904, the Southeast Arizona Land Exchange and Conservation Act of 2011. This bill will create thousands of jobs, generate billions in revenue and strengthen our national security by developing our own U.S. copper resources.



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"Our nation has suffered through 32 consecutive months of over 8 percent unemployment and people everywhere across our great Nation continue to ask 'where are the jobs?' Congress' top priority right now is job creation and today we have an opportunity to act on that commitment by passing a bill that will put thousands of Americans to work.

The Southeast Arizona Land Exchange and Conservation Act, sponsored by my colleague Rep. Paul Gosar, is a commonsense measure that will create new American jobs and strengthen our economy through increased U.S. mineral production.

The bill authorizes an equal-value land exchange between Resolution Copper, the federal government, the state of Arizona, and the town of Superior, Arizona that will open up the third largest undeveloped copper resource in the world. The bill requires that the cost of the land exchange be fully paid for by the mine developer – ensuring fair treatment for taxpayers and the government.

This project will provide substantial benefits to United States in the form of job creation,

economic growth and increased national security.

This mining project will support nearly 3,700 jobs. These are good paying, family wage American jobs that will equate to more than \$220 million in annual wages.

At a time when our economy continues to struggle, this mining project will provide a much needed boost through private investment. This mining activity will have over a \$60 billion economic impact and generate \$20 billion in total federal, state, county and local tax revenue. This bill is a perfect example of how safely and responsibly harnessing our resources will generate revenue and help get our economy back on track.

The importance of increased U.S. copper production cannot be overstated. Our Nation has become increasingly reliant on foreign countries for our mineral resources - placing our economic competitiveness and national security at risk. The U.S. currently imports 30 percent of the copper we need and we will continue to be dependent on foreign countries if we fail to develop our own resources here at home.

The copper produced from this single project would meet 25 percent of the United States' entire copper demand. This copper would be used for a variety of projects ranging from hydrbid cars – like the Prius – to medical devices, plumbing and computers. Without it, the microphones and lights we're using right now wouldn't be functioning. It's also essential for national defense equipment and technology. It is used in satellites, space and aviation, weapons guidance and communications.

The benefits and reasons to pass this bill are plentiful; however we will likely hear several inaccurate claims from those across the aisle who are opposed to mining in America. I would like to take a moment to set the record straight right from the beginning.

First, the bill follows the standard federal land appraisal process, procedures issued by the Department of Justice, which has been used for decades. The appraisal requires full market value to be paid for both the land and the minerals located within. If by chance there is copper production beyond the appraised value, the mine developer will be required to pay the United States the difference, which would be assessed annually. This is an added guarantee to ensure that taxpayers get a fair return for the copper resources.

Second, this bill is about creating nearly 3,700 American jobs; it's not about helping foreign mining interests as some have charged. Opposing this mine and not producing copper in the U.S. is what truly benefits foreign nation by sending American jobs overseas and making us increasingly reliant of foreign sources of critical minerals.

Third, the bill requires full compliance with environmental laws and tribal consultation prior to constructing the mine. This bill provides more conservation and protection of culturally sensitive, riparian and critical habitat than otherwise would occur, especially areas to be conveyed currently under private ownership.

Fourth, the developer has already secured over half of the water needed for this project and committed to having 100 percent of water it needs in hand before construction begins. Claims that the project will require the same amount of water used by the City of Tempe are a gross exaggeration. Finally, this bill does not trade away sacred sites. As previously stated, the bill requires tribal consultation. As shown here on this map, the project will be located in an area where mines have historically been built and exist right now. It is known as the 'Copper Triangle' and every circle on the map represents an existing mine or quarry. The proposed project appears in yellow.

H.R. 1904 is about creating new American jobs, strengthening our economy and decreasing our dependence on foreign minerals. The bill has broad support both locally and nationally, including Arizona Governor Jan Brewer, the Arizona Chamber of Commerce, the U.S. Chamber of Commerce, the National Association of Manufacturing and the National Mining Association. They all recognize the job-creating benefits of this bill.

I strongly encourage my colleagues to support H.R. 1904 to put Americans back to work and increase production of this vital mineral resource."

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