SUBMITTED WRITTEN TESTIMONY - SENATOR TOM BAKK

May 11, 2023

Subcommittee on Energy and Mineral Resources

U.S. House Natural Resources Committee 1324 Longworth House Office Building Washington, DC 20515

Chairman Stauber, Ranking Member Ocasio-Cortez, and Members of the Committee:

Thank you for the opportunity to provide testimony regarding the consideration of House Concurrent Resolution 34. I care very deeply about the issues related to this resolution, because I proudly represented the communities of northeastern Minnesota in our state legislature for nearly three decades, as a Democrat for 26 years, as the DFL Caucus leader for nine years, and as an Independent for the final two years of my service. To say I am passionate about protecting the well-being of our region for current and future generations is an understatement.

That's why I was deeply disappointed when the Biden Administration placed a 20-year ban on mining on 225,000 acres of land in northeast Minnesota earlier this year in my former legislative district. I wondered if the administration realized that this area contains vast quantities of the critical minerals it needs to accomplish its own energy transition goals, or that multiple companies are pursuing responsible development of those resources. I wondered if they knew our region has been on a sharp economic decline for decades and that the potential high-paying union jobs from mining are desperately needed.

Surely, they must have known that locking up a domestic treasure trove of minerals only increases our dangerous reliance on sourcing metals from foreign adversaries who don't protect workers and the environment like we proudly do here in the U.S.

Unfortunately, I don't believe they took any of that into consideration.

For that reason, the opportunity to submit this testimony is incredibly important to me. I strongly encourage the Biden Administration and this committee to correct course on this harmful decision. Additionally, I want to highlight why northeast Minnesota is so significant and unique.

The American tanks, airplanes, battleships, and aircraft carriers that helped the U.S. win the Second World War weren't made out of thin air. They were made from the iron produced by our hardworking miners on the Iron Range in Minnesota.

Electric cars, advanced military technologies, energy storage solutions, cell phones and the copper wiring that allows us to turn on the lights every day are made from the critical minerals that are abundant underground in Minnesota.

Perhaps one of the most exceptional things about our region is the natural beauty. Those of us that live in northeast Minnesota want to protect our stunning lakes, rivers, wildlife and woods that allow avid outdoorsmen like me to fish, hunt and recreate outdoors year-round.

When it comes to mining in Minnesota, it is not an either/or proposition. We can mine and protect our environment at the same time, despite the misinformation promoted by anti-development activists. In fact, I've seen firsthand how the iron mining industry has allowed the outdoor economy to thrive for more than 140 years, and the water in northeast Minnesota is among the cleanest water in the whole state.

I firmly believe we can advance a responsible copper-nickel-cobalt mining industry in the region while continuing to strictly protect our natural resources we so cherish, in large part because Congress, the Minnesota Legislature, state and federal government agencies, environmental groups, mining and exploration companies, and mineral owners have spent decades conducting the research, working on laws and regulations, and establishing the permitting processes to assure that development of nonferrous minerals in Minnesota will be managed responsibly.

It is also paramount to remember that the nearby wilderness area, the Boundary Waters Canoe Area Wilderness (BWCAW), is already well-protected because of a significant decision made by Congress decades ago that established and banned industrial activities within the wilderness area. At the same time, Congress designated lands outside the BWCAW in the Superior National Forest where mining and other industrial activities were deemed desired conditions. Furthermore, both state and federal buffer zones were established around the wilderness area to allow access and provide additional protection.

Companies with proposed mining projects aren't asking for special treatment. They are asking for their plans to be scientifically reviewed through the fair process as outlined under law through the National Environmental Policy Act. When the environmental and permitting process works well, U.S. scientists thoroughly test a mine plan and our agencies engage all stakeholders and the public to make a project the safest and best possible.

The people of northern Minnesota will accept if the Biden Administration thoroughly reviewed proposed mine plans and decided against them because they are too risky. But because of the 20-year mining ban, the administration won't even consider a mine plan. That isn't fair to my neighbors and friends.

For the past 40 years, communities in northeast Minnesota have experienced a decline in population by about 26%. Several companies have poured millions of dollars of investment into trying to advance high-tech, best-in-class mining projects that would bring thousands of good-paying full-time and spinoff jobs to the area. That's exactly the kind of economic comeback our region needs, yet the federal government doesn't seem to care. It touts goals that sound impressive on the surface while turning its back on communities like ours.

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¹ https://worldpopulationreview.com/states/minnesota-population

On the one hand, the administration has set an aggressive agenda for producing clean energy here in the U.S., for shoring up domestic mineral supply chains and for creating American jobs. On the other hand, that same administration removed from consideration approximately 95% of our nation's nickel resources, about 90% of our cobalt, and a third of our copper.

According to the Minnesota Department of Natural Resources, the estimated state, federal, and private mineral resources within the withdrawal area are significant: 88 billion pounds of copper, 27 billion pounds of nickel, 1.6 billion pounds of cobalt, 22 million ounces of platinum, 54 million ounces of palladium, 11 million ounces of gold, and 338 ounces of silver.² Developing these minerals would directly support the administration's goals on clean energy, supply chains and jobs. A domestic source of these resources is also absolutely critical to our national security.

Let me highlight the significance of those numbers with a couple of examples. The average electric car battery contains about 80 pounds of nickel, which means that because of the mineral withdrawal, the administration has stripped the U.S. of the potential to make more than 337 million electric vehicles — more than enough for each person in the country. The average single-family home uses about 440 pounds of copper for electricity, so our ability to bring power to more than 200 million homes is lost because of the mining ban. With the global average household at five people,³ that's more than enough copper to bring electricity to the entire world population that currently has no access to power.⁴ I highly doubt that the administration took the time to consider these missed opportunities.

Simply saying "no" to domestic mining instead of allowing all stakeholders to evaluate projects based on their merits to determine the best outcome is counterproductive to achieving our goals. It's driven by a small group of the loudest voices, with much influence, rather than allowing the experts at our federal and state agencies to lead an objective process that includes public input.

One of the most disappointing things I learned after hearing that the Department of the Interior enacted the 20-year mineral withdrawal was that the environmental assessment conducted by federal agencies to make the mining ban determination was based on purely hypothetical situations. No environmental or project-specific data from companies like Twin Metals Minnesota or others was used to support its conclusions. This means that the government didn't consider the best information available to determine whether mining can be done safely in the region. The Environmental Assessment they released even acknowledges that any of the hypothetical impacts they came up with could be mitigated, avoided, or regulated to occur under the standards set forth by state and federal agencies. Why don't our agencies recognize their own authority to oversee and implement environmental regulations rather than undermine trust in their own scientific experts' ability to get it right? It just doesn't make sense.

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https://www.lcc.mn.gov/lpsfc/meetings/170823/MN%20DNR%20Soping%20Comments_Federal%20Minerals%20 Withdrawal%208_17_17.pdf

³ https://www.pewresearch.org/short-reads/2020/03/31/with-billions-confined-to-their-homes-worldwide-which-living-arrangements-are-most-

common/#:~:text=Around%20the%20world%2C%20the%20average,)%20and%20Europe%20(3.1).

⁴ https://ourworldindata.org/energy-access#:~:text=work%20on%20Energy-,Summary,not%20have%20access%20to%20electricity.

Ultimately, this mineral withdrawal shuts out major opportunities for America. This comes at a time when, according to the U.S. Geological Survey's 2023 Minerals Commodity Summaries report,⁵ the U.S. has reached a record high for U.S. mineral imports. Meanwhile, China is and will continue to be the leading supplier for most of the minerals our economy depends on. That begs the question: Who do we trust more to develop mineral resources in a way that is respectful of the environment and workers – China or the U.S.?

As I look back on the three decades I spent in the Minnesota legislature, I'm most grateful for the relationships I forged across party lines in order to find the best solutions for the common good. I worry that we've lost the ability to do that in recent years, and sadly, what's happening to proposed mining projects in Minnesota is an alarming example of that polarization.

It's time we come to our senses and realize that everything that sustains life is either grown or mined. If we want to maintain our standard of living and ensure a cleaner future, we must have mining. And we should be demanding that those minerals be mined here in the U.S., where we can properly enforce strong labor and environmental standards.

I commend Congressman Stauber's work to overturn the mineral withdrawal in northeast Minnesota and to correct course on an arbitrary, detrimental decision. I fully support Concurrent Resolution 34, which will allow mining projects in the region to be fairly reviewed through the established regulatory process. It's what the people of northern Minnesota expect and deserve.

Sincerely,

Senator Tom Bakk

Retired

Former member and leader of the Minnesota State House and Senate, 1995-2023 Independent Consultant to Essar Capital Americas, Altria Client Services LLC and its Affiliates, and Twin Metals Minnesota LLC

⁵ https://pubs.er.usgs.gov/publication/mcs2023