



AMERICAN CRITICAL MINERALS EXPLORATION AND INNOVATION ACT

On May 28, 2020, U.S. Rep. Michael Waltz (R-Fla.), U.S. Rep. Paul Gosar (R-Ariz.), Ranking Republican of the Committee on Natural Resources Rob Bishop (R-Utah) and Ranking Republican of the Committee on Science, Space, and Technology Frank Lucas (R-Okla.) will introduce legislation to reduce America's dependence on foreign sources of critical minerals by supporting responsible domestic mineral development and innovation. Minerals are essential to our modern way of life, with applications in healthcare, defense systems, smartphones, laptops, battery storage and renewable energy technologies. The global pandemic has demonstrated significant supply chain weaknesses across all sectors of our economy, including our supply of critical minerals. Despite substantial domestic reserves, the great majority of critical minerals and other mined resources used in the U.S. is sourced abroad. In fact, 14 of the 35 critical minerals are imported to the U.S. at a rate of 100%.

The coronavirus pandemic has demonstrated the harmful consequences of overreliance on China, given the extreme shortages we have seen across sectors in recent weeks. China has dominated the critical minerals market for years, controlling the vast majority of the global supply of minerals including gallium, graphite, and rare earth elements. Ensuring a stable supply of critical minerals starts with encouraging responsible critical minerals production and innovation here at home. This bill directly addresses several key issues to support the stability and independence of America's critical minerals supply chain.

For a detailed look at minerals in healthcare, click <u>HERE</u>. For a detailed look at minerals in renewable energy, click <u>HERE</u>.

LEGISLATION HIGHLIGHTS

- **Permitting Reform:** The Federal permitting process has been identified time and again as a major impediment to the production of critical minerals. It can take 7-10 years to permit a new mine in the U.S., while Canada and Australia can accomplish the same feat in about 2-3 years. It directs the lead Federal agency to complete the permitting process with maximum efficiency and effectiveness, including by establishing and adhering to timelines, clear and quantifiable performance goals, early collaboration with interested parties, and other metrics. This bill also allows for a sufficiency determination under NEPA and establishes a framework for a memorandum of agreement between all parties to ensure timeliness and certainty.
- **Recycling, Efficiency, and Alternatives:** This legislation directs the Secretary of Energy to establish a research and development program to accelerate innovation in advanced critical minerals development strategies and technologies, in order to make better use of domestic resources and eliminate national reliance on minerals and mineral materials that are subject to supply disruptions.
- **Critical Mineral Designations:** This bill prioritizes establishing a clear strategy for reducing our dependence on our adversaries by directing the Secretary of the Interior to identify vulnerabilities in the minerals supply chain and publish and periodically update a list of critical minerals to inform U.S. policy.
- **Support Innovation at Mining Schools:** Prioritizes investments in the future of the mining sector by providing support to mining schools to spur innovation. The bill establishes a grant program for research, and demonstration projects related to the production of critical minerals at U.S. mining schools and programs.
- Managing Mineral Resources: In our quest to support stable domestic supply chains, the last thing the U.S. should do is put vast swathes of public lands off limits to development especially before knowing if valuable resources are present. This bill directs the U.S.G.S. to complete updated resource assessments for each critical mineral. It also requires that mineral resource assessments are considered in the land management process, and also ensures that large, unilateral mineral withdrawals do not take place without Congressional approval.