

June \_\_\_\_, 2017

The Honorable Ryan Zinke  
Secretary  
Department of the Interior  
1849 C Street, N.W.  
Washington, DC 20240

The Honorable Sonny Perdue  
Secretary  
Department of Agriculture  
1400 Independence Ave, S.W.  
Washington, DC 2025

Dear Secretary Zinke and Secretary Perdue,

In the waning days of the Obama Administration, federal land management agencies took several actions that would stifle job creation, decimate local economies, and even cause significant harm to K-12 education in Minnesota. We ask that you reconsider these job-killing decisions by rescinding the 234,328-acre mineral withdrawal application and renewing two improperly terminated leases.

In 1950, Congress took action to make minerals available for mineral exploration and development within the Superior National Forest. In 1978, Congress passed the Boundary Waters Canoe Area Wilderness Act (BWCAW), a historic compromise that prohibited mining within the wilderness but explicitly permitted mining to occur in the Superior National Forest.

On January 5, 2017, the U.S. Forest Service (USFS) formally proposed a 234,328-acre federal mineral withdrawal of National Forest System (NFS) lands, for a 20-year term, within the Rainy River Watershed on the Superior National Forest, immediately placing this vast area off limits to development for up to two years while the withdrawal is considered. The total withdrawal application boundary spans approximately 425,000 acres, including 95,000 acres of state school trust fund lands.

We believe the proposed withdrawal not only goes against Congressional intent, but it would also have a significant impact on Minnesota and the nation's economy. If left unchecked, the proposed mineral withdrawal pursued by the Obama Administration will block the creation of thousands of American jobs and cost the U.S. economy billions of dollars. The University of Minnesota-Duluth estimates the creation of 12,000 construction jobs and 5,000 long-term mining jobs if mining projects already being pursued in Duluth Complex are allowed to move forward. These are good-paying jobs, as the average annual mining wage in Minnesota was \$78,635 in 2015. These projects are also estimated to generate \$2.5 billion annually for our economy.

In addition, Minnesota's Constitution mandates that state trust lands ensure a long-term source of funds for K-12 education. In fiscal years 2014 and 2015, revenues from state mineral leases derived from school trust lands in Minnesota totaled \$51.6 million and \$36.8 million, respectively.

All told, we understand that Minnesota is projected to lose up to \$3 billion in royalty revenues for the State's Permanent School Trust Fund that would support nearly 900,000 K-12 students statewide if the withdrawal application and cancelled leases are not rejected by the new administration. Harm has likely already been inflicted on Minnesota's K-12 beneficiaries as no bids were placed on state mineral parcels within the application boundary during the recent Department of Natural Resources auction due to the uncertainty associated with the Obama Administration's actions.

Allowing the withdrawal application to move forward would also prevent access to some of the world's largest deposits of valuable raw materials that include copper, nickel, platinum, gold and silver. The U.S. is already import-dependent on countries like China for more than 50 different metals and minerals. In fact, domestically mined resources are meeting less than half of mineral demand by U.S.-based manufacturers. There are significant [leases](#) and rights held by multiple companies, the State of Minnesota and private owners within the withdrawal application.

As you know, environmental stewardship and positive economic growth are not mutually exclusive. We support regulations that ensure environmentally-responsible mining in order to protect water quality and preserve the scenic beauty of the Boundary Waters area. As noted earlier, mining is already prohibited in the one million acre plus Boundary Waters area. No one is advocating to mine in the wilderness or its surrounding buffer zones, which were established by the BWCAW Act and the Minnesota Outdoor Recreation Act.

Furthermore, any new mines proposed in the region will have to undergo, and adhere to, strict mandates and requirements under the National Environmental Policy Act (NEPA), state laws and other regulations. Unfortunately, the environmental study affiliated with the withdrawal pre-empts this comprehensive review from taking place, blocking the opportunity for a project to even be considered.

This pre-emptive halt to project development is especially harmful when you consider America's 21<sup>st</sup> Century mining industry is one of the safest and most regulated professions in our country. Employees live in local communities, drink the water and go out of their way to ensure there are no long-term negative impacts from company operations.

In conjunction with this massive mineral withdrawal, we believe the Obama Administration's Bureau of Land Management (BLM) inappropriately rejected Twin Metals Minnesota's application to renew two hard rock mineral leases in Minnesota's Superior National Forest – leases that were signed in 1966 and renewed without controversy in 1989 and 2004.

To date, Twin Metals tells us that it has invested upward of \$400 million – a significant investment – in reliance on two federal mineral leases that the BLM executed with the company's predecessors and renewed each time they expired.

According to Twin Metals, BLM's refusal to renew the leases was based on a March 2016 opinion by the then-Solicitor of the Department of the Interior, concluding – based on flawed legal analysis – that BLM had the discretion to deny the renewal of the mineral leases. We disagree with this opinion and urge reconsideration based on existing law, rules, and regulations.

Minnesotans across the state have supported the development of the state's mining industry, and specifically have voiced support for the Twin Metals project. Countless individuals and local businesses have weighed in against the actions of the Obama Administration. Government officials on both sides of the aisle have publically opposed these actions. In January, the Minnesota State Legislature sent a [letter](#) and “expressed their outrage at the recent politically driven decisions.” Additionally, the Lake County Board of Commissioners unanimously approved a resolution opposing the proposed withdrawal.

We ask that you stand up for these communities and take action to reject these attacks on responsible American mining by reconsidering the decision and giving full and fair consideration of permitting the renewal of the two aforementioned leases.

As always, we ask that this request be handled in strict accordance with existing rules, regulations and ethical guidelines. Thank you for your consideration of this request. We look forward to your timely response.

Sincerely,