Congress of the United States

House of Representatives Washington, DC 20315-0301

May 2, 2018

The Honorable Donald J. Trump President The White House 1600 Pennsylvania Avenue Washington, DC 20002

The Honorable Ryan Zinke Secretary U.S. Department of the Interior 1849 C Street NW Washington, DC 20240 The Honorable Sonny Perdue Secretary U.S. Department of Agriculture 1400 Independence Avenue SW Washington, DC 20250

The Honorable Vickie Christiansen Acting Secretary U.S. Forest Service 1400 Independence Avenue SW Washington, DC 20250

Dear President Trump, Secretary Zinke and Secretary Perdue,

We write to request a comprehensive review of all mineral withdrawals executed under the previous administration. Further, we ask that you take action to scrap any mineral withdrawals determined to be without merit and whose purpose served to block responsible development.

We also write to express gratitude to the Administration for cancelling the previous Administration's proposed 10-million-acre mineral withdrawal in six Western states. As you know, that massive mineral withdrawal proposal included more than 7,000 active mining claims that was erroneously said to be necessary in order to protect the non-endangered Sage Grouse. While this proposed mineral withdrawal was being analyzed, an immediate two-year moratorium was put in place with an additional 20-year moratorium was considered. This withdrawal was political – it was designed to appeal to donors and radical environmentalist groups rather than solve a statutory or policy problem – as BLM's draft EIS documented that less than 0.1% of the proposed 10 million acre withdrawal area would be affected by mining in the next 20 years.

Domestic minerals are critical to our nation's national security, economic growth and manufacturing. Almost every product and component of infrastructure we use in our everyday lives depends inextricably on processed minerals. Minerals that are mined right here in the U.S. make possible the production of cell phones and other high-end electronics, solar panels, bridges and cars.

Despite the vital importance of minerals, the previous Administration took dozens of anti-mining actions which, if left in place, will stifle job creation, decimate local economies and disrupt public education funding streams. This overreach locked up millions of acres of Federal lands under false pretenses and harmed our nation's domestic mineral supply.

In fact, the Obama Administration proposed at least <u>31 domestic mineral withdrawals</u>. The fact that many of these mineral withdrawals were designed to appease extremist special interest groups means they should be rejected on that premise alone. However, Members should be equally concerned about these actions given U.S. dependence on strategic and critical minerals from foreign countries. This <u>op-ed</u> points out that "of the 88 mineral commodities tracked by the U.S. Geological Survey, the United States is now at least 25 percent import dependent on 62 of them." Further, a recent Department of the Interior (DOI) and (USGS) U.S. Geological Survey published a <u>2018 mineral commodities summary report</u> that found the U.S. is <u>100 percent net import reliant</u> on foreign countries, including China, for <u>21 different critical minerals</u>.

This dependency is incredibly dangerous for our national security and the country's future prosperity. As illustrated in the DOI and USGS report, "The sometimes-tenuous nature of the mineral supply chain received world attention in 2010 when China suddenly drastically cut its export quota for the rare-earth elements. The move highlighted the fact that China had a virtual monopoly on the short-term supply of rare-earth elements—elements that are essential to the renewable energy sector and many other high-tech applications globally."

A few glaring examples of political mineral withdrawals intended to block responsible development include:

1. The Arizona Strip Mineral Withdrawal

Following the discovery of highly valuable uranium deposits in the Arizona Strip in the late 1970s, job creators and energy advocates approached Congress to encourage a legislative solution that would allow new exploration and production in the area by releasing some of the 44 different Wilderness Study Areas (WSA's) on Forest Service and Bureau of Land Management lands.

Pam Hill of the American Clean Energy and Resources Trust provided testimony on these events <u>stating</u>, "We were told that the only way to speed up the 10-year wilderness designation process was to obtain the approval of all of the stakeholders in the region and return to Washington, D.C. with a compromise that would then be included in a wilderness bill. After several months of negotiation among ideologically disparate interest groups and governmental entities, including the National Parks and Conservation Association, the Wilderness Society, the Arizona Wildlife Federation, the Sierra Club, grazers, timber companies, local businesses, civic groups, regulatory agencies, and local, county and state governments, a unique piece of legislation was forged. The compromise added 387,000 acres to the National Wilderness Preservation System and released 540,000 acres to multiple-use (including mining)."

In 1984, the historic Arizona Strip Wilderness Act was signed into law in the form of <u>Public Law 98-406</u>. The bill was cosponsored by the entire Utah and Arizona Congressional delegations, including Interior Committee Chairman Morris Udall, Congressman Bob Stump as well as Senators John McCain and Orin Hatch.

Unfortunately, many of the same organizations involved in passing the groundbreaking Arizona Strip Wilderness Act went back on their word. In order to appease these extremist groups that double-crossed industry, elected officials and the people of Arizona and Utah; the Obama Administration unilaterally acted to upend the bipartisan and bicameral bill passed by Congress. As the American Clean Energy and Resources Trust <u>points out</u>, "Using inaccurate, outdated, unrelated, often downright fabricated 'arguments' as well as more than a little 'in your face' chutzpah, environmental groups including the Center for Biological Diversity (CBD), the Grand Canyon Trust (GCT) and the Sierra Club pressured the then new Secretary of the Interior, Ken Salazar, to withdraw almost one million acres of land in northern Arizona from any and all mining activities."

As a result of this mineral withdrawal, tens of millions of dollars spent by companies on exploration were wasted, more than 2,000 mining claims became essentially worthless overnight and hundreds of high-paying jobs in an extremely rural area were killed. The Mohave County Board of Supervisors <u>claim</u> this withdrawal will cost local economies \$29 billion over a 42-year period. The Board also pointed out that uranium is used by our military in tanks, bullets and missiles as well as to power Navy ships. The reality is that domestic utilities now import 95% of the uranium to power America's 100 reactors whereas 40 years ago 100% of U. S. nuclear electricity was generated solely with U.S. mined uranium.

The Arizona-Utah Economic Coalition has passed a resolution calling for revocation of this mineral withdrawal stating, "The withdrawal eliminated opportunities to create over 2000 direct and indirect jobs...the withdrawal area includes between 325-375 million pounds (the equivalent electricity generating capacity for the entire state of California's 40 million people for 22.4 years)." The U.S. Department of Agriculture also identified this mineral withdrawal as a potential burden to domestic energy production in its <u>final</u> report in response to President Trump's energy independence executive order.

Deposits in the Arizona Strip mineral withdrawal area are the highest grade in the United States and the region has successfully yielded uranium ore for multiple decades. The Arizona Daily Star <u>reported</u>, "By the 1980s, there were eight mines on the Arizona Strip producing 19 million pounds of U3O8 from 7 breccia pipes. Extensive drilling in the region revealed ore-grade mineralization from 71 breccia pipes averaging 5 million pounds of uranium each. The Hack Canyon Mine produced some of the highest-grade and most profitable uranium in the U.S, an average grade of 0.64% U3O8 for a total of 9.5 million pounds."

These Arizona Strip uranium deposits are strategic in that access to them provides a high quality current and future domestic source for nuclear fuel and weapons requirements. This is particularly important as we see the Russian Federation's growing efforts to dominate, control and potentially limit access to uranium ore and nuclear fuels supplies.

Article IV, Section 3 of our Constitution gives Congress "the Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States." Unfortunately, the will of Congress and the needs of the American people were ignored with this unilateral mineral withdrawal.

2. The Superior National Forest Land Grab

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. 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.

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. Education will be significantly harmed, as 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.

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 local businesses and individuals 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 more than 50 Members of the Minnesota State Legislature sent a <u>letter</u> 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.

3. The Revested Oregon & California Railroad Lands

On January 13, 2017, the Obama Administration's Bureau of Land Management (BLM) published a Public Land Order withdrawing more than 100,000 acres of BLM and Forest Service lands in Southwest Oregon for 20 years.

According to BLM's Federal Register Notice proposing the Oregon withdrawal, the lands encompassed by the withdrawal are "home to some of the most diverse, complex, and potentially economic geology in Oregon. Multiple deposits containing gold, silver, chrome, cobalt, nickel, platinum group elements, manganese, mercury, coal, limestone, and quarry rock exist within the area....Withdrawal of these lands from location and entry under the mining law could substantially hinder mineral development of these strategic minerals in the future."

Further, this political land grab targeted two specific projects that hold large quantities of nickel, cobalt and scandium. Scandium is one of the most valuable and useful rare earth metals. It is used in fighter planes, lasers, electronics, ceramics, sporting equipment, radioactive isotopes and for research purposes. The U.S. was <u>100 percent net import</u> reliant on foreign countries for scandium in 2017 and most scandium metals and

compounds are imported from China. Cobalt is used in jet engines, solar panels, wind turbines and batteries. The United States is more than <u>70% important reliant on other</u> <u>countries for cobalt</u>. Nickel is essential to making stainless steel. It also is critical to numerous defense technologies and weapons' platforms. The U.S. is <u>59% import reliant</u> <u>on foreign countries for nickel</u> despite world class undeveloped resources.

Given the importance of the strategic and critical minerals targeted by this withdrawal, we are troubled by a <u>February 21, 2018 letter</u> from Secretary Perdue that indicated the Administration plans to leave this withdrawal in place.

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In addition to the three withdrawals detailed above, we ask that you stand up for communities negatively impacted by unwarranted political attacks by taking action to reject any other mineral withdrawals from the Obama Administration found to be without merit and that were implemented to discourage production.

We are honored to have the support of the following organizations and individuals that agree with our position and have endorsed this letter: American Exploration & Mining Association, National Mining Association, Women's Mining Coalition, Competitive Enterprise Institute, Americans for Limited Government, American Resources Policy Network, Alaska Miners Association, APEX, Arizona Mining Association, Arizona Municipal Power Users Association, Arizona Pork Council, Arizona Rock Products Association, AZ BASS Nation, Bass Federation-AZ, Hibbing Area Chamber of Commerce, Hudbay Rosemont Copper Project, Idaho Mining Association, Jobs For Minnesotans, MiningMinnesota, New Mexico Cattle Growers' Association, New Mexico Wool Growers Inc., Southern Arizona Business Coalition, SRT Outdoors, Sulphur Springs Valley Electric Cooperative, Utah Mining Association, Yavapai Cattle Growers Association, Arizona District 6 Senator Sylvia Allen, Apache County Supervisor Doyel Shamley and Yavapai County Supervisors Thomas Thurman and Rowle Simmons.

Thank you for your consideration of this request. We look forward to your timely response.

Paul A. Gosar, D.D.

Paul A. Gosar, D.D.S. Member of Congress

Bruce Westerman Member of Congress

Sincerely,

Tom Emmer Member of Congress

Rob Bishop

Member of Congress

Roga hall

Roger Marshall Member of Congress

Brian Babin Member of Congress

Yell on Doug LaMalfa

Member of Congress

Jody Hice Member of Congress

Chris Stewart Member of Congress

Tud I. Am

Mark Amodei Member of Congress

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Jackie Walorski Member of Congress

Ted S. Yoho D.V.M. Member of congress

Mark Meadows Member of Congress

Scott Perry

Member of Congress

Paul Cook Member of Congress

Alex X. Marry

Alex Mooney Member of Congress

u Randy Weber

Randy Weber Member of Congress

Kevin Cramer Member of Congress

John Duncan Member of Congress

Jeff Duncan Member of Congress

Scott DesJarlais Member of Congress

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Ron Estes Member of Congress