

Union Calendar No. 164

112TH CONGRESS
1ST SESSION

H. R. 2011

[Report No. 112-248]

To require the Secretary of the Interior to conduct an assessment of the capability of the Nation to meet our current and future demands for the minerals critical to United States manufacturing competitiveness and economic and national security in a time of expanding resource nationalism, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 26, 2011

Mr. LAMBORN (for himself, Mr. HASTINGS of Washington, Mr. GOHMERT, Mr. BISHOP of Utah, Mr. FLEMING, Mr. MCCLINTOCK, Mr. THOMPSON of Pennsylvania, Mr. RIVERA, Mr. GOSAR, Mr. TIPTON, Mr. HARRIS, Mr. FLEISCHMANN, Mr. BENISHEK, Mr. JOHNSON of Ohio, Mr. BOREN, Mr. SIMPSON, Mr. GALLEGLY, Mrs. LUMMIS, Mrs. MCMORRIS RODGERS, Mr. MATHESON, Mr. YOUNG of Alaska, and Mr. DUNCAN of Tennessee) introduced the following bill; which was referred to the Committee on Natural Resources

OCTOBER 14, 2011

Additional sponsors: Mr. COFFMAN of Colorado, Mr. BROUN of Georgia, Mr. CALVERT, Mr. REHBERG, Mr. WITTMAN, Mr. DIAZ-BALART, Mr. HECK, Mr. DUFFY, Mr. NUNES, Mr. GARDNER, Mr. SOUTHERLAND, Mr. DENHAM, Mr. MANZULLO, and Mr. QUAYLE

OCTOBER 14, 2011

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on May 26, 2011]

A BILL

To require the Secretary of the Interior to conduct an assessment of the capability of the Nation to meet our current and future demands for the minerals critical to United States manufacturing competitiveness and economic and national security in a time of expanding resource nationalism, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “National Strategic and*
5 *Critical Minerals Policy Act of 2011”.*

6 **SEC. 2. FINDINGS.**

7 *Congress finds that—*

8 *(1) the availability of minerals and metals is es-*
9 *sential for economic growth, national security, techno-*
10 *logical innovation, and the manufacturing and agri-*
11 *cultural supply chain;*

12 *(2) the exploration, production, processing, use,*
13 *and recycling of minerals contribute significantly to*
14 *the economic well-being, security, and general welfare*
15 *of the Nation;*

16 *(3) the industrialization of China and India has*
17 *driven demand for nonfuel mineral commodities,*
18 *sparking a period of resource nationalism exemplified*
19 *by China’s reduction and stoppage of exports of rare-*
20 *earth mineral elements necessary for telecommuni-*
21 *cations, military technologies, medical devices, agri-*
22 *cultural production, and renewable energy tech-*
23 *nologies;*

1 (4) *the United States has vast mineral resources*
2 *but is becoming increasingly dependent upon foreign*
3 *sources;*

4 (5) *25 years ago the United States was depend-*
5 *ent on foreign sources for 30 nonfuel mineral mate-*
6 *rials, 6 of which were entirely imported to meet the*
7 *Nation's requirements and another 16 of which were*
8 *imported to meet more than 60 percent of the Na-*
9 *tion's needs;*

10 (6) *by 2010, United States import dependence*
11 *for nonfuel mineral materials more than doubled from*
12 *30 to 67 commodities, 18 commodities were imported*
13 *entirely to meet the Nation's requirements, and an-*
14 *other 25 commodities required imports of more than*
15 *50 percent;*

16 (7) *the United States lacks a coherent national*
17 *policy to assure the availability of minerals essential*
18 *to manufacturing, national economic well-being and*
19 *security, agricultural production, and global economic*
20 *competitiveness; and*

21 (8) *the Nation's ability to compete and innovate*
22 *requires proper planning and preparation today to*
23 *meet tomorrow's mineral needs.*

1 **SEC. 3. CONGRESSIONAL DECLARATION OF POLICY.**

2 (a) *IN GENERAL.*—*It is the continuing policy of the*
3 *United States to promote an adequate and stable supply*
4 *of minerals to maintain our Nation’s economic well-being,*
5 *security, and manufacturing, industrial, energy, agricul-*
6 *tural, and technological capabilities.*

7 (b) *POLICY GOALS.*—*Implementation of the policy set*
8 *forth in subsection (a) requires that the Federal Government*
9 *coordinate the Federal departments and agencies respon-*
10 *sible for ensuring that supply, to—*

11 (1) *facilitate the availability, development, and*
12 *production of domestic mineral resources to meet na-*
13 *tional needs, including the demands of the Nation’s*
14 *manufacturing and agricultural industries;*

15 (2) *promote and encourage the development of*
16 *economically and environmentally sound, safe, and*
17 *stable domestic mining, minerals, metals, processing,*
18 *and minerals recycling industries;*

19 (3) *establish an assessment capability for identi-*
20 *fying the mineral demands, supply, and needs of our*
21 *Nation; and*

22 (4) *minimize duplication, needless paperwork,*
23 *and delays in the administration of Federal and*
24 *State laws and regulations, and issuance of permits*
25 *and authorizations necessary to explore, develop, and*

1 *industrial manufacturing, technological, agricul-*
2 *tural, and social needs;*

3 *(B) the Nation's reliance on foreign sources*
4 *to meet those needs; and*

5 *(C) the implications of mineral supply*
6 *shortages or disruptions;*

7 *(3) a detailed description of the time required to*
8 *process mineral applications, operating plans, leases,*
9 *licenses, permits, and other use authorizations for*
10 *mineral-related activities on lands under the jurisdic-*
11 *tion of the Bureau of Land Management and the For-*
12 *est Service, and identification of measures that would*
13 *streamline the processing of such applications, such as*
14 *elimination of overlapping requirements or set dead-*
15 *lines;*

16 *(4) an itemized list of all use authorizations re-*
17 *ferred to in paragraph (3) for which applications are*
18 *pending before the Bureau of Land Management and*
19 *the Forest Service, and the length of time each of*
20 *those applications has been pending;*

21 *(5) an assessment of the impact of litigation on*
22 *processing or issuing mineral exploration and mine*
23 *permits, identification of the statutes the litigation*
24 *was brought under, and the cost to the agency or the*

1 *Federal Government, including for payments of attor-*
2 *ney fees;*

3 *(6) an update of the 2009 Economic Impact of*
4 *the Department of the Interior's Programs and Ac-*
5 *tivities report to include locatable minerals;*

6 *(7) an assessment of the Federal workforce with*
7 *educational degrees and expertise in economic geology,*
8 *geochemistry, mining, industrial minerals, metal-*
9 *lurgy, metallurgical engineering, and mining engi-*
10 *neering, including—*

11 *(A) retirement eligibility and agency plans*
12 *for retention, recruitment, and succession plan-*
13 *ning;*

14 *(B) comparison of the existing Federal sala-*
15 *ries and recruitment and retention bonuses with*
16 *the salaries, recruitment incentives, and reten-*
17 *tion packages normally offered in the mineral*
18 *industry; and*

19 *(C) examination of the differences between*
20 *Federal and private financial packages for early-*
21 *, mid-, and late-career workers; and*

22 *(8) an inventory of rare earth element potential*
23 *on the Federal lands, and impediments or restrictions*
24 *on the exploration or development of those rare earth*
25 *elements, and recommendations to lift the impedi-*

1 *ments or restrictions while maintaining environ-*
2 *mental safeguards.*

3 *(b) PROGRESS REPORTS.—Not later than one year*
4 *after the date of enactment of this Act, and each year there-*
5 *after for the following two years, the Secretary of the Inte-*
6 *rior shall submit to Congress and make available to the*
7 *public a report that describes the progress made in reaching*
8 *the policy goals described in section 3(b), including—*

9 *(1) efforts to increase access to domestic supplies*
10 *of minerals, and facilitation of their production; and*

11 *(2) implementation of recommendations con-*
12 *tained in—*

13 *(A) the National Research Council re-*
14 *ports—*

15 *(i) Minerals, Critical Minerals, and*
16 *the U.S. Economy;*

17 *(ii) Managing Minerals for a Twenty-*
18 *First Century Military; and*

19 *(iii) the current workforce study au-*
20 *thorized in sections 385 and 1830 of the*
21 *Energy Policy Act of 2005 (119 Stat. 744,*
22 *1137);*

23 *(B) the Department of Energy Critical*
24 *Minerals Strategy I and II; and*

1 (C) the Department of Defense assessment
2 and plan for critical rare earth elements in de-
3 fense applications required under section 843 of
4 the National Defense Appropriations Act for Fis-
5 cal Year 2011.

6 **SEC. 5. NATIONAL MINERAL ASSESSMENT.**

7 For the first National Mineral Assessment conducted
8 after the date of enactment of this Act, the United States
9 Geological Survey shall include mineral assessments for
10 those mineral commodities important to the Nation's energy
11 infrastructure, manufacturing and agricultural industries,
12 and to the national defense. Priority should be given to
13 minerals that are critical based on the impact of a potential
14 supply restriction and the likelihood of a supply restriction.

15 **SEC. 6. GLOBAL MINERAL ASSESSMENT.**

16 The United States Geological Survey is directed to ex-
17 pand the current Global Mineral Assessment to include
18 mineral assessments for rare earth elements and other min-
19 erals that are critical based on the impact of a potential
20 supply restriction and the likelihood of a supply restriction.
21 Assessments conducted under this section shall include an
22 analysis, developed with participation by the National
23 Minerals Information Center and in consultation with ap-
24 propriate agencies, of the rare earth elements or other crit-
25 ical minerals supply chain and associated processes and

1 products, including mining, processing, recycling, separa-
2 tion, metal production, alloy production, and manufac-
3 turing of products sold to end users. In conducting the as-
4 sessment, the United States Geological Survey should co-
5 ordinate with the heads of foreign geologic surveys when
6 possible.

7 **SEC. 7. DEFINITIONS.**

8 *In this Act—*

9 (1) *INVENTORY.*—The term “inventory” means
10 an accounting of known mineral occurrences and
11 mineral deposits, including documentation of identi-
12 fied resources.

13 (2) *MINERAL ASSESSMENT.*—The term “mineral
14 assessment” means an assessment of undiscovered
15 mineral resources that includes a qualitative assess-
16 ment and a quantitative assessment of such resources.

17 (3) *QUALITATIVE ASSESSMENT.*—The term
18 “qualitative assessment” means a geologic-based de-
19 lineation (mapping) of areas permissive for the occur-
20 rence of undiscovered mineral resources, based on all
21 available geotechnical data including geology, geo-
22 physics, geochemistry, remote sensing, and mineral lo-
23 calities data.

24 (4) *QUANTITATIVE ASSESSMENT.*—The term
25 “quantitative assessment” means a probabilistic esti-

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