

June 10, 2013

The Honorable Jack Reed
Chairman
728 Hart Senate Office Building
Washington, DC 20510

The Honorable Lisa Murkowski
Ranking Member
709 Hart Senate Office Building
Washington, DC 20510

The Honorable Mike Simpson
Chairman
2312 Rayburn House Office Building
Washington, DC 20515

The Honorable Jim Moran
Ranking Member
2252 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen Reed and Simpson and Ranking Members Murkowski and Moran:

The administration has targeted the U.S. Geological Survey's (USGS) Mineral Resources Program (MRP), which includes the National Minerals Information Center (NMIC), for a substantial funding cut in the FY 2014 USGS budget request.

As you are aware, the mission of the NMIC, formerly the Minerals Information Team, is to collect, report and analyze national and international data on the supply of nonfuel minerals critical to the U.S. economy and national security. President Obama's proposed cut to the MRP of \$2.4 million, \$1.2 million of which will directly target the NMIC, would severely limit the NMIC's ability to produce accurate and timely data by eliminating the international data collection and analyses component.

We urge you to restore the \$2.4 million to the MRP and NMIC budget in the upcoming FY 14 interior and environment appropriations bill.

Since Congress transferred the NMIC from the former U.S. Bureau of Mines to the USGS in FY 1996, it has suffered a continually shrinking budget, yet its mandate and importance has not changed. It is the only organization tasked with providing a comprehensive source of nonfuel mineral analyses to all levels of domestic government, including the Department of Defense to help manage the National Defense Stockpile.

The United States is the world's largest user of mineral commodities, with processed materials of mineral origin accounting for more than \$704 billion in the U.S. economy in 2012. Recent data from the NMIC indicates that U.S. import reliance is now more than 50 percent for 41 critical minerals consumed and a full 100 percent reliance for 17 other minerals.

The NMIC should be better supported and fully funded. NMIC's budget has been arbitrarily maintained at roughly 30 percent of the USGS MRP budget ever since its transfer to the USGS. This is despite increasing requests for further collaboration by the NMIC customers (including the mining industry, Congress, other federal agencies and the White House) and recommendations by the National Research Council in its 2008 report, "Minerals, Critical Minerals, and the U.S. Economy," as well as the 2011 report by the American Physical Society

and Materials Research Society titled, “Energy Critical Elements: Securing Materials for Emerging Technologies.” Additionally, DOE’s 2010 “Critical Materials Strategy Report” notes that department is reliant on the NMIC data for its reports and reemphasizes the necessity of the data to future critical material security.

Both the public and private sectors use the information in the reports issued by the NMIC to better understand supply, demand and the end use of minerals, including rare earth elements and other critical energy elements essential for defense systems, wind turbines, computer hard drives, precision-guided munitions and hybrid-electric batteries. These data are essential for the effective use of our natural resources and for accurate forecasting. Considering there is no other unbiased source for these comprehensive data, the loss of this information will place domestic users and manufacturers at a severe disadvantage. Reduced funding for the USGS and its minerals information center is counterproductive to the administration’s stated goal of energy independence for the U.S.

We greatly appreciate your past support for the program and urge you to again support full funding of the NMIC, so it may continue to produce the reports that are so vital to the economy and national security of the U.S.

If you have questions or for more information, please do not hesitate to contact Maggie Moore, manager of congressional affairs with the National Mining Association, via telephone at (202) 463-2653 or via e-mail at mmoore@nma.org.

Signed Multiple Organizations:

Aluminum Association
American Association of Petroleum Geologists
American Association of State Geologists
Industrial Minerals Association – North America
International Association of Machinists and Aerospace Workers
National Federation of Federal Employees
National Lime Association
National Mining Association
National Stone, Sand and Gravel Association
Northwest Mining Association
Portland Cement Association
Society for Mining, Metallurgy and Exploration
Steel Manufacturers Association
U.S. Magnetic Materials Association