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H.S. House of Representatives Committee on Natural Resources Washington, DC 20515

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The Honorable Gene Dodaro Comptroller General U.S. Government Accountability Office 441 G. St NW Washington, DC 20548

Dear Comptroller General Dodaro,

We write to request that the Government Accountability Office (GAO) examine the extent to which foreign-controlled companies are involved in mining on federal lands. The House Natural Resources Committee has received information that U.S. mineral supply chains lack the necessary oversight and regulation to ensure that U.S. companies are in compliance with U.S. laws. Additionally, there is evidence that U.S. companies seeking mineral leases on federal lands may be subsidiaries of foreign companies, including adversarial countries, accused of serious human rights and environmental violations.

GAO has previously reported that there are over 700 operations authorized to mine hardrock minerals on federal lands, but the amount of mineral production is unknown because federal agencies do not collect data on the amount and value of hardrock minerals extracted from federal lands. Unlike oil and gas or coal mining, hardrock mining companies do not pay any royalties for the publicly owned minerals they extract. We do not know how many foreign-owned mining companies, some based in adversarial countries with histories of illegal mining practices and environmental violations, take our minerals for free and too often leave the cost of cleanup and perpetual pollution control to the American people.

Calls to expand production on federal lands as a solution to foreign dependence have not addressed the extent to which bad actors are controlling and profiting from domestic mineral extraction. If the U.S. is to combat human rights violations and environmental damage across the supply chain, it must begin at home.

Given the Committee's interest in ensuring that U.S. mining and mineral supply chains are compliant with U.S. laws and values, we are requesting that GAO examine the following:

- 1. What is known about the amount of foreign investment in mining on federal lands?
- 2. To what extent does the U.S. track the export of minerals produced on federal lands?

- 3. To what extent does the U.S. monitor and regulate foreign ownership and investment in domestic extraction on public lands, especially in cases where a foreign adversary holds a controlling stake in the project?
- 4. How can the federal government better manage mining of federal lands to ensure that companies are complying with existing U.S. rules and regulations to prevent human rights and environmental violations?
- 5. How does the U.S. compare to other countries on due diligence and transparency in mineral supply chains?

Sincerely,

Raúl M. Grijalva Member of Congress

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