

House Engrossed

~~technical correction; urging the president~~
(now: critical minerals; copper; urging inclusion)

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HOUSE CONCURRENT MEMORIAL 2003

A CONCURRENT MEMORIAL

URGING THE UNITED STATES GEOLOGICAL SURVEY TO ADD COPPER TO ITS LIST OF
CRITICAL MINERALS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 To the President of the United States of America, the Director of the
2 United States Geological Survey, the United States Secretary of the
3 Interior and the Congress of the United States of America:

4 Your memorialist respectfully represents:

5 Whereas, according to the United States Geological Survey (USGS)
6 "Mineral Commodity Summaries 2023," the estimated value of United States
7 metal mine production in 2022 was \$34.7 billion; and

8 Whereas, in 2022, copper comprised the highest total share of that
9 value, about 33%, with the United States (U.S.) producing an estimated 1.3
10 million tons of copper valued at approximately \$11.45 billion; and

11 Whereas, globally, the U.S. produced about 5.9% of all copper in
12 2022 and was the fifth largest producer, behind Chile, Peru, Congo and
13 China; and

14 Whereas, Arizona ranked number one in the country for total value of
15 nonfuel mineral production in the U.S., with copper representing the
16 principal nonfuel mineral commodity produced in 2022; and

17 Whereas, according to Standard & Poor's "The Future of Copper," the
18 demand for copper to supply the rapid deployment of new energy
19 technologies, such as electric vehicles, batteries and solar
20 photovoltaics, while continuing to serve all other sectors that are
21 dependent on copper for economic growth, is expected to double to 50
22 million metric tons by 2035 and reach more than 53 million metric tons by
23 2050; and

24 Whereas, the expected and rapid rise in demand presents an immediate
25 need for the mining and exploration industries to increase global supplies
26 of copper and copper reserves, which U.S.-based and U.S.-aligned companies
27 are willing and able to provide; and

28 Whereas, funding from the Bipartisan Infrastructure Law, CHIPS &
29 Science Act, and Inflation Reduction Act will invest more than \$135
30 billion on projects related to critical minerals sourcing and processing
31 for the development of advanced manufacturing and America's energy future;
32 and

33 Whereas, in October 2022, the White House launched the American
34 Battery Materials Initiative to align and leverage federal resources to
35 grow a more resilient and domestic end-to-end supply chain for the
36 manufacture of battery energy storage systems and electric vehicles, as
37 well as to support the faster and fairer development and permitting of
38 domestic projects to accelerate increased domestic energy and mineral
39 production; and

40 Whereas, the supply chain issues that the U.S. experienced during
41 the COVID-19 pandemic demonstrated how easily projects can be delayed when
42 critical materials are suddenly not available for months; and

43 Whereas, developing domestic supplies of critical minerals and
44 strategic metals ensures a reliable supply chain that is not subject to
45 global disruptions, provides domestically sourced materials for U.S.

1 manufactured products and creates jobs across the entire mining lifecycle
2 for metals that are essential to batteries, electric vehicles and other
3 energy technologies; and

4 Whereas, in addition to significant efforts to develop the
5 processing and manufacturing facilities for energy metals, the USGS
6 developed the Earth Mapping Resources Initiative to study different
7 regions and mineral systems to better understand where critical minerals
8 can be found, identify potential mineralized areas containing critical
9 minerals and which minerals might be at high enough concentrations for
10 extraction, and to provide basic geologic data to the public. This data
11 can be used freely by the mining and exploration industries to seek
12 additional deposits of critical minerals and hopefully pursue development
13 and extraction of such critical resources; and

14 Whereas, in response to Executive Order 13817 of December 20, 2017,
15 "A Federal Strategy to Ensure Secure and Reliable Supplies of Critical
16 Minerals," the United States Secretary of the Interior, in coordination
17 with the heads of other relevant executive departments or agencies,
18 developed a list of 35 "critical minerals" that were nonfuel mineral or
19 mineral material essential to the economic and national security of the
20 United States, the supply chain of which is vulnerable to disruption, and
21 that serves an essential function in the manufacturing of a product, the
22 absence of which would have significant consequences for our economy or
23 our national security; and

24 Whereas, section 7002 of the Energy Act of 2020 (Public Law 116-260)
25 directed the U.S. Secretary of the Interior to, through the Director of
26 the USGS, designate a list of critical minerals and update that list every
27 three years. It also instructed the USGS to conduct domestic resource
28 assessments of critical minerals and make that information publicly
29 available; and

30 Whereas, in 2022, the USGS issued a 2022 final list of critical
31 minerals (87 FR 10381), "2022 Final List of Critical Minerals," which was
32 determined using the most up-to-date scientific methods to evaluate
33 mineral criticality and contains 15 more commodities than the 2018 list of
34 critical minerals, increasing the number of mineral commodities included
35 in the list from 35 to 50; and

36 Whereas, of the 50 mineral commodities identified in the 2022 list
37 of critical minerals, the U.S. was 100% net import reliant for 12, and an
38 additional 31 critical mineral commodities had a net import reliance
39 greater than 50% of apparent consumption; and

40 Whereas, according to the USGS "Methodology and Technical Input for
41 the 2021 Review and Revision of the U.S. Critical Minerals List," the
42 criteria threshold for a commodity's inclusion in the list of critical
43 minerals is a recency-weighted mean supply risk score of at least .40, and
44 commodities that meet or exceed this score are recommended for inclusion
45 on this list; and

1 Whereas, USGS data collection and analysis considers emerging issues
2 in crucial supply chains and, every three years, identifies the nation's
3 current vulnerabilities to potential disruptions; and

4 Whereas, copper has always been critical to our national security,
5 water infrastructure and electrical and energy infrastructure, and recent
6 significant increases in the supply risk, particularly from adversarial
7 countries like China and Russia, have only increased the risk of
8 disruption to global copper supplies and have made its immediate inclusion
9 on the critical mineral list necessary; and

10 Whereas, copper was not included in the 2018 or 2022 critical
11 minerals list; and

12 Whereas, with the release of the draft 2022 list, a new qualitative
13 methodology was created to look more closely at a supply risk score by
14 calculating the economic vulnerability, disruption potential and trade
15 exposure of various minerals; and

16 Whereas, in a 2022 letter to Utah Governor Spencer Cox, USGS
17 Associate Director for Energy and Mineral Resources, Sarah Ryker, stated
18 that "If the criticality status of a mineral commodity were to change
19 significantly in the near term, the USGS would publish information on the
20 changed circumstances without waiting for a 3-year update cycle"; and

21 Whereas, the share of copper consumption that is met by net imports
22 has increased from 31% in 2016 to 49.3% in 2021 and, in the first half of
23 2022, the U.S. reliance on net imports remained at 48 percent; and

24 Whereas, since 2018, the risks to copper from imports have increased
25 dramatically; and

26 Whereas, in 2023, the Copper Development Association issued a report
27 replicating the USGS's methodology for determining mineral criticality and
28 determined that copper's updated supply risk score in 2022 was 0.423, and
29 the four-year weighted average score is now 0.407, both of which are above
30 the USGS's 0.40 threshold for automatic inclusion on the critical minerals
31 list ("Copper Meets Inclusion Criteria for U.S. Geological Survey's
32 Critical Minerals List"); and

33 Whereas, in 2023, a group of six U.S. senators, including Senators
34 Kyrsten Sinema and Mark Kelly from Arizona, wrote a letter to the
35 Honorable Deb Haaland, Secretary of the U.S. Department of the Interior,
36 urging her to "revisit and consider" the designation of copper as a
37 critical mineral; and

38 Whereas, given copper's major role in state and national economic
39 development, national security and infrastructure, copper is a critical
40 mineral and should be included on the USGS's list of critical minerals;
41 and

42 Whereas, the recently available data, dramatic rise in the supply
43 risk score, significant change in circumstances and critical status of
44 copper merit immediate attention and require the USGS to publish updated

1 information without having to wait for the conclusion of its next 3-year
2 update cycle; and

3 Whereas, designation of copper on the critical minerals list will
4 significantly benefit and protect the United States as we continue to
5 invest in an emerging energy economy and other copper-intensive
6 applications; and

7 Whereas, by recognizing copper as a "critical mineral," the United
8 States government can more effectively ensure a secure and reliable supply
9 of domestic copper resources in the years to come, achieve mineral
10 independence and promote the development of its strategic commercial and
11 industrial sectors that are dependent on copper supplies.

12 Wherefore your memorialist, the House of Representatives of the State of
13 Arizona, the Senate concurring, prays:

14 1. That the United States Geological Survey add copper to its list
15 of critical minerals.

16 2. That the United States Department of the Interior and United
17 States Congress support the United States Geological Survey in adding
18 copper to the United States Geological Survey critical minerals list.

19 3. That the Secretary of State of the State of Arizona transmit
20 copies of this Memorial to the President of the United States, the
21 President of the United States Senate, the Speaker of the United States
22 House of Representatives, the Secretary of the United States Department of
23 the Interior, the Director of the United States Geological Survey and each
24 Member of Congress from the State of Arizona.