

STATEMENT BY COMMON SENSE AMERICA PRESIDENT STEVE CRIM

First and foremost, I would like to express my gratitude to each and every one of you for standing up for America's agriculture and defense sectors by protecting the production and use of critical minerals such as lithium, cobalt, and phosphate. My name is Steve Crim, and I am the Executive Director of Common Sense America (CSA), an advocacy group dedicated to advancing a common sense approach to our government.

An overwhelming majority of Americans understand the threat China plays to our very way of life. According to Pew Research Center, 67% of Americans view China as a threat. Yet too often, partisan politics gets in the way of real action to protect our country from this existential threat.

When it comes to critical minerals, the "keep it in the ground" mentality of environmental groups plays into China's strategy by hindering mining and production of America's critical minerals.

Two weeks ago China restricted the export of gallium and germanium which are used in the production of semiconductors, solar panels, and missile systems. The Wall Street Journal called this move more than just a "trade salvo" but a warning to the US. That's because China processes around two thirds of the world's lithium and cobalt and is the source of nearly 60% of aluminum and 80% of polysilicon. These minerals are key to producing the cars, phones, lights, and other products we use everyday. The realization that a foreign adversary holds such control over the items we use daily is troubling.

Yet, the situation can escalate further, potentially impacting our food supply. According to the USGS, China is the world's largest producer of phosphate and Russia is fourth. Together they produce almost five times the phosphate America produces. In fact, in the second half of last year, China reduced the export of phosphate from 5.5 million tonnes to 3 million tonnes—a 45% decrease in exports over the same time the previous year.

And that's why your work here today is so important.

There's no doubt that China fears your ability to safeguard our critical minerals, but that's why they have been attempting to circumvent your efforts by focusing their efforts on local communities across America—communities just like Goodyear.

Their strategy is clear—influence local governments and communities to keep America's critical minerals in the ground. This fact became painfully clear in March when the Office of National Security released its threat assessment. It found that China was "redoubling its efforts to build influence at the state and local level to shift U.S.

policy in China's favor because of Beijing's belief that local officials are more pliable than their federal counterparts."

We have witnessed reports of China's spy balloons surveilling our military operations and farmland; their acquisition of vast tracts of American lands; data collection through platforms like TikTok, the use of "spy cranes" to disrupt supply chains and gather shipment data, and even operating illegal secret police stations.

It has become evident that China will utilize any and every tool available to them to infiltrate our local governments and communities - even Hollywood.

Case in point, a Hollywood production company, owned and controlled by a Chinese national, produced a propaganda film about phosphate. This company, Cinema Libre Studios, produced and distributed a film called PhosFate—a film that demonizes phosphate and was used as part of a larger influence campaign to encourage local governments to support policies that ban phosphate mining.

These "documentaries" are an example of how real and imminent the threat of Chinese infiltration and manipulation is, especially at the local level. Unlike members of Congress, many local elected officials do not have professional staff, agency review or systems to vet material brought before them. This vulnerability makes it easier for China to impact local policy in support of their strategic goals.

But, their influence goes beyond Hollywood and seeps into environmental organizations that often oppose American industries. Requiring these organizations to disclose foreign donors is crucial for ensuring transparency and protecting American interests.

One such organization is the Center for Biological Diversity, which frequently files lawsuits to prevent the exploration and development of critical minerals - potentially threatening American national security. Their lawsuits have created a hostile environment for our nation's companies—and even our governmental permitting agencies - to operate.

They have led over 2,000 lawsuits and just as recently as last week here in Arizona, they sought a court order to stop a copper mining exploration project. Under the Endangered Species Act, this organization can recover attorney fees, often paid for by taxpayers, regardless of the merits of their cases. This practice places an undue financial burden on taxpayers, diverts resources away from essential government programs, and stifles the growth of our industries.

Worst of all, it aligns with the Office of National Intelligence warnings and shifts US policy in China's favor.

In conclusion, the issue of America's food independence demands our immediate attention and concerted efforts. By designating phosphate as a critical mineral, implementing measures to curtail foreign influence, and ending the recovery of attorney's fees in frivolous lawsuits, we can safeguard our nation's food supply, protect American industries, and promote common-sense policies that our citizens deserve.

Let us work together to ensure a self-reliant and resilient America in the face of these pressing challenges. I extend my heartfelt appreciation to you all for conducting this public hearing on this critical issue and for your unwavering dedication to the well-being of our great nation.