



July 9, 2013

Representative Mark Amodei  
222 Cannon House Office Building  
Washington, DC 20515

Dear Representative Amodei:

On behalf of the American Foundry Society (AFS), thank you for introducing the National Strategic and Critical Minerals Production Act of 2013 (H.R. 761). AFS strongly supports this measure which is designed to more efficiently develop our domestic supply of critical minerals and streamline the permitting process. The legislation would require federal agencies, including the Interior Department, to promote critical mineral production. These minerals are of strategic and vital importance to our national security and manufacturing competitiveness. We greatly appreciate your leadership and look forward to working with you to enact this important legislation.

AFS is the major trade and technical association of the North American metalcasting industry, with over 8,000 members representing nearly 3,000 metalcasting firms. Metal castings are the foundation for all other manufacturing. In fact, 90 percent of all manufactured goods depend upon engineered castings during their manufacture or in their makeup. The major industries supplied by metalcasters include agriculture, construction, mining, railroad, automotive, aerospace, communications, health care, defense, and national security.

The U.S. metalcasting industry provides employment for over 200,000 men and women directly and supports thousands of other jobs indirectly. The industry supports a payroll of more than \$8 billion and sales of more than \$32 billion annually. Metalcasting plants are found in every state, and the industry is made up of predominately small businesses. More than 80 percent of domestic metalcasters have fewer than 100 employees.

Rare earth minerals are a crucial resource used by numerous manufacturers, including the U.S. metalcasting industry. These minerals are not only used by a segment of the metalcasting industry, but are also found in the final product of many of our customers, such as automobiles, aircraft engines, mining equipment, and medical devices to name just a few.

The U.S. is home to an abundance of untapped strategic and critical minerals capable of helping meet our nation's vast manufacturing and national security needs. Yet a host of policies that discourage the U.S. from developing our mineral resources and years of permitting delays prevent American companies from utilizing many of these abundant resources, leaving our nation's manufacturing supply chain often dependent on foreign resources from countries like China, which currently controls 97% of the world's rare earth supply. Over the past few years,

demand for many of these minerals has increased substantially. This has resulted in significant shortage of some key minerals and increased prices as well.

Some metalcasters produce ductile iron castings which rely on the following four rare earth elements (REEs) - Lanthanum, Cerium, Praseodymium, and Neodymium. Ductile iron castings are used in such diverse applications as: automobiles and class 8 trucks as suspension and brake components, wind turbines as structural components, oil wells as pump and valve components, and agricultural tractors as engine manifolds and seed distributors.

Presently, there are no effective substitutes for the REE being used in ductile iron casting production. REE supply shortages could affect the metallurgical quality of the ductile iron some of our members produce.

The National Strategic and Critical Minerals Production Act provides Congress with the opportunity to bring much-needed revitalization to the minerals mining permitting process, helping to keep the United States competitive in the global marketplace and ensure economic and national security. Furthermore, it will prevent the U.S. from becoming further dependent on foreign sources of these critical resources.

Thank you for your commitment to U.S. manufacturing and introducing the National Strategic and Critical Minerals Production Act. If you have any questions, please do not hesitate to contact me or Stephanie Salmon in our AFS Washington office – [ssalmon@afsinc.org](mailto:ssalmon@afsinc.org) or 202/842-4864.

Sincerely,



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