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## Issue 25 - September 23, 2020

### **This Week in COVID-19 News**

The passing of U.S. Supreme Court Justice Ruth Bader Ginsburg scrambled the political calculus in Washington, adding another major moving part with elections less than six weeks away. The House passed a temporary government-wide funding bill Tuesday night, sending the stopgap measure onto the Senate to avert a government shutdown on October 1. The National Mining Association's (NMA) efforts to advance mining's interests with congressional committees and federal agencies continue, with efforts focused on education and coalition building, including public communications regarding the essential nature of mining, safety actions taken by our members, and contributions being made by NMA member companies. Plus we have updates on the economy and how energy and mining markets are faring.

### **Safety Share**

Yesterday marked the first day of fall. The National Safety Council has [autumn safety tips](#).

## House Considers a New Energy Bill

Today, the House began consideration of a broad energy package, [H.R. 4447](#), the “Clean Economy Jobs and Innovation Act.” Made up of several bills from the House Science, Space and Technology Committee and the Energy and Commerce Committee, the package seeks to boost spending and secure new demonstration projects for a host of clean energy technologies through Department of Energy (DOE) research and development. The package also includes NMA-supported provisions found in the Critical Materials Caucus Co-chair Eric Swalwell’s (D-Calif.) “Securing Energy Critical Elements and American Jobs Act of 2019,” which would authorize DOE to carry out the Energy Critical Materials (ECM) program for the purposes of research, development, demonstration and commercial application to assure the long-term, secure and sustainable supply of ECMs to satisfy U.S. national and economic security.

Several amendments were made in order to reduce America’s dependence on foreign sources of critical minerals, better secure our supply chains and ensure reliable and affordable energy. In addition, as provisions were included to increase funding for renewable energy and create a trackable database to report on the type of energy and emissions produced on federal public lands. The amendments are likely to move in groups to limit roll call votes amid the pandemic. A memo detailing the legislation is available [here](#). The White House issued a [Statement of Administration Policy](#) opposing the bill, saying that H.R. 4447 “would implement a top-down approach that would undermine the administration’s deregulatory agenda and empower the government to select favored solutions while reinstating big-government policies and programs.”

## Senate ESA Legislation and EPW Hearing

Last week, Senate Environment and Public Works (EPW) Committee Chairman John Barrasso (R-Wyo.) introduced the Endangered Species Act (ESA) Amendments of 2020 (S. 4589). The legislation, modeled on a discussion draft released by the Chairman in 2018, brings together feedback from stakeholders across the political spectrum in order to modernize the ESA to improve species outcomes and create workable solutions for multiple-use land users. The bill also brings additional transparency to listing decisions and elevates the role states have in implementation of the ESA.

Today, the EPW Committee held a legislative [hearing](#) on S. 4589. During the hearing, entitled “Modernizing the Endangered Species Act: Legislative Hearing on S. 4589, the Endangered Species Act Amendments of 2020,” the committee heard from witnesses, include Wyoming Governor Mark Gordon, Aliese “Liesa” Priddy (owner and operator of the JB Ranch), and Jamie Rappaport Clark (president and CEO of the Defenders of Wildlife). A memo detailing the legislation and hearing is available [here](#). The NMA [offered our comments](#) for the legislative record at today’s hearing.

## Congressional Support for New NEPA Regulations

Earlier this week, as part of their [Commitment to America](#), House Republicans, led by Rep. Garret Graves (R-La.), ranking member of the House Select Committee on Climate Crisis, introduced the “Building U.S. Infrastructure through Limited Delays & Efficient Reviews (BUILDER) Act” ([H.R. 8333](#)). The bill, which is a compilation of efforts from the House Natural Resources, the Transportation and Infrastructure, Energy and Commerce, and Judiciary Committees, codifies many of the actions taken by the Council on Environmental Quality (CEQ) to reform National Environmental Policy Act (NEPA) regulations. The legislation also aligns with many of the recommendations NMA made to CEQ earlier in the year. Please find a copy of NMA’s memo on the CEQ’s final NEPA reforms [here](#).

## House E&C Hearing on Low-Carbon Recovery

The House Energy and Commerce Environment and Climate Change Subcommittee last week held a [hearing](#) entitled, “Building a 100 Percent Clean Economy: Opportunities for an Equitable, Low-Carbon Recovery.” The hearing is the fourth in the series looking at clean economy opportunities. Ranking Member John Shimkus (R-Ill.) used his time to highlight the need for energy that is both affordable and reliable. The panel heard [testimony](#) from Dr. Michelle Michot Foss from Rice University’s Baker Institute who spoke on the energy and economic security risks we face concerning materials that will be needed for building out complex “green” energy systems. She underscored that our growing dependence on critical minerals in these new energy systems raises serious supply chain, national security, economic security, and environmental issues that have not received the attention they deserve. Speaking on behalf of the majority, the *International Brotherhood of Electrical Workers* International President Lonnie Stephenson [testified](#) in support of baseload energy sources, including coal, stating, “These baseload power sources are important to maintaining the security and reliability of our nation’s electric grid.”

## Congress Targets the Production Tax Credit

Today, Senator Lankford (R-Okla.) and Congressman Marchant (R-Texas) both members of the Senate Finance Committee and House Ways and Means Committee, introduced [legislation](#) to eliminate the production tax credit (PTC) for wind energy electricity production. Both members of Congress introduced similar legislation in 2015. Congress subsequently enacted legislation to phase out the PTC through the end of 2019. However, at the end of 2019, Congress extended the PTC through the end of 2020. Senator Lankford and Congressman Marchant intend for the legislation to enforce the congressional phase out of the PTC. Coal producers have identified the PTC as a substantial competitive barrier with other electricity generating fuels. The American Wind Energy Association has [previously stated](#), it believes the wind energy industry would remain competitive without the PTC.

## Mine the Vote

The looming general elections will be a marked inflection point in the future of American mining. Will we see anti-mining and higher tax policies, an aggressive regulatory agenda or continued support for policies that help to enable affordable American energy and a robust domestic mineral supply?

The ongoing global pandemic has altered work dynamics and reinforced employer communications as the most credible source of information for employees. According to the 2020 Edelman Trust Barometer, since the start of the pandemic “my employer” was the most trusted institution by 18 points over business and NGOs, and by 27 points over government and media.

The NMA provides a tool that makes it easy to reach out to employees, vendors and community partners: **Mine the Vote** provides valuable information about:

- Voter registration
- Early voting
- Absentee ballots
- Polling locations

NMA has prepared **a brief message** that can be customized to invite employees, vendors and partners to utilize the Mine the Vote platform. NMA is offering the following materials upon request:

- Mine the Vote Posters that can be displayed on bulletin boards at headquarters and operations sites;
- Flyers that can be handed out at company and community events; and
- Hard hat stickers.

To request materials or to get more information on the Mine the Vote platform please contact Matthew Roper at **mroper@nma.org** or (202) 463-2663.

**“Innovate First” Proposal Introduced**

Reps. David McKinley (R-WV) and Kurt Schrader (D-OR) on September 17, 2020, released a legislative proposal to innovate and regulate the decarbonization of the power sector. Full text of the [bill proposal](#) and a [section-by-section](#) outline were published. Outlined in [an opinion piece in the USA Today's Hidden Common Ground Section](#), the “Innovate First” proposal would establish a framework for the modernization of the power sector by midcentury through investments in innovation and technology infrastructure, including continued research and demonstration of advanced carbon capture utilization and storage. The bill also provides tax incentives and enhanced research and development for advanced renewables and energy storage and transmission technologies.

The bill would extend the production tax credit for land-based wind and the investment tax credit for solar for eight years. The 45Q tax credit for carbon storage would also be extended an additional eight years. It also establishes a Clean Energy Standard (CES) for the electric power sector that would reduce sectoral carbon emissions by 80 percent by 2050, creating a sector that is 95 percent clean generation by 2050. Reps. McKinley and Schrader expect to introduce the legislation sometime later this year. NMA will continue to engage directly with our members and Reps. McKinley and Schrader on this important legislation.

## **Reports on COVID Legislation Implementation Issued**

The Congressional Budget Office (CBO) on September 18, 2020, published a report on [“The Effects of Pandemic-Related Legislation on Output.”](#) CBO forecasted expected inflation of 4.7 percent in 2020 and 3.1 percent in 2021.

The U.S. Government Accountability Office on September 21, 2020, published a report on loan forgiveness procedures for the Paycheck Protection Program (PPP) recipients. [“COVID-19: Federal Efforts Could Be Strengthened by Timely and Concerted Actions”](#) concluded that lenders have made more than 5.2 million loans totaling \$525 billion through PPP. As of September 8, only 56,000 applications for forgiveness have been granted by the Small Business Administration.

## NMA and Third-Party Voices

The NMA is partnering with RealClearPolitics for a panel discussion titled, “Reinventing Our Domestic Minerals Supply Chain in a Post-Pandemic World.” Speakers include the co-chairs of the House Critical Materials Caucus – Reps. Eric Swalwell (D-CA) and Guy Reschenthaler (R-PA) – as well as Morgan Bazilian, Director of the Payne Institute, Colorado School of Mines; Joe Bryan, Senior Fellow, Atlantic Council; and Jane Nakano, Senior Fellow, Center for Strategic and International Studies. Those wishing to participate on October 1 at 10:30 a.m. Eastern should register [here](#).

The NMA and its third parties continue to place editorials across the country on the importance of our industry to the country and economy.

This week the [Lima News](#) (OH) carries an op-ed by Dr. Robert Chase, previous professor and chair of the Department of Petroleum Engineering and Geology at Marietta College, in which he argues we must support U.S. manufacturing and mining to compete with China head-on.

## Economic Impact

Initial claims for unemployment benefits [totaled 790,000 last week](#), down from 866,000 the previous week.

The Federal Reserve indicated that it will keep interest rates unchanged [until at least 2023](#).

*Reuters* reported U.S. [consumer sentiment improved](#) in early September.

*Bloomberg* reported two-way investment between the U.S. and China slumped to the [lowest in almost nine years](#) during the first half of 2020.

## Energy and Mining News

[Mining.com reports](#) that the world's gold mining companies are hesitant to increase mine production and investment despite high gold prices amid COVID-19.

[BW Research Partnership's energy employment data update](#) shows that "the U.S. energy sector added 18,800 jobs in July, leaving over 1.13 million energy workers out of work despite nationwide re-openings. There remains a nearly 14 percent decline over pre-COVID-19 employment levels." The group also reports that "Coal mining and electric power generation lost more than 450 jobs in July, totaling about 12,500 jobs lost since the start of the pandemic or a 13 percent decline."

[Argus Media reports](#) on consultancy Energy Venture Analysis's coal forecast indicating that U.S. coal demand should recover next year to 460 million short tons.

According to the [BP Energy Outlook 2020 report](#), global energy demand is expected to continue to grow driven by increasing prosperity and living standards by the emerging world. BP sees demand increasing about 25% by 2050.

Argus Media reports that a draft study by Potomac Economics showed that 83% of coal unit starts in the MISO ISO region were economic last year. The Potomac Economics quarterly report with the highlights of the coal study is on page 10 [here](#).

## NMA COVID-19 Resources

The NMA team is maintaining a comprehensive suite of online resources for [Coronavirus Assistance and Response](#). Resources include both [health, safety and business assistance](#) for NMA members and a chronicle of the American [mining industry's response to the current crisis](#).

## Tell Us About Your COVID-19 Response

We are continually gathering information about how the COVID-19 crisis is affecting our members. Information will be used in discussions with policymakers and decision makers at all levels of government and will help illustrate how mining is giving back to the communities where we live and work. Please [contact Ashley Burke](#) with ongoing accounts of your responses to the global pandemic.

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