



February 6, 2025

Chairman Porter and Members of the House Energy and Natural Resources Committee,

Thank you for the opportunity to testify in support of House Bill 1459, which is essential to advancing the production of rare earth elements and critical minerals from North Dakota's lignite coal seams. These resources present a major opportunity to strengthen and diversify the state's lignite industry while unlocking the potential of one of North Dakota's most valuable natural assets.

Critical and rare earth minerals are essential to modern technology and national security, yet China dominates their production and processing. Recent export bans on key minerals like antimony, gallium, and germanium have disrupted global supply chains, highlighting the urgent need for a domestic source. North Dakota, with its 800-year supply of lignite coal rich in these minerals, is uniquely positioned to help. The Lignite Research Council and EERC are advancing research to extract critical minerals from lignite, laying the groundwork for a transformative industry that strengthens U.S. supply chain security.

House Bill 1459 is a crucial step in unlocking North Dakota's potential for critical mineral production. It establishes a clear regulatory framework for extracting critical minerals from existing coal mining operations, ensuring environmental protections and streamlined permitting processes. The bill also clarifies that critical minerals are included in coal leases and guarantees landowners receive fair royalties, with a 2.5% share of net profits from extracted and sold minerals. By supporting responsible resource development, this legislation strengthens the lignite industry's competitiveness while maximizing economic benefits for landowners and the state.

By supporting House Bill 1459 with a "Do Pass" recommendation, North Dakota can bolster its economy, secure its energy independence, and establish itself as a leader in the critical minerals supply chain—reducing economic risks associated with foreign reliance. I respectfully ask the committee for its support in advancing this important legislation.

Jonathan Fortner  
Vice President of Government Relations  
Lignite Energy Council