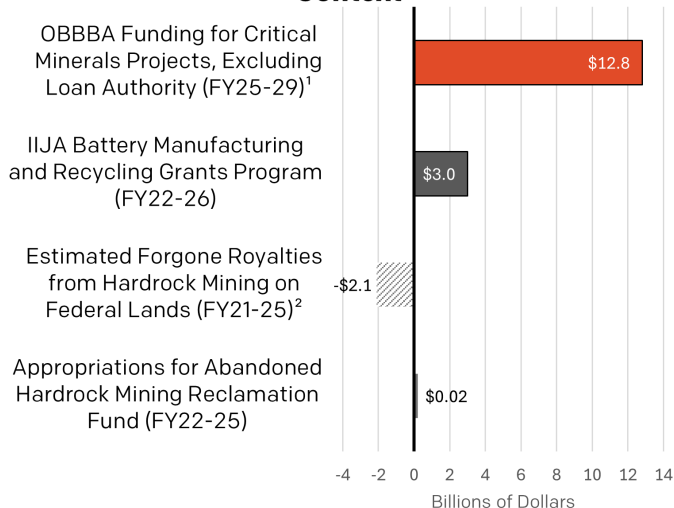


THE BIG, BAD BUDGET BILL'S MINING INDUSTRY SLUSH FUND

The **One Big Beautiful Bill Act** (OBBBA) allocated an unprecedented level of funding for critical minerals projects that amount to little more than a slush fund for the mining industry. The law includes up to **\$13 billion in direct taxpayer giveaways** and **\$350 billion in loan authority** for mining (and fossil fuel) projects without any safeguards to protect communities, the environment, or even the taxpayer. This is a serious threat given the industry's toxic track record and the administration's stated goal of promoting unfettered dirty mining projects.

The OBBBA's direct taxpayer giveaways are significantly larger than recent investments in critical minerals recycling and battery manufacturing, as well as annual appropriations to mitigate mining impacts. This funding also contrasts starkly with estimated foregone government revenue due to the fact that hardrock mining is the only extractive industry that does not pay a federal royalty.

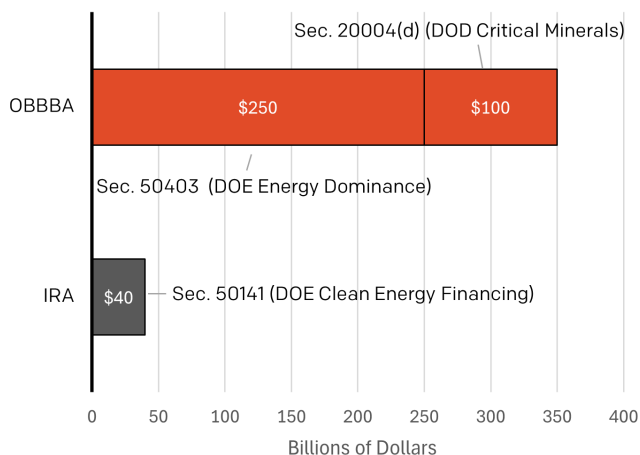
OBBBA Critical Minerals Funding in Context



[1] See Appendix A. [2] Based on CBO score for H.R. 2579.

On top of that, OBBBA's \$350 billion in loan authority for mining and fossil fuel projects is a staggering amount. That is nearly 9 times the \$40 billion that was included in the Inflation Reduction Act (IRA) for innovative clean energy projects (a program which OBBBA gutted).

Loan Authority for Select OBBBA and IRA Programs



Unfortunately, the administration is all but guaranteed to channel much of this funding to prop up as many mines as it can, rather than focusing on the parts of the supply chain that actually need strengthening (such as processing, reuse, and recycling) and ensuring that selected projects have local support and minimal environmental harm.

Congress must conduct rigorous oversight of these funds and use any available opportunity to enact strong standards to govern their use. Long-term, this funding should be repealed and redirected towards projects that reuse and recycle minerals, projects that engage with local communities, and projects that do not further contribute to the mining industry's toxic legacy.

Appendix A. List of OBBBA Critical Minerals Funding Sources

OBBBA Section	Program	Description	Direct Funding	Loan Authority
20004(a)(40)	Critical Minerals Defense Stockpile Funding	This section provides \$2 billion to “improve the United States stockpile of critical minerals through the National Defense Stockpile Transaction Fund.” The stockpile is used by DOD to acquire and distribute critical minerals for national defense purposes during emergencies. \$2 billion is a 40x increase over the FY24 appropriated level of \$50 million for the stockpile.	\$2 billion	N/A
20004(b)	General Industrial Base Fund Funding	This section provides \$3.3 billion for “grants and purchase commitments made pursuant to the Industrial Base Fund.” The Industrial Base Fund (IBF) is a DOD program that funds Defense Industrial Base needs, including addressing supply chain vulnerabilities relevant to defense purposes.	\$3.3 billion	N/A
20004(c)	Critical Minerals-Specific Industrial Base Fund Funding	This section provides a further \$5 billion specifically for “investments in critical minerals supply chains made pursuant to the Industrial Base Fund.” This section does not limit the use of other Industrial Base Fund appropriations for critical minerals projects, but is in addition to that funding.	\$5 billion	N/A
20004(d)	DOD Critical Minerals Loan Guarantees	This section authorizes up to \$100 billion in loans and other financial tools to support “critical minerals and related industries and projects” through the DOD Credit Program Account. This account was established as a pilot program in the FY24 NDAA to make investments in specific technological sectors and the FY24 Defense Appropriations Act provided just under \$1 billion (\$984 million) in loan authority for the program. \$100 billion is a more than 100x increase in loan authority for this recently created, untested program.	\$500 million	\$100 billion
30004	Defense Production Act Funding	This section provides \$1 billion “to carry out the Defense Production Act,” which recent administrations have used occasionally to provide direct taxpayer support for mining projects. Most recently, President Trump issued Executive Order 14241, which in part directs the use of the Defense Production Act for mineral production and waives several sections of the DPA to fast-track purchases by referencing the President’s national energy emergency declaration, indicating that at least some of this funding will go towards mining.	\$1 billion	N/A
50403	Energy Dominance Financing	This section reallocates up to \$250 billion in DOE loan authority from Inflation Reduction Act clean energy development priorities to “energy dominance” priorities almost exclusively focused on fossil fuels and critical minerals. Most of the IRA’s loan authority has not been committed to specific loans (and the Trump administration has begun cancelling conditional loans such as a \$4.9 billion loan for the Grain Belt Express transmission line), so the vast majority of the \$250 billion will be available for mines and other Trump administration priorities.	\$1 billion	\$250 billion
TOTAL:			\$12.8 billion	\$350 billion

