

113TH CONGRESS
2D SESSION

S. 2006

To provide for the establishment of a National Rare Earth Refinery
Cooperative, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 6, 2014

Mr. BLUNT (for himself and Mr. MANCHIN) introduced the following bill;
which was read twice and referred to the Committee on Energy and Nat-
ural Resources

A BILL

To provide for the establishment of a National Rare Earth
Refinery Cooperative, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Rare Earth
5 Cooperative Act of 2014”.

6 **SEC. 2. FINDINGS; STATEMENT OF POLICY.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

9 (1) Heavy rare earth elements are critical for
10 the national defense of the United States, advanced

1 energy technologies, and other desirable commercial
2 and industrial applications.

3 (2) The Government Accountability Office has
4 confirmed that the monopoly control of the People's
5 Republic of China over the rare earth value chain
6 has resulted in vulnerabilities in the procurement of
7 multiple United States weapons systems.

8 (3) China has leveraged its monopoly control
9 over the rare earth value chain to force United
10 States, European, Japanese, and Korean corpora-
11 tions to transfer manufacturing facilities, tech-
12 nology, and jobs to China in exchange for secure
13 supply contracts.

14 (4) China's increasingly aggressive mercantile
15 behavior has resulted in involuntary transfers of
16 technology, manufacturing, and jobs resulting in on-
17 erous trade imbalances with the United States and
18 trading partners of the United States.

19 (5) Direct links exist between heavy rare earth
20 mineralogy and thorium.

21 (6) Thorium is a mildly radioactive element
22 commonly associated with the lanthanide elements in
23 the most heavy rare earth deposits that are located
24 in the United States and elsewhere.

1 (7) Regulations regarding thorium represent a
2 barrier to the development of a heavy rare earth in-
3 dustry that is based in the United States.

4 (8) Balancing the strategic national interest ob-
5 jectives of the United States against economic and
6 environmental risks are best met through the cre-
7 ation of a rare earth cooperative.

8 (9) A rare earth cooperative could—

9 (A) greatly increase rare earth production;

10 (B) ensure environmental safety; and

11 (C) lower the cost of the production and fi-
12 nancial risks faced by rare earth producers in
13 the United States.

14 (10) Historically, agricultural and electric co-
15 operatives have stood as one of the greatest success
16 stories of the United States.

17 (b) STATEMENT OF POLICY.—It is the policy of the
18 United States to advance domestic refining of heavy rare
19 earth materials and the safe storage of thorium in antici-
20 pation of the potential future industrial uses of thorium,
21 including energy, as—

22 (1) thorium has a mineralogical association
23 with valuable heavy rare earth elements;

1 (2) there is a great need to develop domestic re-
 2 fining capacity to process domestic heavy rare earth
 3 deposits; and

4 (3) the economy of the United States would
 5 benefit from the rapid development and control of
 6 intellectual property relating to the commercial de-
 7 velopment of technology utilizing thorium.

8 **SEC. 3. DEFINITIONS.**

9 In this Act:

10 (1) **ACTINIDE.**—The term “actinide” means a
 11 natural element associated with any of the 15 rare
 12 earth minerals with atomic number 43 and atomic
 13 numbers 81 through 93 on the periodic table.

14 (2) **CONSUMER MEMBER.**—

15 (A) **IN GENERAL.**—The term “consumer
 16 member” means a member of the Cooperative
 17 that is—

18 (i) an entity that is part of, or has a
 19 role in, the value chain for rare earth ma-
 20 terials or rare earth products, including
 21 from the refined oxide stage to the stage in
 22 which the rare earth elements are finished
 23 in any physical or chemical form (including
 24 oxides, metals, alloys, catalysts, or compo-
 25 nents); or

1 (ii) a consumer of rare earth prod-
2 ucts.

3 (B) INCLUSIONS.—The term “consumer
4 member” includes—

5 (i) a producer of or other entity that
6 is part of the value chain for rare earth
7 materials, including original equipment
8 manufacturer producers, whose place of
9 business is located in or outside the United
10 States;

11 (ii) a defense contractor or contrac-
12 tors in the United States; and

13 (iii) any government agency in the
14 United States or outside the United States
15 that invests in the Cooperative.

16 (3) COOPERATIVE.—The term “Cooperative”
17 means the Thorium-Bearing Rare Earth Refinery
18 Cooperative established by section 4(a)(1).

19 (4) COOPERATIVE BOARD.—The term “Cooper-
20 ative Board” means the Board of Directors of the
21 Cooperative established under section 4(b)(2).

22 (5) CORPORATION.—The term “Corporation”
23 means the Thorium Storage, Energy, and Industrial
24 Products Corporation established under section
25 5(a)(1).

1 (6) CORPORATION BOARD.—The term “Cor-
2 poration Board” means the Board of Directors of
3 the Corporation established under section 5(b)(1).

4 (7) EXECUTIVE COMMITTEE.—The term “Exec-
5 utive Committee” means the executive committee es-
6 tablished under section 5(b)(2).

7 (8) INITIAL BOARD OF DIRECTORS.—The term
8 “Initial Board of Directors” means the initial Board
9 of Directors for the Cooperative established under
10 section 4(b)(1)(A).

11 (9) INSTITUTION OF HIGHER EDUCATION.—The
12 term “institution of higher education” has the
13 meaning given that term in section 101(a) of the
14 Higher Education Act of 1965 (20 U.S.C. 1001(a)).

15 (10) NATIONAL LABORATORY.—The term “na-
16 tional laboratory” has the meaning given that term
17 in section 2 of the Energy Policy Act of 2005 (42
18 U.S.C. 15801).

19 (11) SECRETARY.—The term “Secretary”
20 means the Secretary of Defense.

21 (12) SUPPLIER MEMBER.—The term “supplier
22 member” means a rare earth producer that enters
23 into a contract to supply the Cooperative with rare
24 earth ores.

1 (13) TOLLING.—The term “tolling” means a
 2 fee-for-services contract between the Cooperative and
 3 a primary rare earth producer under which—

4 (A) the producer retains ownership and
 5 control of the finished product; and

6 (B) pays to the Cooperative a fee for serv-
 7 ices rendered by the Cooperative.

8 (14) UNPROCESSED AND UNREFINED ORE.—
 9 The term “unprocessed and refined ore” includes
 10 any ores or residual ores resulting from the mining,
 11 extraction, beneficiation, and processing of other
 12 natural resources.

13 **SEC. 4. THORIUM-BEARING RARE EARTH REFINERY COOP-**
 14 **ERATIVE.**

15 (a) ESTABLISHMENT.—

16 (1) IN GENERAL.—There is established a Coop-
 17 erative, to be known as the “Thorium-Bearing Rare
 18 Earth Refinery Cooperative”, to provide for the do-
 19 mestic processing of thorium-bearing rare earth con-
 20 centrates as residual unprocessed and unrefined
 21 ores.

22 (2) FEDERAL CHARTER; OWNERSHIP.—The Co-
 23 operative shall operate under a Federal charter.

24 (3) MEMBERSHIP.—

1 (A) COMPOSITION.—The Cooperative shall
 2 be comprised of—

3 (i) supplier members; and

4 (ii) consumer members.

5 (B) SUPPLIER MEMBERS.—

6 (i) IN GENERAL.—As a condition of
 7 entering into a contract to supply the Co-
 8 operative with rare earth ores, supplier
 9 members shall provide rare earth con-
 10 centrates to the Cooperative at market
 11 price.

12 (ii) CAPITAL CONTRIBUTIONS.—Any
 13 supplier member that makes significant
 14 capital contributions to the Cooperative, as
 15 determined by the Cooperative Board, may
 16 become a consumer member for purposes
 17 of the distribution of profits of the Cooper-
 18 ative under subparagraph (D).

19 (C) CONSUMER MEMBER.—A consumer
 20 member—

21 (i) shall make capital contributions to
 22 the Cooperative in exchange for entering
 23 into negotiated supply agreements; and

24 (ii) in accordance with the agreements
 25 entered into under clause (i), may acquire

1 finished rare earth products from the Co-
2 operative at market price.

3 (D) DISTRIBUTION OF PROFITS.—Any
4 profits of the Cooperative shall be distributed
5 between supplier members and consumer mem-
6 bers in accordance with a formula established
7 by the Cooperative Board.

8 (b) MANAGEMENT.—

9 (1) INITIAL BOARD OF DIRECTORS.—

10 (A) IN GENERAL.—As soon as practicable
11 after the date of the enactment of this Act, the
12 Secretary shall appoint the Initial Board of Di-
13 rectors for the Cooperative, comprised of 5
14 members, of whom—

15 (i) 1 member shall represent the De-
16 fense Logistics Agency Strategic Materials
17 program of the Department of Defense;

18 (ii) 1 member shall represent the As-
19 sistant Secretary of Defense for Research
20 and Engineering;

21 (iii) 1 member shall represent United
22 States advocacy groups for rare earth pro-
23 ducers and original equipment manufac-
24 turing interests;

1 (iv) 1 member shall represent the
2 United States Geological Survey; and

3 (v) 1 member who shall—

4 (I) not be affiliated with a Fed-
5 eral agency; and

6 (II) be recommended for appoint-
7 ment by a majority vote of the other
8 members of the Initial Board of Di-
9 rectors appointed under clauses (i)
10 through (iv).

11 (B) DUTIES.—The Initial Board of Direc-
12 tors shall—

13 (i) establish a charter, bylaws, and
14 rules of governance for the Cooperative;

15 (ii) make formative business decisions
16 on behalf of the Cooperative; and

17 (iii) assist in the formation of, and
18 the provision of tasks and assignments to,
19 the Corporation.

20 (C) STANDING MEMBER.—The member ap-
21 pointed under subparagraph (A)(v) shall remain
22 on the Cooperative Board and Corporation
23 Board, until such time as—

24 (i) the member voluntarily resigns; or

1 (ii) a majority of the members of the
 2 Cooperative Board and a majority of the
 3 members of the Corporation Board vote to
 4 remove the member from the Cooperative
 5 Board and the Corporation Board.

6 (D) TERMINATION.—The Initial Board of
 7 Directors shall terminate on the date on which
 8 the initial members of the Cooperative Board
 9 are appointed under paragraph (2).

10 (2) BOARD OF DIRECTORS.—

11 (A) IN GENERAL.—The Board of Directors
 12 of the Cooperative shall be comprised of 9
 13 members, to be selected in accordance with the
 14 bylaws of the Cooperative established under
 15 paragraph (1)(B)(i), of whom—

16 (i) 5 members shall be consumer
 17 members;

18 (ii) 2 members shall be supplier mem-
 19 bers;

20 (iii) 1 member shall represent an ad-
 21 vocacy group for defense contractors, other
 22 rare earth consumers, and suppliers who
 23 are not represented by the Board or
 24 through direct ownership in the Coopera-
 25 tive; and

1 (iv) 1 member shall be the member of
 2 the Initial Board of Directors appointed
 3 under paragraph (1)(A)(v).

4 (B) POWERS.—The Cooperative Board
 5 may—

6 (i) prescribe the manner in which
 7 business shall be conducted by the Cooper-
 8 ative;

9 (ii) determine pay-out ratio formulas
 10 for consumer members and supplier mem-
 11 bers, based on—

12 (I) the capital stock ratios of
 13 consumer members; and

14 (II) the value of supply member
 15 contracts, as determined based on the
 16 volume, term, and distributions of
 17 rare earth concentrates relative to
 18 processing costs; and

19 (iii) evaluate technologies and proc-
 20 esses for the efficient extraction and refin-
 21 ing of rare earth materials from various
 22 thorium-bearing ores.

23 (C) REFINERY AND OFFICE LOCATIONS.—
 24 The Cooperative Board shall establish the refin-
 25 ery and offices for the Cooperative at any loca-

1 tions determined to be appropriate by the Coop-
2 erative Board.

3 (c) POWERS; DUTIES.—

4 (1) INVESTMENT PARTNERSHIPS.—The Cooper-
5 ative shall seek to enter into domestic and inter-
6 national investment partnerships for the develop-
7 ment of the refinery.

8 (2) AGREEMENTS; DIRECT SALES.—The Coop-
9 erative may—

10 (A) enter into equity, financial, and sup-
11 ply-based agreements or arrangements with
12 value-added intermediaries, equipment manu-
13 facturers, consumers of rare earth products,
14 and Federal, State, or local agencies to provide
15 economic incentives, leases, or public financing;
16 and

17 (B) engage in direct market sales of rare
18 earth products.

19 (3) SUPPLY CONTRACTS AND TOLLING SERV-
20 ICES.—

21 (A) IN GENERAL.—The Cooperative may—

22 (i) directly purchase rare earth mate-
23 rials obtained from any byproduct pro-
24 ducers of rare earths;

1 (ii) transport those materials in ac-
2 cordance with part 40 of title 10, Code of
3 Federal Regulations (or any corresponding
4 similar regulation or ruling);

5 (iii) offer supplier members short-
6 term or direct purchase contracts; and

7 (iv) allow primary rare earth pro-
8 ducers to be tolling customers of the Coop-
9 erative.

10 (B) REQUIREMENTS.—A tolling customer
11 under subparagraph (A)(iii) shall—

12 (i) retain control of the rare earth
13 products during the processing, refining, or
14 value adding of the rare earth products by
15 the Cooperative; and

16 (ii) take possession of the rare earth
17 products after—

18 (I) tolling services are rendered
19 by the Cooperative; and

20 (II) the Cooperative has received
21 payment in full for the tolling services
22 rendered.

23 (C) FEE.—The Cooperative may charge
24 tolling customers under subparagraph (A)(iii) a
25 tolling fee not to exceed the sum of—

1 (i) the amount equal to 110 percent of
 2 the total cost for tolling services rendered
 3 by the Cooperative on behalf of the tolling
 4 customer; and

5 (ii) the amount equal to 5 percent of
 6 the market value of the finished product
 7 provided to the tolling customer by the Co-
 8 operative.

9 (D) APPLICABLE LAW.—Any contract
 10 among consumer members, supplier members,
 11 tolling customers, and direct purchase suppliers
 12 entered into under subparagraph (A)(iii) shall
 13 be protected as provided in subsection
 14 552(b)(4) of title 5, United States Code.

15 (E) LIMITATIONS.—A direct purchase con-
 16 sumer under subparagraph (A)(ii) or a tolling
 17 customer under subparagraph (A)(iii)—

18 (i) shall not be considered to be a sup-
 19 plier member or otherwise be considered a
 20 member of the Cooperative for purposes of
 21 this Act; and

22 (ii) shall not participate in Coopera-
 23 tive profits or have voting rights with re-
 24 spect to the Cooperative.

25 (d) AUDITS.—

1 (1) IN GENERAL.—The Cooperative shall retain
2 an independent auditor to evaluate the extent to
3 which Federal funds, if any, made available to the
4 Cooperative for research and development activities
5 have been expended in a manner that is consistent
6 with the purposes of this Act and the charter, by-
7 laws, and rules of the Cooperative.

8 (2) REPORTS.—The auditor retained under
9 paragraph (1) shall submit to the Secretary of De-
10 fense, the Cooperative, and the Comptroller General
11 of the United States an annual report containing the
12 findings and determinations of the auditor.

13 (3) REVIEW BY COMPTROLLER GENERAL.—The
14 Comptroller General of the United States shall—

15 (A) review each annual report submitted to
16 the Comptroller General by the auditor under
17 paragraph (2); and

18 (B) submit to the Committee on Armed
19 Services of the Senate and the Committee on
20 Armed Services of the House of Representatives
21 a report containing the comments of the Com-
22 ptroller General on the accuracy and complete-
23 ness of the report and any other matters relat-
24 ing to the report that the Comptroller General
25 considers appropriate.

1 (e) REIMBURSEMENT OF FEDERAL GOVERNMENT.—
 2 Not later than 7 years of the date of the enactment of
 3 this Act, the Cooperative shall reimburse the Federal Gov-
 4 ernment for administrative costs associated with the es-
 5 tablishment of its charter.

6 **SEC. 5. THORIUM STORAGE, ENERGY, AND INDUSTRIAL**
 7 **PRODUCTS CORPORATION.**

8 (a) ESTABLISHMENT.—

9 (1) IN GENERAL.—As soon as practicable after
 10 the date of the enactment of this Act, the Coopera-
 11 tive Board, in consultation with the Secretary of De-
 12 fense, shall establish the Thorium Storage, Energy,
 13 and Industrial Products Corporation to develop uses
 14 and markets for thorium, including energy.

15 (2) FEDERAL CHARTER.—The Corporation
 16 shall operate under a Federal charter.

17 (b) MANAGEMENT.—

18 (1) BOARD OF DIRECTORS.—

19 (A) IN GENERAL.—The Board of Directors
 20 of the Corporation shall be composed of 5 mem-
 21 bers.

22 (B) INITIAL MEMBERS.—The initial mem-
 23 bers of the Corporation Board shall consist of
 24 the following members, to be appointed by the
 25 Secretary of Defense:

1 (i) 1 member, who shall represent the
2 Assistant Secretary of Defense for Re-
3 search and Engineering.

4 (ii) 1 member, who shall represent the
5 Advanced Energy Program of the Defense
6 Advanced Research Project Agency.

7 (iii) 1 member, who shall represent
8 United States advocacy groups for com-
9 mercial development of thorium in nuclear
10 energy systems.

11 (iv) 1 member, who shall represent a
12 national laboratory.

13 (v) 1 member, who is the member of
14 the Initial Board of Directors appointed
15 under section 4(b)(1)(A)(v).

16 (C) SUBSEQUENT MEMBERS.—Subject to
17 subparagraphs (A) and (D), subsequent mem-
18 bers of the Corporation Board and Executive
19 Committee shall be appointed in accordance
20 with the bylaws of the Corporation established
21 under paragraph (2)(B)(i).

22 (D) STANDING MEMBERS.—The initial
23 members appointed under clauses (iv) and (v)
24 of subparagraph (B) shall remain on the Cor-

poration Board and the Executive Committee,
until such time as—

(i) the members voluntarily resign;

(ii) in the case of a member appointed
under subparagraph (B)(iv), a majority of
the members of the Corporation Board
vote to remove the member from the Cor-
poration Board; or

(iii) in the case of a member ap-
pointed under subparagraph (B)(v), a ma-
jority of the members of the Corporation
Board and a majority of the members of
the Cooperative Board vote to remove the
member from the Corporation Board and
the Cooperative Board.

(2) EXECUTIVE COMMITTEE.—

(A) IN GENERAL.—The Executive Com-
mittee for the Corporation shall be composed of
the initial members of the Corporation Board
appointed under clauses (iv) and (v) of para-
graph (1)(B).

(B) DUTIES.—The Executive Committee
shall—

1 (i) establish the charter, rules of gov-
2 ernance, bylaws, and corporate structure
3 for the Corporation; and

4 (ii) make formative business decisions
5 with respect to the Corporation.

6 (c) POWERS.—

7 (1) ESTABLISHMENT OF SUBSEQUENT ENTI-
8 TIES.—

9 (A) IN GENERAL.—The Corporation may
10 establish 1 or more entities, to be known as an
11 “Industrial Products Corporation”, for the cer-
12 tification, licensing, insuring, and commercial
13 development of all non-energy uses for thorium
14 (including thorium isotopes and thorium daugh-
15 ter elements), including—

16 (i) alloys;

17 (ii) catalysts;

18 (iii) medical isotopes; and

19 (iv) other products.

20 (B) AUTHORITY OF ENTITIES.—The enti-
21 ties described in subparagraph (A) may—

22 (i) develop standards, procedures, and
23 protocols for the approval of commercial
24 and industrial applications for thorium;

(ii) carry out directly the production and sale of thorium-related non-energy products; and

(iii) sell or license any production or sales rights to third parties.

(C) SALE OR DISTRIBUTION OF INDUSTRIAL PRODUCTS CORPORATION; CREATION OF BUSINESSES AND PARTNERSHIPS.—To develop and commercialize non-energy uses for thorium, the Corporation Board may—

(i) create, sell, or distribute the equity of an entity described in subparagraph (A); and

(ii) establish partnerships with Federal agencies, foreign governments, and private entities relating to businesses and activities of the entity.

(2) SALE OR DISTRIBUTION OF CORPORATION EQUITY; CREATION OF PARTNERSHIPS.—To develop and commercialize thorium energy, the Corporation may sell or distribute equity and establish partnerships with the United States and foreign governments and private entities—

(A) to create capital;

(B) to develop intellectual property;

1 (C) to acquire technology;

2 (D) to establish business partnerships and
3 raw material supply chains;

4 (E) to commercially develop thorium en-
5 ergy systems;

6 (F) to commercially develop systems for
7 the reduction of spent fuel;

8 (G) to develop hardened energy systems
9 for the United States military; and

10 (H) to develop process heat technologies
11 systems for coal-to-liquid fuel separation, desa-
12 linization, chemical synthesis, and other appli-
13 cations.

14 (d) DUTIES.—

15 (1) OWNERSHIP OF THORIUM AND RELATED
16 ACTINIDES.—The Corporation shall—

17 (A) on a preprocessing basis, assume liabil-
18 ity for and ownership of all thorium and
19 mineralogically associated or related actinides
20 and decay products contained within the mona-
21 zite and other rare earth mineralizations in the
22 possession of the Cooperative;

23 (B) after the Cooperative has separated
24 the thorium from the rare earth concentrates,
25 take physical possession and safely store all

thorium-containing actinide byproducts, with the costs of the storage to be paid by the Corporation from fees charged or revenue from sales of other valuable actinides;

(C) develop new markets and uses for thorium;

(D) develop energy systems from thorium; and

(E) develop, manage, and control national and international energy leasing and distribution platforms related to thorium energy systems.

(2) SAFE, LONG-TERM STORAGE; DEVELOPMENT OF USES AND MARKETS.—The Corporation shall—

(A) in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Energy, be responsible for the safe, long-term storage for all thorium and thorium decay products generated through the Cooperative, consistent with part 192 of title 40, Code of Federal Regulations (as in effect on the date of the enactment of this Act), while taking into account the low relative risks relating to thorium; and

1 (B) develop uses and markets for thorium,
2 including energy, including by coordinating and
3 structuring domestic and international invest-
4 ment partnerships for the development of com-
5 mercial and industrial uses for thorium.

6 (e) AUDITS.—

7 (1) IN GENERAL.—The Corporation shall retain
8 an independent auditor to evaluate the extent to
9 which Federal funds, if any, made available to the
10 Corporation for research and development activities
11 have been expended in a manner that is consistent
12 with the purposes of this Act and the charter, by-
13 laws, and rules of the Corporation.

14 (2) REPORTS.—The auditor retained under
15 paragraph (1) shall submit to the Secretary of De-
16 fense, the Corporation, and the Comptroller General
17 of the United States an annual report containing the
18 findings and determinations of the auditor.

19 (3) REVIEW BY COMPTROLLER GENERAL.—The
20 Comptroller General of the United States shall—

21 (A) review each annual report submitted to
22 the Comptroller General by the auditor under
23 paragraph (2); and

24 (B) submit to the Committee on Armed
25 Services of the Senate and the Committee on

1 Armed Services of the House of Representatives
2 a report containing the comments of the Comp-
3 troller General on the accuracy and complete-
4 ness of the report and any other matters relat-
5 ing to the report that the Comptroller General
6 considers appropriate.

7 (f) REIMBURSEMENT OF FEDERAL GOVERNMENT.—
8 Not later than 7 years of the date of the enactment of
9 this Act, the Corporation shall reimburse the Federal Gov-
10 ernment for administrative costs associated with the es-
11 tablishment of its charter.

12 **SEC. 6. DUTIES OF SECRETARY OF DEFENSE.**

13 (a) ADVANCEMENT OF RARE EARTH INITIATIVES.—
14 The Secretary shall coordinate with other Federal agencies
15 to advance and protect—

16 (1) domestic rare earth mining;
17 (2) the refining of rare earth elements;
18 (3) basic rare earth metals production; and
19 (4) the development and commercialization of
20 thorium, including—

21 (A) energy technologies and products; and
22 (B) products containing thorium.

23 (b) ANNUAL REPORTS.—Not later than one year
24 after the date of the enactment of this Act, and annually

1 thereafter, the Secretary shall submit to Congress a report
2 that, for the period covered by the report—

3 (1) contains a description of the progress in the
4 development of—

5 (A) a domestic rare earth refining capac-
6 ity; and

7 (B) commercial uses and energy-related
8 uses for thorium; and

9 (2) takes into account each report submitted to
10 the Secretary by the Cooperative and the Corpora-
11 tion.

12 (c) FEDERAL AGENCIES; NATIONAL LABORA-
13 TORIES.—Each Federal agency (including the Nuclear
14 Regulatory Commission and the Defense Advanced Re-
15 search Projects Agency), each national laboratory, and
16 each facility funded by the Federal Government shall pro-
17 vide assistance to the Cooperative and the Corporation
18 under this Act.

19 (d) INSTITUTIONS OF HIGHER EDUCATION.—Each
20 institution of higher education is encouraged—

21 (1) to develop training and national expertise in
22 the field of thorium development; and

23 (2) to promote—

24 (A) the marketing of thorium;

1 (B) the advancement of the strategic uses
2 of thorium; and

3 (C) salt chemistry science and radio chem-
4 ists.

5 **SEC. 7. AUTHORIZATION OF DEPARTMENT OF DEFENSE TO**
6 **ESTABLISH EQUITY STAKE IN COOPERATIVE.**

7 The Secretary may acquire and maintain a 10 per-
8 cent equity stake in the Cooperative in accordance with
9 the provisions of the Strategic and Critical Materials
10 Stock Piling Act (50 U.S.C. 98 et seq.) for the purpose
11 of accessing strategic rare earth materials and eliminating
12 the need to acquire such materials under that Act.

○