

119TH CONGRESS
2D SESSION

S. _____

To amend title 10, United States Code, to authorize cooperative partnerships for mineral extraction activities at Army organic industrial base facilities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. CRUZ (for himself and Mr. CORNYN) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend title 10, United States Code, to authorize cooperative partnerships for mineral extraction activities at Army organic industrial base facilities, 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 “Army Organic Indus-
5 trial Base Mineral Partnerships Act of 2026”.

1 **SEC. 2. COOPERATIVE PARTNERSHIPS BETWEEN THE**
2 **ARMY AND INDUSTRY FOR MINERAL EXTRAC-**
3 **TION ACTIVITIES AT ARMY ORGANIC INDUS-**
4 **TRIAL BASE FACILITIES.**

5 Section 7544 of title 10, United States Code, is
6 amended—

7 (1) in subsection (b), by adding at the end the
8 following:

9 “(7) Mineral extraction operations and related
10 support services carried out by a non-Army entity,
11 including the recovery, processing, or handling of
12 strategic or critical minerals, using land, facilities,
13 infrastructure, waste streams, or byproducts under
14 the control of the Army industrial facility.”;

15 (2) by redesignating subsections (i) and (j) as
16 subsections (j) and (k), respectively;

17 (3) by inserting after subsection (h) the fol-
18 lowing:

19 “(i) SPECIAL RULES FOR MINERAL EXTRACTION.—

20 “(1) ENVIRONMENTAL AND OTHER RESPON-
21 SIBILITIES.—Mineral extraction operations author-
22 ized under this section under a contract or coopera-
23 tive arrangement with a non-Army entity shall be
24 subject to—

25 “(A) all applicable Federal, State, and
26 local environmental laws and regulations, in-

1 including the National Environmental Policy Act
2 of 1969 (42 U.S.C. 4331 et seq.) and the Clean
3 Air Act (42 U.S.C. 7401 et seq.); and

4 “(B) a requirement that the contract or
5 cooperative arrangement—

6 “(i) provide that the non-Army entity
7 shall be responsible, to the maximum ex-
8 tent permitted by law, for compliance with
9 all applicable environmental laws and for
10 any environmental mitigation, remediation,
11 cleanup, response, natural resource dam-
12 ages, or other liability arising from or re-
13 lating to such mineral extraction oper-
14 ations, including contamination discovered
15 after the termination of the contract or co-
16 operative arrangement and contamination
17 migrating beyond the boundaries of the fa-
18 cility involved;

19 “(ii) require the non-Army entity to
20 indemnify and hold harmless the United
21 States for obligations described in clause
22 (i) to the maximum extent permitted by
23 law; and

24 “(iii) require the provision of adequate
25 financial assurance, performance bonding,

1 insurance, or other financial security mech-
2 anisms sufficient to protect the interests of
3 the United States in the event of default,
4 insolvency, or bankruptcy of the non-Army
5 entity.

6 “(2) CONSIDERATION AND COMPENSATION.—

7 “(A) IN GENERAL.—A contract or coopera-
8 tive arrangement entered into under this section
9 with a non-Army entity that includes mineral
10 extraction operations shall provide for the re-
11 ceipt by the Army of consideration that the Sec-
12 retary of the Army determines to be reasonable
13 in value, taking into account the nature and
14 quantity of minerals recovered, the use of land,
15 facilities, infrastructure, waste streams, or by-
16 products of the Army, and the costs and risks
17 assumed by the non-Army entity.

18 “(B) FORMS OF CONSIDERATION.—Consid-
19 eration under subparagraph (A) may include, as
20 determined appropriate by the Secretary of the
21 Army—

22 “(i) cash payments;

23 “(ii) in-kind consideration, including
24 minerals, processed materials, equipment,
25 infrastructure improvements, or services;

1 “(iii) provision of equipment, tooling,
2 production capability enhancements, or
3 other industrial process improvements, or
4 other tangible industrial support that di-
5 rectly support the mission, sustainment, or
6 modernization of the organic industrial
7 base of the Army; or

8 “(iv) any combination of the consider-
9 ation specified under clause (i) through
10 (iii).

11 “(C) USE OF FUNDS.—Except as provided
12 in subparagraph (E), and subject to applicable
13 law, any cash amounts received by the Army
14 under subparagraph (B)(i) may be retained and
15 used, without further appropriation, for the op-
16 eration, maintenance, modernization, environ-
17 mental remediation, or mission support of Army
18 industrial facilities.

19 “(D) BEST INTEREST DETERMINATION.—
20 The Secretary of the Army shall determine
21 whether any consideration to be accepted under
22 this paragraph is in the best interest of the De-
23 partment of the Army and does not interfere
24 with missions of the Army.

1 “(E) ARMY WORKING CAPITAL FUND FA-
2 CILITIES.—

3 “(i) IN GENERAL.—In the case of an
4 Army industrial facility for which oper-
5 ations are financed through the Army
6 Working Capital Fund established under
7 section 2208 of this title, any cash
8 amounts received under subparagraph
9 (B)(i) shall be credited to the Army Work-
10 ing Capital Fund, or to the appropriate
11 working capital fund activity or sub-
12 account, and shall be available for the pur-
13 poses of such fund, consistent with such
14 section 2208.

15 “(ii) USE OF FUNDS.—Notwith-
16 standing subsections (k) and (o)(2)(A) of
17 section 2208 of this title, amounts credited
18 to the Army Working Capital Fund under
19 clause (i) may be used for capital invest-
20 ments, including military construction
21 projects, directly supporting facilities of
22 the organic industrial base of the Army.

23 “(F) NO REQUIREMENT FOR COMPETITIVE
24 SALE.—The provision or receipt of minerals or
25 other consideration under this paragraph shall

1 not be subject to chapter 5 of title 40 (relating
2 to surplus property) if the Secretary determines
3 that the contract or cooperative arrangement
4 under this section is in the best interest of the
5 Department of the Army.

6 “(3) MINERAL LEASING ACT FOR ACQUIRED
7 LANDS.—The requirements of the Mineral Leasing
8 Act for Acquired Lands (30 U.S.C. 351 et seq.)
9 shall not apply to mineral extraction operations au-
10 thorized under this section.

11 “(4) RULES OF CONSTRUCTION.—Nothing in
12 this section shall be construed—

13 “(A) to authorize an Army industrial facil-
14 ity, or any personnel of the Army, to directly
15 engage in mineral extraction, drilling, or mining
16 operations; or

17 “(B) to modify, supersede, or otherwise af-
18 fect any existing contractual or administrative
19 agreements between Federal agencies or be-
20 tween the United States and any non-govern-
21 mental entity regarding subsurface rights.

22 “(5) ANNUAL REPORT.—Not later than one
23 year after the date of the enactment of the Army
24 Organic Industrial Base Mineral Partnerships Act of
25 2026, and annually thereafter, the Secretary of the

1 Army shall submit to the Committees on Armed
2 Services of the Senate and the House of Representa-
3 tives a report that—

4 “(A) identifies the number of contracts or
5 cooperative arrangements entered into under
6 this section that include mineral extraction op-
7 erations; and

8 “(B) describes, in general terms, the types
9 of strategic or critical minerals covered by such
10 contracts or arrangements.”; and

11 (4) in subsection (k), as redesignated by para-
12 graph (2), by adding at the end the following:

13 “(6) The term ‘mineral extraction operations’
14 means the removal, recovery, processing, or handling
15 of minerals, and related support activities necessary
16 to produce minerals from land, water, facilities,
17 waste streams, or byproducts under the control of an
18 Army industrial facility, including solid minerals,
19 brines, and other naturally occurring mineral re-
20 sources, and including associated infrastructure and
21 environmental mitigation.

22 “(7) The term ‘strategic or critical mineral’ has
23 the meaning given the term ‘strategic and critical
24 materials’ in section 12 of the Strategic and Critical
25 Materials Stock Piling Act (50 U.S.C. 98h–3) and

1 includes rare earth elements, lithium, titanium, nick-
2 el, and other minerals determined by the Secretary
3 of the Army to be essential to national defense, en-
4 ergy security, or advanced manufacturing.

5 “(8) The term ‘under the control of an Army
6 industrial facility’ means real property, facilities, in-
7 frastructure, waste streams, byproducts, or other re-
8 sources that are under the administrative jurisdic-
9 tion of the Secretary of the Army, including prop-
10 erty assigned to a facility of the organic industrial
11 base of the Army, and includes property subject to
12 leases, licenses, permits, or other use agreements ad-
13 ministered by the Secretary of the Army.”.