

CRITICAL MATERIALS — AMERICA —

Public Policy Provision: United States High-Powered Magnet Security and Manufacturing Act

Findings: High-powered permanent magnets resembling neodymium-iron-boron (NdFeB) and samarium-cobalt (SmCo) are foundational to U.S. national security, clean energy, advanced manufacturing, transportation, and consumer technology. Current U.S. dependence on adversarial foreign-controlled supply chains presents a strategic vulnerability. This policy establishes a comprehensive federal approach to secure domestic supply and production, technological leadership, and manufacturing of high-powered domestic magnets.

TITLE: United States High-Powered Magnet Security and Manufacturing Act of 2027

Section 1. Purpose

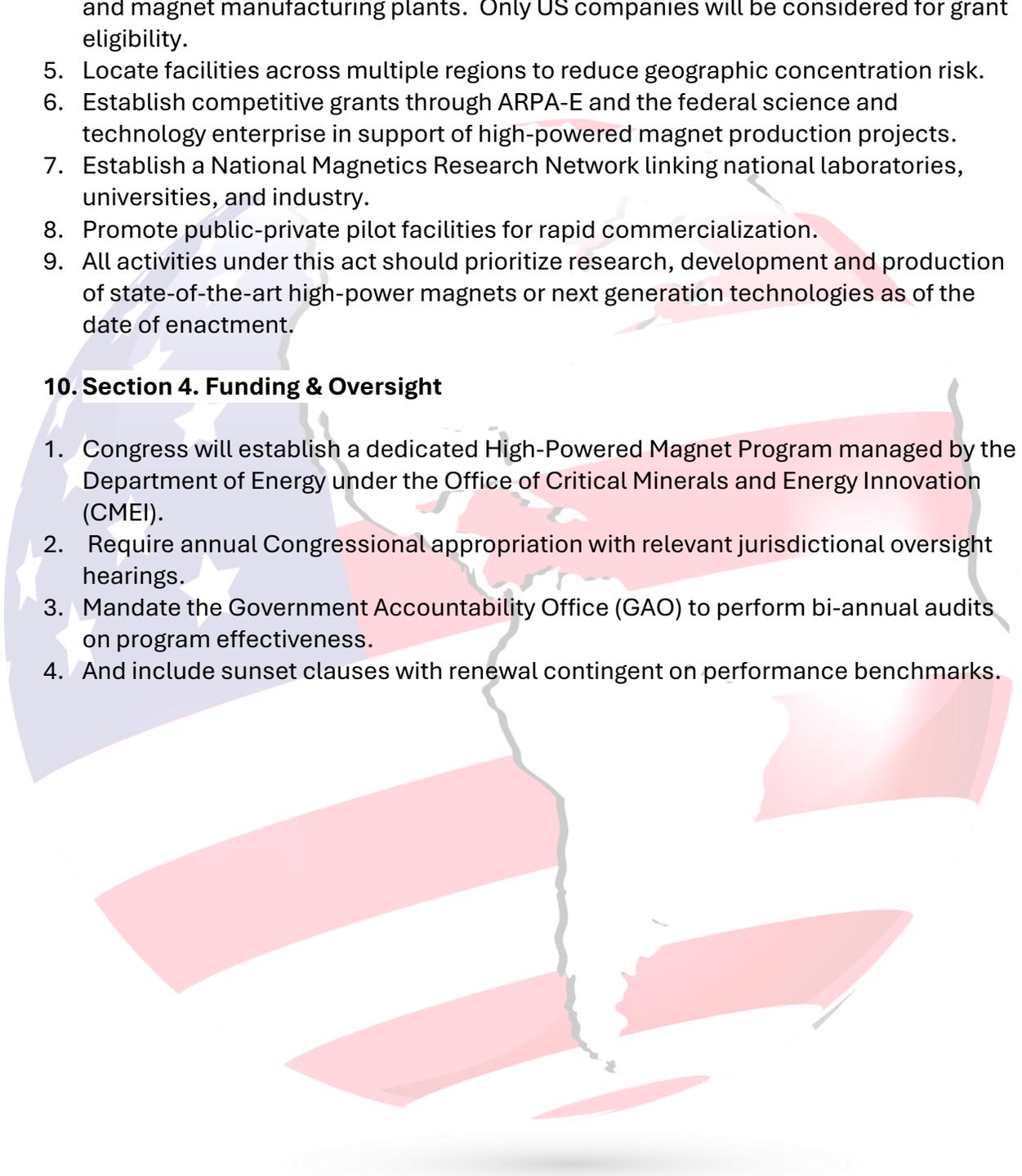
Establish a resilient, end-to-end domestic supply chain for high-powered magnets. Expand responsible domestic sources of rare earth elements critical to magnet production. Build a skilled domestic workforce across materials science, and advanced manufacturing. Establish domestic capacity for refining, alloying, and magnet fabrication. Reduce U.S. reliance on scarce rare earth elements. Ensure uninterrupted access to magnets for national defense systems. Maintain and ultimately advance U.S. leadership in magnet performance, efficiency, and manufacturing processes.

Section 2. Authorization

The Secretary of Energy, with additional relevant federal partners, are authorized to prioritize through existing procurement authorities domestically sourced high-power magnets produced by US companies and will ensure sustained federal investment and national security oversight by establishing the High-Powered Magnet Program. This program will establish a domestic supply chain of high-powered magnets and when available, source exclusively from US suppliers.

Section 3. Scope

1. Require federal agencies to prioritize domestically sourced magnets under the Buy American Act.
2. Create incentives and procurement preferences for U.S. magnet fabrication.
3. Establish a federal stockpile of refined REEs for strategic and commercial use.

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4. Provide federal matching grants for construction of REE separation, metal refining, and magnet manufacturing plants. Only US companies will be considered for grant eligibility.
 5. Locate facilities across multiple regions to reduce geographic concentration risk.
 6. Establish competitive grants through ARPA-E and the federal science and technology enterprise in support of high-powered magnet production projects.
 7. Establish a National Magnetics Research Network linking national laboratories, universities, and industry.
 8. Promote public-private pilot facilities for rapid commercialization.
 9. All activities under this act should prioritize research, development and production of state-of-the-art high-power magnets or next generation technologies as of the date of enactment.

10. Section 4. Funding & Oversight

1. Congress will establish a dedicated High-Powered Magnet Program managed by the Department of Energy under the Office of Critical Minerals and Energy Innovation (CMEI).
2. Require annual Congressional appropriation with relevant jurisdictional oversight hearings.
3. Mandate the Government Accountability Office (GAO) to perform bi-annual audits on program effectiveness.
4. And include sunset clauses with renewal contingent on performance benchmarks.