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December 23, 2020

President Donald J. Trump
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Trump,

As leaders of conservative and free-market groups strongly concerned about the liberties, prosperity, and health of our fellow Americans, we write to express our gratitude for your deregulatory initiatives that led to the rapid development of Covid-19 vaccines and therapies. We also ask that you remove one more regulatory barrier from the previous administration that could harm the vital supply chain in the battle against the pandemic.

Tucked into the Dodd-Frank Act at the last minute – the supposed “financial reform” passed under a Democratic Congress and signed by President Obama in 2010 – is a provision that forces American public companies to disclose if their products contain even trace amounts of “conflict minerals” from areas controlled by warlords in the Congo region of Africa. The negative consequences of this mandate, which has virtually nothing to do with the financial stability Dodd-Frank ostensibly aimed to achieve, have been apparent for a decade. Since the use of the designated minerals – tin, tungsten, tantalum, and gold – can be extremely difficult for American manufacturers to trace from their many suppliers, many companies are avoiding the region altogether for materials for their products. This has hurt many legitimate mines in the region and increased poverty and unemployment for the very people the mandate aimed to help.

Just as important, the mandate has resulted in disruptions to the supply chain – including shortages and price spikes – for what the federal government has designated as “critical minerals” to national security and are essential to the treatment and eradication of Covid-19. According to the U.S. Geological Survey, the Congo region possesses the majority of tantalum and substantial shares of the global supply of the other minerals subject to the Dodd-Frank restrictions, and experts believe the reduction in access to this region has made sourcing these minerals much more difficult for American manufacturers.

These minerals are the basis of key components of life-saving medical devices, such as tantalum capacitors that store energy in ventilators. They are also critical in making and distributing the vaccines that will stamp out Covid-19, utilized both in the production of vaccine needles and syringes and in compressors that are vital to the freezing and refrigeration of vaccines, which is especially important due to the cold storage requirement of the newly developed vaccines. In addition, these minerals are also utilized in several types of military equipment, from computer imaging systems to aircrafts.

Under Dodd-Frank, you have the authority to waive the “conflict minerals” mandate for two years in the interest of national security. Section 1502(b) of Dodd-Frank [15 U.S.C. § 78m(p)(3)] states that the Securities and Exchange Commission, which enforces the mandate, “shall revise or temporarily waive the requirements . . . if the president transmits to the Commission a determination that such revision or waiver is in the national security interest of the United States.” To ensure the positive policies you have already put in place achieve the maximum effect in ending this pandemic for good, we ask that you waive this deadly mandate from the disastrous Dodd-Frank law as rapidly as possible. As stated recently in a *Wall Street Journal* op-ed by one of the signatories to this letter, “the national security interest—and global interest—of defeating Covid-19 cannot be weighed down by outdated red tape that has failed to serve even its own stated purpose of alleviating suffering.”

Sincerely,

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Competitive Enterprise Institute

Richard Manning
President
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Grover Norquist
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Americans for Tax Reform

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