

# Kingsville Area Industrial Development Foundation

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**Electronic Submission: [RFI-Uranium Transfers@hq.doe.gov](mailto:RFI-UraniumTransfers@hq.doe.gov)**

Ms. Cheryl Moss Herman  
U.S. Department of Energy  
Office of Nuclear Energy  
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19901 Germantown Rd.  
Germantown, Maryland 20874-129

The Kingsville Area Industrial Development Foundation is a private, non-private corporation dedicated to the retention and recruitment of basic industrial jobs for the South Texas area. We have a long and successful history of partnering with manufacturers, processors, fabricators, defense, service-oriented and mining industries that have helped drive the economy of numerous small communities in south Texas.

Over the past 40 years we have seen the uranium mining industry enable local governmental entities to invest in infrastructure and utility improvements via the significant property taxes they have generated. Those taxes have paid for noteworthy school improvements in an area where education has suffered for decades due to limited funding.

The most important of uranium mining in the area has been good paying jobs for communities like San Diego, Falfurrias, Benavides and Kingsville. These are communities with high percentages of minorities and families living well below the poverty level.

There was a time when uranium mines operated in multiple counties in south Texas, providing good paying jobs and supporting local governments with property taxes.

Today those jobs are gone and ad valorem taxes have plummeted due to a drastic reduction in the price of uranium.

When we asked “Why has the price of uranium dropped so much and we are losing so many jobs,” we were told that one reason is the U.S. Department of Energy’s decision to barter transfers, which has simply eliminated domestic mining companies from producing feedstock for the approximately 100 U.S. nuclear plants.

At one time the United States was the largest producer of uranium in the world, and Texas was the largest domestic producer of uranium in the country. Today there are no domestic producers of uranium. Put another way, domestic uranium producers cannot afford to mine uranium as long as DOE continues to transfer uranium at annual rates compared to the transfers described in the 2015 Secretarial Determination.

Transfers by the DOE in the current market create adverse impacts on domestic mining companies, eliminating much needed jobs in our area and negatively impacting the budgets of local governmental entities with reduced valuations.

Conversely, if DOE decided to suspend its transfers it would have a very positive impact on the market, provide the opportunity for domestic mining companies to reopen mining operations which would mean hiring workers and contracting work from subcontractors.

It may be about energy independence to some, but more important in south Texas it is about jobs, something the administration in Washington, D.C. says is their number one economic priority.

The Kingsville Area Industrial Development Foundation respectfully requests that the U.S. Department of Energy cease depleting excess uranium inventories until new reactor requirements increase demand and the price of uranium increases to a level that would encourage domestic producers to begin mining operations again.

Your consideration of this request is very much appreciated.

Sincerely,

*Dick Messbarger*

Dick Messbarger,  
Secretary

cc: Sen. Ted Cruz  
Sen. John Cornyn  
Rep. Fil Vela  
Rep. Henry Cuellar

