



## **Hardwood Federation Principles Biden Administration Climate Policy**

The Hardwood industry, along with the rest of the wood products sector, is proud of our environmentally friendly business model and urge that the sustainability of American hardwoods and hardwood products are celebrated and recognized as part of the solution to the changing climate.

The U.S. hardwood sector is a fully integrated industry from logging to the manufacture of finished consumer goods which touch every aspect of American life including flooring, cabinets, furniture and moldings in our homes. Tissue and paper supplies are made of residual chips and dust from hardwood mills. Industrial mats, shipping pallets and railway ties made from low grade hardwood lumber are crucial to America's vast transportation infrastructure.

American hardwoods support carbon storage and sequestration, reducing atmospheric CO<sub>2</sub> and storing carbon throughout its life cycle from growth, standing, and use in forest products, aiding the world's climate. Demand for American hardwood finished goods promotes healthy forests, protects water resources, and supports wildlife diversity, while also producing safe and environmentally conscious products that create economic and employment opportunities for our rural communities and supply chains. When there is a steady demand for fiber and the resulting wood products, hardwood operations ensure that forests will remain as forests in the future and are a key element in addressing climate change.

The Biden Administration and Congressional Leaders publicly acknowledge that the American forest system is vital to reducing atmospheric carbon, offsetting 12-15% of U.S. carbon emissions each year. Hardwoods are officially recognized by the U.S. Department of Agriculture (USDA) via Congressional Act as a Green and Renewable product that are sustainably managed and are an environmentally preferred natural resource.

It is important to recognize that the carbon benefits of the forests do not end with tree growth. Markets for products derived from trees are an important piece of the solution as well. Wood products make up 47% of all industrial materials in the U.S. but consume only 4% of the total energy to manufacture those materials. Making products from aluminum, glass, plastic, cement, or brick can require as much as 126 times more energy than making them from wood. In addition, wood products are 50% carbon by weight, continuing to store carbon for the life of the product.

As the Administration moves forward with implementation of policy and legislation to address climate change mitigation, the Hardwood industry stands ready to work with them. The following principles will guide our efforts:

### **Policies Should Recognize the Carbon Benefits of Wood Products**

- The long-term storage value of carbon benefits of wood products, including hardwood products, should be recognized and included in carbon reduction policies and legislation.
- Policies that promote the reduction of carbon should rely on scientific, consensus-based carbon accounting and life-cycle assessment standards of wood and wood products to establish performance.
- Policies should be enacted that support innovative building codes and standards at the state and federal level that recognize the carbon benefits of wood building materials.
- Federal budgets and the U.S.D.A. should support expansion and updating of existing U.S. Forest Products Laboratory research related to the carbon storage benefits of wood products and wood product markets. Proposed legislation and U.S. Forest Service educational and informational materials should recognize the positive relationship between markets for wood products and the health of public and private forestlands.

### **Support International and Domestic Markets of U.S. Hardwood Products**

- Enact policies that support and provide funding to promote and foster strong domestic markets for U.S. hardwood and hardwood products including new dollars to research the environmental and home health benefits of hardwood products.
- Support public and private green building initiatives by extending a sustainable tax credit to building and construction projects, including U.S. wood products used in these projects.
- Maintain existing tax benefits for forestland owners including capital gains treatment for standing timber and credits for reforestation.
- Increase government purchases of U.S. structural and finished wood products for federal building and transportation projects and for U.S. military truck beds.
- Enter into international agreements that promote free and fair global trade systems and grow the demand for U.S. hardwoods around the world.
- Maintain and increase USDA funding that supports growing global markets for U.S. hardwood and hardwood products, specifically USDA's Foreign Market Development Program and Market Access Program.
- Fully fund and enforce the Lacey Act which was amended in 2008 to combat illegal logging around the globe.

### **Support a Healthy Federal Forest System with Sustainable Management Practices**

- Recognize the positive relationship between markets for wood products and the health of the U.S. Forest system.
- Support the U.S. Forest Service's efforts to meet and exceed timber harvest goals on federal lands.
- Fund timber harvest programs with line-item budget practices so there is certainty within and outside the agency.
- Recognize the benefits and fully fund programs that support active forest management on federal and private forest lands including sustainable timber harvest, restoration, maintenance of forest roads and fire prevention. These programs are vital to the health and sustainability of the forests and the surrounding communities.