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| **Hardwood Federation – November 2023 Newsletter** |

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| ***Federation Advocacy 2023 – Key Federal Initiatives Impacting the Hardwood Industry***  **Approaching the end of a calendar year is always a good time for reflection. The Hardwood Federation team has been doing just that as we look back on an eventful legislative year where lawmakers have addressed many of the industry’s top issues. This has also helped us look forward to 2024, which promises to be equally action packed. Below are highlights of key developments to help you track where industry has focused its advocacy in 2023…and an indication of where we will go in the new year.**  **Farm Bill 2023**  **Front and center in this year’s advocacy has been inclusion of hardwood-friendly provisions within the context of farm bill legislation.** Political turmoil in the House squashed hopes for an on-time for 2023 Farm Bill reauthorization, but on November 15, Congress finally passed an extension on the expired bill through September 30, 2024. The one-year extension will guarantee funding for key hardwood initiatives such as the Market Access and Foreign Market Development programs.  It is unclear what the exact language of current Farm Bill draft language looks like as House Ag Chair GT Thompson (R-PA) has indicated that he won’t release legislative text on the farm bill until leadership schedules floor time.  But we are confident that as the farm bill moves forward in 2024, it will serve as a vehicle to capture other priorities for the industry. In addition to authorizing resources that promote hardwood exports, the Federation is also leveraging the debate to promote related industry objectives:  Hardwood Access Program – In an important milestone for the hardwood sector, Reps. Tom Tiffany (R-WI) and Annie Kuster (D-NH) have agreed to sponsor the Hardwood Access Program (HAP) bill for introduction in the House. Although fiscal constraints will make it very difficult to move HAP as part of the farm bill, the legislation will serve as a high-profile vehicle to educate Congress on the benefits of hardwood products, laying the groundwork for enactment in future years. Stay tuned for updates as the industry bill moves forward.  Timber Innovation for Building Rural Communities Act – This bipartisan, bicameral bill, sponsored by Senators Wyden (D-OR) and Senator Crapo (R-ID) and Reps. Salinas (D-OR), Gluesenkamp Perez (D-WA) and Duarte (R-CA) could be folded into a final Farm Bill. The proposal includes several positive provisions for the industry including establishing a USDA platform measuring, collecting and sharing data related to the carbon benefits of wood products, and recognizing the value of carbon reduction and environmental benefits of wood in building design and furnishings in USDA grant programs.  Through the Federation’s work with the Forest in the Farm Bill Coalition, several recommended changes to ensure that hardwoods are eligible for the programs were incorporated into the bill language.  Jobs In the Woods Act –This fall, Senate and House members introduced the bipartisan  [“Jobs in the Woods Act.”](https://nam11.safelinks.protection.outlook.com/?url=https%3A%2F%2Fu19539728.ct.sendgrid.net%2Fls%2Fclick%3Fupn%3D-2B73de0dREQUDGWQfTM3mhqADtTxt-2B4CwONRxTZY9c3UgK7TkwG3Tsn0SI6wNB4m-2FFvPDAd9sMmQDZcUlYCvlj2Jjessux2Ph9K-2BIiMfiKGIqD3HR9chHvcjKFX4ClwXiURGN_DfShkWCAhoLGP-2FJNrdlPJdV-2FLULhdq7A2Mns4NO8kAbKoy2hBWCjup-2FdSJ4mtav3QZgwkC4yOhBCK4lj-2B12aQnuWZtOhSeMUpcK83NBGhF5Rb-2BNNDBmxxLZN3NSYTwbsyfGslqCbpTpMwkwt-2F6kZdmHcgvX2MUdMla8Eg3ZK3Z1dzz3POpLGB0L2ZMBwYWXc5HBZB-2FLD0CAOzdZIe0hlBpi3EwFRbxWVNKCVc5wy5qr9de3w5Y4nOXALgQerrEWHrvU7rnM7UHnLiPw-2F8DRAJbrlFdFAhfUyyzIEmP3npeyKSPxTtp5Ww-2F0Ho8AzSTikRJPccmghBFMivY8AQLU-2BxzGYWIDgDh1L6UsPZ86d7UXZALh50ovEYzZx7vq2EK1P-2FUwtmX42BkBOx-2Bqv8WxyHMsO3vk-2F9qor2FAHfR89m391KzodVRIzWD1nIzmNFHM0tZt7dd51IpRO8kK6Phjz8EpfkZA1V5CuklweAOe6b6mdXr7Z3fmfPoUkZNmbX7OCLPYSMEoB8s9ei8Veezv8F7NXJjjM0kP0ixJf95bggxs18ScSGrl3NZkSKNeqx1yfJbnedBIRhy3RMRKzAzoQzverxkxyHRYc5ST7E9rRUjT0W26rMNkxLCAkxP1HfrEtiDAIjoEpOrnFxP48acVrcQ-3D-3D&data=05%7C01%7Cbryan.brendle%40hardwoodfederation.com%7Cb3473008c23643278b4308dbd0b1fad1%7C21432cc7b4084b2d92409f556e3dd6cb%7C0%7C0%7C638333235080724371%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=nA%2BA5nJkNe79cg%2Fw0N1qS597QvlCrs81to%2FnM%2FX7tMw%3D&reserved=0) (H.R. 5344, S. 3063), a bill that would provide education grants ranging in size from $500,000 to $2 million to promote jobs in the understaffed timber industry and U.S. Forest Service. Legislative champions include Reps. Chavez-Deremer (R-OR) and Gluesenkamp-Perez (D-WA) on the House side and Sens. King (I-ME) and Risch (R-ID). The bill’s champions are determined to fold this bill into farm bill reauthorization in 2024.  **USDA Funding and Authorizations**  Although not part of farm bill reauthorization, the Federation also advocates for bills that directly fund USDA initiatives that will boost the sector as well as steer agency authorities toward industry priorities:  Carbon Neutrality of Biomass, FY 2024 Appropriations – House and Senate appropriators have adopted language in their respective FY 2024 Interior and Environment funding bills classifying biomass as carbon neutral across federal agencies. On November 3, the House passed its version of the legislation, [H.R. 4821](https://nam11.safelinks.protection.outlook.com/?url=https%3A%2F%2Fu19539728.ct.sendgrid.net%2Fls%2Fclick%3Fupn%3D-2B73de0dREQUDGWQfTM3mhp4mi8VEBpPb8DzVJgXFFhEl4a8BHy02702D0QrTzUfbbOuKBmUkgUD4Dj4i1yZkbP9finqZLAh86cOyOxjp3zsKwMpci-2F3Z6F4gWyXaywyiznzz1JfI7CYUL848Fm6RtpRQ7DFl-2F2Cl8dyIw4Ahic80eE4mg4VGRhzR45-2B2-2FpoLSxoaNiktUH1PpTLDNrUMiIs3DTBtK7-2FeHq28DwuA6V-2BAGq-2FsxKB8VF7kIZbGKsiutWnRYTArGWhb6xJWEsnvwztLTf01pGT-2B9b8twXLrWN4ZeMjNREaNHUD5oQ3W3Y-2BVP58NmCGdw2NF3avUv-2FdUhJorVLO2kC8qb69sIjMr-2BnR03HY-2ByQjs6fk4ckR5sn08nv1GeN7ltiAZoglwHUJOA0VzmzqWMHh-2BvsgcmHGWmnEmHpPnmqg-2FXHNuh8rdN-2BxHVM5wZHfXATHVginZnAEw7vI3zVfxbtZFMlsgWDmQYp4tKXV1nzEz93bh0nVQSivyvIfus6xGLnsjt-2B4uX1V0zErHfMH5my-2F1Yilm5e3zKmalqssAEbj-2B2lttpr7HLBIOHGUsDTyWFtRl-2FffhJuybezwjbtaOHGGITcdwZkZc9Vw-2F9WKfsxSWy23uWgwuXEDNOnq-2B-2B75w2EGDNe11nwzl-2FIgd90g2KkUcuB6NEYxFaQ7RCGbYg1LqpXu7MHHFxo8jyW9ofEDGJsK9xWVd2i0w4Q-3D-3DM1b-_DfShkWCAhoLGP-2FJNrdlPJdV-2FLULhdq7A2Mns4NO8kAbKoy2hBWCjup-2FdSJ4mtav3QZgwkC4yOhBCK4lj-2B12aQo6XAGBauz7-2BpmvXuXB7VgcNugDdz85MoFvbQyaInFY4cd3GyusPQt80grV0XJKejpwPaN-2FmOSowBnuRPwLj46l-2BXHm21uqeZPNIWCd3YkPMU5oIFl0AyUSl-2FyBtdZCVzTryFQJmxKsa-2F54u9pyk9ZBkvKS8zt1CmZkz9XtqxbyVSXO3uSz2uwPrZjRKUW8fllYJ2VFqBatRmw8Ig2mZpiq4-2BIUH0X7DrdOyy7nFOEKZ0vL8K088h0rptJmJyE-2BLZ8XtLGvp-2FgGSgnAyNIVr1MPtjEPg9vNE3fnfff-2Bx-2BDCf2VWOtReOPx5fkfEp4mc2lpx1CVqcsR6zwWX-2Bl4HCMNmEg1rVP6VZbWOud3pjh0Bjnem9Qz2yyRGoQDT53BLNcVbThZ0-2FRZ8BBfuVoht2uqFwLSmxB82YytYb-2FDyeDLY5AWFLyW62P-2BUHYKjJIGx7oojcSrhxE31FucUuPl9IFBWHwYUdgxIQwtAQ0zEW6zdTNC3TGAarprmk5Wb9F5MPz0HY6YA6ctGcDkLnfpoX05jEFvxsOOPYxW4vL4DHJP-2BisIq3eqGts88JkFG-2FzaXm7w-3D-3D&data=05%7C01%7Cbryan.brendle%40hardwoodfederation.com%7C3642c9c5aaf94e4ca04708dbe13ad753%7C21432cc7b4084b2d92409f556e3dd6cb%7C0%7C0%7C638351415079412513%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=Nme5sFBFrh6divXNcxGUhcTkdEuSoaATiGBm6qEGy1U%3D&reserved=0), and placed industry in a strong position for a favorable outcome in a final bill.  Carbon Stored in Wood Products, FY 2024 Appropriations – On the Senate side, in late July the Appropriations Committee passed FY 2024 Interior and Environment appropriations legislation that includes report language drafted by the Federation’s wood products coalition directing the Forest Products Laboratory to conduct a study quantifying the amount of carbon stored in wood products.  Congress has punted final decisions on this issue along with all other FY 2024 funding until January. Stay tuned for details as they unfold.  Promoting Effective Forest Management Act of 2023 – On September 22, Senate Energy & Natural Resources (SENR) Committee heads, Chairman Joe Manchin (D-WV) and Ranking Member John Barrasso (R-WY), introduced the [“Promoting Effective Forest Management Act of 2023,”](https://www.congress.gov/bill/118th-congress/senate-bill/2867/text?s=2&r=1&q=%7B%22search%22%3A%22Promoting+effective+forest+management+Act%22%7D) (S. 2867), a bill to direct USDA’s National Forest Service to reduce wildfire risks and create a career pipeline for loggers. To view a one-page summary of the bill, please click [here](https://nam11.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.energy.senate.gov%2Fservices%2Ffiles%2FAC02E726-FBBA-4A8B-9D18-CE9DE4329335&data=05%7C01%7CBryan.Brendle%40hardwoodfederation.com%7Cae5a70d9a8fa4d9732eb08dbc6a10ea6%7C21432cc7b4084b2d92409f556e3dd6cb%7C0%7C0%7C638322167279703887%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=dhclfDj2bhrXGkR6u9%2Fxj%2FkOc3XOHsN60wrrvlfByFY%3D&reserved=0).  **Transportation**  Transportation is another major issue on which the Federation has been active. Notably, industry supports bills, known as the “supply chain package,” that passed out of the House Transportation Committee earlier this year. The package includes:  Licensing Individual Commercial Exam-takers Now Safely and Efficiently (LICENSE) Act of 2023 ([H.R. 3013](https://www.congress.gov/bill/118th-congress/house-bill/3013/text?s=10&r=1&q=%7B%22search%22%3A%22H.R.+3013%22%7D)) - Codifies two waivers issued during the pandemic to make the process of obtaining a commercial driver’s license more streamlined and efficient.  Ocean Shipping Reform Implementation Act of 2023 ([H.R. 1836](https://www.congress.gov/bill/118th-congress/house-bill/1836/text?s=2&r=1&q=%7B%22search%22%3A%22H.R.+1836%22%7D)) - Builds upon the *Ocean Shipping Reform Act of 2022*, including by allowing the Federal Maritime Commission to review complaints about market manipulation and anti-competitive operations of maritime exchanges.  [H.R. 3372](https://www.congress.gov/bill/118th-congress/house-bill/3372/text?s=6&r=1&q=%7B%22search%22%3A%22H.R.+3372%22%7D), legislation that authorizes a pilot program whereby states may opt in to allowing 91,000-pound rigs equipped with a sixth axle to travel on their portion of the federal interstate highway system.  [H*.*R. 3318](https://www.congress.gov/bill/118th-congress/house-bill/3318/text?s=8&r=1&q=%7B%22search%22%3A%22H.R.+3318%22%7D), which establishes a 10 percent axle weight variance for dry bulk materials, which we read as including wood chips.  **Taxes, Treasury Regs**  Although advocacy on USDA programs and supply chain initiatives have been especially active this year, tax policy and business disclosures continue to present opportunities and challenges for the industry:  Business Tax Package – On November 2, the Federation joined the National Association of Manufacturers and allies in a [letter](https://nam11.safelinks.protection.outlook.com/?url=https%3A%2F%2Fu19539728.ct.sendgrid.net%2Fls%2Fclick%3Fupn%3D-2B73de0dREQUDGWQfTM3mhp4mi8VEBpPb8DzVJgXFFhEl4a8BHy02702D0QrTzUfbbOuKBmUkgUD4Dj4i1yZkbGEgiAnIMJtWm2mheQoH4J4VrV2ZzzFp7rPiLcdyhTj1mNmyuhaVSbcCos1nXvACqE8ZWALdvehiEyZGFSq7SvVp6NXp1R-2BHqVj0TjznZx8IkC4U5sj7gGO-2FMYafXLs4UN9cVXHGHQmhuetkYMJzDA1SpdhhcqJnSwCdDSeOv1imch5ZzZe9BjZTNpf8EuACQvVxlM5k-2Bs2Dh-2FGKoR0h1SZaunvL63Hd1PuzOxX-2FVKsE-2FHkkiLNCOSMi6NL-2BTByBERgHZ2mbgb5BFXzxBvHY69D4Y2-2FhRkrCprjWHzmDpgowLs0HXYMF5-2BSzlMnFmwt5P6Py5Zqn-2FQGcZhqHVUCkKDe7sKauM6D0el3beAets7-2Fs0i-2FC-2F61yic2sfS54250Af0IsuUX0JcF9xVmNqYzLHrmPPdljhfZzb-2FSeZBTNSCkztfnn8SzzSuPf7Nz1h15vtTQzTalXbOzfF8UjejHB5jIKUsseP6gqFUVanHohzgTEm-2BECO-2BLWR1aoJkyr1qLLfR39NkoqeqNLxJLNAP-2B8KtWAbcVBAmHoQKYgTucHjDZzid4wbZpgvcbVkMEvjWCnmcx-2Bh0xpSzgbJUF5buBxg8jo-2FhsJU9mo-2FT8ItzUhZD2xWtJalXT1TiUuiry2LE3yjQ-3D-3DmoAd_DfShkWCAhoLGP-2FJNrdlPJdV-2FLULhdq7A2Mns4NO8kAbKoy2hBWCjup-2FdSJ4mtav3QZgwkC4yOhBCK4lj-2B12aQo6XAGBauz7-2BpmvXuXB7VgcNugDdz85MoFvbQyaInFY4cd3GyusPQt80grV0XJKejpwPaN-2FmOSowBnuRPwLj46l-2BXHm21uqeZPNIWCd3YkPMU5oIFl0AyUSl-2FyBtdZCVzTryFQJmxKsa-2F54u9pyk9ZBkvKS8zt1CmZkz9XtqxbyVSXO3uSz2uwPrZjRKUW8fllYJ2VFqBatRmw8Ig2mZpiq4-2BIUH0X7DrdOyy7nFOEKZ0vL8K088h0rptJmJyE-2BLZ8XtLGvp-2FgGSgnAyNIVr1MPtjEPg9vNE3fnfff-2Bx-2BDCf2VWOtReOPx5fkfEp4mc2lpx1CVqcsR6zwWX-2Bl4HCMNmEg1rVP6VZbWOud3pjh0Bjnem9Qz2yyRGoQDT53BLNcV9OP2uHREQ5db-2FzPHIHln2KJlWl5nk-2BHbUemDzBurbDQfAHxN-2B2n19TqG9WsWrX6Vcz2XJAg5nJY5Ll5W2Ig9fdRk78Xgl8XUA6r7wIMU-2FUNodDmELHukv1b7VOfRAaFffsCegCekLhu1uQWynByyTk3xMIP5PwELU0v6LTqfRmwB1JH-2FfkD-2B5-2F5568wfYbrw-3D-3D&data=05%7C01%7Cbryan.brendle%40hardwoodfederation.com%7C3642c9c5aaf94e4ca04708dbe13ad753%7C21432cc7b4084b2d92409f556e3dd6cb%7C0%7C0%7C638351415079412513%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=dsMS%2F4H3lhjK2ItZW3IcUNyyBO6vk6amA1m75NdE3i4%3D&reserved=0) to Capitol Hill urging action on a package of business tax benefit extensions that is currently pending on the House floor. It would extend through 2025 the 100% bonus depreciation benefit which began scaling down in 2023. It would also retroactively extend the research and development tax credit which was phased out in 2022 and restore more generous interest deductibility provisions. Following the election of a new Speaker of the House, we hope that Congress will act on this package by year’s end.  Main Street Tax Certainty Act of 2023 – The Federation also supports [H.R. 4721](https://www.congress.gov/bill/118th-congress/house-bill/4721/text?s=4&r=1&q=%7B%22search%22%3A%22H.R.+4721%22%7D), making permanent the 20% deduction for qualified business income (QBI) to benefit small businesses.    Corporate Transparency Act – HF has joined allies in the small to medium sized business community to urge Congress to delay implementation of the Corporate Transparency Act (CTA), a little-known federal anti-corruption law enacted in 2021 that takes effect January 1, 2024. The law will impose multiple reporting requirements on “beneficial owners” and trigger fines up to $10,000 for non-compliance. The Federation has signed a [letter](https://www.congress.gov/bill/118th-congress/senate-bill/2867/text?s=2&r=1&q=%7B%22search%22%3A%22Promoting+effective+forest+management+Act%22%7D) to congressional leaders urging Congress to delay its implementation.  **Federal Agency Actions**  EPA, Air Quality Rules – On November 16, 2023, the Federation and U.S. Chamber of Commerce met with the White House Office of Management and Budget to urge the Administration to reject EPA’s proposal to tighten standards for fine Particulate Matter (PM 2.5). This follows up on formal [comments](https://hardwoodfederation.wildapricot.org/resources/Documents/EPA-NAAQS-PM-March-2023.pdf) submitted in the spring advocating against EPA’s plans and includes references to a study by the American Forest & Paper Association showing that EPA’s proposal would impose up to $900 million in compliance costs on the wood products sector.  EPA, Waters of the U.S. (WOTUS) – For the second time this year, on August 29, the EPA issued a [new rule](https://u19539728.ct.sendgrid.net/ls/click?upn=-2B73de0dREQUDGWQfTM3mhlyy2DzJzgMjV1-2BD-2FsRpKQ3OWNFplBpzYYL2yuo0sPmGu-2B0vnfRKGsx1KNZsMBlnOGrLMkbq2zoSC6EaHGOtD5t9i7UfpvbjlSkyMYtYeoRaH6G0TmFj4N5LwE-2BSLibC-2F-2FcNPXLnAEhXTeEe76J2pW8-3DM6P7_DfShkWCAhoLGP-2FJNrdlPJdV-2FLULhdq7A2Mns4NO8kAbKoy2hBWCjup-2FdSJ4mtav3QZgwkC4yOhBCK4lj-2B12aQkyTRHLPrmlcEXJikk1mD40eBgRVtKD-2FUK-2FS55aocQBWRHOn0ahTj9VX2mpmerAlDgUa0zrLhAJjbI56XrPyXrLN1Suk23yc2cj1V7GuW6hCwlrM6tX2fwDVZN-2F8yNNl0WsgSvAVq9loUI4V2Y2NwVsbM5R9M0vE41BqddEq4IThnIOuwKPhLsEP1RB8M0L3-2F0PddYjozGUogpV6Z6ViYYaCRDAHKQVt8G3t7aau-2BnpgVVg6wliIr-2BGZ55JsuB1zdZzmqDgrX92tzF52KYJUr04vV6qsKKy9VZEHD6fE3OTACR4CF7jzIL2AGIkJcGSP2iC-2BqDRYF76TtwgILEXUt6ym1Lc1QkEef4yupN7uDdXpq3Acr-2FcjtCNkktqNUdrD-2F78Y9DnvDagg-2BizfB5YhUjKxj12sieVa6yuoQ1DsEG1MS1AKVBThhvib008N6g8v4F1lY9U29QCA7ku-2FcP1pcwp0Xi9DKFqzRRW82OKxvw-2FWJXM-2BFBilUpdezoKbOzpWy0r8OyDxhvPcHU2vtZr2xlmR1Hvlm35KMk48Uw8Iyr4wmU8yMnKAWbXinQLNdanjEQ-3D-3D) to attempt to clarify the scope of federal Clean Water Act (CWA) jurisdiction through its definition of WOTUS and comply with the Supreme Court’s decision in [Sackett v. EPA](https://u19539728.ct.sendgrid.net/ls/click?upn=-2B73de0dREQUDGWQfTM3mhskLRwXT0GeFlHzLVpLB53IG6tRbBCCE46PEb4J993qnp1xt5X5Q5JD2Ttdq-2FENvkT1OziKuAE-2FM3tnTQj-2FBIBkiEN4ZHcdNP7UbCqM4qIuD20rE_DfShkWCAhoLGP-2FJNrdlPJdV-2FLULhdq7A2Mns4NO8kAbKoy2hBWCjup-2FdSJ4mtav3QZgwkC4yOhBCK4lj-2B12aQkyTRHLPrmlcEXJikk1mD40eBgRVtKD-2FUK-2FS55aocQBWRHOn0ahTj9VX2mpmerAlDgUa0zrLhAJjbI56XrPyXrLN1Suk23yc2cj1V7GuW6hCwlrM6tX2fwDVZN-2F8yNNl0WsgSvAVq9loUI4V2Y2NwVsbM5R9M0vE41BqddEq4IThnIOuwKPhLsEP1RB8M0L3-2F0PddYjozGUogpV6Z6ViYYaCRDAHKQVt8G3t7aau-2BnpgVVg6wliIr-2BGZ55JsuB1zdZzmqDgrX92tzF52KYJUr04vV6qsKKy9VZEHD6fE3OTACR4CF7jzIL2AGIkJcGSP2iC-2BqDRYF76TtwgILEXUt6ym1Lc1QkEef4yupN7uDdXpq3Acr-2FcjtCNkktqNUdrD-2F9TXcW5bLEG3FCDtXfClb-2BKzJReqG2HR8mF4QT7gXKVRs4Eex1o8-2BW9hD1ZrmUFohjaR0XUbKOEjTvpUxxPHp3Ou-2F5SOSqOeJVWLQ1qa53yFSdWZmiXhrscMXZ-2BxZFbOqWvcGk0V5Bf6GyvAuZL3YoZwzPyaFH3VS0-2F4qw5qX3kqI0UAfAOC18bgb2JgCCYalA-3D-3D).  The latest development adds to the uncertainty that ensues for those, including sawmill operators, seeking to obtain or renew a CWA Section 404 operating permit. Barring substantive amendment of the CWA by Congress, an unlikely event in the current climate, the latest WOTUS opens the door for more litigation.  EPA, Low Carbon Construction Materials - On September 14, EPA announced that it would make grants available to parties to develop Environment Product Declarations (EPD’s) for low carbon construction materials, beginning after October 1 of this year.  EPA’s action is consistent with HF [comments](https://hardwoodfederation.wildapricot.org/resources/Documents/Wood-Products-EPA-RFI-Constr-Materials-Revised.pdf) filed in May arguing that any low-carbon construction materials program should take into account the carbon storage value of wood products.  USDA, GHG Measurement – In August, the Federation submitted [comments](https://hardwoodfederation.wildapricot.org/resources/Documents/USDA-GHG-Measure-Aug-2023-Final.pdf) in response to USDA’s solicitation of information related to accurate measurement and monitoring of GHG emissions from the agriculture and forestry sectors. HF emphasized the need to take into account effective forest management as a key pillar for GHG measurement.  USFWS, Endangered Species Act – In July, HF filed two sets of comments opposing rescission of ESA flexibility measures including application of a “[blanket rule](https://hardwoodfederation.wildapricot.org/resources/Documents/ESA-Blanket-Rule-July-2023.pdf)” to covered species and consideration of [economic impacts](https://hardwoodfederation.wildapricot.org/resources/Documents/ESA-Econ-Impacts-July-2023.pdf) in making an ESA determination. The Federation petitions parallel arguments made by the U.S. Chamber of Commerce outlined during a meeting in July, rallying the broader business community to oppose [proposed expansion](https://www.federalregister.gov/documents/2023/06/22/2023-13053/endangered-and-threatened-wildlife-and-plants-listing-endangered-and-threatened-species-and) of ESA authorities.  USFWS, Endangered Species Act – Following the uplisting of the Northern Long-Eared Bat (NLEB) from “threatened” to “endangered” a year ago, the next bat in the queue slated for an endangered tag is the tricolored bat. The species is currently undergoing formal review by the Fish & Wildlife Service, but it is almost certain that it will be listed as endangered even though it is not currently categorized as “threatened.” The same disease that has decimated NLEB populations is also afflicting the tricolored bat. The FWS proposed that the tricolored bat be listed as endangered in September 2022, and it is expected to finalize that listing soon. Following action on the tricolored, the FWS will turn its attention to the little brown bat which, we suspect, will also be proposed for listing as endangered.  Currently, landowners and loggers are complying with interim guidance for activities that are and are not permitted around known or suspected NLEB roost sites. Based on feedback from the various regions in the NLEB’s range, the interim guidance is workable. The FWS and Forest Service have until April 1, 2024, to issue final guidance and we are hopeful it closely follows the interim approach. Any final guidance on land management activities associated with the NLEB will serve as the basis for guidance on all the other bat species listed as endangered.  National Environmental Policy Act (NEPA) - On August 7, the HF participated in a coalition meeting led by the U.S. Chamber of Commerce to discuss activities related to federal permitting reform, focusing on efforts to streamline the process across multiple agencies including EPA and the Department of Transportation, among others.  The Chamber raised alarm bells related to the Administration’s [proposal](https://u19539728.ct.sendgrid.net/ls/click?upn=-2B73de0dREQUDGWQfTM3mhlwxIw-2F3xbmu8M3KCTl1T9-2FlBsQyt6zekLszEzAIxFRJMXFtsau-2FRputI7mcLMDRBf-2BWRrp-2BjUpZJOQUUsM9t-2FZbcZlXfMpiMphjZsAy2XCznOEMzoxxiesVMpRe1YvMTg-3D-3DyHqZ_DfShkWCAhoLGP-2FJNrdlPJdV-2FLULhdq7A2Mns4NO8kAbKoy2hBWCjup-2FdSJ4mtav3QZgwkC4yOhBCK4lj-2B12aQm1tCysqlliTnar61N-2FVIXTzUg4tSSmbBe0ElpGy-2FCQPtvfuguwsRWkMM9tfpS1ZlW-2BI-2B3yZIETbd-2BRBtRFA-2F16-2FF7ibJdCLSTkkuc5ZaK9PJvRAP7QhY8lnmp8DJ8WVLQYw3YKHRkZJai-2B2a1PfyocJu-2BzuAdY-2Bca-2BB0Xp5BFMXL5-2BH8vreGoiFD0lCP3HWCn1VM6-2FXrkkHpPdAtsYXs6lggp9ugSpfh-2BROn9clnQjHdTFbXsDy5sOvlhq5Jfl54LtGlnuf0mvDAALQMc2TfZcBqA3Bf7OHvhfTonQbqgYisJjHQ6ygamqCIdwoQxVuIMd1X6eSrxt4QmdErIa27UvBS-2F239BMZn6468b3uxoeeDxPldmtZCHZTPNM68fxcoe7-2B9bB1Tibb5VmnF9ttOPq-2BV8OqZsLhWNO8kzYQbzvEWZz3E2Q8ZXXhftw2bgq6JGtTcUL96-2FT5Z6RVl8LXyoimYraXIVwiS4T5VLvX-2BLI-2B) to alter National Environmental Policy Act (NEPA) federal permitting requirements that would add red tape to a process that already takes up to four and a half years to complete. HF joined the Chamber in comments pushing back on the proposal, which may lay the groundwork for a court fight or new legislation.  European Union Deforestation Regulations:The American Hardwood Export Council (AHEC) and the Federation have been leading the charge the past 18 months to blunt the impacts of the EU’s now final deforestation rules to require geo-location of fiber included in the manufacture of wood products. HF and AHEC have met with Administration officials, including a meeting with the U.S. Trade Representative on November 28, to urge a work-around that will minimize additional red tape for hardwood exporters to EU markets. HF and AHEC have established a working group of forest industry allies, including the AF&PA, to share information related to the rule’s implementation. |