



HARDWOOD

FEDERATION

Hardwood Federation February 2022 Newsletter

From the Executive Director:

The mission of the Hardwood Federation is to advocate federal legislation that leads to a healthy hardwood community. To ensure that we are on the right track and our vision is clear, we rely on the members of the [Hardwood Federation Board of Directors](#) to guide policy and the [Hardwood Federation Political Action Committee Board of Directors](#) to inform our financial support decisions. The 2022 Board Members have been duly elected by the Hardwood Federation membership...our hardwood industry trade associations. The seats are filled by a tremendous group of U.S. hardwood industry leaders who devote time, energy, insight, and yes, financial support, to the Hardwood Federation as we navigate the halls of Congress and the increasingly complicated federal legislative process.

The Hardwood Federation Board is chaired by Matthew Smith of Smith Creek in Borden, Indiana, assisted by Vice Chair Troy Brown of Kretz Lumber Company in Antigo, WI. HFPAC Chair Scott Cummings of Cummings Lumber Company in Troy, PA and Vice Chair Jesse Joyce of Middle Tennessee Lumber Company in Burns, TN are leading the HFPAC efforts to ensure hardwood supporters are well represented in Congress. Thank you to them and for all our great Board Members. Their leadership and engagement are vital to our efforts.

I would also like to thank those Board Members who have stepped down from Board service: Bob Miller formerly of Frank Miller Lumber Company, Greg Pray of Columbia Forest Products, Jack Monnoyer of Deer Park Lumber, Inc., Barbara Titus formerly of Sheoga Hardwood Flooring. We are stronger for their involvement and will miss their guidance but look forward to their continued interest and support of our activities.

And of course, thank you to all the members of the American hardwood industry that support us in so many ways...raising concerns, making calls, adding your voice to our advocacy efforts,

and providing financial donations to our cause. We have a busy 2022 in front of us...with our outstanding Board leadership and the backing of the industry, we look forward to success.

Issues:

USDA Allocates \$1 Billion for “Climate Smart” Pilot Projects

On February 7, USDA Secretary Tom Vilsack announced that the agency would allocate \$1 billion for private forest owners and farmers to launch pilot projects that capture and store atmospheric carbon. USDA’s action constitutes the latest tactic to support the Administration’s ambitious greenhouse gas (GHG) reduction targets. The new program, known as the Partnership for Climate Smart Commodities, will fall under the umbrella of the Commodity Credit Corporation (CCC). The goal of the program is to identify and implement “climate smart” forestry and farming practices. Moving forward, USDA would then develop metrics to quantify GHG mitigation of certain practices, including reforestation and agricultural tillage, among other techniques.

During a hearing on February 8, some House lawmakers characterized USDA action as a “conservation program disguised” as a marketing tool and raised concerns that USDA failed to reach out to Congress for guidance and input. USDA officials responded that House lawmakers are welcome to engage with the agency as the initiative moves forward to help steer its outcome.

In November, the Hardwood Federation submitted comments to USDA’s “Request for Information (RFI)” on a “climate smart commodity” program. HF underscored the importance of moving forward with a program that would quantify and credit the industry for carbon sequestered in finished hardwood products and to be mindful of unintended consequences arising from new environmental programs. For more information related to USDA’s initiative, please click [here](#).

“Build Back Better 2.0” Continues to Stall

The President’s signature tax and spending bill known as the “Build Back Better Act” remains stalled in the Senate. Moderate Senate Democrats continue to oppose certain provisions in the legislation. However, there is consensus in the Senate Democrat caucus around the revenue raisers in the bill, including provisions affecting small and medium sized businesses. What is under discussion is fashioning a slimmed down version of the House-passed bill built around climate provisions (such as forestry and renewable energy tax credits) and prescription drug pricing language in the BBB. Negotiations between Senate Democrat leaders and the White House continue. Given that it is an election year, the conventional wisdom is that any activity

on a modified version of the BBB has until late spring to move. After that, the window for action closes.

Congress Addresses Workforce Development

In early February, the House passed the “America COMPETES Act” (H.R. 4521), a bill that includes a couple of important workforce development provisions. One would expand learner access to Pell grants to enroll in high-quality, short-term job training programs as little as 150 clock hours and eight weeks long. These programs benefit both employers and workers by responding to immediate employer demands and creating new pathways or career ladders for workers and students to foster upward mobility.

The second provision would establish a national postsecondary data reporting system to provide information on student outcomes, such as enrollment, completion and earnings across postsecondary institutions and career fields. These data are essential to understanding how our postsecondary systems are serving students and businesses and would significantly increase policymakers’ ability to make improvements to the nation's postsecondary education and training system. An unstated goal of this legislation is also to provide parents and young adults a clear picture of the costs and benefits of a traditional four-year college degree so they can make an informed decision about next steps after high school and consider a career in the trades as an alternative.

The bill will now go to conference with the Senate which passed the "U.S. Innovation and Competition Act" (USICA), S.1260, last summer, but did not include these provisions.

Administration Launches “Safe Driver” Pilot Program

As part of the bipartisan infrastructure bill enacted last year, there is a provision long sought by the shipping community to establish a younger driver apprenticeship program. That program, known as the Safe Driver Apprenticeship Pilot Program, allows 18-21-year-old drivers to drive rigs interstate after extensive classroom training and on the road experience riding with a seasoned driver. Currently, these younger drivers are restricted to driving only within a single state’s borders. This was seen as a barrier to young individuals choosing trucking as a career. In January, the Federal Motor Carrier Safety Administration (FMSCA) published a notice in the Federal Register signaling that the program is now operational. To learn more about FMSCA’s new driver apprenticeships, please click [here](#).

U.S. Forest Service Concludes “Timber Harvesting” Creates Critical Wildlife Habitat

The U.S. Forest Service and volunteers in the Allegheny National Forest have conducted research that gives new insight into the critical role of timber harvesting to strengthen forest health and wildlife habitat. Although it’s widely acknowledged that mature forests provide

healthy habitats for birds, the February 9 study “revealed the importance of clear-cut areas in providing understory growth that birds frequent after breeding season.” To view the complete report, please click [here](#).

Congress, Administration Focus on Shipping Bottlenecks

Even as Congress moves toward the midterm elections, narrowing the window to move legislation, bipartisan solutions to transportation bottlenecks continue to gain traction. In December, the House passed the “Ocean Shipping Reform Act of 2021” by an overwhelming margin. The bipartisan bill, which received nearly 200 letters of support from members of the hardwood industry, would protect U.S. exporters from unfair ocean shipping practices. On February 3, Sens. Amy Klobuchar (D-MN) and John Thune (R-SD) introduced a companion bill which is gaining bipartisan support. On February 23, the Hardwood Federation joined an industry letter to the Senate, urging the upper chamber to expedite passage of the bill and move it across the finish line.

Also on February 23, the Administration announced that it would offer \$450 million in grants through the Department of Transportation’s (DOT) Port Infrastructure Development Program to expand capacity and ease congestion at ports including Los Angeles, CA and Savannah, GA. This action follows the Administration’s appeal in October urging the ports of Los Angeles and Long Beach to operate 24 hours a day, seven days a week, to alleviate import/export chokeholds.

HAPPENING IN THE HARDWOOD WORLD

Ray Moistner, Executive Director of the Indiana Hardwood Lumbermen’s Association, outlines the critical role of the industry in Indiana’s agricultural economy during an interview on February 8. To read the related article in the “Voice of Muscatine” and listen to Ray’s interview, please click [here](#). Congratulations on the coverage, Ray!

USDA, Softwood Lumber Board Kick Off "Mass Timber" Competition

On February 15, the U.S. Forest Service and SLB initiated a “building to net zero” mass timber competition, an initiative that will highlight the commercial viability of the use of mass timber in building construction. To learn more about the competition and how to submit an entry, please click [here](#). Those interested in submitting applications must do so by March 30.