

Hardwood Federation - February 2023 Newsletter

From the Executive Director: *Fly-In 2023!! REGISTER TODAY!*

The Hardwood Federation Fly-In is back in 2023!! Make plans today to join us in Washington, D.C. June 13-15. Events will kick off with a welcome reception on the evening of Tuesday, June 13 followed by a full day of meetings on the Hill with your Congressmen and Representatives. The Federation team will fully brief you over breakfast on key talking points and meeting logistics then everyone will head to the Hill. With the re-opening of the Capitol and drafting of the Farm Bill occurring this year, June 2023 is shaping up to be an opportune time to get in front of key lawmakers handling the industry's top issues.

In addition to Hill meetings where you'll have the opportunity to fight for the industry's agenda, the Federation is planning a range of events to give you multiple opportunities to interact with your elected officials and make your voice heard. For example, on Wednesday night we will host a PAC reception at the Capitol Hill Club for our friends on the Republican side of the aisle and celebrate the day's achievements over dinner. On Thursday morning, we will wrap up the Fly-in with a breakfast event, also on Capitol Hill, recognizing the Democrats that support the hardwood industry.

Registration is now open! Don't miss this opportunity to advocate for our industry. For more details, check out the full [schedule of events](#). Also, the Federation has arranged for a limited number of rooms at a special rate at our host hotel, the Hotel Monaco, conveniently located in the Penn Quarter of downtown Washington. Be sure to reserve yours today. To sign up for the Fly-In and reserve your room, click [HERE!](#)

Issues:



Capitol Hill Comes to Allegheny Wood Products, Spotlights “State of the American Economy”

On Monday, February 6, the House Ways & Means Committee opened its business for the 118th Congress by taking a road trip to the Federation’s Allegheny Wood Products (AWP) in Petersburg, WV, and reviewing the “State of the American Economy: Appalachia.” Committee Chairman Jason Smith (R-MO) stated in preliminary remarks that the committee was kicking off its agenda in places where federal policies have the most impact instead of “the marble corridors of Congress.” The Chairman also congratulated AWP for its 50th anniversary.

AWP’s VP for Operations, Tom Plaughter, testified before lawmakers and highlighted challenges posed by the entire hardwood sector, including rising fuel costs, supply chain disruptions, a lack of qualified workers and increasing amounts of red tape from government agencies. Plaughter also used the platform to amplify an important industry message, reminding lawmakers that well-managed forests can provide “forest products, opportunities for recreation, and a long-term tool for carbon capture for generations to come. That is all in addition to the jobs and economic impact these forests provide.”

Panel members who made the trip to Petersburg, WV include Reps. Carol Miller (R-WV), Alex Mooney (R-WV), and “Acting Ranking Member” Don Beyer (D-VA), as designated by Chair Smith, Mike Kelly (R-PA), Vern Buchanan (R-FL), Dave Schweikert (R-AZ) Michelle Fischbach (R-MN), Michelle Steel (R-CA), Adrian Smith (R-NE), Kevin Hern (R-OK), Dave Kustoff (R-TN), Darin Lahood (R-IL), Brad Wenstrup (R-OH), Ron Estes (R-KS), Brian Fitzpatrick (R-PA), Drew Ferguson (R-GA), Lloyd Smucker (R-PA), Greg Murphy (R-NC), Claudia Tenney (R-NY), Beth Van Duyne (R-TX), Blake Moore (R-UT), Randy Feenstra (R-IA), Nicole Malliotakis (R-NY), Mike Carey (R-OH). AWP owners and executives have a long-time record of active political engagement on the local, state and federal level. When Congresswoman Miller of West Virginia had the opportunity to schedule a hearing in her home state, AWP was at the top of her list. The field hearing on February 6 demonstrates the benefits of building close relationships with your federal lawmakers. It not only results in a high-profile platform to deliver key policy messages, but it creates the opportunity to spotlight the roles of wood product companies in their hometowns, both as employers and good citizens of the community. Although the hearing was broadcast live, you can view a recording by clicking [here](#).

Expanding Agricultural Exports Act of 2023 Draws Support from Both Parties

On February 1, in what appears to be a bid to make February “Bipartisanship Month” on Capitol Hill, another group of lawmakers from both parties introduced the [Expanding Agricultural Exports Act of 2023](#) (S. 176) (H.R. 648), a bicameral bill that would double the size of USDA’s export program. The bill’s objectives are consistent with one of the Hardwood Federation’s top priorities, especially within the context of the Farm Bill, which is to maximize international markets for hardwood products.

Specifically, the legislation increases dollars for the Market Access Program (MAP) from \$200 million to \$400 million a year, and the Foreign Market Development (FMD) program from \$34.5 million to \$69 million a year. The bill’s champions include Sens. Angus King (I-ME), Joni Ernst (R-IA), Tina Smith (D-MN), Chuck Grassley (R-IA), Susan Collins (R-ME), as well as Reps. Dan Newhouse (R-WA), Jim Costa (D-CA), Tracey Mann (R-KS), Jimmy Panetta (D-CA), Ashley Hinson (R-IA), Kim Schrier (D-WA), Brad Finstad (R-MN) and Chellie Pingree (D-ME).

Bipartisan “Supply Chain Package” Planned in the House

According to Congressional Supply Chain Caucus Chair Dusty Johnson (R-SD), many bills that aim to untangle supply chains are gaining bipartisan support and may come together in a package this spring, increasing the chances of a floor vote. To that end, on January 24, U.S. Reps. Johnson (R-S.D.) and Jim Costa (D-CA) introduced the bipartisan “[Safer Highways and Increased Performance for Interstate Trucking \(SHIP IT\) Act](#)” (H.R. 471), which aims to increase safety and shipping capacity for truckers and create recruitment incentives for drivers. This bill is attracting early support from the Federation, American Farm Bureau and other allies aiming to repair the country’s supply chains. Industry allies, Reps. Dusty Johnson (R-SD) and Jim Costa (D-CA), are leading the charge on the bill and expect it to move as part of a larger “supply chain package” in the spring.

Not to be outdone, Reps. Abigail Spanberger (D-VA) and Mike Gallagher (R-WI) plan to reintroduce the “Strengthening Supply Chains Through Truck Driver Incentives Act,” which will tackle the trucker shortage by promoting apprenticeships. In addition to the bills described above, the LICENSE Act (Licensing Individual Commercial Exam Takers Now Safely and Efficiently Act) is also expected to gain bipartisan support and merge with the larger package. The License Act would address the driver shortage by cutting red tape in the rigid Commercial Drivers License (CDL) issuance process.

USFWS Finalizes Bat Habitat Plan for Lake States Region

In late 2022, the USFWS finalized a Bat Habitat Conservation Plan (HCP) for the [Lake States Region](#) (LSR), including Michigan, Minnesota and Wisconsin. Issuance of the HCP followed a notice and comment period that a public review of the full draft HCP that ran from August 29, 2022 through September 28, 2022. Regulators also conducted a virtual informational meeting on the draft on Thursday, September 8, 2022. Fortunately for industry, the HCPs conservation strategies are similar to the current 4(d) Rule for “threatened” bat populations under the Endangered Species Act that land managers have been implementing since 2015. The LSR bat plan may also serve as a model for other states wanting to develop an HCP, delivering flexibility to a broader swath of landowners and sawmills. If your state has not yet drafted an HCP, we encourage you to reach out to your state’s Department of Natural Resources (DNR) for details related to developing and implementing this jurisdictional conservation strategy.

Western Caucus Sounds Alarm Over Low Timber Harvests

In late January, Reps. Dan Newhouse (R-WA) and Derek Kilmer (D-WA) led a bipartisan [letter](#) to U.S. Forest Service Chief Randy Moore expressing concern about low timber harvests in Fiscal Year (FY) 2022, which witnessed an 11% decline from FY 2019. Specifically, the lawmakers stated that “timber sale targets are essential for sawmills and forest contractors to plan their business operations and investments.” They also asked the USFS how it will “ensure that each region and forest is assigned timber sale targets and meets these targets? The lawmakers also pointed out that five sawmills located near the NFS have closed during the past three years, with more sawmills and forestry contractors facing similar challenges during the next year and a half. Sixteen House Republicans and three Democrats co-signed the letter.

Sens. Feinstein (D-CA), Collins (R-ME) to Roll Out Bipartisan Community Wood Bill

Joining forces across party lines, Sens. Dianne Feinstein (D-CA) and Susan Collins (R-ME) are gearing up to re-introduce the [Community Wood Facilities Assistance Act](#), a bill that would funnel resources from the Community Energy and Wood Innovations Program toward small wood products facilities. The bill would increase the maximum grant per facility from \$1 million to \$5 million and double the budget for the program from \$25 million to \$50 million. The bill will also rebrand the program as the “Community Wood Facilities Grant Program” to avoid confusion with the similarly named “Wood Innovations Grant Program.” The Federation will keep you posted on developments related to this important bill.

Reps. Thompson (R-PA) and Bonamici (D-OR) Recognize Career/Technical Ed Month

On February 9, hardwood industry allies Reps. GT Thompson (R-PA) and Suzanne Bonamici (D-OR), co-chairs of the House Career and Technical Education Caucus, introduced a [resolution](#) recognizing February as “Career and Technical Education (CTE) Month” to highlight the impact of CTE programs. Speaking in support of the resolution, Rep. Thompson (R-PA) noted that “CTE prepares students with the technical skills needed to obtain high-paying, high-demand jobs.”

A key goal of the resolution is to alleviate worker shortages by promoting positions in high-demand, high-skill, and high-wage jobs and career fields that often go unfilled. Specifically, the resolution encourages educators, school counselors, administrators, and parents to promote career technical education as a respected educational pathway for students. Per a request from Rep. Thompson's office, the Hardwood Federation signed on to support the resolution.

Bipartisan Lawmakers Rally Around Efficient Forest Management

On February 1, Sens. Steve Daines (R-MT) and Dianne Feinstein (D-CA) and Reps. Dan Newhouse (R-WA) and Scott Peters (D-CA) introduced the bipartisan [Root and Stem Authorization Act](#). The legislation would encourage landowners and regulators to come together to design and implement forest restoration projects. Specifically, the bill would codify the authority of the secretaries of the Agriculture and Interior departments to conduct forest restoration projects alongside private landowners and companies. A variety of industry and environmental groups are praising the bill, characterizing it as an important step forward to cut back on wildfire risks while promoting science-based land management. The Federation will keep you posted on the bill's progress as it moves through both sides of the Capitol.

Reg Watch - Federal Agency Actions that Can Impact Your Bottom Line

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As the Administration enters the second half of its current term and confronts a divided Congress where different parties control each chamber, like its predecessors, it will look to regulatory tools available through federal agencies to move its agenda forward. Although some partisans praise legislative gridlock as a "do no harm" scenario, federal agencies can often step in when lawmakers fail to push their agenda across the finish line. To illustrate some off-Hill initiatives that don't always make headlines but can impact your bottom line, the Federation is monitoring the following activities from Washington's alphabet soup of federal departments:

- EPA – Proposed Revisions to the National Ambient Air Quality Standards (NAAQS) for Fine Particulate Matter (PM 2.5)

- EPA – Stakeholder Input on Inflation Reduction Act Programs and GHG Emissions
- USFWS – Proposed Revisions to Incidental Take Permits under Endangered Species Act.
- Coming Soon from EPA! Proposed Regulations to Limit Carbon Emissions from Existing Power Plants.

Stay tuned for developments related to the above rulemakings and related Federation advocacy.