

# The Hardwood Federation

AHMI

February 23, 2019

# What is the Hardwood Federation?

- Voice of the U.S. Hardwood Industry
- Established in 2004
- 27 Hardwood Businesses Organization Members

# Our Members

American Hardwood Export Council

Appalachian Hardwood Manufacturers

Appalachian Lumbermen's Club

Empire State Forest Products Assn.

Hardwood Distributor's Assn.

Hardwood Manufacturers Assn.

Hardwood Plywood & Veneer Assn.

Indiana Hardwood Lumber Assn.

Kentucky Forest Products Assn.

Kitchen Cabinet Manufacturers Assn.

Lake States Lumber Assn.

Maple Flooring Manufacturers Assn.

Missouri Forest Products Assn.

National Hardwood Lumber Assn.

National Wood Flooring Assn.

National Woodland Owners Assn.

North Carolina Forestry Assn.

Northeast Loggers Assn.

Pennsylvania Forest Products Assn.

Penn-York Lumbermen's Club

Railway Tie Association

Southern Cypress Manufacturers Assn.

Southwestern Hardwood Manufacturers Club

Virginia Forestry Association

Western Hardwood Association

Westside Hardwood Club

Wood Component Manufacturers Assn.

# The Hardwood Federation Charge

- Educate Policy Makers
- Monitor Federal Policy
- Participate in the Process
- Network with Allies
- Support Our Champions - HFPAC

# 2018 Highlights

Federal Forest Management Reform

Farm Bill Passage

Waters of the U.S.

# Federal Forest Management Reform

## 2018 Spending Bill Provisions

- Fire Borrowing
- Streamlining NEPA
- Stewardship Contract Improvements
- Good Neighbor Authority Improvements
- Road Access Improvements

# Federal Forest Management Reform

## Increased Timber Sales

- 2018 Timber Sales: Highest Output Since 1997.
- 3.2 Billion Board Feet sold by Forest Service.
  - Goal of 3.4 BBF
  - 10% Increase over 2017
- First Time Since 1997 Selling Over 3 BBF.

# Farm Bill Reauthorization

- Covers Agriculture, Food Aid, Conservation & More
- Reauthorized Every Five Years
- 80% of Spending is on Nutrition Programs
- Less than 1% on Forest Products Industry



# Farm Bill Forest Products Programs

- Export Promotion Programs (AHEC Funding)
- Timber Innovation Act
- Community Wood Energy & Wood Innovation Program
- Forest Management Reform

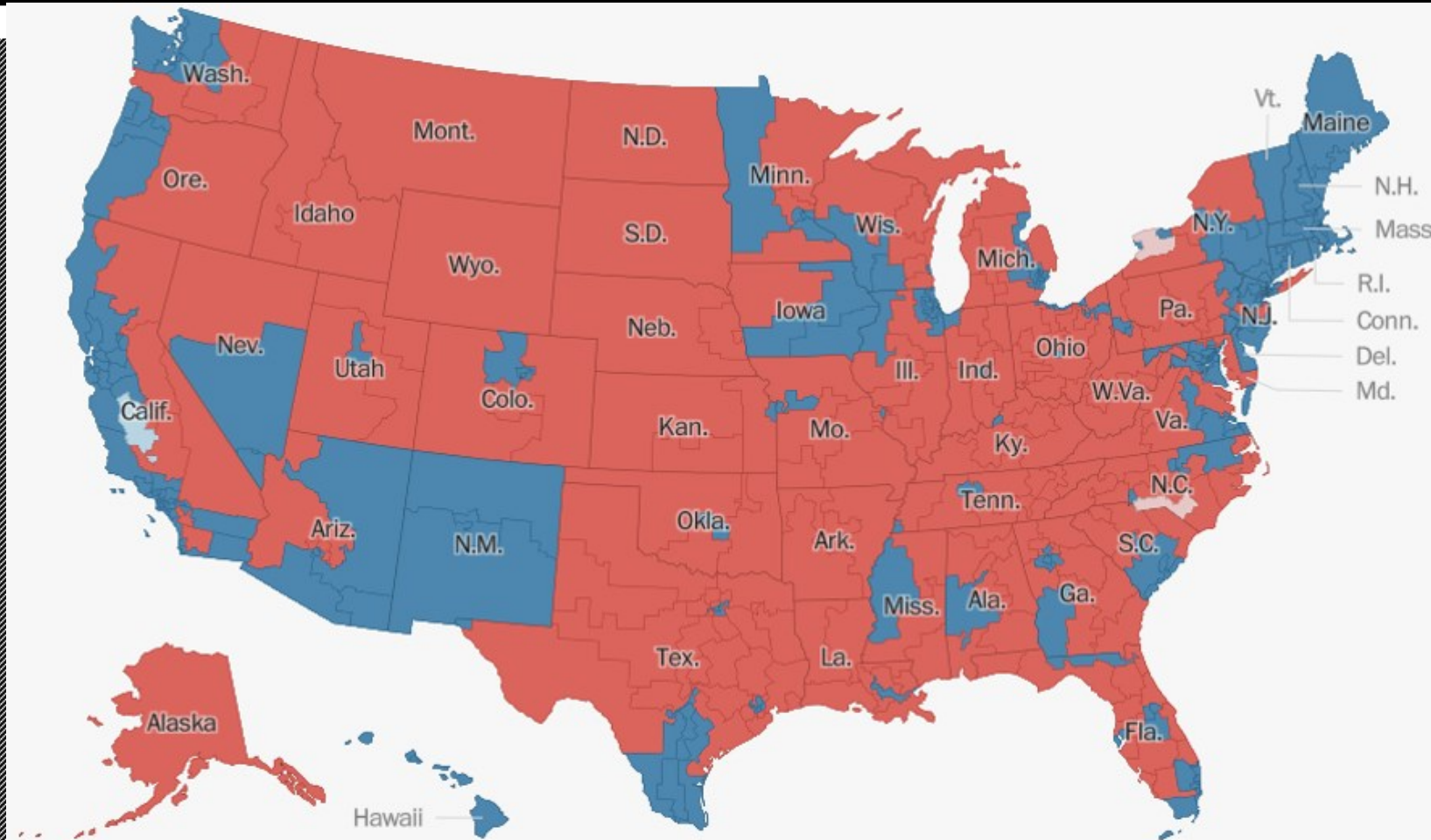
# Waters of the U.S.

- Obama Administration expanded definition of waters in Clean Water Act.
- Included temporary water flows.
- New rule narrows definition.

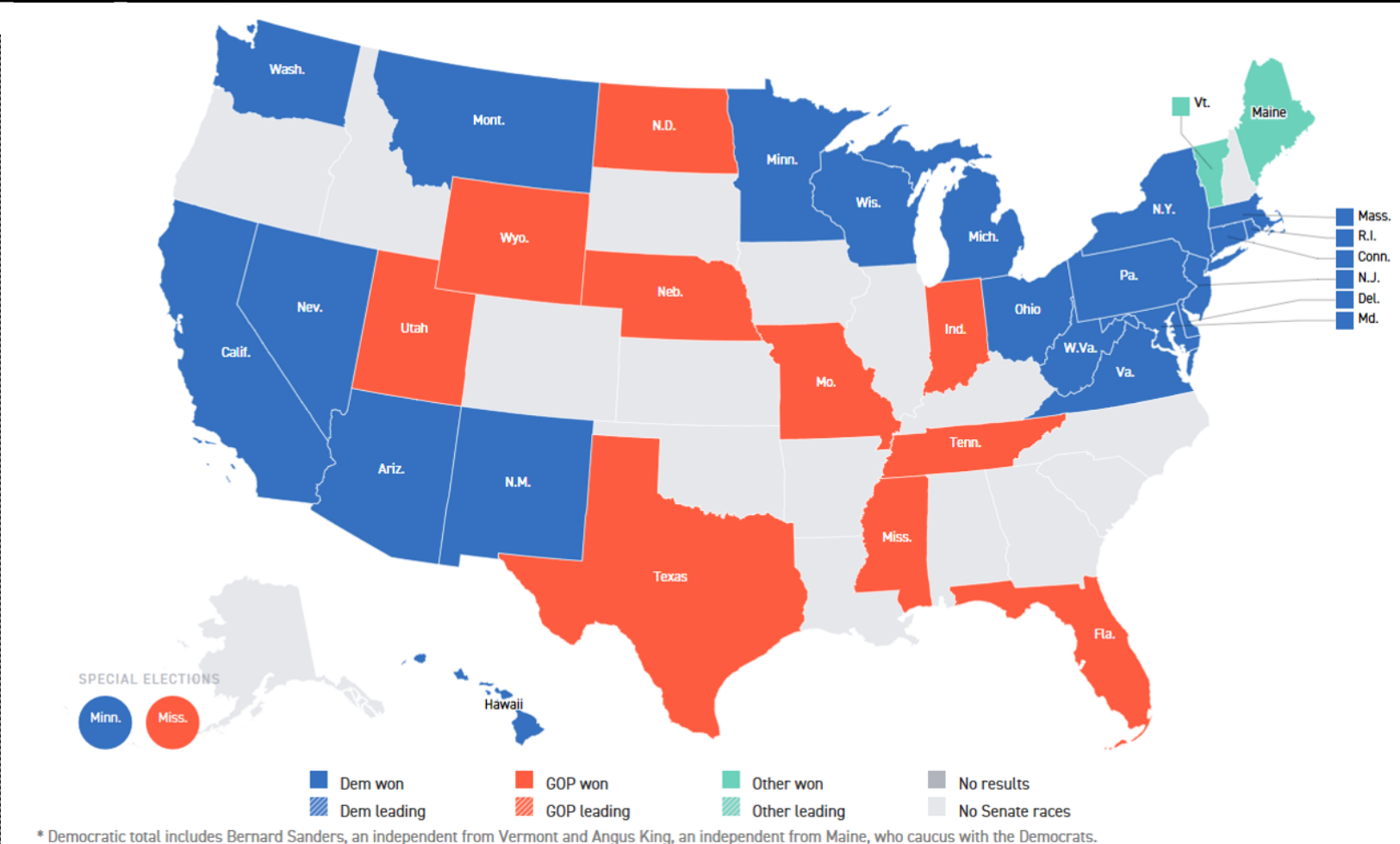
# Election 2018

What Happened?  
And  
What Does It Mean?

# Election 2018 – House of Representatives Democrats 235; Republicans 199

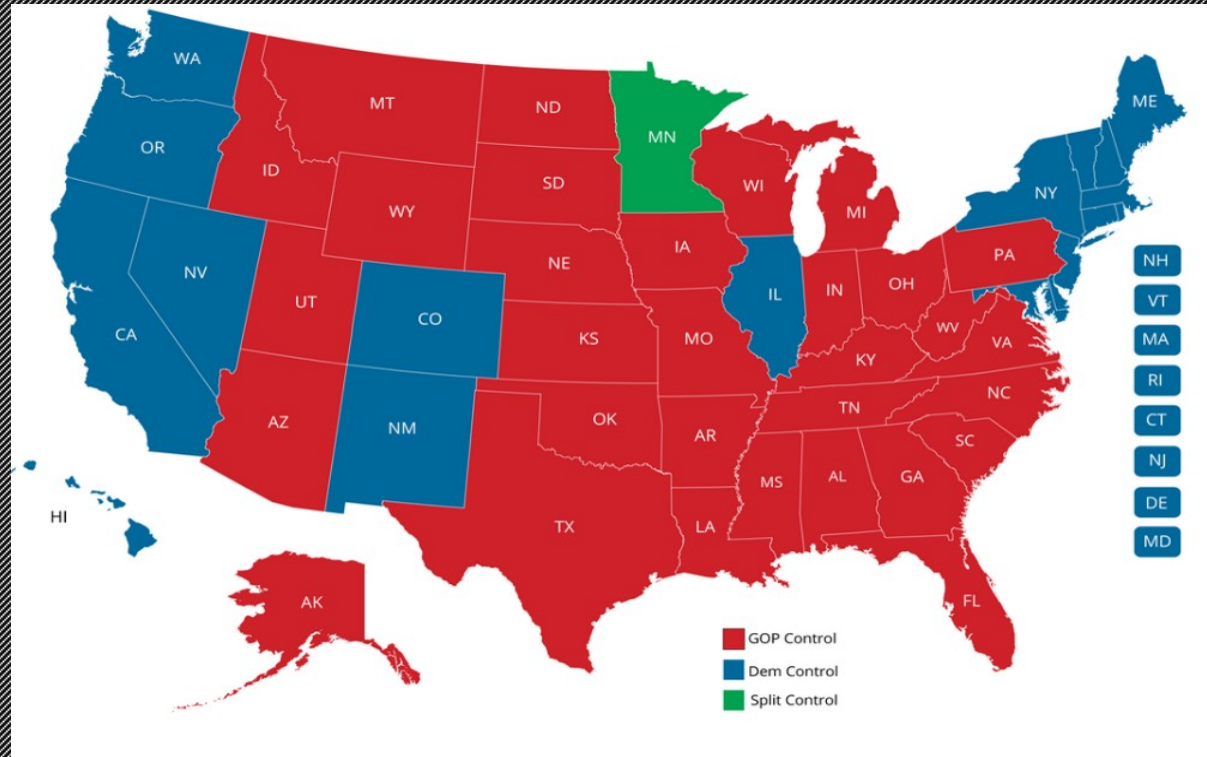


# Election 2018 - U.S. Senate Republicans 53; Democrats 47

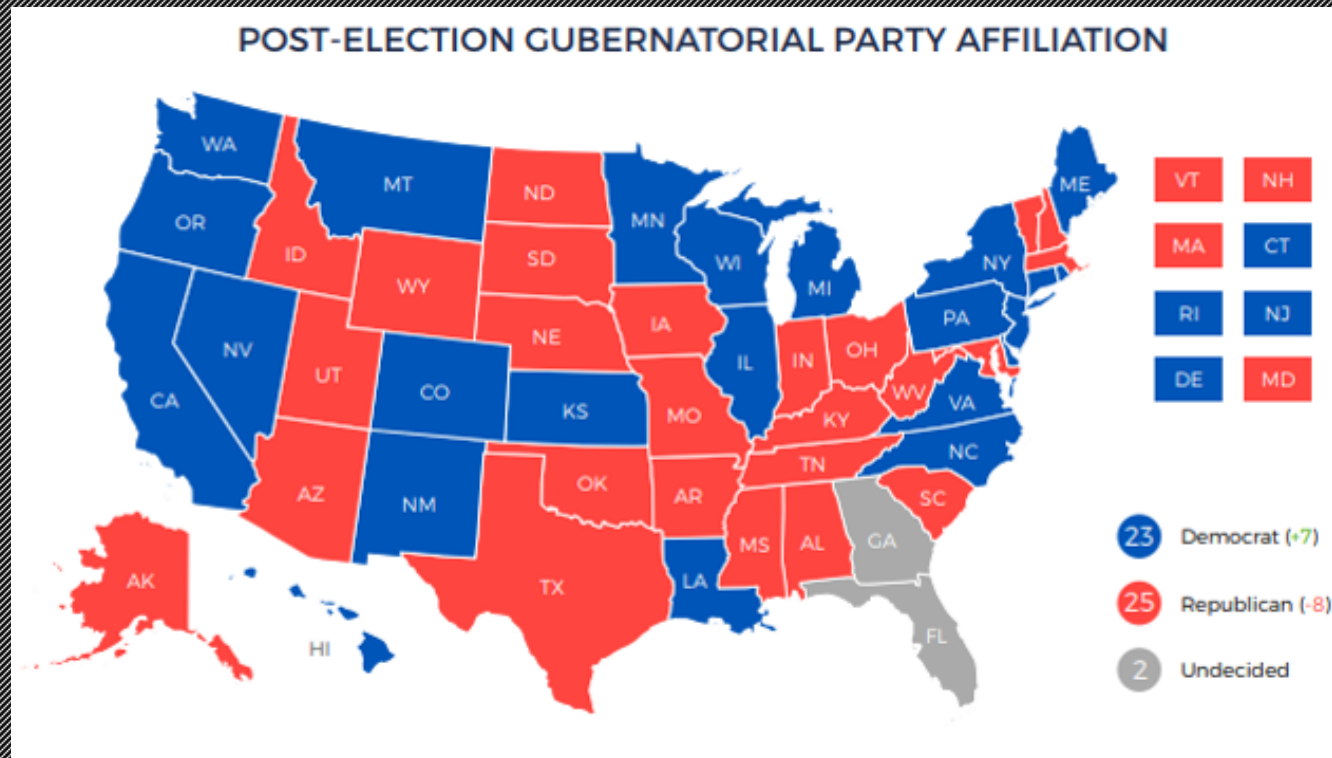


# State Legislatures 2018

## Republicans 62 Chambers; Democrats 37



# Governor Elections Republicans 27; Democrats 23





# Looking Ahead - 2019

Trade

Forest Management

Endangered Species

Infrastructure



# Trade

NAFTA

European Union

Section 232 Tariffs— Steel, Aluminum and Autos

Section 301 - China

Log Exports

# Forest Management & ESA

Implementation of Reform Measures

Fight Against Limiting Forest Service

Support ESA Reform

# Infrastructure

Possibly the one area of potential cooperation between Democrats and Republicans.

Hardwood Federation

Hardwood Economic  
Impact Study

# Hardwood Economic Impact Study

## Hard Data: Key to Legislative Success

- Jobs
- Gross Domestic Product (GDP)
- Labor Income
- Output
- Taxes

# Economic Impact Study-Key Findings

Impact Type	Jobs	Labor Income	GDP	Output
Direct Effect	748,412	\$38.0 Billion	\$49.0 Billion	\$152.6 Billion
Indirect Effect	612,340	\$40.8 Billion	\$62.7 Billion	\$123.9 Billion
Induced Effect	725,310	\$37.0 Billion	\$65.7 Billion	\$117.5 Billion
<b>Total Effect</b>	<b>2,086,062</b>	<b>\$115.8 Billion</b>	<b>\$177.4 Billion</b>	<b>\$394.0 Billion</b>

# Economic Impact Study – Key Findings

## Exports Matter

- Exports support 206,000 jobs
- Exports contribute \$17.8 billion to the U.S. economy
- Exports total \$39 billion in output

For every \$1 million in output of hardwood products, 5.3 jobs are supported.

# Economic Impact Study-Kentucky

Impact Type	Jobs	Labor Income	GSP	Output
Direct Effect	12,610	\$604.6	\$715.3	\$2,478.3
Indirect Effect	5,611	\$305.3	\$450.1	\$829.2
Induced Effect	5,338	\$215.2	\$385.4	\$691.9
<b>Total Effect</b>	<b>23,559</b>	<b>\$1,125.1</b>	<b>\$1,552.8</b>	<b>\$3,999.4</b>



# Economic Impact Study-South Carolina

Impact Type	Jobs	Labor Income	GSP	Output
Direct Effect	8,612	\$407.1	\$676.8	\$2,088.9
Indirect Effect	5,393	\$262.6	\$390.8	\$745.8
Induced Effect	4,061	\$155.3	\$290.6	\$515.6
<b>Total Effect</b>	<b>18,066</b>	<b>\$825.0</b>	<b>\$1,358.2</b>	<b>\$3,350.3</b>

# Economic Impact Study-Pennsylvania

Impact Type	Jobs	Labor Income	GDP	Output
Direct Effect	32,075	\$1,737.4	\$2,049.4	\$6,090.4
Indirect Effect	13,496	\$955.7	\$1,445.2	\$2,492.8
Induced Effect	17,403	\$850.8	\$1,485.1	\$2,478.8
<b>Total Effect</b>	<b>62,974</b>	<b>\$3,583.9</b>	<b>\$4,979.7</b>	<b>\$11,062.0</b>



**HARDWOOD**

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FEDERATION