



Empire State Forest Products Association

The people behind New York's healthy forests and quality wood products
www.esfpa.org

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Memorandum of Opposition **A 6872/S 5921**

Honorable Kenneth Zebrowski
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Via email zebrowskik@nyassembly.gov

Honorable Liz Krueger
Senator
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April 19, 2021

Dear Assembly Member Zebrowski and Senator Krueger:

The Empire State Forest Products Association (ESFPA) has concerns with **A. 6972/S. 5921** the Deforestation-free Procurement Act. The proposed legislation does not recognize the benefits of sustainably managed forests under an array of scientifically driven forest certification programs employed in Canada as well as New York State. The proposed legislation puts at risk a robust and healthy import/export relationship between Canada and New York. The Legislation as drafted could drive demand for wood products to other forests of the world that are far less sustainably managed and environmentally protected. The legislation could result in negative consequences of the role of working forests as a natural solution to climate change. This legislation could result in social injustices in both New York and Canadian forest-based communities.

The Empire State Forest Products Association (ESFPA) represents over 350 member businesses, industries and landowners engaged in forest resource production and stewardship of New York's 19 million acres of forest. In total, \$22.9 billion dollars in annual industry production and nearly 100,000 jobs are attributable to operations of various industries within the forest related sectors.

Forest Certification

There are many programs that ensure the sustainability of forest products. Forest certification standards offer a proof point that forest products come from well managed forest, with requirements in place to regenerate trees after harvest, protect water quality, enhance wildlife habitat, and ensure the renewability of that forest. In New York, we have over 800,000 acres of forest certified to one or more certification standards. The two certifications in New York are the Sustainable Forest Initiative (SFI) and the Forest Stewardship Council (FSC). Canada has these two certification standards and a third, the Canadian Standards Association (CSA).

ESFPA fully supports the legislative intention of this Act in preventing the degradation or deforestation of forests and the promotion of environmental standards to ensure forest health and sustainability. Our concern is that this legislation precludes the previously recognized exception of forest lands that are sustainably managed. **We ask that the language regarding sustainably managed forests be retained.** We would, in fact, support language that better defines sustainably managed forests and forest products than is currently in law and we would be happy to work on that with you.

New York – Canadian Import/Export Relations and Commodity Costs

Canada is New York's (and the United States) largest trading partner. This legislation if enacted could be a non-tariff barrier to the import and export trade of forest products between New York and Canada. Forest products are seeing dramatic price increases due to COVID-related demand (e.g., increased demand for new homes and home repairs/renovations). A significant percentage of our softwood dimensional lumber, sheathing and siding comes across the Canadian border and prices have risen dramatically. In early April, the price for dimensional lumber reached a record high of \$1075 U.S. dollars per 1000 board feet. This is more than three times the 20-year average price. On top of the current U.S. duties on Canadian softwood lumber, **unfounded discrimination against Canadian wood manufacturers in this legislation will negatively impact New York, including contractors and families that could be impacted with this legislation.**

Impact on Climate Change

Climate change is already impacting our forests regardless of country boundary lines. When public or private forest are unhealthy, they affect their neighbors. Active management at a landscape scale improves resilience as our climate changes and introduces new stresses on our forestland. When looking at policies that benefit forests in New York as well as Canada we need to pursue policies that:

- Prioritize keeping forests well managed/healthy, which includes supporting forest product markets. Strong markets for forest products allow forest owners (public as well as private) to re-invest in their forests and help them resist economic pressure to convert their land to other uses that are less carbon beneficial.
- Policies must recognize the carbon value of the whole forest supply chain, including the forest and harvested wood products.
- Harvested wood products are New York's and Canada's first green economy, and they have tremendous potential to provide substitution benefits of current petroleum-based products.

The forests of New York and Canada are among the best managed and most protected forests in the world. Through certification and stringent laws and regulations, our forests are managed in a way that conserves wildlife habitat and species at risk, protect clean water, train logging professionals, and support conservation research for continuous management improvement. **The collective impact of these practices, laws and regulations is healthy resilient forests. Vigorous and healthy forests that are sustainably managed are more resilient to the impacts of climate change, invasive species, and wildfires. Wood products produced from sustainably managed forests also sequester carbon for extended periods, often decades.**

Impacts on the Forest Based Communities in New York and Canada

In considering the forest protection addressed in this legislation and the impacts on trade between New York and Canada it is important to consider the socio-economic implications to forest-based

communities here and to the north. Yes, we can set policy set aside (preserve) forestland. Woods and mill jobs will be impacted, trade economics will be impacted, quality of life will be impacted. We must consider the climate justice issues of such an approach on rural and indigenous populations in New York and Canada. **Everybody loses.**

Demand for Wood Products is Rising So Where Should We Source our Wood

Humans need wood for construction, paper, cardboard, and other commodity products. If we do not use wood, what will we use instead? This is not rhetorical. Even with per-capita reductions in resource use and increases in recycling, the total global demand for wood will increase for many decades as the global human population grows to 10 billion by 2050. The demand for infrastructure, especially buildings, is going to be enormous.

Given the demand we know is coming, for every ton of carbon sequestered by increased “protection of intact forests” by whatever means, that ton is predicted to “leak” into the atmosphere because of somewhere else stepping in to meet the wood demand. Wood flow is international, so reduced harvest in the U.S. will result in harvest elsewhere. The carbon benefit of “protection” in the U.S. will be largely illusory. Even the biodiversity benefits of “increased protection” can “leak.”

Preventing imports/exports of sustainably managed forests in New York and Canada, will only put pressure on other forests of the globe that are not nearly as protected, regulated, or sustainably managed and further contributing to deforestation, larger environmentally damaging footprints, and social and economic injustices. **Thus, the important question is not “how much more carbon can be stored in U.S. forests through ‘protection?’” but “how can we optimize the storage of carbon in the forest *and* in forest products *while* meeting society’s need for wood?**

Bottom Line

ESFPA opposes this legislation which requires procurement of forest products to certify that the commodities are not sourced from lands where tropical deforestation of Boreal intact forest degradation or deforestation occurs. We firmly believe that there are sustainable forest management practices and certification processes currently available that provide the following and:

- Sustainability assurances about where these products come from.
- Products from sustainably managed forests provide environmental, social, and economic benefits, including climate change solutions and workforce development.
- New York procurement policy should reward, not constrain, the sourcing of products from these forests to ensure that demand for wood products comes from well managed forests in New York, Canada and abroad.
- If this legislation does proceed, the proof point(s) for how the requirements of this legislation will be met need to be clear, and, as currently written, that is not clear.

If we are smart, through improved silviculture and forest management we can better conserve forest, biodiversity (including the late-successional and species at risk), sequester more carbon in the woods and in products, and create a new forest economy to meet the demands we know are coming.

cc: Senate Procurement & Contracts Committee Members

For More Information Contact:

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