

# Hardwood Federation Fly-In Focuses On Trade, Farm Bill

Dana Lee Cole

Each September, industry leaders visit our nation's capital to join in our efforts on behalf of hardwood businesses across the country during the Hardwood Federation's annual Fly-In to Washington, D.C. This year, industry leaders showed up in record numbers. This year, 83 hardwood representatives attended a record 123 meetings with members of Congress and staff, as well as important administration meetings.

As in years past, the Hardwood Federation PAC sponsored social events for Republicans and Democrats during the Fly-in, with 35 Republican members attending our Wednesday evening reception. The next morning, 17 Democrats joined us for breakfast. These numbers, and the effort by members of Congress to attend the events, continue to prove that Hardwood Federation and the HFPAAC maintain a solid reputation and significant clout on Capitol Hill. These events also provide us with an outstanding opportunity to reconnect with friends on the Hill and establish new relationships.

This year's Fly-In was all about trade and the Farm Bill. Whereas we have covered as many as five issues in past years, in 2018, it was really about highlighting these two.

## Trade

Our message on trade was simple: Trade is having a devastating impact on hardwood sawmills, and we asked that the Trump Administration return to the negotiating table as soon as possible. The hardwood industry relies on export markets for its survival. In 2017, U.S. hardwood producers shipped \$4.04 billion worth of U.S. products to global markets; \$2.09 billion to Greater China. China, the NAFTA countries and the E.U. make up 82 percent of hardwood exports. In 2017, the United States had a trade surplus of \$1.475 billion in hardwood lumber, up from \$1.1 billion in 2015.

During the Fly-In, it was stated that the proposed 10-25 percent retaliatory tariffs by China on U.S. hardwood exports was already

having a negative impact on U.S. hardwood companies, workers and consumers and would cause long-term damage to international markets. Following the Fly-In, China and the United States both dialed back a bit on tariff levels and announced 5-10 percent tariffs on the flow of exports between the two countries, at least until the end of the year. However, there remains the threat of higher, mutual tariffs in 2019. We will be closely watching to see how markets respond to a more certain trading terms.

## Farm Bill

The Farm Bill is an equally complicated issue. The Hardwood Federation advocated for re-authorization of the Farm Bill by Sept. 30 and advocated for the following Farm Bill programs:

- Full funding for the Market Access Program (MAP) and Foreign Market Development (FMD) program in the 2018 Farm Bill;
- New categorical exclusions from NEPA in the House bill that will facilitate federal forest management; and
- Timber Innovation Act provisions in the Farm Bill to develop new markets for wood products using Cross Laminated Timber.

Unfortunately, the Farm Bill was not finalized by the September deadline, but we will continue to push Congress to pass a final bill by the end of the year in order to continue important forestry related programs.

For information on participating in Fly-in 2019, contact the Hardwood Federation at (202) 463-2705. ■



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## Hardwood Procurement Trends Eastern Half U.S. – August 2018

The gauges below represent "snapshot in time" opinions of in-the-field wood tie buyers who procure untreated crossties from sawmills in their regions. RTA does not warrant nor accept responsibility for the accuracy of the data generated. See more on [rtastats.org](http://rtastats.org).

