



October 12, 2021

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

The National Lumber and Building Material Dealers Association (NLBMDA) with its state and regional association partners represent over 6,000 building material retail locations nationwide who operate single and multiple lumber yards and component plants serving homebuilders, subcontractors, general contractors, and consumers in the new construction, repair and remodeling of residential and light commercial structures. The majority of NLBMDA members are small, family-owned lumber and building material (LBM) operations, in many instances providing lumber products and building material in the same communities for generations.

I am writing today on behalf of the LBM dealer industry to urgently express our concern with continued volatility in lumber prices and the effects it is having on the LBM industry, residential construction and the larger economy. Like many small businesses, lumber and building material dealers have been deeply impacted by the economic downturn caused by the COVID-19 pandemic and subsequent supply chain disruptions that are still affecting our industry today.

During the last several months, NLBMDA has actively engaged your Administration on the issue of price volatility in the lumber market. In March, NLBMDA sent a letter to Department of Commerce Secretary Gina Raimondo which reiterated our members' concerns with the price volatility and urged your Administration to prioritize this ongoing crisis. NLBMDA has also participated in a number of productive meetings with the Department of Commerce and White House on behalf of the LBM industry regarding this critical issue. NLBMDA believes there are several ways your Administration can address the continued volatility in building material prices and help provide stability to residential and commercial construction markets for the long-term.

First, NLBMDA remains concerned with the impact that softwood lumber duties are having on the North American building material market. NLBMDA strongly urges the Department of Commerce to reverse its preliminary determination from earlier this year to increase countervailing and antidumping duties on Canadian softwood lumber imports from 9% to 18%. NLBMDA believes these tariffs are a tax on American consumers and will further aggravate the affordable housing crisis afflicting communities across the country. Further, NLBMDA calls on your Administration to seek a permanent trade agreement with Canada that eliminates tariffs and brings long-term stability to the supply and pricing of softwood lumber.

Second, NLBMDA is troubled by continued disruptions in the building material supply chain and ongoing labor shortages that are slowing the economic recovery amidst the COVID-19 pandemic. Labor shortages pose a very real risk to the long-term health of the lumber and building material dealer industry and its supply chain. The impacts of this shortage are affecting stakeholders ranging from small, family-owned businesses to large corporations. NLBMDA urges your Administration to examine free-market solutions and eliminate any unnecessary rules and regulations which are hindering the lumber supply chain and labor market.

Third, NLBMDA calls on the Administration to pursue a legislative agenda that reflects the needs of small businesses and will not further exasperate the economic uncertainty caused by the lumber volatility and supply chain crisis. The Administration should immediately drop its demand for higher taxes on LBM dealers and other small businesses which will undoubtedly result in needless job losses across the U.S. economy. Instead, the Administration should prioritize legislation that will boost workforce development, improve housing affordability and incentivize job creation.

Lastly, NLBMDA would like to formally request a meeting with Secretary Raimondo to discuss the impact of lumber price volatility on LBM dealers and examine solutions to mitigate the ongoing crisis.

Thank you for your consideration of this important matter. Please contact NLBMDA's Director of Government Affairs Kevin McKenney at kevin@dealer.org with any questions and to coordinate a date and time for a meeting.

Sincerely,

A handwritten signature in black ink that reads "Jonathan Paine". The signature is written in a cursive, flowing style.

Jonathan M. Paine, CAE
President & CEO

CC: Secretary Gina Raimondo
Secretary Martin Walsh
Secretary Marcia Fudge
Secretary Thomas Vilsack
Secretary Peter Buttigieg
Ambassador Katherine Tai