About NLBMDA

The National Lumber and Building Material Dealers Association (NLBMDA) represents its members in the national public policy arena, with emphasis on efforts to: 1) promote the industry and educate legislators and public policy personnel; and 2) assist legislative, regulatory, standard-setting, and other government or private bodies in the development of laws, regulations, and policies affecting lumber and building material dealers, their customers, and suppliers. Founded in 1917, the association has more than 6,000 member locations operating single or 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.

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DEAR POLICYMAKERS:

As divided government returns to Washington, the nation’s building supply chain continues its commitment to the housing sector by working with Congress and the Trump Administration on policies that will provide further economic growth and opportunity. The National Lumber and Building Material Dealers Association (NLBMDA) continues to engage policymakers on issues such as trade and workforce development to ensure housing is the cornerstone of a strong economy. The Association also encourages additional regulatory reforms to reduce red tape for business while keeping employees and consumers safe.

Trade policy remains a major concern for dealers. NLBMDA supports a long-term agreement between the United States (U.S.) and Canada that resolves the softwood lumber dispute and brings predictability and stability to product supply and prices. As much as one-third of the softwood lumber used each year in the U.S. comes from Canada. The species of wood imported from Canada, and required for framing in parts of the U.S., are simply not available in sufficient quantities domestically. NLBMDA also opposes the steel and aluminum tariffs that increase the cost of construction.

Housing affordability has become a challenge for more and more families. Increases in home prices and mortgage rates have made the dream of home ownership more elusive for prospective buyers. Last year, less than 60 percent of new and existing homes sold in the U.S. were affordable to families earning the national median income. Congress and the White House should prioritize housing affordability to make certain that hard-working Americans continue to have a path to home ownership.

Continued changes are needed to address the regulatory burdens placed on many small businesses. NLBMDA supports the periodic update of federal laws and regulations, but caution is needed to avoid a one size fits all approach that often has unintended consequences. We encourage Congress to exercise its authority and roll back rules that have placed unnecessary stress on businesses; and in addition, pass legislation that brings common sense to the rulemaking process.

NLBMDA applauds congressional action in recent years that has updated fiscal policies and improved the regulatory climate for businesses. The Association looks forward to continuing its work with Congress and the White House in 2019 to roll back regulatory red tape and pass common-sense policies that properly sustain the building supply industry and the Nation’s economy for the long-term.

Sincerely,

Robert Sanford
Chair, NLBMDA
President, Sanford and Hawley
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HOUSING

As suppliers to the building and construction industry, lumber and building material dealers play a critical role in promoting home ownership and advancing affordable housing. As housing markets continue to grow across the country, it is imperative that government intervention not jeopardize our economic viability. Sound fiscal policies are needed to ensure homebuyer confidence and to spur lending that will facilitate new construction activity. Incentives for energy-efficient home improvements can be a powerful tool to save energy. NLBMDA will continue to work with policymakers to support responsible lending practices that promote and preserve the value of home ownership. NLBMDA supports reinstating higher conforming loan limits for Fannie Mae, Freddie Mac and Federal Housing Administration-insured home loans to ensure greater mortgage liquidity and to provide greater certainty for the housing market. The Association supports efforts to improve housing affordability for credit-worthy borrowers. NLBMDA believes that the Department of Housing and Urban Development (HUD) must continue to provide support for struggling and prospective home buyers, and supports adequate funding for its grant and loan programs. The Association continues to advocate for disaster recovery assistance to help homeowners and businesses recover from national disasters.

Principles:

- NLBMDA supports sound fiscal policies to maintain housing as the cornerstone of our national economy.
- NLBMDA supports policies to promote responsible home ownership and to improve and streamline oversight of the nation’s credit and mortgage entities.
- NLBMDA believes any reform of the housing finance system must maintain a federal backstop to ensure that 30-year, fixed-rate mortgages and reliable mortgage financing remain readily available and affordable.
- NLBMDA supports affordable housing programs that make the dream of home ownership available to more Americans.
- NLBMDA believes any strategy to promote economic growth must include a robust small business component that allows entrepreneurs access to capital and credit and to retain existing cash flow from operations in order to grow and expand their enterprises.
• NLBMDA supports disaster recovery assistance that returns displaced residents to their homes and encourages the timely rebuilding of disaster-impacted areas.

• NLBMDA supports changes to the National Flood Insurance Program to reflect a slower increase in actuarial rates and to allow sufficient time between the publishing of the new maps and their adoption by local jurisdictions.

• NLBMDA believes that guaranteed fees (g-fees) should only be used for their intended purpose of ensuring the safety and soundness of Fannie Mae and Freddie Mac and should not be used to pay for other government programs.

• NLBMDA supports recent reforms to the Dodd-Frank Act allowing banks of all sizes to responsibly lend capital as part of a healthy residential housing market.

TALLER WOOD BUILDINGS
The flexibility of wood makes it an ideal building material for earthquake safety and high wind requirements. Recent advances in technology, engineering, and safety have made it possible to build taller wood buildings using newly-developed mass timber products. When harvested responsibly, wood is arguably one of the best tools architects and engineers have for reducing greenhouse gas emissions and storing carbon in buildings.

Principles:
• NLBMDA supports the Timber Innovation Act to establish a performance-driven research and development program to advance tall wood building construction in the U.S.
• NLBMDA supports building codes that allow for the construction of wood-frame buildings that are more than six stories.

GREEN BUILDING & BUILDING CODES
Building material dealers strive to bring the latest product innovations to market and must maintain knowledge of the latest developments in homebuilding technology and building codes. Dealers occupy a unique place between product manufacturers, builders, and homeowners, and are well-suited to bring new technologies and environmentally preferred products into the supply chain. NLBMDA supports responsible forestry practices, and our members are committed to sourcing products from sustainably managed forests. We believe that the various commonly recognized forest management certification bodies for North America serve as exemplary standards and support the development and use of an “eco-label” on wood products to more readily identify them as responsibly sourced and appropriate green building products.

Green building provides an opportunity to promote wood as the most sustainable and “green” choice for construction and rating systems play an important role. We believe that the market will determine which program or programs are preferable for certain applications and are concerned that stifling competition could have unintended consequences of limiting further innovation. We urge Congress to continue supporting green building without imposing mandates that give preference to only one green rating system. NLBMDA will work with the International Code Council (ICC), National Institute of Building Sciences (NIBS), and other relevant bodies to provide feedback on building codes that impact housing affordability. It is important that code and policy changes provide meaningful safety or environmental benefits and reflect sound science and industry best practices.

Principles:
• NLBMDA supports voluntary programs and incentives to increase energy-efficient retrofitting of existing homes and buildings and increased use of environmentally preferable building materials in new construction.
• NLBMDA seeks to increase the use of wood products in residential and commercial construction, and will work to encourage green building standard-setting entities to recognize the preferability of wood as an inherently renewable resource.
• NLBMDA supports the inclusion of all credible forest management certification schemes in green building standards and programs, including the recognition of those most-widely employed in North America. NLBMDA believes that each standard-setting body must employ open, transparent, and true consensus-building processes and procedures.
• As green building becomes more prevalent, NLBMDA will support voluntary programs that promote sound science, provided they do not result in costly mandates on the supply chain or unfairly limit competition among certified wood products or other materials.

• NLBMDA supports the consensus-based model in the code development process, and will oppose attempts by the federal government to impose national building codes that do not consider existing model codes or requirements that could hinder growth in the housing market.

• NLBMDA maintains that any building code supported by the Department of Energy (DOE) must be cost-effective and establish guidelines that increase transparency while ensuring an open and fair process.

• NLBMDA supports the rights of individual states to adopt or amend codes specific to their jurisdictions.

• NLBMDA believes code development should balance safety and/or environmental benefits with the impact on housing affordability.

• NLBMDA will support building code changes that reflect sound science and industry best practices.

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**TAX & ECONOMIC POLICY**

Recent changes to the tax code should restore and sustain the competitiveness of America’s small businesses. We support the mortgage interest deduction and its role in encouraging home ownership. With many building material dealers organized as pass-through entities, such as S-Corporations, partnerships, and sole proprietorships, their ability to access capital has been helped by recent tax code changes. NLBMDA opposes limits to the state and local tax (SALT) deduction that increases taxes for individuals in high cost areas and makes it more difficult for dealers to retain quality employees. NLBMDA opposes changes to estate tax laws that could significantly change succession plans and make it harder for family owned businesses to transition to the next generation. NLBMDA continues to maintain that tax incentives must be made permanent to reduce the lingering uncertainty for business owners. Building material dealers are also concerned that the looming Social Security crisis and growing national debt could undermine economic growth and increase the tax burden on employers.
Principles:

- NLBMDA supports the mortgage interest deduction and opposes efforts that would eliminate or substantially modify it.
- NLBMDA supports a tax code that levels the playing field for small businesses and does not unfairly disadvantage S-Corporations and/or family-owned companies.
- NLBMDA opposes limits to the state and local tax (SALT) deduction that harm individuals living in areas with higher local and state taxes, and make it more difficult for businesses in those areas to retain and attract workers.
- NLBMDA opposes increases to personal income tax rates that are also tax hikes on the many small businesses that are structured as pass-through entities (S-Corporations, partnerships, or sole proprietorships).
- NLBMDA supports recent tax code changes for S-Corporations, and other pass-through businesses, to improve small business access to capital and competitiveness.
- NLBMDA supports 100 percent bonus depreciation for investments in retail operations classified as Qualified Improvement Property (QIP).
- NLBMDA supports full and permanent repeal of the estate tax. NLBMDA advocates for reform proposals that recognize the high-asset base of lumber and building material dealers’ businesses and set the exemption level high enough to adequately cover the value of non-cash assets such as land, inventory, and equipment.
- NLBMDA opposes proposals to remove legitimate valuation discounts for estate, gift, and generation skipping taxes, which businesses have used for the past two decades in order to prevent the Internal Revenue Service (IRS) from overvaluing their businesses at death.
- NLBMDA supports the business deduction for net interest expense.
- NLBMDA supports tax credits and incentives to encourage consumer purchases of energy-efficient products, materials, and construction.
- NLBMDA supports making permanent business tax incentives, such as bonus depreciation, to provide certainty for business owners.
- NLBMDA supports upholding Last-In First-Out (LIFO) accounting practices. Repealing LIFO accounting would cause companies using LIFO to report their LIFO reserves as income, resulting in a massive tax increase on many building material dealers.
- NLBMDA supports the current capital gains tax rate to help small businesses create jobs, contribute to economic growth, and invest in their future.
- NLBMDA supports the Low-Income Housing Tax Credit as an effective means to expand the supply of affordable rental housing and promote job creation in the construction industry.
- NLBMDA believes that the mounting Social Security crisis must be addressed as soon as possible and in such a way that does not saddle employers with crippling employment taxes.
- NLBMDA supports legislative and executive efforts to reduce the annual federal budget deficit.
- NLBMDA supports congressional efforts to address the national debt for the long-term economic health of the nation.
LEGAL REFORM

While significant legal system reforms have been enacted over the past two decades, there are still several areas where lawsuit abuse continues to threaten legitimate business activity, such as the sale of products at the retail level. In these instances, unfounded and unfair lawsuits are increasingly crippling the ability of dealers to run their businesses. Surveys of NLBMDA members have found that more than one in four has been the subject of a lawsuit over a product they sold but did not manufacture, alter, or install. Under current law, sellers can be equally and wholly liable for damages regardless of any wrongdoing. According to the Small Business Administration, it can cost as much as $100,000 to defend against a predatory lawsuit, which often forces dealers to settle the suit regardless of the merits of the case. These frivolous claims drive up the costs of insurance and force small business owners to spend time away from their daily operations. While some states have enacted product seller protections, a federal standard would be helpful in providing uniformity and protecting building material dealers and other similar types of businesses who operate across state lines. One way frivolous lawsuits can be reduced is through strengthening Rule 11 of the Federal Rules of Civil Procedure, to ensure adequate enforcement and levying of sanctions against attorneys who repeatedly file baseless claims that clog up our courts and waste defendants’ time and resources. Moreover, NLBMDA will oppose any efforts to repeal previously enacted legal protections, including class action reform, or to otherwise subvert the legislative process to create new or expanded causes of action.

Principles:

• NLBMDA supports liability reform legislation that would preserve victims’ access to courts while holding sellers harmless when they have not acted negligently in the design, manufacture, sale, or installation of a legal product.

• NLBMDA supports the Lawsuit Abuse Reduction Act, which would modify Rule 11 of the Federal Rule of Civil Procedure and allow judges to sanction attorneys for filing frivolous lawsuits.

• NLBMDA supports efforts that limit frivolous lawsuits and that penalize those who file baseless claims as a means to extract settlements from innocent parties.
• NLBMDA opposes attempts to create new causes of action through the regulatory process or to repeal previously enacted legal protections.

CONSUMER PROTECTION
NLBMDA supports reasonable protections for consumers and homeowners. Identity theft is a legitimate concern for consumers and businesses alike. Building material dealers have established relationships with contractors and customers in their communities, and as businesses, they have traditionally been identified as “low-risk” entities in relation to identity theft. Yet increased regulations often impose costly and time-consuming administrative burdens. Identity theft prevention measures should be flexible and easy for small businesses and building material dealers to administer. Bankruptcy reforms enacted in 2005 must not be undone in a misguided attempt to enable judges to alter the terms of mortgages during bankruptcy proceedings. Prior to the 2005 Bankruptcy Abuse Prevention and Consumer Protection Act, building material dealers were frequently left with uncollectable accounts after a homeowner or builder filed for bankruptcy. Allowing judges to alter mortgages after the fact would cause greater instability in the mortgage market and make it even more difficult for prospective buyers to obtain favorable mortgage terms. Consumer protection also extends to the convenience of electronic commerce.

Building material dealers also oppose efforts to increase the cap on credit and debit card fees, which have helped both retailers and consumers save money.

Principles:
• NLBMDA understands and supports the need to protect the privacy of customers’ financial information and other personally identifiable information. NLBMDA believes that attempts to mandate safeguarding or other measures to prevent identity theft should not impose unnecessary administrative and paperwork burdens on low-risk businesses.
• NLBMDA opposes efforts to repeal or weaken the bankruptcy reforms of 2005.
• NLBMDA supports the continuation of debit card swipe fee reforms that have created real economic savings for building material dealers and their customers, and supports similar swipe fee reforms for credit card transactions.
• NLBMDA supports the 2014 voluntary international safety standard for table saws, as it provides reasonable protections to consumers from injuries.
• NLBMDA supports just protection under the law for all.
WORKFORCE POLICY

HEALTHCARE

The Patient Protection and Affordable Care Act (ACA) imposes significant mandates on employers who already struggle to provide affordable healthcare benefits to their employees. A survey of building material dealers found that a majority are less likely to hire new employees as a direct result of the healthcare mandate. Unfortunately, the small business relief contained in the ACA is targeted to only the smallest of businesses, leaving out the majority of building material dealers. NLBMDA will work with the broader business community to identify and seek to repeal and/or reform the more onerous portions of the law. NLBMDA also supports efforts to repeal annual limits on flexible spending accounts (FSAs) and other valuable pre-tax saving options for employees.

Principles:
• NLBMDA remains concerned about the burden of meeting the requirements of the healthcare reform law and supports reforms to reduce its impact on employers’ ability to provide required benefit levels to employees.
• NLBMDA opposes the law’s limits on flexible spending accounts (FSAs) and other pre-tax saving options for employees.
• NLBMDA supports repeal of the health insurance tax (HIT) placed on fully insured health care plans.

OVERTIME PAY & WORKER CLASSIFICATION

NLBMDA opposes regulatory changes that would cause workers to be erroneously reclassified as non-exempt employees when under the duties test, within the context of the lumber and building material sector, they clearly qualify as exempt employees. Salary thresholds for distinguishing between exempt and non-exempt employees should serve as a bright-line test and should take into consideration the variations in compensation, geographic region, and industry sector. NLBMDA will continue to use the economic realities test in determining whether someone is an independent contractor or an employee.

Principles:
• NLBMDA opposes any increase to the overtime pay eligibility threshold that does not factor into consideration regional variations in wages and cost of living, would decrease workplace flexibility, or make it more difficult to develop future managerial talent. In addition, NLBMDA is opposed to an automatic increase to the threshold that does not follow the normal rulemaking process of notice and comment.
• NLBMDA maintains that the Department of Labor should post for comment changes to regulations and not rely on reinterpreting regulations that can have a significant economic impact on businesses.
WORKFORCE DEVELOPMENT

Workforce development programs are needed to give individuals the skills required to access employment and advancement opportunities. As the gap between the number of jobs posted and the number of people hired grows, policymakers must examine ways to help individuals gain the knowledge and skills needed to compete for in-demand jobs. In recent years, Congress has enacted reforms to improve K-12 education and modernize the nation’s workforce development system. However, more must be done to help all Americans access the education they need to earn a lifetime of success.

Principles:
• NLBMDA is concerned about the growing “skills gap” in the nation’s workforce and the negative effects it is having on residential construction.
• NLBMDA supports the Perkins Act that provides federal support to state and local career technical education (CTE) programs.
• NLBMDA supports laws that provide vocational training for prisoners in an effort to fill in-demand jobs and reduce recidivism rates.

DEMOCRACY IN THE WORKPLACE

NLBMDA continues to oppose any efforts to roll back workers’ rights to secret ballot elections in determining union representation. NLBMDA supports the standards in place for over 50 years that limit the instances under which an employer must report a business relationship with a labor attorney or consultant concerning employees and their rights to organize and collectively bargain. NLBMDA also opposes labor interests’ efforts to seek mandatory, binding arbitration in union contract negotiations that will restrict the ability of employers and employees to negotiate mutually acceptable employment terms.

Principles:
• NLBMDA opposes regulatory efforts to reduce the amount of time employers have to communicate with their employees between the time they learn that a union is trying to organize the workforce and the election.
• NLBMDA supports legislation guaranteeing an employer’s ability to participate in a fair union election and ensuring employees are able to make fully informed decisions about joining a union.

IMMIGRATION REFORM

Immigration reform continues to be a hot button issue before Congress and state governments, and presents many challenges for the lumber and building material industry and the entire construction sector. At the heart of the debate is the proper balance between protection of national security and the need to ensure that employers continue to have access to a steady pool of available workers. Recent reform proposals could impose significant time and paperwork costs on employers and lead to extreme labor shortages, posing a threat to the strength of the construction sector. While NLBMDA believes that our nation’s immigration system is in critical need of reform, we are also concerned that policies could place an undue burden on employers and would expose them to significant liability by forcing them to certify the work eligibility of their employees without government-provided tools that ensure accuracy. Sanctions against employers should be reserved for intentional violations of the law, and employers should be provided adequate resources to assess their hiring practices and comply with all current and future requirements.
Principles:
- NLBMDA supports protection and enforcement of U.S. borders.
- NLBMDA supports legal immigration of qualified people into the U.S. who are law-abiding.
- NLBMDA will support immigration policies and employment verification procedures that are reasonable and do not create unfair employment standards or impose financial hardship through costly fines or mandates for small businesses.
- NLBMDA supports a robust temporary guest worker program to recruit legal, foreign-born individuals when there is a shortage of domestic workers to fill available positions.
- NLBMDA supports mandatory use of E-Verify by employers to reduce paperwork burdens, but believes that any requirement should have an appropriate phase-in period for small businesses.

ENVIRONMENTAL REGULATION
NLBMDA and the lumber and building material industry understand the need to reasonably ensure the safety and health of our customers, homeowners, and contractors. Moreover, we are concerned about the increased use of “sue and settle” tactics that circumvent the traditional rulemaking process and force overly burdensome regulations onto businesses. Unfortunately, federal agencies have undertaken aggressive rulemakings that over-regulate our businesses with little or no demonstrated health benefits.

ENVIRONMENT, HEALTH & SAFETY

FAMILY & MEDICAL LEAVE POLICIES
The lumber and building material industry is composed of many small and family-owned businesses who seek to provide the best possible work environments to retain employees in today’s competitive environment. Proposals to expand the Family Medical Leave Act (FMLA) and/or impose mandatory paid sick leave would create considerable burdens on small businesses in the lumber and building material industry. Government mandates take away employers’ and employees’ ability to negotiate flexible benefits packages and increase the time, paperwork, and cost of complying with labor laws.

Principle:
- NLBMDA opposes government mandates that eliminate employers’ ability to negotiate flexible leave policies with their employees and will oppose policies that drive up the costs of doing business.
For example, the Environmental Protection Agency’s rush to promulgate and enforce the Lead: Renovation, Repair and Painting (RRP) Rule in 2010 significantly hampered the lumber and building material industry. Lack of training opportunities, unreasonable requirements such as the removal of the “Opt Out” clause after the rule took effect, and lack of accurate test kits have all severely impacted dealers, whether they have installed sales operations or not. Dealers lost business at a time when the economy most needed home remodeling to help add jobs and economic activity. Dealers were also forced to educate their customers about the Rule in the absence of adequate education by the EPA. Moreover, the Agency’s failure to identify accurate test kits to comply with the rule exposes building material dealers to undue liability. NLBMDA continues to monitor implementation of the RRP Rule to ensure that the impacts on the lumber and building material industry and home remodeling sector are considered. NLBMDA will also work with the appropriate oversight committees to seek legislative assistance when needed to reduce the compliance burden on the industry.

Principles:

- NLBMDA believes new environmental regulations must reflect sound science and take into account the impact on all stakeholders.
- NLBMDA will work with Congress to reduce the regulatory compliance burden posed by existing and proposed regulations on the lumber and building material industry.
- NLBMDA supports restoring the “Opt-Out” clause to the Lead: Renovation, Repair and Painting Rule.
- NLBMDA believes EPA should renew its efforts to identify a lead-paint test kit that meets the RRP Rule’s standard for false positives, and suspend enforcement of the rule until a test kit meeting the false positive standard is identified and commercially-available.
- NLBMDA opposes “sue and settle” tactics that circumvent the traditional rulemaking process while imposing significant economic costs on businesses.

SAFETY & TRAINING

The Small Business Administration Office of Advocacy estimates that our federal regulatory system costs employers $1 trillion annually, with a disproportionate share of that burden falling on small and medium-sized businesses. The lumber and building material industry is closely regulated by the Occupational Safety and Health Administration (OSHA) and NLBMDA will continue to provide the latest compliance materials to dealers to help them meet the various requirements under OSHA regulations. Dealers, primarily small businesses, have a vested interest in protecting the health and safety of their employees at their yards and on the road, as lost time due to injury impacts the employee and employer alike. The recordkeeping and training requirements mandated by OSHA and other agencies can pose significant cost burdens on employers. Other OSHA regulatory efforts can be overly broad, covering activities that do not create the risks or hazards intended to be addressed, or can be overly complicated, making compliance expensive and enforcement difficult and ambiguous. NLBMDA believes such mandates must be carefully reviewed to ensure new regulations balance the need to promote safety with the time and cost burden of compliance. NLBMDA continues to work in partnership with OSHA to improve communication and provide compliance assistance with the lumber and building material industry.

Principles:

- Safety of our employees is of utmost importance; therefore, NLBMDA will support workplace safety regulations that effectively enhance health and safety and that are cost-effective and technologically attainable without imposing excessive costs or recordkeeping requirements on the lumber and building material dealers.
- NLBMDA encourages policymakers to refrain from the promulgation of overly broad or “one-size-fits-all” rules and regulations. In order to allow employers to provide appropriate training and protections to employees, NLBMDA believes policymakers should clearly frame all issues and fashion appropriate remedies.
- NLBMDA supports the material delivery exemption under the OSHA crane rule that relieves dealers who deliver material to construction sites under certain circumstances from operator certification requirements.
PRODUCT SUPPLY & TRADE

PRODUCT SUPPLY

Lumber makes up the largest single product category supplied by building material dealers, and NLBMDA has long had an interest in supporting a stable supply of domestic and foreign wood products needed to supply our nation’s homebuilders and construction sector. NLBMDA supports responsible forest management policies that promote the environmental sustainability of wood as a resource and maintain the health and continued viability of our nation’s federal forests. While we support the goals of the Endangered Species Act, Clean Water Act, and other major environmental programs, we believe that private property rights must be protected and balanced with environmental objectives. We support cooperative efforts between industry and governmental agencies to work proactively to ensure the environmental and ecological health of forests and private lands. The industry is actively engaged with forest certification issues and green building programs that promote wood as an environmentally preferable building product and works in tandem with forest product and building supply manufacturers to bring certified building products into the supply chain. We believe the carbon capture potential of appropriately managed forest lands is a strong endorsement for increased emphasis on certified wood use in green construction.

Design values for dimensional lumber have long played an important role in ensuring safe and lasting construction. NLBMDA supports appropriate, established, and timed design value changes such that no change will threaten the current use or inventory of any species or dimension. Sudden changes in these design values without an open, consistent, and transparent process can lead to great uncertainty in the marketplace and unanticipated liability for dealers. A change in design values without an appropriate period of time for the marketplace to adjust threatens to devalue the lumber inventory and creates unnecessary stress on all members of the supply chain.

Principles:

• NLBMDA supports reforms to encourage responsible federal forest management that maintain access to domestic wood and support the health and viability of our public forests.

• NLBMDA supports greater sustainable harvesting of federal forests to meet long-term demand for lumber as part of a comprehensive plan that does not place U.S. private forests at a competitive disadvantage.

• NLBMDA supports free market efforts to increase the availability of domestically produced wood products and building materials and supports measures to increase the competitiveness of U.S.-based wood products manufacturers.
• NLBMDA supports efforts to revise the design values of species of lumber that adhere to an open, consistent and transparent process that assures participation of all parties in the supply chain and allow the marketplace a reasonable period of time to plan for any changes.

• NLBMDA supports legislation clarifying the regulatory guidelines and enforcement rules of the Lacey Act to include the establishment of an “innocent owner” provision.

TRADE
Restrictions on access to domestic timber has made lumber and building material dealers increasingly reliant on imports from Canada and other nations, with as much as one-third of the framing lumber used in the U.S. coming from Canada each year. The species of wood imported from Canada, and required for framing in many parts of the U.S., is not available in sufficient quantities domestically. Likewise, materials must be imported from Europe and Central and South America to meet our builders’ demand and homeowners’ expectations. Even in challenging economic times, we cannot meet this demand with domestic products alone. While we believe that fair trade policies should be followed to ensure a reasonably level playing field for domestic and foreign manufacturers, we oppose excessive tariffs and other restrictions that decrease product availability and increase costs to U.S. consumers. We also continue to oppose attempts to reinstate the Continued Dumping and Subsidy Offset Act (CDSOA), which provides a cash incentive for the filing of trade actions and has been ruled in violation of NAFTA and the World Trade Organization.

Principles:
• NLBMDA supports trade in wood and lumber products.
• NLBMDA supports reaching an agreement on the longstanding U.S.-Canadian softwood lumber dispute that brings stability and predictability to the pricing and availability of softwood lumber without the imposition of duties. Additionally, we strongly urge the United States Trade Representative and the Secretary of Commerce to consult with all stakeholders, including retailers and consumers of lumber products, in future discussions regarding any terms of trade in softwood lumber between the U.S. and Canada.

• NLBMDA opposes duties placed on softwood lumber imports from Canada to the U.S., as they are a lackluster substitute for a long-term agreement that brings predictability and stability regarding availability and price.

• NLBMDA supports a tariff exemption for cedar shakes and shingles manufactured in Canada and imported to the U.S.

• NLBMDA supports trade agreements that help meet domestic demand for softwood lumber, do not put U.S. lumber producers at a competitive disadvantage, unnecessarily restrict the availability of products, or increase the cost of housing to the detriment of prospective homebuyers and U.S. consumers.

• NLBMDA opposes tariffs on steel imports as it increases construction costs, decreases housing affordability, and can cause an unnecessary trade war that harms consumers.

• NLBMDA supports the U.S. suspending further tariff actions on Chinese imports and engaging the foreign government on making meaningful, sustainable, and significant changes to trade policies that disadvantage U.S. economic interests.
Building material dealers rely on access to affordable fuels to transport products and make deliveries to customers and job-sites. Volatility in the price of fuel is an additional burden the industry can ill afford. Any new emissions regulations should take into consideration all associated costs and should not kill jobs, impact housing affordability, or create additional costs that will ultimately be passed on to consumers. NLBMDA’s members believe that Congress must pragmatically seek to increase the availability of our domestic energy resources to stabilize fuel price fluctuations that undercut the nation’s economy.

Moreover, comprehensive energy legislation should emphasize the energy efficiency gains that can be achieved through voluntary incentives for homeowners, commercial building owners, and builders, and not through federal mandates that infringe upon the current consensus-based model code process.

As Congress explores alternative fuel sources, NLBMDA encourages Congress to provide favorable tax treatment for forest products biomass initiatives, which support maximum utilization of our timber resources and reduce our reliance on fossil fuels. NLBMDA continues to support policies that promote energy-efficiency in residential and commercial construction, and tax credits and other incentives for consumers who purchase energy-efficient appliances and materials.

Principles:
- NLBMDA supports efforts to improve home energy-efficiency through tax credits and incentives for energy-efficient products, materials, and construction.
- NLBMDA supports efforts to increase our domestic energy supply and voluntary access to alternative fuels to provide relief from volatile fuel costs.
- NLBMDA supports free market approaches to developing alternative fuels and opposes government mandates that eliminate choice or further drive up the cost of fuel.
- NLBMDA opposes a national energy tax that would cripple our economic recovery and supports efforts to rein in the activities of the EPA to regulate greenhouse gas emissions absent from congressional authority.
TRANSPORTATION

The lumber and building material industry relies on the ability to receive inventory in a timely manner and to make on-time deliveries to our customers. The deteriorating infrastructure and heavy congestion on our nation’s roads and rails is a growing threat to the industry. In many small towns and regions of the country, rail service is not an option, which forces more building material freight onto federal highways and local roads. Nearly 90 percent of NLBMDA members report that congestion is a significant burden to their operations. The current size and weight restrictions for commercial trucks often results in partially filled vehicles on the road, costing time and money, and increasing the amount of pollution per vehicle miles traveled. NLBMDA believes that the federal maximum weight limit for tractor trailers should be increased, coupled with an additional axle to improve safety, in order to more efficiently move freight on our roads. Currently, the patchwork of various state weight limits, and higher limits for trucks in Canada and Mexico, makes shipping logistics unnecessarily complex.

Principles:

• NLBMDA supports increased infrastructure funding to reduce congestion on our roads.
• NLBMDA supports increasing the gross vehicle weight to 91,000 pounds on federal interstate highways for vehicles equipped with an additional axle as a way to address the environmental, economic, and safety challenges facing our nation’s freight transportation network.
• NLBMDA supports efforts to improve rail competitiveness for the timely and cost-effective receipt of goods by rail.
• NLBMDA is concerned about costly delays and increased fees in obtaining imported products due to increased inspection activity at U.S. ports and borders and will support efforts that streamline reporting requirements to ensure timely flow of goods across the border.
FLEET SAFETY

The Federal Motor Carrier Safety Administration (FMCSA) does not always differentiate between long haul and local carriers when drafting or enforcing safety regulations, which requires building material dealers to expend considerable time and effort to ensure they are in compliance with all relevant regulations. While building material dealers place considerable emphasis on driver training, drivers are also salespeople and product experts for whom driving is often only a portion of their job responsibilities. Compliance information must be made more readily available and user-friendly to support non-trucking businesses in understanding their obligations. Likewise, new training requirements and safety regulations must be developed with consideration of their applicability to short haul carriers.

Principles:
- NLBMDA supports a more rational approach for addressing highway safety issues for long haul and local carriers and recognizes the need for more effective, “plain English” guidance for non-trucking businesses.
- NLBMDA supports the original 34-hour restart requirement as part of the FMCSA’s Hours of Service rule.
- NLBMDA believes motor carrier safety regulations such as requiring the use of electronic logging devices used to track drivers’ hours of service must promote safety without imposing unnecessarily high cost and compliance burdens on employers and small businesses.
- NLBMDA supports an exemption for short-term truck rentals from the electronic logging devices requirement.
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