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Chairman Causer, Members of the House Policy Committee, and distinguished guests, let me begin by commending you for holding these hearings as a means of interacting with the state's forest and forest products industry to gain perspective on the operations and legislative needs of our agencies, partners, companies and employees.

My name is Amy Shields, and I am the Executive Director of the Allegheny Hardwood Utilization Group (or AHUG). Prior to assuming this role in 2020, I spent nearly 30 years in private industry, owning and managing hardwood sawmills across the state, with locations in Elk, Clinton and Cambria Counties. I greatly appreciate the opportunity to testify before your committee this afternoon in discussing workforce development issues of importance to the hardwood industry state-wide, and specifically to the Northwest and North Central region.

AHUG is a non-profit organization formed in 1984 for the purpose of promoting the long-term economic growth and development of the forest and forest products industry within the 14 counties of Northwest and North Central PA. In accomplishing this mission, AHUG focuses its efforts on industry workforce development and training, promotion of hardwood manufacturing and products, public education, support for hardwood research and development, and the furthering of sustainable, science-based management of the region's natural resource assets. AHUG is one of three state "HUGs" funded primarily through the Hardwoods Research & Promotion budget item that was the focus of the previous testimony. We are also supported by the membership of more than 100 regional hardwood and ancillary organizations.

With nearly 17 million acres of forestland and a business presence in every one of the Commonwealth's sixty-seven counties, Pennsylvania is the number one producer of hardwood lumber in the United States. Our hardwood industry employs nearly 63,000 individuals in more than 2,100 operations state-wide, representing approximately 10% of Pennsylvania's manufacturing workforce and providing \$22 billion per year in direct economic impact to the state's economy (and more than \$36 billion in indirect impact).

The counties that comprise the AHUG region are among the most heavily forested in the state, making the Allegheny Plateau the beginning of the hardwood supply chain in PA. Our region is dominated by the primary manufacturing sector of the industry, those individuals and companies who own and manage vast acres of forestland, who harvest and haul thousands of truckloads of logs and pulpwood from those acres, who produce and sell millions of board feet of logs and lumber, and who utilize those products and their residuals in the production of paper, packaging, home heating materials, furniture and flooring components and other products. Some of the largest private land holdings in the state are in this region and are owned by hardwood companies and timber investment management organizations (or TIMOs). The highest concentration of public lands within the state are also found here, including the Allegheny National Forest, Pennsylvania State Forests and Pennsylvania Game Lands. The largest concentration of consulting foresters, logging professionals and independent hardwood trucking companies can be found in the AHUG region, along with numerous hardwood sawmills - including several of the highest producing and most technologically advanced operations in the country. The Allegheny Plateau is also home to one of only two existing paper manufacturing facilities left in PA, as well as a global packaging manufacturer, and several wood pellet and wood component/panel producers.

While most PA's forests grow in the Northern half of the state, above Interstate 80, the counties with the most industry jobs are in the Southeast corner, primarily in the secondary and by-products manufacturing sectors that include flooring, furniture, cabinetry, and paper products. Thousands of jobs around the greater Philadelphia area depend on less than a few thousand loggers to implement the sustainable management practices required to care for the Commonwealth's high-quality forest resource.

Pennsylvania's hardwood industry is open for business, and we are hiring! Entry-level positions that provide no cost on-the-job training, opportunity for advancement and family-sustaining wages and benefits are available across the supply chain. Credentialed, skilled positions like lumber inspectors, CDL lumber and log truck drivers, mechanics, loggers, and electricians are in high demand, as are those positions that require degrees and advanced training, like foresters, civil engineers, scientists, and environmental and safety professionals. Like most employers in this post-Covid environment, our companies are facing serious immediate workforce shortages while simultaneously attempting to keep an eye towards future recruitment needs. Declining rural populations, post-Covid retirements, substance abuse and family issues, and lack of soft skills are just a few of the issues that the hardwood industry faces as we compete with every other manufacturing sector of the PA economy for available employees. School-based programs like Pennsylvania Career Ready Skills will continue to provide important tools for the development and reinforcement of the soft skills required to become a productive and successful member of the workforce.

Recruiting our future workforce requires not only career awareness programming that exposes students, teachers, and job seekers to the opportunities currently available within our industry, but also requires that we rise to the challenge of developing additional certifications, apprenticeship, internship, and mentoring programs that elevate the credibility of our profession and promote our industry as a viable, long-term career path. We will need well-funded Career & Technical Education Centers and Vo-Ag programs that partner with industry to inspire and prepare high school students and adult learners for the careers available in their communities. Education partners like the PA College of Technology, the Northern Pennsylvania Regional College and Penn State Extension further assist in delivering student and adult education in the rural communities of our HUG regions. Industry Programs like the PASmart Industry Partnership can provide us with the opportunity to design recruitment, training and development programs tailored to hardwood industry needs. A Pennsylvania Introduction to Logging program, modeled after existing 8-to-12-week programs in neighboring states, could provide the much-needed pipeline of certified, well-trained, business-ready next-generation logging entrepreneurs. Further assistance in developing our future logging infrastructure will be appreciated as we continue efforts to address the high cost of worker's comp through an improved, industry-driven culture of safety. Lowering barriers to entry in making policies more affordable to certain sectors of the logging workforce will be an important step, as will enhancement and improved awareness by the insurance community of our Pennsylvania Sustainable Forestry Initiative Qualified Logging Professionals Program.

The PA Farm Bill has provided funding in recent years for several initiatives designed to address forest and forest product industry career awareness, training, and advancement needs – bringing affordable and convenient NHLA Lumber Inspector training to PA and supporting the upcoming distribution of Project Learning Tree's "Green Jobs: Exploring Forest Careers" to school districts in Pennsylvania, helping students identify rewarding forest and forest products careers that help to move us towards sustainable lifestyles and greener economies. Green Jobs represent one of the fastest growing

segments of the global economy, and Pennsylvania is poised to be at the forefront of that growth, with a resource that cannot be outsourced. That said, it will be important for our industry, our partners, our communities, and our elected officials to ensure that high-quality hardwood products, supported and produced by a robust hardwood industry, remain an important focus in any green economy initiative.

Once again, I appreciate the opportunity to represent the forest and forest products industry in today's testimony, and I would be happy to answer any questions you may have now or in the future.

Respectfully submitted by:

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