

Pennsylvania Forest Products Association

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Pennsylvania Forest Products Association Testimony of Matt Gabler, Executive Director House Republican Policy Committee Hearing Red Fern Conference Center, Kersey, PA April 20, 2022

Good afternoon Chairman Causer, Rep. Armanini, Sen. Dush, and distinguished members of the House Policy Committee. Thank you for hosting this event to discuss issues of importance to the forest products industry and thank you for this opportunity to testify.

My name is Matt Gabler and I am the Executive Director of the Pennsylvania Forest Products Association, a private sector association consisting of 275 member companies representing all sectors of the forest products supply chain; from the landowners, foresters and loggers that manage our forests to the sawmills, secondary processors, wood product manufacturers, paper mills and other companies who produce the products we all use in our daily lives. PFPA represents our members in the areas of Pennsylvania state and local government affairs.

Today's event was made possible by the exceptional work of the Allegheny Hardwood Utilization Group. Their mission is to be the regional voice of this important segment of the economy across 14 counties in northwestern and northcentral Pennsylvania. In addition to AHUG, the Keystone Wood Products Association and the Northern Tier Hardwood Association make up the three Hardwood Utilization Groups or HUGs.

The HUGs do important work – they provide education, outreach and promotion to ensure that the conditions are right for the continued proper management and stewardship of Pennsylvania's working forests, which feeds a supply chain that supports over 60,000 jobs across all of Pennsylvania's 67 counties.

Funding for the HUGs comes from a line item in the state budget that falls under the Department of Agriculture known as Hardwood Research and Promotion. This line item, funded last year at \$474,000, enables the operations of the three HUGs as well as the outreach, promotion and education efforts conducted by the team at PDA's Hardwoods Development Council. Executive Director Roger Anderson is here with us today. Assistant Director Jon Geyer, whom many of you know, sends his regards. He was not able to attend today due to the recent arrival of his baby girl.

Outreach, promotion and education are important functions of the Department of Agriculture. Individual producers need to market and sell their products, but these efforts from PDA can keep the marketplace strong, and ensure that consumers have good information to use in making decisions.

PFPA, the HDC and the three HUGs are always working in concert with one another to advance our common mission, which not only protects jobs, but also advances environmental sustainability, habitat, and healthy forests across Pennsylvania. Today, I am here to provide some information

about PFPA's proposal for the Hardwoods Research and Promotion line item in the 2022-23 state budget.

One important partnering organization that I have not yet mentioned is the Sustainable Forestry Initiative State Implementation Committee (SFI-SIC). Many of you may be familiar with SFI, an international certification of sustainably sourced forest products. You will see the SFI logo on many of the products you buy. In addition, you may also be familiar with another standard on many products, FSC, which stands for Forest Stewardship Council. These standards are both important, and you will find many of our industry's members pursue and receive these certifications for their products.

In addition to the certification standard, SFI provides additional value added through the work of its implementation committees. There are 34 such committees across the US and Canada. The work done by the Pennsylvania Implementation Committee increases logger safety, improves outcomes from harvests, enhances environmental sustainability, and maximizes landowner satisfaction post-harvest.

This is because the SFI Implementation Committee provides a training program for loggers known as QLP or Qualified Logging Professional. Trained loggers are provided with the knowledge and perspective to minimize workplace accidents, implement environmental best management practices and ensure that the silvicultural plans made by foresters are properly executed to maximize beneficial regeneration and ensure the quality of tomorrow's forests and habitats.

All landowners, regardless of certification status, as well as hunters, anglers, recreational users, taxpayers and citizens benefit from the QLP program and the hundreds of Pennsylvania loggers who have received this valuable training. Our proposal is to recognize the Commonwealth's role as a stakeholder in this program by providing a small but meaningful investment in Pennsylvania's SFI Implementation Committee through the Hardwoods Research and Promotion Line item.

With over a million acres of SFI-certified state forest lands in Pennsylvania, and several million acres of additional forest lands, game lands and state park lands that all require proper management, we believe that this investment in Pennsylvania's SIC is prudent and well-justified. It is worth noting that even with the funding of this proposal, the vast majority of SIC funding will continue to come from SFI-certified and partnering organizations in the private sector.

PFPA is requesting a \$146,000 increase in the overall line item, which will provide a much-needed investment in Pennsylvania's SFI Implementation Committee, through the participation of the HUGs. In addition, this proposal will enable a needed adjustment to sustain the purchasing power of the operating funds available to the HUGs and the HDC, recognizing the important work they do on an annual basis.

In 2015-16, partners from across industry, government and the legislature came together to form the Green Ribbon Task Force. In 2016, the Task Force report was published which included several recommendations to improve the health and quality of our forests and the jobs they sustain.

One major recommendation was to address the flaws in the Workers' Compensation marketplace for loggers. Over the past decade, WC insurance premiums have exceeded 50 cents per dollar of payroll, placing WC coverage economically out of reach for many loggers.

The safety training provided in the SFI Qualified Logging Professional program has tangible positive impacts on safety outcomes. Insurance providers are starting to recognize the potential for SFI to be the key partner to enable reductions in rates and a repair to the marketplace.

There is also growing recognition that forest management, which means commercial timber harvesting, is the key to environmental improvement. In fact, the DCNR Bureau of State Parks is currently in the process of implementing a program to introduce commercial timber harvests to *state park* lands for the first time in decades. They are doing so in partnership with conservation organizations like the Ruffed Grouse Society and the National Fish and Wildlife Foundation because they recognize that State Park lands have declined in health and habitat quality because of a lack of management, which means harvesting. Industry is proud to partner with conservation organizations to bring about better environmental conditions through the work we do.

After my testimony, you will hear from a series of testifiers that will share the importance of several issues to our forests, our industry, and the environment. Amy Shields from AHUG will give you some perspectives on the forest products workforce, opportunities and challenges. John Saf from Generations Forestry will discuss how low-grade markets enable sustainable forest management to come together – emphasizing the importance of making room for beneficial regrowth and regeneration. Mike Hovatter from LandVest will bring the conversation together as it relates to this morning's tour of non-native invasive plants and pests. Finally, Calvin Norman, a forest educator from Penn State Extension will share information with you regarding the current state of discussions related to forest carbon. Of note, I'll point out that properly executed commercial timber harvests have a positive impact on the ability of forests to clean our air. It is vital for us to engage in these conversations to enable free market solutions to yield optimal environmental and economic outcomes.

I would like to underscore that the proposal PFPA is advancing to make a small but meaningful investment in Hardwoods Research and Promotion, our HUGs and the Sustainable Forestry Initiative Implementation Committee will have a positive impact on all the issues we're discussing today. We are pleased to offer this proposal to benefit Pennsylvania's workforce, our taxpayers, our economy, our environment, and ultimately, your constituents. I am happy to answer any questions you may have.