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Hardwood Federation Update

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As you know, on January 20, 2021, President Joe Biden was sworn into office, and federal government leadership, with Democrats in control of the White House and both Chambers of Congress - although by razor thin margins - is now set for the next two years.

Clearly, of utmost importance for the President and his team is addressing the ongoing human and economic impacts of the COVID-19 virus. With multiple vaccines having been developed, implementing policies and strategies that increase the rate of inoculation for the entire U.S. population tops the President's priority list. And equally important is providing economic support to individuals and businesses that continue to struggle as significant portions of the economy remain shuttered.

The Biden Agenda

The President has proposed a \$1.9 trillion **Relief Package** as one of the first legislative actions to be considered by Congress. (This builds on the first two rounds of assistance provided in 2020, which totaled almost \$4 trillion.) The proposed package includes \$1,400 payments to individuals; increases unemployment payment enhancements to \$400; provides assistance to state, local and territorial governments; funds new grant programs for small business owners and entrepreneurs - separate from the existing Paycheck Protection Program; and reinstates, until September 30, the paid sick and family leave benefits that expired at the end of December.

Although the new White House is hopeful for swift action, Congressional approval is required; debate is ongoing; and the slim majorities in the House and Senate pose challenges to the Administration. (The President has power to act quickly through Executive Order, which was widely employed by previous administrations. All options will certainly be utilized by the President, but all have limitations.)

Longer term

There are some indications of the types of challenges and opportunities Washington, D.C. will present to the hardwood industry. For example, the Administration has made it clear it will make Climate Change a centerpiece of its agenda for the next four years, incorporating climate considerations across government agencies and departments.

- This can be viewed as a challenge certainly. Yet, with so many 'tools' on our tool belt - sustainable management and harvest of forest lands, carbon neutral energy fuels, and carbon sequestering products - this can be an opportunity for the entire wood products industry to present itself as part of the solution to climate change concerns.
- Also, there are signs that the new Administration is open to some of the 'solutions' we've promoted over the years, including wood energy, wood product innovation and green building. In the coming months, we will certainly be looking for opportunities to work closely with our forest products allies to further educate our new decision makers.

Going forward, as policies are more fully developed, rest assured that the Hardwood Federation team will be directly engaged and carefully tracking developments, on all fronts, that impact our businesses.