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The Power of the “Purse

by Dana Lee Cole, Executive Director, Hardwood Federation

Appropriations—the process of funding the federal government—is the one major responsibility the Constitution delegates to Congress. And it begins in a relatively straight-forward manner.

- In late January/early February, the President releases a proposed, annual budget.
- In March, through the powerful appropriations committees, Congress typically begins to draft 12 different appropriations bills to fund all federal agencies for the upcoming fiscal year.
- Over the next few months, any member of Congress can submit funding requests, important to their constituents, to the appropriations committees.

In mid-May, for example, the Hardwood Federation joined more than 120 industry groups in a letter to House and Senate leaders, urging Congress to spend at least \$234.5 million next year on promotion of agriculture exports, a 5% increase over 2022 spending. The coalition argues that the U.S. Ag runs the risk of losing market share overseas, in the wake of the pandemic and ongoing tariffs from trade disputes.

- If the process gets bogged down, chaos often ensues as the federal government’s fiscal year-end date, September 30, approaches.
- To avoid a “shut down,” Congress inevitably passes a “continuing resolution,” buying more time to hammer out a final spending package for the upcoming fiscal year.

Throughout this process, the Federation meets with leadership and appropriations committee members to advocate for hardwood industry priorities like:

- Securing reauthorization of existing law that promotes federal recognition of the carbon
- neutral nature of forest-based biomass energy used in our mills
- Funding for the Forest Inventory and Analysis (FIA) program, a tool used by the U.S. Forest Service to maintain an accurate picture of our country’s private and federal forest lands, and critical to informing policy about the health of our nation’s forests and their potential as a climate solution
- Lacey Act implementation and APHIS enforcement banning illegally harvested wood into the U.S.

- Funding for the Market Access and Foreign Market Development programs which form the backbone of our industry's market promotion efforts overseas
- Promoting/Defending against policy riders—environmental policy, the ever-controversial Waters of the U.S. rule, various Endangered Species Act listings—that impact our sector

No matter the year or the appropriations cycle, the need to stay close to the action in the appropriations committees is critical, as much of federal public policy development is made within the confines of these panels.