



March 31, 2025

Oregon Senate Committee on Labor and Business
Attn: Chair Kathleen Taylor
900 Court St. NE, S-209
Salem, OR 97301

Sent via email to: Sen.KathleenTaylor@oregonlegislature.gov

Subject: Opposition Arguments for Senate Bill 1061

Dear Chair Taylor:

On behalf of the Pacific Lumber Inspection Bureau (PLIB), I submit the following comments regarding Senate Bill 1061. First, allow me to explain who PLIB is and what we do as it directly relates to the nature of this bill.

Pacific Lumber Inspection Bureau was formed in 1903 and is the oldest lumber grading and inspection agency in North America. We provide lumber grader training and qualification services as well as third-party lumber inspection and monitoring services to over 150 sawmills and lumber remanufacturers in the U.S., Canada, and Europe. We are accredited by the Board of Review of the American Lumber Standard Committee (ALSC), Inc. as a rules writing agency for softwood lumber and we are approved as an inspection agency to provide mill supervisory services under Voluntary Product Standard PS 20 developed under procedures published by the U.S. Department of Commerce.

Closer to home, PLIB provides grading and inspection services to approximately forty sawmills and lumber remanufacturers in the State of Oregon. Each month we send our inspectors every one of these facilities as required under this system. Mills range from the smallest producers to the some of the largest producers in the U.S. Importantly, and most relevant to this bill, we also provide on-demand, or “transient”, grading services to non-members such as portable sawmill owners, small woodlot owners, and the general public when lumber grading services are needed on an infrequent or even one-time basis. We conduct over one hundred of these transient inspections each year. As a 501(c)(6) not for profit organization, we are compelled to keep our rates as reasonable as possible; the revenue we receive represents less than 1% of our budget. This is a life safety issue for PLIB, not revenue protectionism.

We oppose adopting SB 1061 for the following reasons:

- 1) Fundamentally, we believe this bill is unnecessary for the simple reason that there already exists, within the code recognized ALSC system, a pathway for small operators, landowners, and the public to have lumber graded by an ALSC accredited agency through transient lumber grading services. There is no need to create another parallel system, particularly one that has no mechanism to periodically assess the competency of the grader and thus transfers significant risk and liability to the individual building code official/inspector, the county, and the state.

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- 2) According to Section 1, subsections 1 and 2, anyone successfully completing the course could be approved by the state to grade lumber. We believe this is an unrealistic result. Accurate lumber grading depends not only on “book” knowledge of the lumber grading rules, but on experience gained only by continuous, hands-on application of those rules over large sample sizes of lumber coupled with third party verification of the grading accuracy. A training program developed under SB 1061 might supply the book knowledge but it is missing critical ingredients, namely continuous practice and application of the rules over the course of time on thousands of samples. Those that receive the certificate from the state will not have the same experience, expertise, training, and most importantly the regular oversight and monitoring that the ALSC system provides.
- 3) Section 1, subsection 3a) states that a person who obtains a degree related to forest and wood products may be exempt from having to complete the program. As one who holds a master’s degree in Wood Science from Oregon State University, I can confidently say that the forestry and related wood products programs taught at OSU and other universities across the country offering similar programs do not remotely qualify its graduates as lumber graders. There is no justification for granting this exemption. Lumber grading might briefly be acknowledged in a forestry or wood science curriculum; there is no time dedicated to providing any level of expertise or knowledge on the nuances of how to grade lumber that would justify this exemption.
- 4) Section 2 describes the rules and conditions where lumber graded by a person certified under Section 1 can be used. However, the bill fails to look beyond the initial owner of the building. It does not consider subsequent owners that will be unaware that it was constructed with lumber that was graded outside the code referenced ALSC system. Perhaps such knowledge would influence the decision to purchase the dwelling. It does not consider the implications on insuring such buildings – would insurance companies provide coverage for buildings constructed with lumber graded outside the ALSC system if they knew the risks? This section also allows lumber graded under the provisions of this bill to be used in multifamily dwellings. These are often multistory structures that have significantly higher demands on the structural lumber. Who would be liable if there was a structural failure due to improperly graded lumber? Does the state want to allow these buildings to be constructed with lumber that has not been graded under a system that provides the checks and balances of the ALSC system?
- 5) There is no requirement for ongoing monitoring of those who receive a certificate under this program with respect to their grading accuracy and performance, only that they be recertified every five years. Does the state really want five years of lumber to be produced and installed before the grader is evaluated and recertified? Is there a state or government agency or institution outside of ALSC that is qualified to provide the regular and ongoing monitoring necessary to mitigate the life safety risks that are impacted by proper lumber grading?





- 6) Section 2.(2)(c) states that the department shall design and provide forms used to certify the lumber meets the requirements. How is the state going to verify that the form/certificate is legitimate and not fraudulent? Without labeling on the wood itself, how will the building inspector verify that the wood used in the structure is actually the wood that is covered by the certificate? It appears that the code official/inspector will bear the responsibility of making this call. The ALSC system is well established and trusted by building code officials and codes and standards developers across the country. A code official today can look at a lumber grade stamp and quickly and confidently determine whether the wood has been produced under the ALSC system. This will not be the case with the state certification program.

SB 1061 short circuits the well-established ALSC system with all its checks and balances that it provides. A one-time course is simply not equivalent to the ALSC PS20 system, and for these reasons, we oppose SB 1061.

We also recognize the need that this bill is trying to address in aiding small operators and private landowners in rural communities and we offer an alternative approach – establish a grant program. We believe a grant program that would partially or fully subsidize small portable mill operators and landowners would:

- a) likely be far less expensive than the initial and ongoing costs of maintaining a lumber grading course program,
- b) provide financial relief to those who have infrequent need of lumber grading, and
- c) ensure that the lumber used in construction in the state of Oregon is properly and accurately graded under the ALSC system.

Thank you for the opportunity to comment. I am happy to provide more specific information on our transient lumber grading services and costs, or any other questions the Chair or committee might have.

Sincerely,

A handwritten signature in black ink that reads 'Jeffrey A. Fantozzi'.

Jeffrey A. Fantozzi
President

cc: Whitney Perez, Matt Wurst
PLIB Executive Committee

