Dear Madam Chair Taylor and Distinguished member of the Committee,

I am David Kretschmann, the President of the American Lumber Standard Committee, ALSC, which is the nonprofit 501(c)(3) accreditation body responsible for accrediting softwood lumber grading agencies throughout the U.S., including in Oregon. Our organization has several very serious concerns about S.B. 1061. We oppose adopting the legislation as currently drafted.

ALSC has already submitted a letter that details ALSC's concern with S.B. 1061. Today I will briefly discuss ALSC's concerns.

First, ALSC submits that this legislation is unnecessary since ALSC has a process in place to accommodate small sawmills and grader training. The key to the system is Product Standard, PS-20, which is overseen by the U.S. Department of Commerce. The legislation you are proposing suggests that anyone can develop the skills to grade lumber by passing a short course through Oregon State University or having obtained a degree in forest and wood products or has experience equivalent to the degree program somewhere in their life. This is not the case. Grading is a skill that requires weeks of training and continual review to maintain the required skill to assess structural lumber quality.

Second, we have a concern with Equivalence. The lumber that would be produced under this proposal is not subject to the rigorous accredited agency inspection requirements of the ALSC procedures, and such lumber would not be subject to the ALSC oversight that is required under PS 20. Lumber produced under this bill would lack any underlying defensible design values like those that have been developed under PS 20. This represents a fundamental flaw in the bill. The bill suggests that lumber produced as certified lumber by a sawmill can be produced and certified as equivalent to lumber produced under our system; this is not correct.

The process proposed in the bill omits the very heart of the ALS system, which is a consensus-based, structured system of continuous checks and balances

and qualifications that are essential to the proper application of the grading rules for the labeling of lumber and establishing design values. Simply assigning a quality level to material sawn through a certificate is not sufficient to establish design values. If such a certification were made, it would not be accurate, as the lumber produced under the proposal would not be subject to numerous oversight and other aspects of the PS20 standard.

Third, there is no liability link to the producer of the lumber that a consumer can fall back on. Basically, the bill would codify "buyer beware" and does not provide any tools or recourse for future owners to understand who to hold accountable if there is a problem. With no system outlined for traceable grademarking there is no chance for traceability for the consumer if issues arise for future owners. In addition, it is not clear how One- and Two-Family Dwellings can be appropriately assessed by the code enforcement officials that review framing of the dwellings. Code officials are not experts in grading and wood species. It is not feasible to expect code officials to make such an assessment.

Finally, it is not possible to judge whether the program described in this bill would be sufficient to produce a PS20 National Grading Rule (NGR) conforming product, as it does not include details regarding the content or length of the program; nor does it address how instructors will be qualified. It is troublesome that the proposed legislation includes no requirement for the instructors to have been certified NGR graders. Similarly, it is concerning that the proposal does not identify how private lumber grader training programs will be qualified.

ALSC therefore opposed adopting the legislation as drafted. I would be happy to answer any questions the Committee might have.