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Chair Kathleen Taylor
Senate Committee on Labor and Business
900 Court St. NE, S-209
Salem, OR 97301
Sen.KathleenTaylor@oregonlegislature.gov

Subj: Review of Senate Bill 1061 and proposed amendments

Dear Chair Taylor:

The American Lumber Standard Committee (“ALSC”) submits the following comments in response to Oregon Senate Bill 1061, titled “RELATING TO LUMBER GRADING TRAINING PROGRAM,” as amended. We have previously submitted comments in letters dated February 26, 2025 and March 24, 2025. Since the original bill has been amended, we are providing this letter to address the changed language.

A Solution in Search of a Problem

At the outset, ALSC continues to submit that this legislation is unnecessary. Oregon has adopted a building code that requires the use of graded lumber for the vast majority of wooden structures built in the state that refers to and relies on the American Lumber Standard system. This system is a comprehensive national system of quality control and quality assurance that ensures that lumber purchased with an accredited agency grade stamp has been subjected to individual inspection by qualified graders and has undergone a continuous inspection and review process that maintains the competency of the grading process. Proponents of this legislation suggest that small woodland owners presently are unable to sell lumber from their land for use in construction—this is not true; there are accredited agencies that routinely assist small operations with grade-stamping lumber under the established state system in an affordable and prompt manner.

Insufficient Training for Graders and Qualifications for Instructors

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 many months training and continual review to maintain the required skill to assess structural lumber quality.

ALSC finds several portions in the language of Section 1. (1) concerning.

SECTION 1.

(1) The Oregon State University Extension Service shall, in consultation with the Department of Consumer and Business Services, establish a basic lumber grading training pilot program to be offered annually through the extension service. Establishment of the pilot program under this subsection must include a determination of the:

“(a) General requirements for successfully completing the pilot program.

“(b) Requirements for initial certification and recertification.

“(c) Content of the pilot program. At minimum, the content of the pilot program must include:

“(A) A minimum of eight instructional hours, including hands-on practice with physical lumber samples; and

“(B) Instruction in regionally relevant species identification, moisture content considerations and visual grading criteria for structural dimension lumber.

“(d) Certification requirements for instructors teaching the pilot program. At minimum, to be certified instructors must:

“(A) Demonstrate substantial expertise in visual lumber Grading through:

“(i) A valid grader certification from an organization that administers an accreditation program for the grademarking of lumber produced under a system that is the basis for the sale and purchase of softwood lumber;

“(ii) Seven years of professional experience in lumber grading, quality control or wood products education, with demonstrated knowledge of visual grading rules applicable to regionally relevant species; or

“(iii) Equivalent qualifications approved by the extension service based on professional history, training and relevant industry involvement; and

“(B) Maintain continued competency through industry involvement, refresher coursework or other methods approved by the extension service.

(2) The extension service shall issue certifications and recertifications to those individuals who have successfully completed the pilot program.

(3) An individual who holds an initial certification as having successfully completed the pilot program must be recertified every five years.

In Section 1 (1) (c), eight hours of instruction is far too little time for an individual to develop the skills to grade lumber according to the National Grading Rule (NGR). Developing the skills to become proficient at grading lumber according to the NGR is a lengthy process. Effective training in grading would require hours of initial instruction time and hands on training and then continuing education each year.

The criteria in sections 1(1)(d)(A)(ii) and 1(1)(d)(A)(iii), for who may qualify as a grading instructor, also are problematic. Specifically, merely having seven years of experience in quality control or wood products education, or having equivalent qualifications based on the sole discretion of the extension service, does not necessarily mean an individual is qualified to instruct on lumber grading. If the individual had such experience *and* held the certification described in 1(1)(d)(A)(i), then that individual might have the right background for teaching grading. Having only the experience without the grading certificate is insufficient. Grading is a skill that requires weeks of training and continual review to maintain the required skill to assess structural lumber quality. In addition, continuous refresher training on rules is required in order to maintain grading skills.

The length of time suggested between recertification in Section 1(3) is too long. The skills required to conduct grading need to be refreshed and checked frequently to ensure competency is maintained. In the ALSC system we require that grading skills are reviewed every three months if product has not been graded in that time.

Third-Party Graded Lumber vs. Self-Graded Lumber

ALSC welcomes the clarification of the difference between Self-graded lumber and Third-party graded lumber. This is a significant improvement in the bill, as is the inclusion of liability restraints in Section 2(4)(a) and Section 2(4)(b). ALSC has several concerns with other items in Section 2.

“SECTION 2.

(1) As used in this section:

“(a) ‘Self-graded lumber’ means lumber graded by an individual who is certified to grade lumber through the pilot program established under section 1 of this 2025 Act.

“(b) ‘Third-party graded lumber’ means lumber bearing a valid grade stamp from a grading agency accredited by an organization that administers an accreditation program for the grademarking of lumber produced under a system that is the basis for the sale and purchase of softwood lumber.

(2) The Department of Consumer and Business Services shall establish by rule a process by which a builder, designer or owner may use lumber that is tested and approved by an individual who is certified under section 1 of this 2025 Act.

(3) The process established under subsection (2) of this section:

(a) May not establish, create or accept any new grade or design value as part of the state’s building code.

(b) Shall permit the use of self-graded lumber only for structures that are subject to the Oregon Residential Specialty Code.

(c) Shall require that the intent of a builder, design professional, contractor and homeowner to use self-graded lumber must be disclosed in writing at the time of the building permit application.

Disclosure under this paragraph must be made to an inspector who is licensed by the department or a municipality administering and enforcing a building inspection program. The writing required under this paragraph must be filed with the county clerk, who shall make the writing a part of the permanent deed record of the property.

(d) The lumber used for self-graded lumber must originate from a known source, requiring a documented relationship or permit between the lumber owner and the purchaser of the milled lumber.

(4)

(a) No manufacturer, distributor, wholesaler, retailer or grader of third-party graded lumber may be held liable in whole or in part for a failure of or defect in self-graded lumber incorporated in the same structure.

(b) This subsection applies only to structures permitted under subsection (3)(b) of this section in which self-graded lumber is incorporated.

“SECTION 3. Sections 1 and 2 of this 2025 Act are repealed on January 2, 2033.”

It is not at all clear what design values will be utilized by builders, designers, or owners under this Act. Section 2(3)(a) states that the bill will not establish, create, or accept any new grade or design values as part of the state’s building code. It is not clear what design values will be ascribed to self-graded lumber. 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. Further, ALSC is concerned that any procedure established for stamping lumber under this legislation would result in such stamps being confusingly and deceptively similar to stamps used within the ALSC system by mills that are members of accredited ALSC agencies.

Finally, there still seems to be little traceable link between the producer of the lumber that a consumer can fall back on. Basically, the bill would codify “buyer beware” and does not provide sufficient recourse for future owners to understand who to hold accountable if there is a problem. With no system outlined for traceable grademarking individual pieces there is limited traceability for the consumer if issues arise with current owner or future owners. It is also unclear how the use of self-graded lumber in residential structures can be appropriately evaluated by the code enforcement officials that review framing of the dwellings. Code officials are not experts in grading and wood species.

Conclusion

While ALSC acknowledges that certain changes to S.B. 1061’s original language are in the right direction, the organization remains opposed to the adopting the legislation as currently drafted.

ALSC will answer any questions you might have and gladly provide additional information concerning the PS 20 system to you.

Sincerely,

A handwritten signature in black ink, appearing to read "David E. Kretschmann". The signature is fluid and cursive, with a large initial "D" and "K".

David E. Kretschmann
President
cc: ALSC Officers, Counsel