Dear Madam Chair Taylor and Distinguished members 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. First, regarding the bill, I would like to say that 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). Our organization still has several very serious concerns about the amended S.B. 1061. We oppose adopting the legislation as currently drafted.

ALSC has already submitted a letter that details ALSC's concern with the amended S.B. 1061 yesterday. I will briefly summarize ALSC's concerns.

First, this legislation is unnecessary. It is truly a solution in search of a problem, as there already is a process in place to accommodate small Oregon sawmills and give grader training. There are accredited ALSC agencies that routinely assist small operations with grade-stamping lumber under the established state system in an affordable and prompt manner. This is done without compromising Oregon structures and without creating any loopholes to existing building code standards.

Second, the bill contains insufficient training for Graders and Qualification criteria for instructors. Grading is a skill that requires weeks of training and continual review to maintain the required skill to assess structural lumber quality. Grading instructors should have been at a minimum a certified NGR grader at one point.

Third, we have a concern with how the state deems self-graded lumber to be equivalent to lumber used in the ALSC system. 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 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.

Finally, there still seems to be little tracible 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 of 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 who review framings of the dwellings. Code officials are not experts in grading and wood species.

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

I am available to answer any questions you might have and gladly provide additional information concerning the PS 20 system to you.