

5/12/25

Dear Co-Chairs Helm and Owens and Vice-Chair McDonald and Distinguished members of the Committee,

For the record I am David Kretschmann, the President of the American Lumber Standard Committee, Inc. ("ALSC"), which is the nonprofit 501(c)(3) accreditation body responsible for accrediting softwood lumber grading agencies throughout the U.S., including in Oregon. I wish to discuss with you our concerns regarding Senate Bill 1061, which was referred to your Committee. We understand that SB 1061 is currently working through the Committee process in the House.

I have submitted a letter to your Committee (on Agriculture, Land Use, Natural resources, and Water) that details ALSC's concerns with the amended S.B. 1061. I will briefly summarize ALSC's concerns now.

Our primary concern is this legislation creates an unnecessary exception to important safety and quality control processes that have stood the test of time. 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. It is frankly insulting to suggest that eight hours of instruction with no follow-up for five years would be sufficient training to be a qualified grader. Grading is a skill that requires weeks of training and continual review to maintain the required skill to assess structural lumber quality. The legislation does not, for example, even require that grading instructors hold a certification as a National Grading Rule grader, a minimum requirement that ALSC accredited agencies require for their program graders.

There is another way to help small wood landowners. The money that will be required to set up and run a redundant, government-led system to handle grading of structural material would be better spent on developing a grant system that would allow individuals who are otherwise unable to pay for grading services to utilize existing accredited agencies, allowing Oregon to continue to rely solely on the tried and trusted self-regulatory program operated through PS 20.

Third, we have a concern with how the legislation 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 bill. 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. Under our current system, there are design values that are assigned to species and grades of lumber produced under the ALSC system. Those values are not necessarily transferable to structural lumber produced outside our system. 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 that have been made to S.B. 1061's original language are in the right direction, the organization remains opposed to adopting the legislation as currently drafted. ALSC would greatly appreciate the opportunity to meet with any of you, explain our position on this legislation, and answer any questions you may have. I will be in Oregon May 12-16 and could meet with you in person over that time frame.

Respectfully submitted,

David E. Kretschmann

President, ALSC, Inc.