



ESFPA *"The People Behind New York's Healthy Forests and Quality Wood Products"*

the Empire ENVOY

The Official Publication of the Empire State Forest Products Association

GOVERNOR KATHY HOCHUL

Governor Kathy Hochul was sworn into office on August 24th as the 57th Governor of New York following the resignation of Governor Andrew Cuomo. Governor Hochul does not have a lot of knowledge of the forest products sector in New York, but she is from upstate (Hamburg) and she has been overseeing the Regional Economic Development Councils across the state and we expect her to be attuned to the economic and manufacturing conditions in upstate.



Hochul began her career in public service on her local Town Board before serving as Erie County Clerk, and then as a member of Congress for New York's 26th Congressional District. She more recently served in statewide office as Lieutenant Governor from 2015 to 2021 and now as the first female Governor of the State of New York.

From 2011 to 2013, Hochul served in the U.S. House representing New York's 26th Congressional District. Then Congresswoman Hochul served on the House Armed Services and Homeland Security Committees, traveling to Afghanistan to confer with military leaders and meet with active-duty men and women. Her focus in Congress was job creation and bridging the skills gap by bringing together business and academia and creating opportunities for returning veterans.

Hochul served as Erie County Clerk from 2007 to 2011. Before that, Hochul worked for 14 years as a Hamburg Town Board member. She served as liaison to the local economic development agency and worked to attract new businesses and create jobs following the loss of the Western New York manufacturing base.

Hochul holds a bachelor's degree from Syracuse University and a law degree from Catholic University in Washington, D.C. She began her legal career working at a large firm in Washington, D.C. and later served as legal counsel and legislative assistant to Congressman John LaFalce and Senator Daniel Patrick Moynihan.

ELECTIONS MATTER

Election day was Tuesday November 2nd. While pundits will note that results show some kind of mandate one should be cautious on how much to read into results. Nationally, there were some clear trends in results that show Americans raising concern over progressive efforts.

Statewide we saw some of the same with a more moderate Democrat winning in New York City, a write-in for Buffalo Mayor Byron Brown in defeating a Democratic Socialist, and Republicans sweeping local elections in Nassau and Suffolk County. One Long Island race we were watching was Todd Kaminsky's run for Nassau County District Attorney. He did not win, and he will remain in his State Senate seat and chair to the Senate Environmental Conservation Committee. Also, on the statewide Ballot Initiatives voters overwhelmingly approved the "Green Amendment" which amends the NYS Constitution to provide each citizen the "right to clean air, clean water and a healthful environment". We will now see how

citizens and the courts will interpret this "right". On the other hand, the electorate resoundingly rejected three initiatives to change elections including redistricting, same day registration and no-excuse absentee balloting.

This year was also a local elections year with city, town and village elections along with judges and other local positions. This is really where we see changes that can affect our landowners and businesses and hopefully you all participated in these local challenges.

There will still be dust to settle while we start to move on. Elected officials come and go and our communities and state move on. No matter the outcome we at ESFPA will remain committed to advocating on behalf of our membership and if there is anything you need locally or at the state level, please do not hesitate to contact us.

The Empire Envoy

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Founded in 1906, ESFPA is dedicated to improving the economic climate for the forest products industry and to promote management of New York's Forests to meet the resource needs of today and for future generations. ESFPA counts among its 400 members furniture companies, lumber manufacturers, forest landowners, timber harvesters, pulp and paper companies, and other wood products manufacturers from across New York State. Members own and manage 1.5 million acres of New York's forests and employ over one-third of the 60,000 individuals who work in the forests and wood-using mills around the state. **The Empire Envoy** is the newsletter of the Empire State Forest Products Association. Copyright© by ESFPA. Articles may be reproduced with permission of the publisher. **The Empire Envoy** is produced monthly for ESFPA members and interested parties. For information on subscriptions or membership, please contact ESFPA.

A MESSAGE FROM THE CHAIR

Michael McLarty, ESFPA Chairman of the Board

As this is the final ESFPA Envoy for the year, I thought I would take some time to reflect and share my thoughts. My reflections are not only due to the upcoming close of another successful year for the organization but also because the end of the year will be the end of my two-year term as Chair of the Board of the ESFPA. At the upcoming board meeting in December I will introduce a motion to elect Jennifer DeFrancesco as the new Chair of the board. Jen has been my Vice-Chair over the past couple years and I could not think of a better individual to lead the board over the next two years. Jen has many amazing leadership qualities that will make her the perfect chairperson for the organization, not the least is her passion and dedication for the industry. This admirable quality brought to the board leadership and organization over the next couple of years will be critical as we seek to reengage and reinvigorate the membership and industry after a lengthy disruption caused by Covid-19.

With regard to my ending tenure as the Chair, I want to express my sincere gratitude to be given the opportunity to serve you as your Chair. It has been a true privilege and honor and I greatly appreciate the support, guidance and friendship of the staff, the board and the membership. As I reflect back on this past year and the first year of my term as chair, I can't help but think about the contrast between "thriving" and "surviving". I am a believer that in business cycles and more so in life in general there are periods of time to "survive" and periods of time to "thrive". Surviving is essential, but only just surviving when the external conditions exist to thrive is a lost opportunity you never get back. Perhaps the last two years was one of those "surviving" periods of time and I couldn't be more proud of what we as an organization accomplished. Faced with the restrictions, uncertainties and overall disruptions of the Covid-19 pandemic, we continued to operate our membership businesses under an "essential" determination, held regular board meetings, hosted informative regional meetings, delivered logger training, effectively lobbied on policy and regulation, and maintained a financially sound organization. A significant accomplishment.

(See "Chairman" continued on page 3)

ESFPA Sustaining Members



The Forestland Group, LLC



CHAIRMAN MESSAGE *(continued from page 2)*

I now implore you to put our “survival” accomplishment in the past and seize the opportunity in front of us. While the challenges ahead are as great as they have ever been, the organization and industry is well positioned to reap the benefits hidden in all of those challenges. I ask you to step up your passion and support for the organization as it will give you back a multiple of what you put in. Jen and her new executive committee, our excellent staff, and your regular trusted board members are ready to lead us through the “thriving years” ahead.

Thank-you again for your support during my tenure as Chair; I look forward to continuing to support the organization as a board member. I wish you and your families a happy and safe holiday season and prosperous 2022.



Michael McLarty
ESFPA Chair

FEDERAL NEWS

PRESIDENT SIGNS \$1.2 TRILLION INFRASTRUCTURE ACT

In mid-August, the U.S. Senate passed a comprehensive infrastructure package titled the Infrastructure Investment and Jobs Act. The House of Representatives finally passed the measure on November 5th and President Biden signed the measure as it came to his desk. The bipartisan measure includes over a half trillion dollars in spending on roads, ports, bridges, and rail, among other priorities (see text box on page 4 for NY projects). In addition to “grey projects”, included within the 2,700-page bill are a few items of interest to the ESFPA:



- Language creating a new federal system for subsidizing sawmills and other wood processing facilities, along with \$400 million in new financial assistance. The provision specifies that “close proximity” to a sawmill would become a factor for agencies to consider when funding federal land restoration. One of the ongoing challenges to making thinning projects economical is access to processing facilities. Existing wood processing infrastructure is not in close proximity to many federal forests that desperately need active management.
- Authorization for a pilot program allowing young drivers (between 18-21 years old) to operate trucks interstate after completing rigorous operational and safety training. Currently, younger drivers may drive all day every day within a state’s borders but may not cross state lines. For the last few years, the provision, known as the DRIVE Safe Act, has been a priority of truck-dependent industries as a way of attracting younger drivers to the profession. Related language was also included promoting women in the trucking workforce.
- Language establishing a vehicle-miles traveled (VMT) fee pilot program. Specifically, the legislation authorizes \$125 million for grants that would enable creation of pilot VMT programs to collect data on whether a VMT is a viable option for replacing the gas tax to fund highway programs. The VMT would apply to both private and commercial vehicles.

- Provisions promoting workforce development in the transportation sector. Specifically, language authorizes grants to educational institutions or state departments of transportation, in partnership with industry, to develop, test, and review new curricula and education programs to train individuals at all levels of the transportation workforce. Further, the new curricula and education programs will provide for hands-on career opportunities to meet current and future needs.

- Efficient Manufacturing—\$2.1 billion in assistance to help manufacturers improve energy, water and material efficiency, load management and onsite generation to reduce waste and pollution while increasing profit. The provision includes a special set aside for small to medium sized manufacturing operations.

The House had not passed an infrastructure bill holding out on the larger \$1.75 trillion Reconciliation package otherwise known as Build Back Better (BBB) or the Social Infrastructure Bill. For months we have seen the back and forth on these investment bills and as we go to print there remains uncertainty as to what will pass. Despite some hold outs in the Progressive Caucus finally the House moved the measure.

ESFPA has signed onto letters supporting some provisions of the BBB package that protect current tax provisions for forest landowners, support forest damage programs (wildfire and pests), and increase funding for state and private forestry as it relates to climate change. As we go to print the committees in both the Senate and House have begun to frame their budget packages within the limits authorized by the reconciliation resolution. It is anticipated that the week on November 15th may be when the House acts on BBB. Watch for our weekly E-news as all this unfolds before October.

(See “What’s in it for New York” on page 4)

INFRASTRUCTURE ACT: WHAT'S IN IT FOR NEW YORK?

Highways: \$12.5 billion

- \$11.5 billion for roads and highways. (reauthorizations)
- \$1.9 billion for bridge repairs.
- \$142 million for electric-vehicle charging infrastructure

Airport funding: \$937,030,865

- JFK — \$294,682,575.
- LGA — \$ 150,008,970.
- Long Island MacArthur — \$21,595,630.

Rail: \$58 billion

- \$22 billion for Amtrak improvements, including the Gateway tunnel project under the Hudson River.
- \$24 billion for Northeast Corridor modernization.
- \$12 billion for intercity passenger rail, including high-speed rail.

Water: \$90 billion

- \$14.7 billion for the EPA's Drinking Water State Revolving Fund, which provides grants and loans for infrastructure projects.
 - *Includes: \$10 billion in grants to address emerging contaminants.*
- \$14.7 billion for the EPA's Clean Water State Revolving Funds, which provides loans to states for water-quality improvement.
- \$55.4 billion in supplemental emergency appropriations.

Mass Transit: \$9.8 billion

- \$9.8 billion for Clean Buses and Mass Transit



EPA HOLDS LISTENING SESSIONS AND BEGINS WORK ON WOTUS

August 3rd, the U.S. Environmental Protection Agency (EPA) and U.S. Department of the Army announced plans for upcoming community engagements to inform their efforts to revise the definition of “waters of the United States” (WOTUS) to better ensure clean and safe water for all. “EPA and Army are committed to developing a reasonable, effective, and durable definition of WOTUS that protects public health, the environment, and downstream communities while supporting economic opportunity, agriculture, and other industries.”

During the week of August 16th, EPA held listening sessions to hear from landowners, foresters, loggers and environmental organizations on rewriting the WOTUS rule. ESFPA signed onto a National Alliance of Forest Owners (NAFO) letter which outlined challenges over the past years on the WOTUS rule as adopted by the Obama administration and amended by the Trump administration. There were also several suggestions

for improving the WOTUS rule relative to forests. This is going to take some time to repeal the 2020 WOTUS rule adopted by the Trump administration, reinstate the 2015 Obama rule then propose a revised Biden rule. ESFPA will continue to work with our national affiliates on the WOTUS rule.



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LOGGER RELIEF APPLICATION PERIOD CLOSED OCTOBER 15

The Pandemic Assistance for Timber Harvesters and Haulers (PATHH) program accepted applications through **October 15, 2021**. The PATHH program provides financial relief to timber harvesting and hauling businesses that experienced a 10 percent or greater loss of gross revenue in 2020 due to the COVID-19 pandemic. Eligible businesses will receive an initial payment of \$2,000 after application approval. A final payment will be made

after the program ends. The sum of both payments will not exceed \$125,000. Of the over 5,500 applications received, 45% were from logging businesses, 32% from log haulers, and 23% from logging and hauling businesses. The states with the most applications filed were Mississippi, Alabama, Maine, Arkansas, and Wisconsin.

STATE NEWS

RECEPTION BUILDS BRIDGES IN NYC

ESFPA participated in a very successful reception hosted by the Queens County Farm Museum and the New York Farm Bureau on August 11th to connect with State, federal and city lawmakers and discuss issues and opportunities for New York's forests and wood products derived therefrom. The event was held at the historic and longest working farm (which also had some forest) in New York and provided a unique opportunity to network with over 35 elected representatives from New York City and Long Island. Many admitted they had very little knowledge of forests and the array of wood products derived from them or the economic impact of wood products across the State. Moreover, they also noted they had interest in learning more.



ESFPA Exec. Dir. John Bartow speaks to Legislative Aide

rural economies, often with little knowledge of what the legislation does or means to our sector. We made some great connections with members of the Legislature and their staff. We also got to talk about how forests and wood products are present in their everyday lives and with their constituents. Whether it is wood in their homes or offices, in their neighborhoods or protecting the drinking water supply of 9 million New Yorkers.

The pandemic has put the spotlight of forests for outdoor recreation and opportunities for people to escape confinement in their small homes and apartments.

It is important that we bridge connections with downstate elected officials particularly since they are the majority of the New York State Legislature and they vote on bills that impact

We have already followed up with several legislators and staff about additional meetings and briefings and they are very receptive. If we could only get them to the forest or a mill it could be so much more impactful.

WELCOME TO NEW & RETURNING MEMBERS

- A&E Trucking Lowville, NY
- Bush Logging and Forestry Truxton, NY
- Cayutaville Rd LLC..... Trumansburgh, NY
- Dale Perry..... Andover, NY
- Gary Hill Logging Chestertown, NY
- Gilbert Steria Lowville, NY
- Hill Top Logging Friendship, NY
- Jale Richards Logging Queensbury, NY
- Joseph Radigan New York, NY
- Keefer Logging Crogan, NY
- Kim Widrick Logging..... Castorland, NY
- KJ Zehr Logging Lowville, NY
- Leatherstocking Timber Products Inc..... Oneonta, NY
- Noftsier Logging Beaver Falls, NY
- T.J. Logging..... Hancock, NY

Members are approved quarterly at each Board of Directors Meeting



CONGRATULATIONS TO ALL NEW AND RENEWED NEW YORK LOGGER TRAINING CERTIFIED LOGGERS

- | | |
|----------------------|-------------------------|
| Christopher Ballou | Trevor Koenig |
| Nick Brunette | Bart Ostrander |
| Chad Buddenhagen | Denny Perry |
| Nathaniel Burkholder | Kevin Premo |
| Christopher Carlton | Gary Rivers |
| Seth Carr | Clayton A. Sweeney, Jr. |
| Benjamin Ericksen | Phil Turcotte |
| Owen Farrell | Adam Welch |
| Connor Howell | Mark Williams |
| Randy Hunt | |

B&B FOREST PRODUCTS HOSTS LEGISLATIVE TOUR

Jennifer DeFrancesco and Bill Fabian, owners of B & B Forest Products in Cairo, NY, hosted a legislative tour of their facility in September. The tour was part of a larger legislative event hosted by Assemblyman Chris Tague (R,C,I-Schoharie) and brought over 20 legislators from around the State to see farms and forest operations within the 102nd Assembly District. It was a great opportunity for Jennifer and Bill to not only showcase their facility but to brief legislators on issues and opportunities facing New York's forests and wood product manufacturers. There were dozens of representatives from down state who had never seen a forest operation. Jennifer also attended a dinner that evening and was able to continue to speak with folks she met earlier in the day, and noted a keen interest by many representatives to learn more about the Industry and our contributions to our economy, environment and countering climate change.



Jen DeFrancesco Speaks to Legislators and Staff on Tour

ESFPA SPEAKS AT NATIONAL SAF MEETING



Executive Director John Bartow spoke at the National Society of American Foresters Virtual Annual meeting on November 6th on a panel titled **People-Policy-Popcorn #2 - Sustainability of American Forests**. John spoke to issues affecting sustainable management of New York's Forests. John addressed the need for active management of forests to combat climate change,

respond to invasive species and improve forest health and

regeneration. It was a wonderful opportunity to join leading forests managers and policy advocates from across the country. With climate change, carbon and sustainability at the forefront of public policy concerns and policy debates, it's more important than ever to talk about how forest management and forest products help meet society's goals now and in the future. Other panelists included Darren Miller (Vice President, Forestry Programs, NCASI), Brent Sohngen (Professor, Department of Agriculture, Environment and Development Economics, Ohio State University), George Geisler, Washington State Forester, and Kate Gatto (Vice President for communications, NAFO).

IP COMPLETES SYLVAMO SPINOFF



International Paper (IP) announced its spin off its Global Printing papers business which will become a standalone, independent, publicly traded company. The new company will be called Sylvamo.

While IP's Eastover, S.C. and Ticonderoga, N.Y. Mills will become part of Sylvamo, IP and Sylvamo have signed an agreement for IP to provide ongoing fiber procurement services for those mills.

- The procurement teams and systems currently in place that have been working at these mills will be unchanged and will remain part of IP.
- Any fiber supply business relationship (roundwood, chips or fiber fuel) associated with the transferred mills will remain with IP.

- The wood scaling system, gate pass process, portal access and operations at the scales will not change.
- Safety protocols and rules/requirements inside the gate will be set by Sylvamo.

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PATRICK HOOKER RETIRES FROM STATE SERVICE

Patrick Hooker, former Governor Andrew Cuomo Deputy Secretary for Food and Agriculture, retired from State Service earlier this summer. Patrick started his career in the State Assembly, moved to the Senate then worked as part of the NY Farm Bureau Public Policy Team, eventually becoming Director of Public Policy. Patrick was named Commissioner of Agriculture and Markets under Governor Elliot Spitzer. After a short appointment at Empire State Development focusing on agriculture economic development efforts, Patrick was appointed as Deputy Secretary for Agriculture by

Governor Cuomo. Patrick has truly left his mark on agriculture in New York and he was a good friend to forestry as well.

Patrick is succeeded as Deputy Secretary for Food and Agriculture by Kevin King who was previously Deputy Commissioner at Agriculture and Markets. Prior to his appointment at Agriculture and Markets Kevin was Director of ESFPA. Kevin met with the ESFPA Board in October and has offered to continue to work with us on several fronts in his new Capacity as Deputy Secretary for Food and Agriculture to the Governor.

CLIMATE NEWS

CLIMATE UPDATES

Over the summer the Climate Action Council has reviewed hundreds of recommendations put forth by the 7 Advisory Panels following a year's worth of work by the panels and facilitating comments from the Climate Justice Working Group (CJWG).

The CJWG continued its critique of Advisory Panel recommendations and was harsh on the Power Generation recommendations as it was on the Transportation Advisory panel recommendations last month. What was surprising were the underlying theme of public power that came through in their comments. Also, how disadvantaged communities and low-income individuals needed to be protected from power price increases going forward. The following summarizes their critiques thus far:

- The door to false solutions is still open
- There isn't enough emphasis on public power/energy democracy & consideration that LMI program size needs to be commensurate with need
- Cumulative impacts are not considered in the recommendations

Their comments drew heavily from two reports which can be found at www.esfpa.org/communications:

- NY RENEWS **"False Solutions"**; and,
- The PEAK Coalition's **"Fossil Fuels End Game"**

Earlier this year 57 scientists wrote to the Climate Action Council denouncing the science included in the **"False Solutions Report"**.

Through this fall Council meetings focused on the integration analysis – "Integration analysis will evaluate societal costs and benefits of GHG mitigation relative to a reference case". Most interesting was the integration analysis which showed that across the energy economy the recommendations fall short of achieving the 40% GHG reductions by 2030 and 85% by 2050 GHG reduction called for in the CLCPA both in individual sectors

and cumulatively. Under the CLCPA accounting Reference Case achieves 15x30 and 21x50. There are 4 sectors who are responsible for 75% of the GHG's – Buildings, Transportation (vehicle ownership and driving patterns); Electricity Generation; and, Waste (i.e. methane from landfills). The discussion focused on the need for a much deeper dive and significantly more reductions in these four sectors.

The staff also brought forth the discussion on biofuels and their role in achieving deep decarbonization. In essence, recognizing that biofuels could have a significant role and yet there are many council members who do not feel there is a role for biofuels. The staff put forth a proposal to undertake an integration analysis with biofuels and one without. In the "Measures that Contribute to Statewide GHG Reduction" slide, biofuels, carbon capture and storage (direct air), and "enhanced forestry sink" are included. ESFPA has concerns over the emphasis on forest sinks which seems to imply stocks and not sequestration as well as the omission of bioenergy carbon capture and storage.

The Climate Action Council has to deliver a draft "Scoping Plan" by January 1, 2022. In the new year the CAC will conduct a series of public comment sessions (no less than 6 across the state) to gather public input on the proposals and targets. ESFPA has sponsored several member-oriented webinars presenting the Advisory Panel recommendations and the latest from DEC and NYSERDA. Once the draft Scoping Plan is out we will again brief members at several venues beginning with the NY Society of American Foresters meeting on January 27th in Syracuse. We will also hold legislative briefing at the 2022 Forestry Awareness Days and conduct both in person and virtual member briefings throughout the year.

The CLCPA and resulting Scoping Plan will affect every facet of New York's energy economy and how we do business both in the forest and in our wood product manufacturing. Where we end up in January 2023 when the final Scoping Plan is due will depend in large measure on our engagement in the process. We at ESFPA look forward to engaging you in the coming months and advocating on your behalf as the plan and eventual legislation and regulations unfold.



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