



Memorandum of Opposition
S.5921A (Krueger) / A.6872A (Zebrowski)
"New York Deforestation-Free Procurement Act"

The Empire State Chapter of Associated Builders and Contractors (ABC), which represents hundreds of merit shop contractors and subcontractors, employing hundreds of thousands of workers throughout the state of New York, opposes the "New York Deforestation-Free Procurement Act".

The ABC Empire State Chapter supports common-sense efforts made to protect our climate and address deforestation. That said, we oppose the "New York Deforestation-Free Procurement Act" in its current form. If passed, it will disrupt the supply chain and our trading relationship with Canada as well as increase the cost of construction in New York.

New York and Canada maintain long-standing supply chain links in the forest sector to ensure our consumers on both sides of the border have a secure and stable supply of goods while supporting well-paying jobs in both our countries. In 2020, the Empire State imported nearly \$1.5 billion in forest products from Canada, totaling nearly 50% of all forest-product imports into the state. This highly integrated trade relationship supports New York as well as Canadian jobs, providing both our regions with economic security at such an uncertain time as we navigate the post-COVID economy.

Canada represents our largest source of key forest products, such as softwood lumber, pulp, packaging, and printing and writing paper. With its inclusion of forest products from Canada's boreal forests, this bill targets New York's most responsible, secure, and reliable supplier of forest products. The stability of our trade relationship with Canada in this industry is unmatched by any other of our global trading partners.

At a time of already record-high lumber prices, this bill would only further raise procurement costs for consumers in our state while simultaneously elevating compliance costs for suppliers. According to the National Association of Home Builders, pandemic-induced supply chain complications in the industry have contributed to an average \$28,000 increase in the price of new single-family homes in the U.S.

We encourage you to join us in opposing this legislation and finding a way to ensure this does not impact our cherished New York-Canada trade relationship. We can advance the fight against deforestation in a better, smarter way, in countries where it is truly an issue. Unfortunately, targeting Canada is not the solution and the "New York Deforestation-Free Procurement Act" is not the answer. For these reasons we oppose this legislation and respectfully ask that you vote no.

If you have questions, please reach out to our Public Affairs Manager, Tanner Schmidt, at (585) 730-1814 or tschmidt@abcnys.org