

Congress of the United States
Washington, DC 20515

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

August 13, 2012

Dear Mr. Secretary:

We are writing to express our concerns about the U.S. Department of Agriculture's (USDA) implementation of the Biobased Markets Program which includes a federal government procurement preference for biobased products and the USDA Biobased Product labeling program.

In the 2002 and 2008 Farm Bills, Congress defined eligibility for the program as products "composed in whole or significant part of biological products, including renewable domestic agriculture and forestry materials." Despite express inclusion of forest products under the program, USDA currently excludes most forest products from both the federal procurement preference and the market label programs by claiming they have "mature markets." As a result, foreign-produced, imported materials are given preference in the program, rather than U.S.-made forest products.

We are aware that USDA has proposed a new rule to replace this "mature market" exclusion with language that focuses the program on "new and emerging markets for biobased products." The new proposal does not provide any certainty that forest products would be included in the program.

We have heard from constituents across the country that represent forest owners, conservationists, forest managers, forest products manufacturers and small family sawmills asking for help in improving the Biobased Markets Program so that U.S. forest products are not disadvantaged by the program.

Earlier this year, we introduced bipartisan, bicameral legislation known as the Forest Products Fairness Act to address this concern. This bill will create a level playing field for forest products by modifying the definition of "biobased product," to clarify that forest products should be included in the Biobased Markets Program if they meet the minimum biobased content requirements. The bill was included in the Federal Agriculture Reform and Risk Management Act of 2012 that was passed out of the House Agriculture Committee with bipartisan support.

The forest products industry continues to face challenging market conditions. Discrediting forest products, while providing competing products, many of which are foreign products, with a federal government backed label and preference, threatens the over 1 million jobs in the forest

products industry. The federal government needs to remove barriers, especially those that prevent the forest products industry from remaining competitive in the global economy.

The BioBased Markets Program was designed to promote a robust marketplace for biobased products, which includes forest products. With all this in mind, For this reason, we strongly urge you to consider changes to this program to ensure that the intent of the law is followed. We look forward to working with USDA as the department moves forward with implementation and consider future changes.

We appreciate your attention to this matter and look forward to your timely reply.

Sincerely,



KURT SCHRADER
Member of Congress



GLENN "GT" THOMPSON
Member of Congress