



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

JAN 2 2013

The Honorable Kurt Schrader
U.S. House of Representatives
314 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Schrader:

Thank you for your August 13, 2012, letter, cosigned by Congressman Glenn Thompson, expressing concerns about the Biobased Markets Program, which the Department of Agriculture (USDA) refers to as the BioPreferred® program. I apologize for the delay in my response.

Section 9002 of the Farm Security and Rural Investment Act of 2002 (FSRIA) originally authorized the BioPreferred program. The Food, Conservation, and Energy Act of 2008 reauthorized and strengthened the program. USDA regulation outlining the procurement preference program was developed based on the conference report accompanying FSRIA, which states that the intent of section 9002 "is to stimulate the production of new biobased products and to energize emerging markets for those products." For this reason, USDA's regulation, "Guidelines for Designating Biobased Products for Federal Procurement," currently excludes mature market products from the program. It is generally understood that the forest products industry is mature. However, we recognize the need for as much flexibility as possible to develop new markets. As such, USDA-proposed amendments to the BioPreferred Guidelines in May 2012 would eliminate the mature market exclusion and focus the program on creating "new and emerging markets for biobased materials." The proposed rule seeks to provide additional flexibility in considering forestry products for inclusion in the BioPreferred program and continues to be consistent with the guidance provided in the FSRIA's conference report.

USDA notes that many mature market products already use other well-established and well-known labels such as the "cotton" logo and the Forest Stewardship Council certification. Additionally, there are 45 forestry products currently in the BioPreferred catalog, which contains products in the Federal Procurement Preference Program and the Voluntary Labeling Program. Of these, 21 products participate in the Federal procurement preference program, 16 have received USDA certification under the voluntary labeling program, and 8 are both federally preferred and label certified.

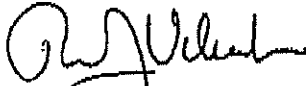
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Your concerns also relate to the use of imported versus domestic products. I agree with you that the development of new markets should be pursued. However, as a member of the World Trade Organization, there are requirements that we must follow when pursuing these opportunities.

If you have any questions, please contact Brian Baenig, Assistant Secretary for Congressional Relations, at (202) 720-7095, or by email at brian.baenig@osec.usda.gov.

A similar letter is being sent to Congressman Thompson.

Sincerely,



Thomas J. Wilsack
Secretary