May 24, 2019

Mr. Larry Kudlow
Director, National Economic Council
Washington, DC 20500

Dear Mr. Kudlow:

We were disappointed to see the May 7 U.S. Department of Agriculture press release [https://www.fs.fed.us/news/releases/forest-service-announces-2019-wood-innovation-grant-awards-reducing-wildfire-risk-and] announcing the awarding of federal funds for 29 projects designed to expand markets for wood products, in particular those used as building materials. As you are aware, there are a wide variety of materials in the private marketplace used to construct buildings. Providing federal funds to subsidize only one category of materials provides an inequitable advantage to those products at the expense of all others.

A number of the projects identified in the announcement regard the research and further use of cross laminated timber (CLT). While CLT has been used to construct several tall buildings domestically in recent years, several key questions still exist about the performance of CLT on a large scale. While it is important to resolve the answers to these concerns, it is not appropriate for the federal government to provide funding to obtain them, nor to provide funding to advance those materials in the marketplace while those questions exist.

We hope you agree that these grants unfairly promote, at taxpayer expense, one building material – mass timber – in the construction materials marketplace. This would advance an unbalanced promotional program for only timber products. In any event, the federal government should not be in the business of picking winners and losers among competing materials in the construction marketplace by so blatantly putting its thumb on the scale in favor of wood products.

We ask that you review the use of taxpayer revenue to projects that promote one building material over others.

Sincerely,
American Concrete Pumping Association
American Institute of Steel Construction
American Iron and Steel Institute
California Construction and Industrial Materials Association
Concrete Reinforcing Steel Institute
National Concrete Masonry Association
National Ready Mixed Concrete Association
Oregon Concrete & Aggregate Producers Association
Portland Cement Association
Steel Framing Industry Association
Steel Manufacturers Association

CC: The Honorable Wilbur Ross
The Honorable Sonny Perdue