BEHIND THE WOOD FIRST INITIATIVES

Tien Peng, NRMCA, 06/1/13

There is strong movement in a number of states to legislate the use of wood over other building materials for state funded projects. As you would expect, this preferential treatment of one material over another has its roots in regions with strong forestry and timber industries and powerful lobby groups. This legislation is referred to as Wood First Initiative named after the original legislation signed into law in British Columbia, Canada.

Clearly, the effects of this legislation are devastating to the concrete industry and the industry should develop a strategy to stem the adoption of more Wood First legislation in other regions. To enable this strategy, we must first become aware of the complex relationship between green certifications, local politics and the competitive drive for marketshare between all industries.

Wood and Green Building Certifications

It’s difficult to understand the origins of the Wood First Bills without understanding the crusade for sustainable forest practices and the broader movement of green building rating systems. In 1993, the Forest Stewardship Council (FSC), an international not for-profit, multi-stakeholder organization, was established to promote responsible management of the world’s forests. Blindsided by the universal appeal of the certification, the timber industry responded in 1994 with their own Sustainable Forestry Initiative (SFI) program, launched by the American Forest and Paper Association (It became more independent in 2007 as a separate charity, SFI Inc.) As a point of reference, today 564 million acres (228 million hectares) in North America are certified to SFI and 109 million acres (44 million hectares) are certified to FSC. Less than 4% of US forests are FSC certified.

In 2000, the U.S. Green Building Council’s (USGBC’s) Leadership in Energy and Environmental Design (LEED) green building rating program became operational. It only accepts on FSC Certification for credit MRc7 – Certified Wood. Despite vigorous efforts to be included, SFI is not accepted by the LEED rating system. As a protest over the 2010 Forest Certification benchmark balloting by USGBC members, which in effect rejected SFI, SFI even encouraged LEED projects to skip the certified wood credit and use SFI wood instead to show their “pride and support for North American Forests”.

Not satisfied with the USGBC members’ snub, forest industry interests supported the U.S.-based Green Building Institute (GBI) who in 2004 acquired the rights from Canada to distribute Green
Globes green-building rating system in the United States. It accepts multiple wood certifications including SFI and FSC.

Opposition to the FSC certification system have raised a number of concerns:

- FSC certification may discourage smaller landowners from participating in the FSC certification program due to its extensive reporting and expense.
- The limited number of FSC certified producers in the United States translates to creating a market for overseas wood products that are shipped long distances which is contrary to the Leadership in Energy and Environmental Design (LEED) rating system preference for local products and materials to reduce carbon footprint and use of energy where appropriate.
- "Coalition for Fair Forest Certification" filed a complaint with the Federal Trade Commission claiming that the Forest Stewardship Council has engaged in unfair and deceptive trade practices. Basically a monopoly in LEED.
- The monopolization of FSC in LEED could be driving up prices by as much as 15 to 20 percent for consumers who are willing to pay more for sustainable wood and paper products but may not actually be getting something that is better for the environment. (The American Consumer Institute (ACI) report, The Monopolization of Forest Certification: Do Disparate Standards Increase Consumer Costs and Undermine Sustainability?, 2012)

By 2006, nearly every federal agency, 16 States and many cities have mandated LEED for capital projects. SFI was losing ground with the design community when an even greater tragedy struck in 2007. Mudslides near Mt Rainier in Washington State destroyed significant swaths of mountain habitat and caused hundreds of millions of dollars in property damage. The forests were managed by Weyerhaeuser who conducted extensive clear-cutting (109 acres). The credibility of SFI rating was put into question in the mudslide cases because the SFI stamped approval was on many of the same lands prior to the mudslides.

Meanwhile, the momentum in green building accelerated. By 2009, the American National Standards Institute (ANSI) approved the National Green Building Standard (ICC700) for residential construction, developed by the National Association of Home Builders (NAHB), as a national standard. One year later the California Building Standards Commission adopted by unanimous vote the nation’s first green building code – The California Green Building Standards Code. In addition, the International Code Council (ICC) released its new International Green Construction Code (IgCC) for public comment, and was formally adopted in 2012. 5 States and 3 Local Jurisdictions have since adopted it. The IgCC accepts multiple wood certifications including SFI and FSC.

An environmental group, ForestEthics, has since file complaints with the Federal Trade Commission in 2009 and again in 2013 that says SFI misleads consumers about the sources of
the products that carry its seal of approval. The complaint argues that the Sustainable Forestry Initiative’s claim that it’s an independent, nonprofit public charity is deceptive and misleading because it’s "substantially governed and financed by the timber industry." Todd Paglia, the executive director of ForestEthics, based in Bellingham, Wash says, "It's a fake eco label."

On June 7, 2013, the Sustainable Forestry Initiative Inc.® launched the process of revising its current standard to develop the SFI 2015-2019 Standard. They are reaching out to more than 10,000 stakeholders for input and want to ensure the development and revision of the SFI Standard embodies an open, fair and inclusive process that addresses all comments submitted. All comments and how they are addressed are publicly posted on the SFI website throughout the standard revision process.

**Wood First**

While the debate on wood certifications raged on, the wood interests, like all industries, looked for other avenues to support an industry devastated by the economic meltdown in 2008. They saw some successes in building codes as they eroded “artificial barriers” to the use of wood products through the use of fire-suppression systems. They also saw an opportunity to align economic interests of cities faced with the same economic challenges with the growing awareness of climate change and the emergent concern with carbon footprint of green building projects. Still struggling with the exclusion from the dominate green building rating system, the wood interests sought to promote the natural resources of the community while reducing the carbon footprint of state funded green buildings. This, in effect, brought the lawmakers into the fight to force changes in the LEED rating system.

This approach to leverage local timber resources did not fare well when first attempted in California in 2004 when the new Governor Schwarzenegger vetoed AB 2994 requiring the State agencies to give “preference to the purchase of lumber and certain solid wood products harvested from forests in California when price, fitness and quality are equal”. But that was a different economic landscape. The Canadians were first to act on this idea. Those darn Canadians!

**British Columbia (B.C.), Canada.** On Sep 2009, Supported by Wood Enterprise Coalition (along with Forests and Range Minister Pat Bell), British Columbia’s government passes the first **Wood First Initiative** which aimed to increase demand for wood products by requiring provincially-funded building projects use wood as the primary construction material. Wood Enterprise Coalition’s (WEC) mandate is to champion the province’s new Wood First Initiative, supporting the movement of innovative products from the lab to the market, and promoting wood education and culture. Below are the effects:

- Wood First requirements are now included in all new solicitations for provincial building contracts in British Columbia.
- In British Columbia, 33 local governments have already committed to the Wood First Act by passing a Wood First resolution, bylaw or policy that commits to wood first in municipally funded buildings.
- Before 2009, wood-frame buildings were capped at a height of four stories. In 2009, the province changed the building code to allow the construction of six-story wood-frame buildings as part of the B.C. Wood First Act, aimed to stimulate the province’s timber industry as well as the construction industry.
• These changes to British Columbia’s building code have resulted in at least 54 new projects (92 buildings) under design or construction using wood in five or six stories.
• Starting with Alberta and Saskatchewan, British Columbia is working to extend the six-story wood-frame building code across the Canada.

Under this new law, the first six-story wood frame residential building by Tien Sher Group of Companies (project called Quattro3) in British Columbia began construction in 2010. Len Garis, Surrey’s (B.C.) fire chief and president of the Fire Chiefs’ Association of B.C., said the fire safety of people living in six-story wood-frame buildings should be equal to the safety in any other building. Garis did have concerns about construction fires in six-story wood-frame buildings in 2009 when the rules were changed, because protection systems like sprinklers are not usually in place during construction.

Since the arrival of the International Building Code in 2000, there are a number of provisions that have been favorable to wood construction:
• Including new definitions of some use groups and types of construction (e.g., Type III), which allow more wood construction
• Allowing sprinklered buildings with National Fire Protection Association (NFPA) 13 systems to contain one additional story, and to be increased in height 20 feet
• Permiting fire walls of combustible material in a Type V building, which allows the structure to be divided into separate buildings, each subject to its own height and area limits
• Allowing the area for single-story buildings that are sprinklered to be increased to 300 percent of the tabular area
• Permiting asymmetric testing for fire resistance rating (testing from the inside only) where the distance to the property line is at least five feet

Spread Like Wildfire
Seeing the success in British Columbia, Alberta Forest Products Association, an Alberta forest industry immediately calls for ‘wood first’ legislation in Alberta, Canada. By Sep 2010 Brady Whittaker, president and chief executive said, “We're presently working with the government to initiate legislation similar to B.C.'s wood first legislation.”

Quebec, Canada followed on Oct 2010 with a similar Wood First Bill C-429 went through with little effort. When it landed at the parliamentary committee, it drew the attention of the construction industry. The bill was intended to boost Quebec’s struggling forestry industry, but was not seen in the same light by people in the industry. Opponents of the bill say it comes with “a slew of unintended consequences on the markets for other building materials, international and internal trade, federal procurement, and building and fire codes." An opponent of the bill, Stephanie Rea of the Canadian Construction Association, told the Citizen Newspaper that her group believes the bill "limits the freedom of architects, designers or contractors to select the best material for a building’s use," and giving wood preferential treatment "could push other businesses into bankruptcy and wipe out jobs".

By April 2012 Bill 61 was introduced in the Ontario, Canada legislature: “An Act to enact the Ontario’s Wood First Act, 2012 and to amend the Building Code Act, 1992” and Bill 52: “Ontario

Crossing the Border
While there were some setbacks in the final adoption into law, the momentum of Wood First initiative carried into the United States. However, the strategy in the US evolving from outright wood preference to the green-building rating arena. Instead of trying to be a part of LEED, they now want to get rid of it. Their move is to lobby states to ban LEED on the basis that it is unfair to American-grown wood. The SFI claims that the FSC favors foreign wood and so builders should support locally grown lumber.

The US Department of Agriculture announced a new program in 2011 to promote wood in green building, stating, "Sustainability of forest products can be verified using any credible third-party rating system, such as Sustainable Forestry Initiative, Forest Stewardship Council, or American Tree Farm System Certification."

Oregon State. Oregon is the nation's number one supplier of softwood lumber and plywood panels. They are among the nation's most forested states, second only to Alaska. The forest and wood products sector makes up about 8.5 percent of Oregon's total payroll and ranks in the top four among Oregon traded sectors -- those industries producing income for goods and services sold out of state.

On March 2011 House Bill 3429 was introduced by Rep. Mike Schaufler and Rep. Sherrie Springer and is supported by the Oregon Forest Industries Council, Oregon's House Agricultural and Natural Resources Committee held a public hearing HB 3429 which would direct the state of Oregon to use wood as a preferred building material.

- British Columbia Minister Pat Bell spoke to the Oregon Legislature in March to support the introduction of Oregon’s Wood First Bill;
- Supported also by Carpenters Industrial Union;

Since the original bill did not pass, the “wood first” concept cropped up again in the 2012 session of the Oregon Legislature. This approach was different. The House Energy and Environment Committee considered HB 4166, which would give equal or better consideration in lieu of LEED or Green Globes standards for energy tax credits (up to 35% of building costs) to projects using wood products produced under certain forest industry sustainability programs. This would subtly dismiss LEED as a state-mandated green-building rating system as it discriminates against the SFI certification favored by most State of Oregon managed forests. NRMCA along with Oregon Concrete and Aggregate Producers Association (OCAPA) testified to the House Agriculture Committee on Feb 2012 and no action was taken on the bill.

Unfortunately, on October 2012, the Governor of Oregon issued an Executive Order (EO 12-16) to promote Oregon wood products domestically and internationally, and ordered key agencies to study the feasibility of building state projects with wood. This EO was issued without consultation from the public or other industry sectors. This time NRMCA, along with OCAPA
leaders, met with Oregon Governor John Kitzhaber and his staff in March 2013 to clarify the intent of an executive order that appears to favor wood over other materials for state funded construction. While the Governor clarified that the intention of the EO was not to advance of wood products over other construction materials through any other means than design and engineering processes nor intended to artificially provide preferences for any building material, no action was taken to amend the EO.

Washington State. The legislative session in Washington State on Jan 2011 produced a variation of the Wood First Initiative. Wood interests in Washington State led by a body of scientific research (experts from “Wood Works” and the University of Washington’s Consortium for Research on Renewable Industrial Materials (CORRIM) are significant supporters) attempted to use the emerging Life Cycle Assessment methodology to favor the use of wood for the State. Senate Bill 5485 was introduced by Sen. Jim Hargrove on January 26, 2011, to adopt, by reference, the international green construction code to reduce greenhouse gas emissions and other environmental impacts at earlier stages in the building and construction design process. By May 2011, the Bill was signed into Law by Governor Gregoire and revised to these tasks:
• Review other states’ codes, international standards and literature on life-cycle assessment (and accounting) and embodied energy in building materials;
• Recommend methodologies to assess embodied energy in building materials;
• Make suggestions for streamlining energy conservation, life-cycle cost analysis and high performance codes for public buildings;
• Administration of research to be led by University of Washington;
• Include high performance buildings in recommendations;
• The definition of life-cycle assessment to include from cradle to grave.

The final report from the University of Washington to the legislature deemed LCA as a great tool for determining the environmental impact from State buildings but no tools have been fully developed at the time of publication to easily transition the current Washington code process or design methodologies to mandate its adoption into law.

State of Maine- On Dec 2011 Governor Paul LePage of the State of Maine signed an Executive Order to “incorporate Green Building standards that give certification credits equally to forest grown, manufactured, and certified under the Sustainable Forestry Initiative, Forest Stewardship Council, American Tree Farm System and Programme for the Endorsement of Forest Certification systems” in the design, operation and maintenance of any new or expanded state buildings.

State of Georgia - An executive order signed on August 2012 by Governor Nathan Deal promotes the use of products from responsibly managed forests in Georgia in state funded construction. The Executive Order states that "any new or expanded state building shall incorporate 'Green Building' standards that give certification credits
equally to forest products grown, manufactured, and certified under the Sustainable Forestry Initiative, the American Tree Farm System, and the Forest Stewardship Council." The introduction to the Governor's order notes that "the U.S. Green Building Council's LEED rating system unfairly awards its wood certification credit only to products certified to the Forest Stewardship Council standard," and that "recognizing all forest certifications equally will help promote sustainable forestry in the State of Georgia and help create thousands of jobs while maintaining our strong outdoor heritage.

State of Alabama - Senate Bill 326 and House Bill 457 are related to green building standards and forestry certification requiring all three forestry certifications (Sustainable Forestry Initiative (SFI), The American Tree Farm System (ATFS), and Forest Stewardship Council (FSC)) to be recognized equally by any green building rating system used on publicly funded projects. As LEED only recognizes FSC, the intent is to force the use of Green Globes over LEED which recognizes all certifications. The International Green Code (IGCC) cited in the legislation is not adopted in Alabama. The Bill cleared the House Agriculture and Forestry Committee in April 2013 but was ultimately defeated by May 2013.

State of North Carolina – In the May 2013 session, House Bill 628 intends to “protect North Carolina timber producers by requiring that sustainable building standards not disadvantage or forbid the use of building materials produced in this state.” Similar to the Alabama legislation, it is being used to ban LEED on the basis that it is unfair to North Carolina-grown wood. As of this writing, the concrete leadership joined forces with steel, USGBC as well as other partners to draft an amendment which would “protect North Carolina timber producers by prohibiting the use of wood certification listings in architectural specifications,” taking away the restrictions on green building rating systems.

State of Florida - HB 269 which passed the Legislature in May 2013 would revise a 2008 law that led the Florida Department of Management Services to adopt the LEED program as the certification standard for state office buildings. Bill supporters say other certification programs, including the Sustainable Forestry Initiative, should be considered and that LEED discriminates against Florida wood growers. As of this writing, the Bill has not yet been sent to the Governor.

Industry Advocacy
Industry has continuously played “catch-up” to many environmental initiatives. Now, at the moment of crisis, the lawmakers with help from the wood industry are pitting one industry against another. The concrete industry is uniquely positioned to meet the challenges of sustainable development. Its products help improve the overall environmental footprint of the built environment. But we have to be a better job of communicating this message.

It’s unfortunate the wood industry has lost ground with the explosive rise of LEED certified green buildings. The FSC vs. SFI argument is not our fight, but it has created a situation where the wood industry has adopted a legislative strategy and is gaining the attention of lawmakers.
Concrete is the only material that can contribute to every LEED category but we should not support legislative action to mandate the use of any material as a preferential material for the same reasons wood should not be legislated:

- It is neither good public policy, nor good construction practice, to prescribe by legislation the material to use for any particular project.
- Locally grown wood can also can get credit under the LEED program even if the forest is not certified by the Forest Stewardship Council because it counts towards the regional material credit.
- Given the realities of the import-export markets for forest products, the concept primarily benefits out-of-state and Canadian forest product interests.
- Wood First is a “zero sum game” economically - it seeks to protect jobs in one sector at the expense of those working in another.
- Without LEED, locally produced materials (such as steel) will lose the advantage for local materials and that will in turn open the market to foreign materials (e.g. steel)
- Without the LEED rating system, there will be a loss of federal dollars into the state since Fed projects still required LEED
- The legislation protects jobs in one sector at the expense of those working in other sectors.
- Providing an artificial benefit to any one material can only reduce value for money in construction projects, a cost that legislatures should not impose.
- Artificial preferences for any given material mean less value for taxpayer-funded projects that would otherwise employ alternative construction materials.
- Designing and constructing building projects is a complex process. Trained engineers, architects and fire safety professionals, among others, need to make informed determinations of the best material for the particular job. Building professionals, including fire safety experts, should determine which materials are safe and appropriate for any given type of structure.
- A/E firms in the state have invested millions to register, train and test employees to become LEED Accredited professionals.
- It is not good policy to change building codes except through normal, well-established processes. The building codes, which are developed collaboratively with highly trained professionals with extensive technical testing. Building codes set standards through a science-based, objective and transparent process, with rigorous evaluation of acceptable materials for any particular use.
- The path for new applications of wood in multi-story buildings should run through the expertise of construction professionals and the rigorous processes embodied in the Building Code. That path should not run through the floor of the legislature.