



John C. Fowke
2021 NAHB Chairman of the Board
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December 3, 2021

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

On behalf of the 140,000 members of the National Association of Home Builders of the United States (NAHB), I am writing to register our opposition to the Department of Commerce's decision to double the duties on imports of softwood lumber from Canada. This decision threatens housing affordability and undermines your Administration's effort to tackle supply chain constraints and enact historic investments in housing. We urge quick action by your Administration to combat high lumber prices by engaging with Canada on a new softwood lumber trade agreement and increasing domestic lumber production.

The doubling of duties on Canadian softwood lumber is ill-timed and ill-advised. As has been the case for decades, the domestic lumber industry cannot, nor will not, produce enough lumber to meet U.S. consumer demand. We rely on lumber from Canada to fill the production gap, so punitive tariffs on our closest and best trading partner on a product that American consumers desperately need defies logic. Further, lumber prices have risen off summer lows and climbed above the pre-pandemic record high. We are forecasting housing demand to remain strong and residential construction is projected to remain at its current pace through 2023. Unfortunately, we expect lumber prices to increase into the near future, including the all-important spring and summer building seasons.

Supply chain issues for other building materials and products used in residential construction persist. We appreciate your actions, and those of Commerce Secretary Gina Raimondo, to improve domestic supply chains, including building materials and products in that supply chain. As you have acknowledged, supply chain constraints will take time to resolve, so the decision to make lumber more expensive flies in the face of efforts to ease inflationary price pressures through supply chain solutions. We request that you reconsider this approach to the softwood lumber tariffs.

The members of NAHB are committed to ensuring housing remains a driver of socio-economic opportunity and job creation in America. NAHB supports the historic investment in housing contained in the Build Back Better legislation currently working its way through Congress; however, those investments will be eroded without definitive action by your Administration to resolve the lumber issue long-term.

Two solutions to the lumber crisis are available to you. First, we respectfully ask that you direct U.S. Trade Representative Katherine Tai to engage with the Canadian government on a new softwood lumber agreement. A managed trade agreement on lumber imports from Canada can end the disruptive cycle of tariffs and litigation that has plagued the lumber trade for almost 40 years, exacerbated price volatility and contributed to the detrimental effects on housing affordability. Ending softwood lumber tariffs once and for all would be a significant step forward in addressing the longest trade dispute in U.S. history, and we urge you to take this step.

Second, you can increase the share of domestic lumber by authorizing the sustainable harvesting of timber from U.S. forest lands. In 2020, the United States Forest Service had a year of historic timber production, selling more than 3.2 billion board feet of timber, the second highest level in 20 years. We strongly urge you to maintain current harvesting plans for the National Forest System. Improving the health of our nation's forests and increasing the supply of domestic timber are not mutually exclusive goals.

Thank you for your consideration of our views. Please contact Jim Tobin, NAHB Executive Vice President for Government Affairs, at (202) 266-8258 or jtobin@nahb.org if we can provide additional information.

Sincerely,



John C. Fowke
Chairman of the Board
National Association of Home Builders
of the United States

CC: Secretary Gina M. Raimondo
Secretary Marcia Fudge
Secretary Thomas J. Vilsack
Ambassador Katherine Tai