Why Forestry Investment Matters to Georgia

#1 Privately-Owned Timberland

#1 Harvest Volume

#1 Exporter of Pulp, Paper, and Paperboard Mill Products

#1 Exporter of Wood Fuel

$35.9 B Annual Economic Impact

147,380 Jobs

$970 M State Tax Revenues

48% Growth over Removals
CORE PRINCIPLES

PRIVATE PROPERTY RIGHTS

SENSIBLE TAXES AND REGULATION

HEALTHY MARKETS
ECONOMIC STATUS
EXISTING & ANNOUNCED
SOFTWOOD LUMBER
MILLS IN THE U.S. SOUTH

Firms allocated at least $2.26 billion on sawmill investments or
greenfield facilities from 2017-2021 in the South.

$640 million is for facilities in
Georgia (28% of total). This does
not include mill purchases.

47 total announcements in 9
states. 14 announcements in
Georgia (29.7%).

Note: size of circles corresponds to projected
capacity after announced projects for 2016-2020 are
complete.

Source: Forisk 2018 Multi-Client Study: North
American Forest Industry Capacity
ECONOMIC TRENDS

HOUSING STARTS

IN MILLIONS OF UNITS (ANNUALIZED) THROUGH AUGUST

Source: US Department of Commerce

LUMBER PRICES

SOUTHERN PINE—$/MBF

Source: Random Lengths Southern Pine Composite Index
TRADE

CHINA TRADE

In Focus

-66% Softwood Lumber
-28% Softwood Logs
-39% Hardwood Lumber
-15% Wood Pulp
-25% Paperboard
HARVESTING ORDINANCES REDUCING COMPETITIVENESS

Andres Villegas, Georgia Forestry Association
Chad Nimmer, Pierce Timber
Log harvesting & delivery in Georgia is critically important

2 million log truck loads a year

56 counties that are significantly unaligned with 12-6-24:
- Permitting
- Bonding
- Extraneous requirements
- Broad shutdown authority
LOCAL HARVEST ORDINANCES

In Focus: Dougherty, Clayton, Meriwether, Catoosa, Clay

- **Meriwether County**: Ingress/egress permit + 72 hour notice
- **Catoosa County**: $50,000 bond + application fee
- **Clay County**: Permit language and permit fee
- **Clayton County**: $1/acre harvest fee + 25 foot buffer
- **Dougherty County**: Construction grade entrance requirements
ACCG + GFA Discussing Possible Solutions that Include:

- Statewide harvest notification system that would replace the county-by-county system
- Narrowing the scope of the bond to on address damage to roads at the point of ingress/egress onto the County road
- Provide a method for due process regarding bond utilization
- Laddered bond amounts for harvesters who have had their bond pulled
- Increase fines for harvesters that fail to submit harvest notifications
- Collaborate on education efforts of County government officials
WORKFORCE DEVELOPMENT

Chad Nimmer, Pierce Timber
Dr. Glenn Diebert, Coastal Pines Technical College
Andres Villegas, Georgia Forestry Association
Southern Changes in Logging Employment Post Recession (2012-2016)

2017-2019 Georgia Logging Employment Declined Across Much of the State
• Sawmill capacity has grown nearly 20% in Georgia since 2008.
• Pulpmill capacity is largely unchanged.
• Logging employment is nearly 10% lower.
  • Growth over the past five years has not kept pace with the sawmill industry
• Logging industry is appreciably older than average workforce:
  • 2018 Logging avg – 48.5 yrs
  • 2018 Total Workforce avg – 42.2 yrs

Source: Shawn Baker, FORISK
LABOR  Technical Colleges are Critical
MASS TIMBER

RESHAPING HOW WE BUILD &
DRIVING DEMAND FOR
GEORGIA GROWN LUMBER

Andres Villegas, Georgia Forestry Association
WHAT IS MASS TIMBER

CROSS LAMINATED TIMBER (CLT)

DOWEL LAMINATED TIMBER (DLT)

GLUE LAMINATED TIMBER (GLUELAM)

NAIL LAMINATED TIMBER (NLT)

MASS PLYWOOD PANEL (MPP)
MASS TIMBER Approved by 2021 IBC

Groundbreaking: Tall Mass Timber Construction Types Included in 2021 IBC

Historic Action by ICC Follows Ad Hoc Committee Recommendations

By Kenneth Millard, PE

The 2021 International Building Code (IBC) will introduce three new types of construction for fire-resistance-rated mass timber structures, the first significant addition to the types of construction in many years. Although still considered combustible construction, the structural forms of these buildings are designed for integrity in the unlikely event of fire exposure.

The Governmental Members of the International Code Council (ICC) approved a package of 14 proposals to recognize these new types of construction and related provisions. ICC’s rigorous code development process has led to the recognition of a strong, low-carbon alternative to traditional materials in the building and construction industry. These changes expand the use of mass timber for larger and taller wood buildings up to 18 stories—a move welcomed by architects, engineers, and building developers.

The new construction types are designated as:

- **Type PCA**—Maximum 18 stories, with non-combustible protection such as gypsum wallboard on all mass timber elements and providing 2- and 3-hour fire resistance.
- **Type PVB**—Maximum 12 stories, limited exposed mass timber is permitted and providing 2-hour fire resistance.
- **Type PVC**—Maximum 9 stories, mass timber designed for 2-hour fire resistance.

The approval concludes several years of scientific research and testing, verifying that mass timber meets the performance standards called for by the most widely adopted U.S. building code.

code UPDATES

The 2021 edition of the International Codes was released earlier this year, but the 2022 edition is expected to include additional updates. The 2022 edition of the IBC will feature the first new edition since 2012, with significant changes to the building, electrical, and plumbing codes. The changes are expected to address issues such as energy efficiency, sustainable design, and resilience to natural disasters.

The 2022 edition of the IBC is anticipated to be released in early 2022, and the code updates will be available in December 2021.
Case Study: First Tech Credit Union  
Hillsboro, OR

- 4% overall cost savings (vs. traditional construction)
- 4 months less construction time
- 156,000 square foot structure
- 4,621 tons of carbon sequestered
- 1,788 tons of carbon saved (vs. traditional construction)

“We allowed steel to compete with mass timber throughout the evaluation,” said William Silva, Swinerton preconstruction manager. “From time to erect, fireproofing, foundation systems, and other criteria, wood came out on top every time.”
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