



National Lieutenant Governors Association

1 **Resolution Recognizing the Importance of Our Nation’s Home Building**
2 **Industry and Need for Fair Pricing of Building Materials**

3 **WHEREAS**, homeownership is the bedrock of the American Dream and the foundation on
4 which strong communities, states and the nation are built; and

5 **WHEREAS**, housing accounts for about 15 percent of the nation’s economic output; and

6 **WHEREAS**, the construction of 100 typical new single-family homes creates more than 297 full-
7 time jobs, and generates \$16.2 million in wages and salaries, and \$11.1 million in taxes and other
8 government revenue; and

9 **WHEREAS**, construction of 100 average new rental apartments generates 113 jobs, \$6.1 million
10 in wages and salaries, and \$4.2 million in taxes and other government revenue; and

11 **WHEREAS**, in 2017, the United States home building industry consumed 47.62 billion board feet
12 while the United States lumber industry produced 33.86 billion board feet. The United States must
13 rely almost exclusively on Canadian lumber to make up the difference; and

14 **WHEREAS**, combined tariffs of just over 20% on imports of Canadian softwood lumber imposed
15 by the U.S. Department of Commerce in 2017 have driven lumber prices to record highs; and

16 **WHEREAS**, during the first week of March 2018 a key index for measuring the price of framing
17 lumber hit its highest ever recorded level - \$512 per thousand board feet. This represents a 25%
18 increase from one year prior, 43% since Jan. 1, 2017, and 60% since Jan. 1, 2016; and

19 **WHEREAS**, jobs will be gained in the lumber production industry; however the net job loss to the
20 construction economy and U.S. economy as a whole will be felt at a rate of 9 jobs lost to 1 job
21 gained.

22 **NOW, THEREFORE, BE IT RESOLVED**, that the National Lieutenant Governors
23 Association appreciates the role the home building industry plays in helping citizens achieve the
24 American Dream and strengthening our country’s economy.

25 **BE IT FURTHER RESOLVED**, that the National Lieutenant Governors Association
26 recommends that the Trump Administration be aware of the importance of softwood lumber to the
27 home building industry in its discussions with Canada and shares the perspective that lack of an
28 agreement is hitting state housing industries hard at the most local levels.



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29 **BE IT FURTHER RESOLVED**, that the National Lieutenant Governors Association believes
30 that in negotiating a new agreement with Canada, the Trump Administration push for measures
31 that take into account not only the impact of price fluctuations on the domestic lumber industry,
32 but also on those secondary industries and consumers that rely on softwood lumber for their
33 economic well-being.

ADOPTED, this ____ day of June, 2019.

Co-sponsors: Lt. Governor Mark Hutchison (R – Nevada), Lt. Governor Randy McNally (R – Tennessee), Lt. Governor Matt Michels (R – South Dakota), Lt. Governor Billy Nungesser (R – Louisiana), Lt. Governor John Sanchez (R – New Mexico), Lt. Governor Nancy Wyman (D – Connecticut)