

## MEMORANDUM

### Request for Exemption from Increased Tariffs on Canadian Lumber

#### Overview

The American Building Materials Alliance (ABMA) represents over 1,000 independently owned lumber and building material suppliers across the Northeast and Southeast. Our members are essential to the construction industry, providing the materials that builders rely on to meet demand in commercial and residential construction.

We write to formally request an exemption from the newly proposed 25% tariff on Canadian lumber imports, which, when combined with the existing 15% tariff, will result in a 40% total tariff on Canadian lumber. This measure will not achieve its intended goal of increasing demand for American lumber in the Northeast. Instead, it will significantly raise construction costs while leaving no viable domestic alternative for builders.

#### Key Considerations for an Exemption

##### 1. Tariffs Will Not Make American Lumber More Competitive in the Northeast

- Architectural plans in the Northeast overwhelmingly specify SPF lumber—a grade of softwood sourced from Canada.
- Many ABMA members stock exclusively Canadian SPF because it is the material required in architectural specifications.
- The issue is not one of price but of material standards—American SPF lumber does not meet the same grading specifications, meaning that even with higher tariffs in place, American alternatives remain unusable in many projects.

##### 2. The Tariff Will Directly Increase Construction Costs

- Lumber accounts for approximately 15% of total construction costs
- A 40% tariff on Canadian lumber will lead to a direct, 1-to-1 increase in construction costs, making projects more expensive and exacerbating the affordability crisis in many parts of the country.
- This increase in costs will not benefit domestic sawmills, as builders will still be required to source Canadian SPF lumber to meet project requirements.

##### 3. Trade Policy Should Address the Root Issue—Architectural Standards, Not Just Tariffs

- The discrepancy in grading standards between Canadian SPF and American SPF has resulted in institutional preference for Canadian wood.

- Rather than imposing tariffs that fail to shift market demand, the administration should work with industry stakeholders to harmonize grading standards and ensure American lumber can be used in Northeast construction projects.

### **Request for Action**

We urge the administration to:

1. Grant an exemption for Canadian SPF lumber from the increased tariffs, preventing an unnecessary rise in construction costs.
2. Engage with ABMA and industry stakeholders to address the underlying issue of grading standards that dictate material selection.
3. Pursue alternative policy solutions that strengthen the domestic lumber industry without imposing cost burdens on the construction sector.

**ABMA welcomes the opportunity to work with the administration on this issue and ensure that trade policies support both domestic lumber producers and the construction industry. We appreciate your consideration of this request and look forward to further discussions.**

### **About the ABMA**

The American Building Materials Alliance (ABMA), established in August 2021, is a coalition of unified voices advocating on behalf of the lumber and building materials (LBM) industry at the federal level. ABMA represents LBM dealers and associated businesses across 17 states and Washington, D.C., including Alabama, Connecticut, Delaware, Georgia, Louisiana, Maine, Maryland, Massachusetts, Mississippi, New Hampshire, New Jersey, New York, Oklahoma, Pennsylvania, Rhode Island, Vermont, and Washington, D.C.

ABMA's mission is to advance, shape, and influence policy across all branches of government. Working directly with Congress, the White House, and federal agencies, ABMA strives to ensure that the legislative and regulatory process benefits the LBM industry. The organization is powered by the Northeastern Retail Lumber Association (NRLA) and the Construction Suppliers Association (CSA). For more information please visit our [website](#).

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