



UNITED STATES
CONSUMER PRODUCT SAFETY COMMISSION
4330 EAST WEST HIGHWAY
BETHESDA, MD 20814

CHAIRMAN INEZ M. TENENBAUM

November 30, 2009

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Thad Cochran
Ranking Member
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Richard J. Durbin
Chairman
Subcommittee on Financial Services and
General Government
United States Senate
Washington, DC 20510

The Honorable Susan M. Collins
Ranking Member
Subcommittee on Financial Services and
General Government
United States Senate
Washington, DC 20510

Dear Senators Inouye, Durbin, Cochran, and Collins:

Enclosed is the November status update report on the U.S. Consumer Product Safety Commission's activities to assess the health and safety impacts of drywall imported from the People's Republic of China. This report includes information about the work that has taken place since the October status report was provided to the Committee.

We look forward to providing you with further updates. If you have any questions or would like additional information, please feel free to contact me or Christopher Day, Director of Congressional Relations, at (301) 504-7660 or by e-mail at cday@cpsc.gov.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Inez Tenenbaum".

Inez M. Tenenbaum

Enclosure

cc: Senate Committee on Commerce, Science, and Transportation

INVESTIGATION OF IMPORTED DRYWALL STATUS UPDATE, NOVEMBER 2009

I. Overview

This update describes new developments in the ongoing investigation of imported drywall and supplements the previous reports provided to the Committee. As of November 20, 2009, the U.S. Consumer Product Safety Commission (“Commission” or “CPSC”) had received 2091 incident reports related to drywall from 31 states, the District of Columbia, and Puerto Rico. New states represented since the October report are Illinois, Maine, Minnesota and Nevada. More than 90% of reports continue to be from Florida, Louisiana, and Virginia. In the last 5 months of FY 2009, CPSC spent over \$3.5 million in direct costs on the drywall investigation. This constitutes over 3.5% of the agency’s annual budget.

On November 23, 2009, the following drywall investigation reports, executive summary of the reports, and letter were released and posted on the Commission’s Drywall Information Center website (www.drywallreponse.gov):

- Fifty-one home indoor air study:
<http://www.cpsc.gov/info/drywall/51homeStudy.pdf>.
- Preliminary study of corrosion related to gas distribution, HVAC and fire safety systems:
<http://www.cpsc.gov/info/drywall/PrelimHVACGasDistFireSyst.pdf>.
- Preliminary study of corrosion related to electrical components:
<http://www.cpsc.gov/info/drywall/prelimelectrical.pdf>.
- An executive summary of the three investigation reports:
<http://www.cpsc.gov/info/drywall/nov2009execsum.pdf>.
- A letter concerning IRS casualty loss issues for homeowners:
<http://www.cpsc.gov/info/drywall/irs.pdf>.

II. Federal, State and International Coordination

The CPSC and its partner agencies met with Congressional Drywall Caucus Members, held press conference calls, and hosted calls with state health departments to discuss the recent findings of the task force on October 29, 2009 and November 23, 2009. We continue to have weekly coordination meetings with our agency partners, and are working with the Council on Environmental Quality and the Domestic Policy Council. The CPSC is also continuing its dialogue with Chinese government officials, and Chairman Tenenbaum raised this issue during the 3rd Biennial United States - China Consumer Product Safety Summit in China October 21 - 26, 2009. Additionally, CPSC staff gave two presentations at the Technical Symposium on Corrosive Chinese Drywall which was sponsored by the Florida Department of Health, along with the University of Florida.

III. Progress in the Investigation

A. Investigation into Scope of Affected Homes and Chain of Commerce

CPSC is working closely with the Department of Homeland Security, U.S. Customs and Border Protection (CBP) to identify any imports of Chinese drywall. CPSC has sent notices to the warehouses where Chinese drywall is stored informing them of CPSC's ongoing investigation and that the warehouses should notify CPSC if they sell, transport, or dispose of any drywall from their inventory. CPSC conducted more than 800 telephone interviews with affected consumers. CPSC continues to investigate all reports of electrical or fire incidents related to drywall, but none has been confirmed.

B. Technical Investigation

Analyses continue as planned and discussed in earlier reports. CPSC is committed to the release of all findings as quickly as possible, while maintaining scientific integrity. Contract work is proceeding with Environmental Health and Engineering, Sandia National Laboratory, Lawrence Berkeley National Laboratory, and the National Institute of Standards and Technology.