Statement for the Record for Senator Mary L. Landrieu for Commerce Committee Hearing on "Health and Product Safety Issues Associated with Imported Drywall"

Thank you Chairman Rockefeller and Ranking Member Hutchison for calling this oversight hearing on the health and product safety issues related to foreign manufactured drywall products. I also thank Subcommittee Chairman Pryor, Ranking Member Wicker, and especially Commerce Committee member Bill Nelson who has been a leader on this particular issue. I would also thank the Committee for allowing Randy Noel, a representative of the Louisiana Homebuilders to testify today. This hearing continues the important bipartisan work of this Committee to protect consumers from unsafe products. Last year, this Committee was instrumental in passing the Consumer Product Safety Improvement Act that provided new authority for the Consumer Product Safety Commission (CPSC) and authorized new resources for the agency. As homeowners nationwide face possible health and environmental risks from Chinese-made drywall products, it is my hope that the oversight of this Committee will again spur action on an important issue facing impacted consumers.

According to published reports, since 2006 more than 550 million pounds of drywall have been imported to the United States from China. This is enough to make tens of thousands of homes. However, these products may have come into the country as far back as 2000 and could be in over 100,000 homes nationwide. This is because since 2004, builders have turned overseas for materials because our own U.S. suppliers could not keep up with demand created by the U.S. construction boom, as well as a series of hurricanes and other natural disasters. This would include the 2004 Florida hurricanes, Hurricanes Katrina and Rita of 2005, and other disasters. The drywall entered the U.S. through numerous ports, including the Port of New Orleans. As I understand it, Florida was the number one destination for these products with over three million drywall boards. Louisiana was next with almost 660,000 drywall boards. In Louisiana alone, this could be as many as 7,000 homes. Overall to date though, the CPSC has received over 180 incident reports from 12 states. This problem spans the country, from California in the West to right here in the District of Columbia and Virginia. It is not just an isolated issue for Florida homeowners or the Gulf Coast – Chinese drywall is a nationwide problem.

It is my understanding that the CPSC received its first consumer incident report from Florida in December 2008. In Louisiana, we began to see reports from homeowners in southeast Louisiana in late February. These reports were similar to those seen in Florida homes: a "rotten egg" smell within homes; health issues such as skin irritation, persistent cough, bloody noses, and asthma attacks; lastly homeowners noticed blackened and corroded metal components in their homes. According to the Louisiana Department of Health and Hospitals, the majority of these reports were centered around New Orleans in southeast Louisiana. Just to give you an example of how widespread this issue is in my state, we have seen hundreds of homeowners ranging from St. Bernard Parish Fire Chief Thomas Stone to New Orleans Saints Head Coach Sean Payton report this product in their homes. Many parents have been seeking answers on what might be making their

kids sick or, now that more details are coming out, how they should safely remove this product from their homes. This defective Chinese drywall represents an attack on these families and presents another obstacle on our road to Gulf Coast recovery.

In response to these reports, my office has heard from countless constituents on the need for consistent, scientifically-based information on the product, as well clear guidance on the public safety, health, and environmental impact. Families have asked for information on which Federal or State agencies to contact, in addition to any updates we have on the health risks posed by this product. Many families also called concerned about the impact of defective drywall not just on their children but also on pets. To address these questions, on April 23rd, my office issued a fact sheet for homeowners updating them on the Federal/State response, providing key contact information, and answering frequently asked questions. My office plans to update this document as new information becomes available.

On the state level, it is my understanding that our Louisiana Department of Health has received hundreds of calls. These complaints have ranged from homeowners requesting home inspections, advice on home evacuations, in addition to inquiries on specific health information to provide their primary care physicians and veterinarians. A key question is that of remediation or possible financial assistance in order to deal with this problem. Many of my constituents received either Federal Emergency Management Agency (FEMA) or Small Business Administration (SBA) disaster assistance to rebuild these homes following Hurricanes Katrina and Rita of 2005. These families spent months in FEMA trailers and rental units following these disasters, they paid out of pocket or took on debt to rebuild. Now they find their rebuilt homes in worse shape than these post-disaster temporary units. In this situation, families are looking for answers and a timeline for when more information will be known on the definitive health impacts of this product.

In response to these concerns from my constituents, I have been working closely with Senator Nelson on numerous legislative remedies to this problem. As you know, on March 30th, we introduced S. 739, the "Drywall Safety Act of 2009." This legislation would require the CPSC to join with the Environmental Protection Agency and National Institute of Standards and Technology testing labs to determine the danger level of chemicals and compounds in the drywall. S. 739 would also impose an immediate ban on imported Chinese drywall, pending promulgation of drywall composition standards by the appropriate agency. I hope that this hearing will outline areas that our legislation can help impacted homeowners and whether increased safety standards are necessary on imported drywall products.

The State of Florida has conducted preliminary testing which has confirmed that imported drywall is at the root of the problems. However, these tests have not been able to pinpoint the hazardous substances in the drywall. For its part, the CPSC has indicated that they have initiated preliminary tests of these drywall products but that more comprehensive testing and investigation is needed to understand the full health and environmental impacts of these products. To these ends, on May 4th Senator Nelson and I

requested that the Senate Appropriations Committee include \$2 million in the FY2009 Emergency Supplemental Appropriations bill. These funds would be used to do field studies, analyze the substances in the product, and most importantly, expedite lab results to provide clarity for impacted homeowners. Such tests would allow the Federal government to fully understand the problem, especially any public safety risk. Funds would also allow the agency to set up a public information campaign on defective drywall, including a website and hotline to help consumers.

I was disappointed that this key funding was not included in the bill reported out of the Senate Appropriations Committee last week. According to the CPSC, a Federal/State working group has been formed but it could take this group "months" to outline testing procedures and additional time to conduct additional testing. While I understand the need to be thorough and build a case that might stand up to future legal scrutiny, families in my state need answers now. Parents caring for sick children or pets need answers, workers removing these products from homes need to know potential health risks, and local health officials need to know what environmental impact may occur if this drywall is dumped into landfills. To these ends, I have joined Senator Nelson on a floor amendment to the Supplemental to give the CPSC necessary funding for this comprehensive testing. It is our hope that with this funding, the agency can return results in a matter of months versus the current timeframe which may take up to a year.

In closing, I believe that the scope of this problem is huge because it touches on so many different stakeholders. The first thought is on the impact to homeowners and renters, as it should be for a health risk of this nature. However, medical professionals and veterinarians also are dealing with this issue as families report health problems. The possible public safety impact also draws in fire marshals, construction workers, and environmental inspectors. So this defective product is not just a concern for homebuilders or homeowners, but is a concern for many other professions in both the public and private sectors. That is why today's hearing is so important – we must ensure that there is a timely and effective Federal response in cooperation with local health authorities. I look forward to working closely with my colleagues on this Committee to support additional efforts to address this critical matter facing our homeowners.

I thank the Chairman and ask that a full copy of my statement, as well as a copy of the May 4, 2009 letter to the Senate Appropriations Committee appear in the record.