INVESTIGATION OF IMPORTED DRYWALL STATUS UPDATE, April 2010

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 April 27, 2010, the U.S. Consumer Product Safety Commission ("Commission" or "CPSC") had received 3,244 incident reports related to drywall from 37 states, the District of Columbia, Puerto Rico, and American Samoa. More than 90% of reports are from Florida (59%), Louisiana (20%), Mississippi (6%) and Alabama (5%) and Virginia (4%).

II. New Developments

- On April 22, CPSC Chairman Inez M. Tenenbaum and CPSC staff, along with staff from the Department of Housing and Urban Development, met with the Congressional Contaminated Drywall Caucus to discuss the investigation and its major output: Interim Identification Guidance and Interim Remediation Guidance.
- CPSC contractor Environmental Health and Engineering (EH&E) began validation of remediation in selected test homes.
- A Digital Video Conference is scheduled with the Chinese consumer product safety regulator, AQSIQ, for May 4, 2010.
- The Chinese government has been informed that the United States plans to discuss drywall at the upcoming Strategic and Economic Dialogue meeting in China, May 24-25.

III. Progress in the Investigation

We continue to validate home remediation and to investigate long term corrosion and other details that may allow us to fine tune the Interim Identification Guidance and Interim Remediation Guidance, but the bulk of our scientific investigation is complete. This has been the largest Compliance investigation in agency history. To date, CPSC has spent over \$5 million to investigate the chemical nature and the chain of commerce of problem drywall, and issue the associated identification and remediation guidance to assist impacted homeowners.

Drywall Task Force Milestones

| | August | ✓ Sent Investigative Team to China |
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| | | ✓ Ruled out Radiation Hazard |
| | September | ✓ Completed Field Work for 51-home Study |
| | | ✓ Launched Public <u>www.drywallresponse.gov</u> Site |
| | | ✓ Released Elemental Analysis |
| | October | ✓ Released Preliminary Chamber Emissions Results |
| | | ✓ Released IndoorAir Studies (10 and 51-home Studies) |
| | November | ✓ Released Preliminary Electrical and Fire Hazard Analyses |
| | | ✓ Established Procedure with CBP to Flag All New Drywall Imports for |
| | December | Investigation ✓ Nationwide Outreach to States to Determine Scope |
| | January | ✓ Provided IRS Guidance to Provide Homeowner Tax Relief |
| | | ✓ Released Interim Identification Guidance |
| | February | ✓ Convened Expert Roundtable |
| | | ✓ Met with MDL Special Master |
| | March | ✓ Released LBNL Chamber Emission Results |
| | | ✓ Released Bacterial Report |
| | April | ✓ Released Interim Remediation Guidance |
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Scientific Findings:

Drywall from some, but not all, Chinese manufacturers emits elevated levels of hydrogen sulfide gas which cause metal corrosion.

Identification Guidance:

A two-step process that compiles corroborating evidence can identify a home with the specific problem drywall.

Remediation Guidance:

Replacement of drywall, electrical components and wiring, fire and CO safety alarm devices, piping for gas service and fire suppression systems will eliminate the problems associated with problem drywall.