

United States Senate
WASHINGTON, DC 20510

November 16, 2009

The Honorable Jan Leibowitz
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW, Room 404
Washington, D.C. 20580

Dear Chairman Leibowitz:

Since 2006, more than 550 million pounds of drywall have **been imported to the United States from** China. In the last 20 months, countless homeowners across the **country have reported serious** metal corrosion, noxious fumes, **and health concerns. Reported** symptoms have included bloody noses, headaches, insomnia, **and skin irritation. Preliminary testing has confirmed** that imported defective drywall is the problem, but these tests **have** not been able to pinpoint the problem **substance** in the **drywall**. More comprehensive results **are expected** from the Consumer Product Safety Commission (**CPSC**) and **the Environmental** Protection Agency (EPA) later this month, **As of October** 28, 2009, the CPSC had received 1,900 incident reports from 30 states, the District of Columbia, and Puerto Rico. **While a majority of these reports are from** homeowners in our states, these figures demonstrate that **defective** drywall poses **a** threat to homeowners across the **country**.

As Senators representing states whose **homeowners have** been impacted **by** the contaminated drywall issue, we **are writing** to **you** to ask for your assistance to prevent homeowners in our states from being further victimized – this time by companies and individuals with claims on solutions to a problem that has not yet been fully defined. We believe that the Federal Trade Commission (**FTC**) has an important role to play in **preventing** companies from taking **advantage** of homeowners **who** are desperate for solutions **to** this problem. **In** particular, under Section 5 of **the Federal Trade Commission Act**, your agency **can** investigate and **prosecute** companies demonstrated to be practicing "unfair and deceptive trade practices." We respectfully request **that** the FTC investigate these claims in order to **ensure** that homeowners are not further damaged **financially** by this crisis. We would also request that the **FTC** continue to work with the affected **states** as some **are already** investigating consumer complaints.

As indicated above, the CPSC and EPA **are** continuing to **conduct** a Federal investigation into **the** causes of **the** contaminated drywall problem. **They** are also working on testing and remediation protocols that **will** be based on the information from their investigation. However, as this issue **has unfolded** and **the problem has** become more widely publicized, more and **more** companies **and** individuals **have come** forward to announce and advertise 'solutions' for homeowners. These 'solutions' are generally in the **form** of testing procedures to identify Chinese drywall **or** remediation protocols that claim **to completely** remove the product **from homes**. Some companies have **even advertised that they are** part of a national certification program – despite the **fact** that **the** Federal government has yet to fully determine the exact substances in this **defective product**.

Homeowners in our states are already struggling to deal with the health and property issues related to the defective drywall. We believe that these impacted homeowners should not be further victimized by spending additional funds on remediation or preliminary testing not approved or endorsed by the Federal government or any State agency. As we work together with the designated Federal and State agencies to develop real solutions to the problems created by contaminated drywall, it is important that the FTC ensure that homeowners are protected from companies seeking to make fast money off the misfortune of these homeowners.

Thank you in advance for your consideration of this request.

Sincerely,


Mary L. Landrieu
United States Senator


Bill Nelson
United States Senator


David Vitter
United States Senator


Thad Cochran
United States Senator


Roger Wicker
United States Senator


Jim Webb
United States Senator


Mark Warner
United States Senator

Cc: The Honorable Pamela Jones Harbour, Commissioner, Federal Trade Commission
The Honorable William E. Kovacic, Commissioner, Federal Trade Commission
The Honorable J. Thomas Rosch, Commissioner, Federal Trade Commission
National Association of Attorneys General