

## DIVISION OF EMERGENCY MANAGEMENT

CHARLIE CRIST Governor DAVID HALSTEAD Interim Director

March 10, 2010

Mr. Major Phillip May, Regional Administrator FEMA Region IV 3003 Chamblee-Tucker Road Atlanta, Georgia 30341

> RE: Request for Individual Assistance Joint Preliminary Damage Assessment of Chinese Drywall Impacts

Dear Mr. May:

I write to you today at the direction of Governor Charlie Crist who has expressed deep concern over the significant property damage and potential health risks relating to defective drywall, primarily imported from China. Florida families are suffering deeply and we need your urgent assistance.

Under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207 (Stafford Act), and implemented by 44 CFR § 206.33, the Florida Division of Emergency Management requests that the Federal Emergency Management Agency (FEMA) conduct a preliminary damage assessment related to the issues caused by the degradation of Chinese drywall used in homebuilding in Florida. As you are likely aware, the Florida Department of Health (FDOH), with cooperation from the Environmental Protection Agency, the Centers for Disease Control and Prevention, and the Agency for Toxic Substances and Disease Registry, and more than ten government agency partners have been working together on an Interagency Task Force to analyze and assess the situation and its impacts. While the health implications remain under investigation, it is undisputed that Chinese drywall corrodes copper and other metal surfaces, causing the degradation and nonperformance of wiring, plumbing, appliances and smoke detectors. FDOH, in conjunction with the property appraisers of each of Florida's 67 counties, has been engaging in a preassessment of the impacts of the use of Chinese drywall pursuant to 44 CFR §206.33(a). As of March 1, 2010, the preassessment has determined that there are 530 homes in Florida that meet the FDOH threshold for being impacted (the homes have been subject to metal corrosion due to Chinese drywall). Further, county property appraisers in Florida have identified 2505 homes that have had their value adjusted downward based on damages from the presence of Chinese drywall are pending. The top 12 counties impacted in Florida are:

<u>County</u>	FDOH Cases <sup>1</sup>	Adjusted Values <sup>2</sup>	Pending Claims <sup>3</sup>
Lee	86	1160	194
Broward	65	90	215
Paim Beach	63	210	340
Miami-Dade	57	130	35
Hillsborough	55	343	39
St. Lucie	50	148	21
Indian River	35	-	-
Sarasota	17	-	-
Collier	16	100	-
Manatee	13	71	1
Pasco	11	31	-
Charlotte	10	222	-

These numbers result mostly from self-reporting; however, there is the potential for a more widespread impact due to the number of homes built during the time that Chinese drywall was utilized in Florida.

According to Florida's Office of Insurance Regulation, homeowners' insurance does not cover the damages caused by the Chinese drywall. The manufacturers and others associated with supplying and installing the drywall have denied liability. These homeowners have suffered greatly and often have no means by which to repair their

<sup>&</sup>lt;sup>1</sup> These are the number of homes that have been confirmed by FDOH to have been impacted by Chinese drywall.

<sup>&</sup>lt;sup>2</sup> These are the number of homes that have had a downward value adjustment due to damages from Chinese drywall.

<sup>&</sup>lt;sup>3</sup> These are the number of homes that have pending claims for value adjustments based on damages from Chinese drywall.

home. Some Florida residents have attempted to replace the drywall, but it is difficult due to the highly friable nature. Many have been forced to move from their homes fearing health risks and the unbearable noxious fumes.

Given the substantial impact that the use of Chinese drywall has had on many Florida residents, the lack of an alternative method for compensating those suffering from the impacts, and the potential that many more homes in Florida are currently impacted, I request that FEMA conduct a preliminary damage assessment in Florida. The PDA can begin with the properties that have had a reduction in their taxable property value due to the impacts of the Chinese drywall.

Please contact Bureau Chief Doug Wright at 850-413-9963 to establish a time, date and location for an initial meeting to conduct the PDA.

Finally, and most importantly, Governor Crist has directed me to request that you identify and distribute financial aid to the families suffering as a result of this defective drywall. Any disaster funding that could be provided to these individuals would help relieve the significant burdens they are experiencing.

We appreciate your attention to this matter.

Sincerely,

**David Halstead** 

Interim Director

Cc: Governor Charlie Crist
Administrator W. Craig Fugate, Federal Emergency Management Agency
U.S. Senator Bill Nelson
U.S. Senator George Lemieux
Florida Congressional Delegation