## Congress of the United States Washington, DC 20515

March 25, 2019

Wilbur Ross Secretary United States Department of Commerce 1401 Constitution Ave, NW Washington, DC 20230

Dear Secretary Ross,

Since 2006, more than 8,000 United States citizens sustained significant damages to their homes from defective drywall manufactured in China. Chinese drywall creates a corrosive environment that ruins appliances, electrical wiring, plumbing, air conditioning, and heating systems, and must be removed. For nearly a decade, the Chinese manufacturers of this drywall have tried to avoid lawsuits brought by thousands of American citizens. In 2013, U.S. Senators and Members of Congress filed an amicus brief in the Fifth Circuit Court of Appeals in the case Germano, et al. v. Taishan Gypsum Company Limited. The brief urged the Federal Courts to extend jurisdiction over the Chinese companies that manufactured contaminated drywall to ensure that American victims could be made whole by the companies. And yet Taishan Gypsum, TTP, and BNBM (and their parents CNBM and CNBM Group) have used every legal tactic available to escape responsibility for their defective products.

CNBM Group is an agent of the People's Republic of China and have consistently skirted the legal system and avoided paying for their actions. A few examples include:

- Deliberately refusing to participate in judicial proceedings in the U.S.
- After default judgments were entered against them, Taishan Gypsum came into Court to contest jurisdiction, and when they lost, CNBM Group supported Taishan's defiance of Court Orders and its return to China. CNBM Group then directed its subsidiaries to avoid putting funds in banks with branches in New York, where they could be subject to seizure, and ordered its personnel to use only personal emails rather than company emails when doing business overseas.
- Taishan Gypsum was held in civil and criminal contempt of court for fleeing the jurisdiction and refusing to appear in open court for a judgment debtor examination.
- Taishan and its affiliates were enjoined from doing business in the U.S., but numerous CNBM and BNBM entities continued to do substantial business here during the contempt period.

 Taishan was sanctioned for discovery abuses, for concealing the whereabouts of a key witness and for intentionally delaying production of documents from the witness's computer.

Most victims of Taishan's Chinese Drywall cannot afford to gut their homes to fix the problem. Many are living with toxicity because they have nowhere to go. Some have moved out; many have filed for bankruptcy or suffered foreclosure. The Chinese refuse to compensate these Americans.

In contrast, a German company (Knauf) with factories in China that manufactured defective drywall paid \$1.1 billion to remediate 4,000 properties. The homeowners with Knauf drywall were made whole, but neighbors with Taishan drywall are still waiting for relief.

We respectfully request, within all applicable rules and regulations, that a resolution of the defective drywall claims against these recalcitrant Chinese companies be discussed, and that action be taken to prevent them from doing business in the U.S. until they resolve the injustice impacting thousands of American citizens.

Sincerely,

fio Diaz-Balart lember of Congress Marco Rubio U.S. Senator

Ted Deutch

Member of Congress

L. Hast

Member of Congress

Alcee L. Hastings Member of Congress

Gus M. Bilirakis

Member of Congress

Member of Congress

Bill Posev Debbie Wasserman Schultz Member of Congress Member of Congress

Matt Gaetz
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John Rutherford Member of Congress

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Debbie Mucarsel-Powell

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Michael Waltz Member of Congress

Neal Dunn Member of Congress

Member of Congress

Donna Shalala Member of Congress