



FEMA

July 26, 2006

MEMORANDUM FOR: Secretary Michael Chertoff

FROM: 
R. David Paulison
Director

SUBJECT: Informational Memorandum – Formaldehyde in Travel Trailers

Since Hurricane Katrina, FEMA has purchased 144,000 travel trailers in connection with hurricanes Katrina and Rita. Currently, there are 95,000 travel trailers occupied in the Gulf Coast: 79,000 in Louisiana; 13,000 in Mississippi and 3,000 in Texas. The following outlines the status of the issues raised in the MSNBC.com article, "Are FEMA trailers 'toxic tin cans'?" and the action FEMA is taking to address them.

Media Exposure

Articles about formaldehyde and the general habitability of FEMA-provided travel trailers first started to appear in March 2006, possibly earlier. In May 2006, the Sierra Club issued a report calling attention to what it claimed were "dangerous levels" of formaldehyde in FEMA trailers, a release that drove intermittent media coverage in May and June. Following the MSNBC.com story that ran the weekend of July 22, media attention in this story has increased, though not dramatically. While FEMA has not directly briefed you on this issue – believing it was being appropriately handled by FEMA's program office, legal counsel and complaint resolution process – FEMA's Office of Public Affairs included relevant stories in the DHS Daily Wrap in late June 2006 and again on July 20. While the number of complaints recorded by FEMA thus far has been minimal (20+ complaints out of 79,000 trailers deployed in Louisiana), FEMA leadership continues take the issue seriously and has undertaken measures to examine the safety of the travel trailers deployed in Gulf Coast states.

Actions Taken by FEMA, EPA, and HHS/CDC

With the increased media attention, FEMA asked EPA and CDC approximately three weeks ago for assistance as it relates to formaldehyde in travel trailers by conducting testing of the formaldehyde levels in sample groups of travel trailers. The aim is to identify activities that occupants can undertake that will reduce the levels of formaldehyde in their trailers.

The process involves the development by EPA of a testing plan, which has already been drafted. This plan will be evaluated by an outside agency (contractor). Currently, the draft plan calls for testing formaldehyde levels in 12 trailers from each of FEMA's seven manufacturers, plus a randomly selected set of 12 from inventory that had been purchased off of lots. Of the sets of 12



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travel trailers, six will serve as a control group, with testing being conducted at the beginning and the end of the two week period.

Testing will be done at intervals over a two week period, with ambient air outside the trailers also to be tested. The test plan will identify a variety of activities to reduce levels, such as opening the windows for 15 minutes every morning, with testing to take place after each of the different activities. EPA will compile the results and return the data to FEMA. FEMA will then provide detailed recommendations on how to lower formaldehyde levels in the trailers.

EPA has developed a draft testing plan that it will have evaluated by an outside group, and will test the air in the 96 trailers over a two week period. The information will be provided to FEMA. We anticipate that the entire process will be completed in approximately 8 weeks.

Status of Current Litigation

Based on all currently available information, there is a small population that may be particularly sensitive to formaldehyde. FEMA believes there are actions that can be taken to mitigate the risk to this population that will be tested over the next two months.

DOJ will soon file on FEMA's behalf a motion to dismiss FEMA from the class-action lawsuit filed in Louisiana that names the Federal Government and trailer manufacturers as defendants, alleging that "the temporary housing is unsafe and presents a clear and present danger to the health and well-being of plaintiffs and their families." DOJ will assert that the plaintiffs have failed to comply with the requirements of the Federal Tort Claims Act in that they have failed to exhaust their administrative remedies prior to filing suit. Since exhaustion is a prerequisite to the court's jurisdiction, DOJ's motion will almost certainly be granted, which will take FEMA out of the litigation during that time while the administrative remedies are processed. It is likely that FEMA will be brought back into the litigation once this is complete, which could be anywhere from 6-12 or more months from now.

Plaintiffs' attempt to establish this matter as a class action is unlikely to succeed. The Federal Tort Claims Act simply does not allow for the creation of a class. It requires each and every claimant to directly participate in the litigation and assert specific harm and damages.

The individual plaintiffs named in the lawsuit have not, so far, claimed any specific harm or damage. The one administrative claim that has been submitted claimed damages of \$2 billion which, besides being excessive and based on speculation, is not proper since it lacks the specificity required for Federal Tort Claims.

FEMA's overall level of exposure for damages is low. Individual plaintiffs, in order to succeed, bear the burden of proof and must establish specific harm and damage. Based on the limited information known so far, this is likely to be a very high threshold for them to meet.

FEMA's Inspection and Quality Control Process

FEMA sent four observers to the Gulf Stream plant in Indiana. Gulf Stream is by far the largest producer of travel trailers in connection with the 2005 hurricanes. FEMA staff checked the quality of the units that came off the assembly line in increments of 50,000, over a six month period. They did not test for formaldehyde.

FEMA Response Process for Complaints

FEMA in Louisiana has established a toll-free number for residents to call with issues about their travel trailers. Reports are that there have very few calls about formaldehyde odors. However when there are complaints, residents are provided with another trailer, primarily older trailers as formaldehyde odors diminish over time.

Currently, FEMA is taking steps to address concerns that may be associated with the presence of formaldehyde in travel trailers on the Gulf Coast. Specifically, FEMA is working to identify ways to reduce formaldehyde levels in travel trailers that are already occupied and identifying ways to reduce levels of formaldehyde in trailers before people move into them. Some people may be particularly sensitive to the chemical, while others may not have any noticeable reaction.

FEMA has prepared a brochure that is currently in production and will be distributed to FEMA trailer occupants across the Gulf Coast and elsewhere explaining how persons who may be sensitive to formaldehyde might be affected by its presence and identifying actions they can take to reduce their exposure to it in travel trailers. The brochure will be distributed in the next two weeks and identifies some steps which can lessen the presence of formaldehyde including: increasing ventilation, keeping indoor temperatures cool, and being aware of other activities, such as cigarette smoking inside the travel trailers or bringing in other items that contain formaldehyde, which may increase the overall amount of formaldehyde in a trailer.

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