

The Meth Testing Bill - HB 4065-1

February 14, 2014

HB 4065-1 will provide for a written notification if a foreclosed auction home has not been tested for methamphetamine residue.

Methamphetamine production in residences has been a major problem in Oregon for a number of years and many of the chemical components used during the making of meth are toxic.

These include red phosphorus, ammonium hydrate and often the chemicals are retained in the walls and floors of the homes long after the drug is made.

The impetus for this bill was the Jonathan Hankins family of Klamath Falls. They purchased a foreclosed Freddie Mac home which had major meth contamination, unknown to them at the time of purchase. They cleaned and remodeled the home and moved in, however the unseen residue began to make their little boy and them, very ill. After the neighbors told them the house had been used to make meth, they began to understand the scope of the problem. Freddie Mac refused to re-purchase the home and Jonathan spent several years in an effort to bring this situation to light.

Freddie Mac finally settled with the Hankins this spring and another family in Colorado has just settled with Freddie Mac after only a few months.

To our knowledge, if passed, this bill will be the first in the nation to address meth notification issues on auction houses. It is specific to auction houses because they often cannot be accessed prior to sale and therefore not able to be tested. Testing is a simple procedure that costs in the range of \$50, but usually cannot be done due to the auction process.

The bill is a written notification only that the home has not been tested, leaving the decision of testing up to potential buyers.

Presently, data for 20 Oregon counties shows over 800 homes currently scheduled for auction. If as few as 5% of all meth labs have been discovered, that leaves 95% more as yet undiscovered. Oregon presently has about 306 known drug labs.

Nationwide there are an estimated 2.5 million meth contaminated homes according to the Meth Lab Cleanup Company.

We worked with the bankers, mortgage holders and realtors to bring this bill to you today. Last session HB 3499, which is the same as present HB 4065, passed through committee on a 9-0 vote and off the House floor 60-0. Unfortunately, it did not receive a hearing in the Senate.

Thank you,



HB 4065

Representative Gail Whitsett

BACKGROUND

Foreclosed homes can be a promising opportunity for many who may not otherwise be able to afford home ownership. However, things don't always go smoothly.

Oftentimes, buyers are not permitted to enter or pre-inspect the home and must purchase as-is. Even traditional home inspections can miss signs of former methamphetamine production.

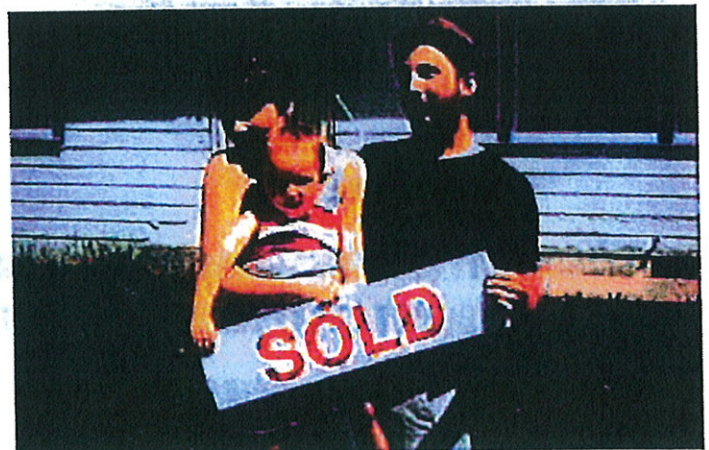
Oregon is one of 23 states which require sellers to disclose whether a property was ever used as a clandestine drug lab, but only if the property is verified by the Oregon Health Authority (ORS 453.855). Contaminated properties that OHA is unaware of can slip through the cracks.

Currently, 52 properties in Oregon are listed as "Unfit for Use" due to meth lab or storage activities. 306 others are listed as Clandestine Drug Labs. These are only the properties which law enforcement has found; as few as 5% of meth labs are discovered by authorities, according to Mark Woodward, spokesman for the Oklahoma Bureau of Narcotics and Dangerous Drugs Control.

"I BOUGHT A METH HOUSE"

Methamphetamine is a highly toxic substance with drastically adverse health effects, as the Hankins family learned firsthand. Within weeks of moving into their home, they and their two-year-old son began exhibiting mysterious symptoms.

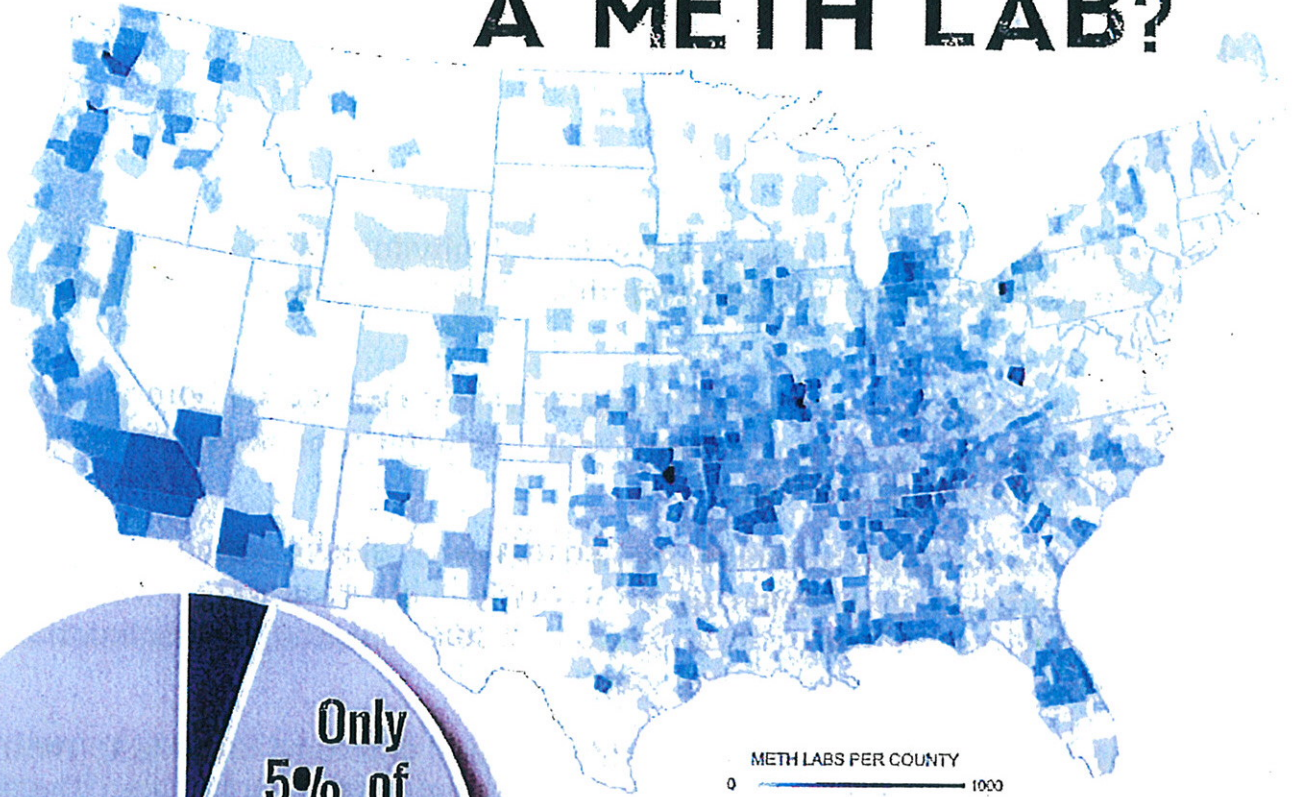
Only after a neighbor tipped them off to the history of their house did they realize that they were now living in a former meth lab.



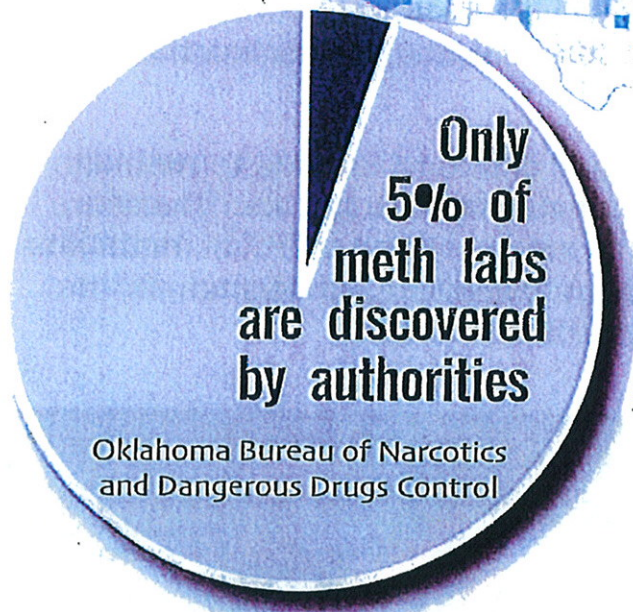
Jonathan and Beth Hankins celebrate the purchase of their home in Klamath Falls.

HB 3499 aims to prevent other Oregonians from ever facing a similar situation.

DO YOU LIVE NEAR A METH LAB?

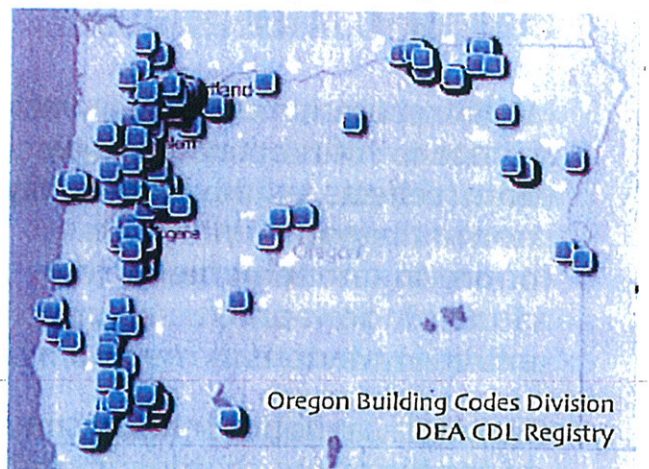


Source: DEA Graphic: Tal Yellin/CNNMoney



Oklahoma Bureau of Narcotics and Dangerous Drugs Control

Oregon has 52 "Unfit for Use" and 306 Clandestine Drug Lab properties



Oregon Building Codes Division
DEA CDL Registry

"You don't always see meth residue. It's extremely dangerous stuff."

Joseph Mazzuca
Co-Founder of Meth Lab Cleanup

There have been nearly **84,000 meth lab seizures** since 2004. Drug Enforcement Administration

Foreclosure and Meth Lab Quick Facts

- Data for 30 Oregon counties shows over **800 homes** currently scheduled for auction¹.
- Oregon currently has a foreclosure inventory of approximately **2000 properties**².
- Properties Unfit for Use³ due to meth lab activity: **52**
- Number of Clandestine Drug Lab⁴ properties: **306**
- As few as **5% of meth labs** are discovered by authorities, says a spokesman for the Oklahoma Bureau of Narcotics and Dangerous Drugs Control⁵.
- There may be up to **2.5 million meth-contaminated homes** in the US, according to Joe Mazzuca of Meth Lab Cleanup⁶.

¹ Oregon Housing and Community Services sources – foreclosures.com and realtytrac.com

² Foreclosureradar.com

³ Oregon Building Codes Division – unfit for use due to meth lab and/or storage activities

⁴ DEA – addresses of locations where law enforcement found clandestine drug laboratories or dumpsites

⁵ “My home was a former meth lab” CNN Money http://money.cnn.com/2013/02/12/real_estate/home-meth-lab/index.html

⁶ “Mystery illness solved when family discovers new home was a meth lab” Yahoo! News, news.yahoo.com/blogs/lookout/mystery-illness-solved-family-discovers-home-meth-lab-184815233.html



Pre and Post Pseudoephedrine Control Oregon Meth Lab Incident Statistics

	2003		2004		2005		2006		2007		2008		2009		2010		2011		2012		2013	
Jan	34	40	Jan	24	Jan	9	Jan	3	Jan	6	Jan	3	Jan	6	Jan	3	Jan	6	Jan	5	Jan	1
Feb	38	42	Feb	19	Feb	6	Feb	4	Feb	3	Feb	4	Feb	3	Feb	2	Feb	3	Feb	1	Feb	1
March	36	49	March	23	March	15	March	1	March	1	March	1	March	3	March	1	March	3	March	0	March	0
April	49	39	April	31	April	8	April	2	April	1	April	2	April	1	April	4	April	2	April	3	April	0
May	51	59	May	26	May	4	May	4	May	4	May	4	May	3	May	2	May	2	May	0	May	0
June	26	42	June	15	June	6	June	0	June	0	June	0	June	1	June	0	June	1	June	0	June	0
July	37	42	July	7	July	4	July	4	July	0	July	0	July	0	July	1	July	1	July	0	July	0
Aug	42	30	Aug	10	Aug	6	Aug	2	Aug	1	Aug	2	Aug	1	Aug	3	Aug	0	Aug	0	Aug	0
Sept	52	28	Sept	5	Sept	2	Sept	1	Sept	3	Sept	1	Sept	1	Sept	1	Sept	1	Sept	0	Sept	0
Oct	53	34	Oct	13	Oct	2	Oct	2	Oct	2	Oct	0	Oct	0	Oct	1	Oct	0	Oct	0	Oct	1
Nov	33	18	Nov	9	Nov	1	Nov	1	Nov	3	Nov	1	Nov	0	Nov	0	Nov	0	Nov	0	Nov	0
Dec	22	25	Dec	7	Dec	0	Dec	0	Dec	0	Dec	1	Dec	0	Dec	1	Dec	1	Dec	0	Dec	0
	473	448		192		63		20		21		13		10		13		10		7		7

• On October 15, 2004, the Oregon Board of Pharmacy adopted a rule requiring pseudoephedrine (PSE) products, other than certain liquids and gel caps, be kept behind the counter (BTC) and requiring picture ID for each sale. The rule went into effect on November 15, 2004.

• On April 6, 2005, the Board adopted a rule requiring PSE products be kept behind the pharmacy counter and requiring picture ID and logging for each sale. The rule went into effect on May 14, 2005.

• On April 5, 2006, the Board adopted a rule requiring a prescription for all PSE products. The rule went into effect on July 1, 2006.

• For the 7 months the first rule was in place (Nov 2004 to May 2005), there were a total of 166 meth lab incidents; an average of 24 per month. For the 7 equivalent months in the year prior to the first rule (Nov 2003 to May 2004), there were a total of 284 meth lab incidents; an average of 41 per month. This reflects a 41% reduction.

• For the 13 months the second rule was in place (June 2005 to June 2006), there were a total of 17 meth lab incidents; an average of 9 per month. For the 13 equivalent months prior to a BTC pseudoephedrine rule (June to Oct 2004 and Nov 2003 to June 2004), there were a total of 502 meth lab incidents; an average of 39 per month. This reflects a 77% reduction.

• For the 79 months the third rule has been in place (July 2006 to January 2013), there were a total of 100 meth lab incidents; an average of 1.3 per month. For the 79 equivalent months prior to a BTC pseudoephedrine rule (July to Oct 2004, plus Jan to Oct 2003 x 7, plus Jan 2004), there were a total of 3,094 meth lab incidents; an average of 39 per month. This reflects a 97% reduction. In addition, the majority of the meth lab incidents from 2007 to January 2012 were boxed, dismantled, dump sites, or chemical seizures of non-cooking meth lab incidents in 2007, 3 in 2008, 3 in 2009, 3 in 2010, 3 in 2011, and 1 in 2012. All incidents where the source of the PSE has been determined have been traced to retail PSE sourced in neighboring states, specifically Washington, Idaho, Nevada, and California.