March 19, 2023 To the House General and Housing Committee

RE: H-184

Dear Members of the House General and Housing Committee:

Please vote yes on H-184.

H-184 seeks to exempt owners of rental housing who conduct lead paint work called **renovation repair painting and maintenance (RRPM)** <u>on their own buildings</u> from Vermont Department of Health (VDOH) licensing requirements. VDOH currently requires owners who perform RRPM <u>on their own buildings</u> to obtain a RRPM Supervisor License and a RRPM Firm License.

Owner occupied rental property is exempt from both license requirements but such owners are encouraged, but are not required to take the VDOH RRPM Supervisor's Course.

Child care facility owners are also exempt from both license requirements but can obtain an Uncompensated Child Care Providers Certificate (UCCO) for free but must take the Supervisors License Course and the Vermont Inspection, Repair and Cleaning Practices (IRC) course.

H-184 allows owners of rental properties (they do not occupy) to conduct RRPM on their own buildings with a certificate similar to the Certificate to which Child Care Facility Owners are entitled .

H-184 does not impair or diminish the State's goal of reducing the negative impacts of lead paint in housing.

There is no question that the State's lead paint laws and regulations are essential to decreasing the negative impacts of lead paint. As outlined below H-184 would help rather than hinder the State's goals with respect to decreasing the ill effects of lead paint in housing and maintaining and creating more housing stock in Vermont.

H-184 will reduce unnecessary costs.

An RRPM Supervisor's License and a RRPM Firm License are expensive and more suited to commercial RRPM companies that offer RRPM services, but not to owners of rental buildings who do not do RRPM work for hire and do not conduct RRPM on buildings other than their own buildings. RRPM licensing requires special insurance at a substantial cost (upwards of \$2500

annually). Currently to obtain RRPM insurance it appears that an owner who conducts RRPM work on their own building must create a commercial RRPM firm.

H-184 Exempt Owners must conduct RRPM in accordance with VDOH regulations.

Under H-184 rental owners who conduct RRPM on their own buildings will be required to obtain a certificate to perform RRPM work and to take the RRPM Supervisor's License course and the IRC course similar to Child Care Facility owner's requirements.

H-184 does not waive fines, penalties and damages for non-compliance with the lead law.

Exempt rental property owners must still conduct **annual** RRPM and IRC work and file required reports with VDOH and are subject to fines, penalties, damages for non-compliance.

H-184 will improve RRPM compliance and help reduce the ill effects of lead paint in housing.

H-184 will create and empower an army of rental property owners who do their own RRPM work on their own buildings which will save hundreds of thousands of dollars in unnecessary costs. The best thing the VDOH can do is offer the RRMP Supervisor License course and the IRC course for free to all rental owners who conduct annual RRPM and IRC work on their own buildings. This would increase compliance with lead paint regulations which will reduce the ill effects of lead paint in housing.

H-184 will help reduce rent increases.

RRPM licensing and insurance costs will ultimately be paid by renters with higher rents.

H-184 will maintain the existing supply of apartments on the market.

RRPM (and the attendant costs) is one of the reasons residential rental owners take their apartments off the market and/or leave them empty. Allowing rental owners to conduct RRPM on their own buildings with a certificate will help rather than hurt housing supply.

H-184 will support ownership by exempt owners who are likely to better care for their properties.

An overwhelming supply of rental housing stock is owned by either owner occupied two to four family buildings (who are already exempt from RRPM licensing requirements) and owners who have one building or more that they operate manage and maintain themselves. The latter are Vermonters who supplement their incomes with a small real estate investment, or an older retired couple who use the income from their units to supplement their retirement income, a young couple who also supplements their incomes from rental income or families who own rental property to put their kids through college. These owners are the backbone of rental housing in Vermont. These owners provide sweat equity and have skin in their investments

that will likely lead to better RRPM of their properties. Requiring them to obtain RRPM Supervisor's license and an RRPM Firm license to conduct RRPM work on their own buildings or worse to hire an RRPM painter or firm (see below) will do more damage than good to the cause decreasing the ills of lead paint in housing.

H-184 will support the State's desire to maintain and increase the Vermont housing supply.

H-184 supports housing growth. The State is aggressively encouraging the building of multifamily units and accessory dwelling units in all zoning districts throughout the State to create housing. H-184 will support and augment housing growth by reducing RRPM costs for thousands of housing units by allowing rental owners who do their RRPM work on their own buildings with a certificate.

H-184 will avoid the negative impacts of creating a monopoly of licensed painters to do RRMP work.

There will be a lack of licensed painters.

The VDOH licensing requirements will create a monopoly of licensed painters and licensed firms. VDOH regulations will not create enough licensed painters and licensed firms to deal with the overwhelming need for RRPM work. H-184 solves that challenge by allowing rental owners to conduct RRMP <u>on their own buildings</u> with a State issued certificate. One need look no further than the huge crisis that is already occurring (and will get worse) in the Plumbing and Electrical fields with dwindling supply of licensed plumbers and electricians and sky rocketing plumbing and electrical costs statewide.

The cost of RRPM will skyrocket.

While trim around a normal size window will cost a rental owner, who conducts his own RRPM a couple hours of time and minimal materials (around \$50 a window), a licensed painter or licensed firm will easily charge and get 5 6 7 times that if not more. The cost of conducting RRPM by licensed painters and firms will increase by thousands of dollars. A rental property owner who has to conduct RRPM work on an entire building (full paint job) can expect RRPM Painters and RRPM firms to charge upwards of 30,000 or more for a two-family house. It will be substantial higher for three- and four-unit buildings.

There is no special skill or education to conducting RRPM. Anyone can do it correctly and properly after taking the VDOH Supervisor s course and IRC training. Rental owners who conduct RRPM work on their own buildings will be much needed to meet the demand of RRPM work in the State and create competition for RRPM licensed painters and licensed firms.

There will be less compliance with RRPM.

Unless rental owners who conduct RRPM on their own buildings are allowed to conduct RRPM work by certificate rather than a Supervisor License and Firm License, annual RRPM and IRC work is less likely to be completed. The cost of RRMP Supervisor's license ad RRPM Firm license to rental owners who conduct their own work will likely reduce compliance. The cost of hiring a Licensed painter and a Licensed frim will be exorbitant and deter rental owners from conducting RRPM work.

There will be more unscrupulous practices in lead paint area without allowing Owners to conduct RRPM with a certificate .

Rental property owners will be susceptible to pressure and unscrupulous practices by licensed painters and firms. RRPM does not require any special skill or experience or education. Anyone can do it with the proper training. There is a misperception among rental property owners (particularly so called "mom and pop" owners: owners that own a few buildings and do their own work) that lead paint brings nothing but cost, stress, burden and agony and the heavy hand of the VDOH with fines, penalties, and damages (which is also a misperception; VDOH generally does a very good job with its lead paint programs). However, in requiring rental property owners who could and would do their own RRPM work to have a Supervisor's License and a Firm License rather than a Certificate, VDOH missed an opportunity to make RRPM better in many respects, and for all the reasons stated above requiring rental property owners who do RRPM work on their own properties will have more far reaching negative impacts on lead paint compliance and housing in Vermont, than benefits.

H-184. PLEASE VOTE YES FOR ALL THE REASONS OUTLINED ABOVE.

John M. Ruggiero (owner residential rental buildings in Rutland City)