

The Georgia Senate Senate Research Office 204 Paul D. Coverdell Legislative Office Building 18 Capitol Square Atlanta, Georgia 30334

FINAL REPORT OF THE GEORGIA SENATE MOLD AND MILDEW REMEDIATION CONTRACTOR STUDY COMMITTEE

Honorable Donzella James, Chair Senator, District 35

Honorable Mike Crane Senator, District 28

Honorable Vincent Fort Senator, District 39

Honorable Jeff Mullis Senator, District 53

Honorable Jack Murphy Senator, District 27

Prepared by the Senate Research Office 2014

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I. INTRODUCTION

During the 2014 Legislative Session, the Senate adopted Senate Resolution 953 creating the Mold and Mildew Remediation Contractor Study Committee (Committee). The Committee was chaired by Senator Donzella James of the 35th. Recognizing that humid areas such as Atlanta are often plagued by mold and mildew problems that can lead to health issues for Georgia's citizens, the Committee was to undertake a review of the issues surrounding the remediation of mold and mildew, including contractors' participation and best practices.

The following members served on the Committee:

- Senator Mike Crane of the 28th;
- Senator Vincent Fort of the 39th;
- Senator Jeff Mullis of the 53rd; and,
- Senator Jack Murphy of the 27th.

The Committee convened all three of its approved meetings in the Coverdell Legislative Office Building in Atlanta, Georgia:

- Tuesday, August 19th, 2014;
- Thursday, September 18th, 2014; and
- Tuesday, October 14th, 2014.

The Committee received testimony from: Mr. Harvey Persons, Mayor of Douglasville, Georgia; Mr. Carl Brucker, President of Brucker HVAC; Mr. John Sours, Administrator, Governor's Office of Consumer Protection; Mr. Andre' Westfield, Sr., Georgia Department of Public Health; Mr. Christopher Bowers, Attorney, Smith, Gambrell, and Russell, LLP; Mr. Steve Manders, Director, Division of Insurance Product Review, Georgia Department of Insurance; Dr. Ruskin, Georgia Department of Public Health; Mr. Bruce Widener, Conditioned Air Association of Georgia; Mr. Haydon Stanley, Atlanta, Georgia, on behalf of the Georgia Apartment Association; and Mr. Mike Williams, Esq., Managing Attorney, Fowler, Hein, Cheatwood & Williams. Additionally, there were numerous concerned citizens that provided personal testimony to the Committee.

II. EXECUTIVE SUMMARY

Historic flooding began in the Atlanta metropolitan area in September of 2009. Seventeen counties received a disaster declaration from the U.S. government, most of them in the metropolitan Atlanta area. Since that occurrence, mold and mildew issues have increased for citizens of the Atlanta area, including constituent complaints. Complaints range from: contractors taking work in mold remediation that they are not

trained to do; citizens paying costly repair bills to have mold remediated that was unnecessary; mold returning to a remediated area because of substandard work; landlords not responding to their tenants' complaints about mold in rental units; and the lack of centralized help for citizens dealing with a mold issue.

Mold

Mold is widespread in our environment, and we each are exposed to some mold daily. Mold spores are in the air and present in the soil, they come inside buildings through open doorways, heating ventilation, and air conditioning systems. In areas where water and moisture exists because of leaky pipes, flooding, condensation, and high humidity there will likely be mold growth.

There are various types of mold. The mold called Stachybotrys has been referred to as "black mold." While molds can produce toxins, molds themselves are not "toxic" or "poisonous." However, exposure to dampness and molds, especially for extended periods of time, does increase heath concerns – especially respiratory. Mold should be cleaned immediately, and the moisture causing the mold should be addressed correctly.

Assessment and Remediation

The U.S. Environmental Protection Agency (EPA) information states that if the moldy area is less than about 10 square feet, most people can clean the mold. However, the moisture problem must be remediated. If the area is larger, consulting with the EPA is advised. Always use a contractor that has experience cleaning mold, and check their references. If the moisture is connected to an HVAC system, then a professional in the HVAC industry should also be consulted to fix the moisture problem.¹

Issues

The Committee heard testimony centering on unscrupulous contractors hired by homeowners to do costly mold remediation that either was unnecessary or unsuccessful because of the lack of training.

Additionally, the Committee heard testimony regarding landlords that were unresponsive to their tenants' complaints about serious mold growth, especially in certain neighborhoods in the Atlanta area. These residents testified many times to the Committee that the lack of resources to remediate the mold themselves or to legally force their landlords to remediate the mold is prohibitive.

¹ A Brief Guide to Mold, Moisture, and Your Home. U.S. EPA. Exhibit 1

Conclusion

Although there is not one centralized agency for citizens to go to when concerned about the presence of mold in their homes, there is a myriad of information available. The new "Healthy Homes" program in the Department of Public Health disseminates to those who contact them a list of pamphlets that will guide a member of the public through the process of assessing a mold problem, choosing how to remediate the problem, and when a certified professional should be engaged. The pamphlets included are produced by the U.S. Environmental Protection Agency, the Georgia Department of Public Health, and the Georgia Department of Community Affairs. Additionally, website references are provided for free legal aide², Centers for Disease Control³, the American Council for Accredited Certification (listing certified professionals)⁴, the Restoration Industry Association⁵, and the American Industrial Hygiene Association.⁶

III. TESTIMONY & PERSPECTIVE

A. Tuesday, August 19th, 2014

Testimony was provided by Mr. Harvey Persons, Douglasville Mayor; Mr. Carl Brucker, President of Brucker HVAC; Mr. John Sours, Governor's Office of Consumer Protection; Mr. Andre' Westfield, Sr., Georgia Department of Public Health; Mr. Bruce Widener, Conditioned Air Association of Georgia; and various citizens of Georgia.

Many buildings in Georgia, including government buildings, private businesses, and residences, have mold issues stemming from moisture because the moisture is not correctly controlled. The typical citizen will call a contractor to come and remove the mold, even tear down and rebuild walls or ceilings. However, if the contractor does not know or understand how to control the moisture causing the mold and mildew, then the mold and mildew will simply return. This scenario leaves the owner with expensive repairs that will need to be done over again. Not all contractors acknowledge that they are not trained to remediate mold, and Georgia does not require specific licensing for contractors regarding this issue. However, even if Georgia did require a certain level of licensing to do such repairs, there would still be those contractors willing to misrepresent themselves and accept the job of remediation, knowing that they should not.

² www.legalaid-ga-org

³ www.cdc.gov/mold/faqs.htm

⁴ www.iagcouncil.org

⁵ www.ascr.org

⁶ www.aiha.org

Trade organizations offer classes to their licensees, including mold and mildew remediation, in an effort to educate and elevate their professions. Contractors can get certified in mold remediation. Additionally, the EPA provides a list of those contractors they recognize as having the training to remediate mold and mildew.

Mr. Sours, with the Governor's Office of Consumer Protection, testified that over the last two years, the office has not received any complaints from Georgia residents over mold remediation. Additionally, he checked with the Better Business Bureaus across the state and concluded that most complaints they have received regarding contractors and sub-performance work were concerning warranties on work performed and failure to complete work. He cautioned the Committee to go slow when considering regulations because mold remediation is an extremely sophisticated process. Many do not even know how to identify the most toxic of molds, including the most toxic black mold.

Mr. West, with the Department of Public Health (DPH), testified that his office receives around five complaints monthly regarding mold, and that about 80 percent of those complaints involve rental properties. In the case of renters, DPH tells them to send certified letters to their landlords and copy the DPH because it helps the renter with litigation when landlords do not take the right steps to remediate the mold. Further, while DPH inspectors are certified to inspect various issues, mold issues are referred to the EPA. More certified inspectors would be useful. The issue is educating the public on the issue so that people with complaints can be channeled to the right agencies for help.

Additionally, the point was made that controlling moisture greatly depends on the installation and effectiveness of a building's HVAC system. Incorrectly installed HVAC systems will create problems. Once mold is visible, and there is an insurance claim, there will likely be a protocol written by an industrial hygienist delineating what must be taken out or treated. Because of litigation, protocols will be over-reaching, thereby increasing remediation projects' cost.

Several concerned citizens spoke to the Committee about landlord responsibilities when mold is present in rental homes. One such citizen described her situation when she called a code enforcement officer and the EPA. Even though both found mold and mildew in her home, the landlord said there was none. The only recourse was expensive litigation.

B. Thursday, September 18, 2014

Testimony was provided by Mr. Christopher Bowers, Attorney, Smith, Gambrell, and Russell, LLP; Mr. Steve Manders, Director, Division of Insurance Product Review; Dr. Ruskin, Georgia Department of Public Health; and several concerned citizens.

Mr. Bowers testified to the Committee that currently, no federal certification or licensing laws for mold assessment or remediation exist. However, there are several federal agencies, including the *U.S. Environmental Protection Agency* (EPA) and the *National Institute for Occupational Safety and Health* (NIOSH) that have developed recommendations for the cleanup of mold and mildew, and for the control of moisture. The EPA prepared a paper entitled "Mold Remediation in Schools and Commercial Buildings," which is often used by professionals in the industry of mold remediation⁷.

Nationwide, 30 states have adopted some measure of policy regarding mold and mildew. Several states, such as Georgia, have created Study Committees or a specific Commission to review and make recommendations on the issue. Several states passed laws requiring some form of licensing of the industry. Alabama adopted legislation requiring licensing in 2009; then later, in 2011, repealed the law. ⁸

Currently, four states, Florida, Louisiana, Maryland, and Texas have enacted laws requiring a state-issued license for those performing professional mold assessment or remediation. Certifications or licenses typically distinguish between mold assessment and mold remediation. Several states have passed legislation directing certain groups or state agencies to address mold assessment and remediation.⁹

Mr. Manders, on behalf of the Georgia Department of Insurance (DOI), testified that the DOI has also set up a committee to review the issue of mold, especially since the floods of 2009. While other states have allowed total mold exclusion from homeowners' policies, DOI is trying to make sure that there is some level of coverage for Georgians. DOI has established minimum coverage standards, however, it is not covered in a typical owners' policy under peril, such as fire and lightening. Flood policies are Federal, and they do not cover mold and mildew assessment and remediation. Insurance policies that do cover mold typically have a higher deductible.

Dr. Ruskin, Georgia Department of Public Health (Department), testified to the Committee that the Department provides many types of programs, including inspections for various issues. Their new program, Healthy Homes, is designed to guide people

⁷ Prepared testimony by Christopher Bowers, Attorney, Smith, Gambrell, and Russell, LLP. Exhibit 2

⁸ Ibid.

⁹ Ibid.

with mold-related issues. When citizens call, the Department provides them with information such as: a list of mold remediation certified contractors; county code enforcement offices; guide books on when to seek professional remediation; and, landlord-tenant handbooks that help tenants navigate issues with landlords. Additionally, the Department will even contact landlords and provide information to them.

According to the Georgia Landlord Tenant Handbook, there is not a governmental agency that has the power to intervene in a dispute between a landlord and tenant to force the other party to do something. Unresolved disputes must be handled through the courts to enforce legal rights.¹¹

Several citizens testified to the Committee, including residents of Vine City in the Proctor Creek area. One of their issues is the prevalence of mold in approximately 60 percent of the homes – most are rentals and their attempts to get their landlords to address the issue have been very unsuccessful. Findings of the Proctor Creek collaboration with Emory University included that most homes have mold issues. Making this even more difficult, most of the residents do not have the means to remediate the issue, and most are rentals.

C. Tuesday, October 14, 2014

Testimony was provided by Mr. Mike Williams, Esq., Managing Attorney, Fowler, Hein, Cheatwood & Williams, and further comments from the audience.

Mr. Williams testified on behalf of the Georgia Apartment Association who has over 454 members, managing over 410,000 apartment homes. These apartment owners spend millions annually to maintain their investments. Response to maintenance is priority, and water intrusion is always priority. Residents must notify management of any issue that needs repair in order for the landlord to start such repair. Residents may contact local code enforcement, and once an issue is determined, typically a warning notice is sent to management with a ten-day time frame to make any repairs.

The apartment industry has a protocol for operation and maintenance plans. These plans recommend preventative maintenance and routine assessment of building systems. Additionally, the plans call for on-staff maintenance to be EPA-certified and trained in basic air conditioning, heating, and a variety of other indoor air quality issues. Association members address the importance of moisture and climate control by using

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¹⁰ Georgia Landlord Tenant Handbook. www.dca.ga.gov.

¹¹ Ibid

a lease addendum specifically related to mold and mildew. In such an addendum, both the resident and management agree to their responsibilities in keeping the apartment home properly maintained.¹²

Several members of the audience provided further testimony to the Committee. Several statements included: that the apartments in the Georgia Apartment Association who operate under such protocol are the exception and not the rule for most landlords who are unresponsive to the complaints of their residents; maintenance staff in most apartment homes do not have the knowledge to install or maintain HVAC systems; many landlords simply paint over the mold; and that specific licensing for contractors regarding remediation would better protect the homeowner and renters.

IV. RECOMMENDATIONS

The Committee recommends that the Governor's Office of Consumer Protection; the Georgia Department of Public Health; the Environmental Protection Agency in the Georgia Department of Natural Resources; the Department of Insurance; the Secretary of State's Office, Division of Licensing; the Department of Community Affairs; and any other state agency or department that has information and resources regarding mold and mold remediation, coordinate their efforts to provide such resources and information to the public by placing it prominently on their websites and linking such websites together.

The Committee recommends that the Governor consider creating a task force to study whether or not there is a need to regulate the mold assessment and remediation industry.

The Committee recommends that the conditioned air contractors, and residential and general contractors, include courses and programs related to mold recognition and remediation in their continuing education.

¹² Georaia Apartment Association. Testimony and letter to the Committee by Mr. Mike Williams. Exhibit 3

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Respectfully Submitted,

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