

## ATTACHMENT 1

### In the Matter of Charles Bridge, LLC Docket No. TSCA-01-2022-0027

#### PROPOSED PENALTY SUMMARY

Pursuant to EPA's December 2007 *Section 1018 Disclosure Rule Enforcement Response and Penalty Policy* ("ERPP"), EPA proposes a total civil penalty against Charles Bridge, LLC in the amount of fifty-six thousand one hundred nine dollars (\$56,109). The rationale for the penalty is explained below.

#### **Count I - Failure to provide lessees with an EPA-approved lead hazard information pamphlet.**

**Provision Violated:** 40 C.F.R. § 745.107(a)(1) requires a lessor to provide a lessee, before the lessee is obligated under any contract to lease target housing, with an EPA-approved lead hazard information pamphlet (*Protect Your Family from Lead in Your Home*) or an equivalent pamphlet that has been approved for use in particular states by EPA.

**Circumstance Level:** Failure to provide a lessee an EPA-approved lead hazard information pamphlet pursuant to 40 C.F.R. § 745.107(a)(1), results in a high probability of impairing the lessee's ability to properly assess information regarding the risks associated with exposure to lead-based paint and to weigh this information with regard to leasing the target housing in question. As a result, under the Disclosure Rule ERPP Appendix B, a violation of 40 C.F.R. § 745.107(a)(1) is a *Level 1* violation.

**Extent of Harm:** The Disclosure Rule ERPP takes into consideration the risk factors for exposure to lead-based paint and lead-based paint hazards. The potential for harm is measured by the age of children living in the target housing and the presence of pregnant women living in the target housing. Children under the age of six are most likely to be adversely affected by the presence of lead-based paint and lead-based paint hazards, because of how they play and ingest materials from their environment, and because of their vulnerability due to their physical development. The harmful effects that lead can have on children under the age of six warrants a *major* extent factor. Children between the ages of six and eighteen may be adversely affected by the presence of lead-based paint and lead-based paint hazards because of their vulnerability due to their physical development. The harmful effects that lead can have on children between the ages of six and eighteen warrant a *significant* extent factor. The absence of children or pregnant women warrants a *minor* extent factor. Where the age of the youngest individual is not known, EPA may use a significant extent factor.

Respondent Charles Bridge failed to provide an EPA-approved lead hazard information pamphlet to the lessee of target housing at the following address:

Address	Lease Date	Age of Youngest Occupant	Extent of Harm	Gravity-Based Penalty
<b>Lease Transaction</b>				
308 Union Street, Bangor, Maine	March 24, 2020	One child, age 1, was resident	Major	\$19,507

**Count II - Failure to include as an attachment, or within a contract to lease target housing, the Lead Warning Statement**

**Provision Violated:** 40 C.F.R. § 745.113(b)(1) requires that a lessor must ensure that before the lessee is obligated under any contract to lease target housing, each contract to lease target housing includes a Lead Warning Statement within, or as an attachment to, the contract.

**Circumstance Level:** Failure to include the Lead Warning Statement in the language of the lease, or in an attachment thereto, pursuant to 40 C.F.R. § 745.113(b)(1), results in a high probability of impairing a lessee’s ability to properly assess information regarding the risks associated with exposure to lead-based paint and to weigh this information with regard to leasing the target housing in question. As a result, under the Disclosure Rule ERPP Appendix B, a violation of 40 C.F.R. § 745.113(b)(1) is a *Level 2* violation.

**Extent of Harm:** The Disclosure Rule ERPP takes into consideration the risk factors for exposure to lead-based paint and lead-based paint hazards. The potential for harm is measured by the age of children living in the target housing and the presence of pregnant women living in the target housing. Children under the age of six are most likely to be adversely affected by the presence of lead-based paint and lead-based paint hazards, because of how they play and ingest materials from their environment, and because of their vulnerability due to their physical development. The harmful effects that lead can have on children under the age of six warrants a *major* extent factor. Children between the ages of six and eighteen may be adversely affected by the presence of lead-based paint and lead-based paint hazards because of their vulnerability due to their physical development. The harmful effects that lead can have on children between the ages of six and eighteen warrant a *significant* extent factor. The absence of children or pregnant women warrants a *minor* extent factor. Where the age of the youngest individual is not known, EPA may use a significant extent factor.

Respondent Charles Bridge failed to include the Lead Warning Statement in or attached to the lease agreement for target housing regarding the following address:

Address	Lease Date	Age of Youngest Occupant	Extent of Harm	Gravity-Based Penalty
<b>Lease Transaction</b>				
308 Union Street, Bangor, Maine	March 24, 2020	One child, age 1, was resident	Major	\$18,301

**Count III- Failure to include in the lease or as an attachment thereto a statement by the lessor disclosing the presence of known lead-based paint hazards, or lack of knowledge thereof.**

**Provision Violated:** 40 C.F.R. § 745.113(b)(2) requires that each contract to lease target housing include, as an attachment or within the lease contract, a statement by the lessor disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target housing being leased, or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards.

**Circumstance Level:** Failing to include the statement of knowledge of lead-based paint and/or lead-based paint hazards as an attachment, or within the contract to lease target housing, results in a medium probability of impairing the lessee’s ability to properly assess information regarding the risks associated with exposure to lead-based paint and/or lead-based paint hazards and to weigh this information with regard to leasing the target housing in question. Because the intent of this provision is to put potential lessees on notice of specific information relating to the presence of lead in the housing, violation of this provision deprives lessees of their right to make decisions based upon risk. As a result, under the Disclosure Rule ERPP Appendix B, a violation of 40 C.F.R. § 745.113(b)(2) is a *Level 3* violation.

**Extent of Harm:** The Disclosure Rule ERPP takes into consideration the risk factors for exposure to lead-based paint and lead-based paint hazards. The potential for harm is measured by the age of children living in the target housing and the presence of pregnant women living in the target housing. Children under the age of six are most likely to be adversely affected by the presence of lead-based paint and lead-based paint hazards, because of how they play and ingest materials from their environment, and because of their vulnerability due to their physical development. The harmful effects that lead can have on children under the age of six warrants a *major* extent factor. Children between the ages of six and eighteen may be adversely affected by the presence of lead-based paint and lead-based paint hazards because of their vulnerability due to their physical development. The harmful effects that lead can have on children between the ages of six and eighteen warrant a *significant* extent factor. The absence of children or pregnant women warrants a *minor* extent factor. Where the age of the youngest individual is not known, EPA may use a significant extent factor.

Respondent Charles Bridge failed to include a statement disclosing the presence of known lead-based paint and/or lead-based paint hazards, or lack of knowledge thereof in or attached to the lease for the following address:

Address	Lease Date	Age of Youngest Occupant	Extent of Harm	Gravity-Based Penalty
<b>Lease Transaction</b>				
308 Union Street, Bangor, Maine	March 24, 2020	One child, age 1, was resident	Major	\$13,726

**Count IV. Failure to include in a lease, or as an attachment thereto, a list of any records that pertain to lead-based paint and/or lead-based paint hazards or to indicate that no such records exists.**

**Provision Violated:** 40 C.F.R. § 745.113(b)(3) requires that a lessor must ensure that before a lessee is obligated under any contract to lease target housing, the contract to lease target housing includes within or as an attachment to the contract a list of any records or reports available pertaining to lead-based paint and/or lead-based paint hazards in the target housing being leased or, if no such records or reports are available, the lessor shall so indicate.

**Circumstance Level:** Failing to include a list of any records pertaining to lead hazards or to indicate that no such records exist, as an attachment, or within the contract to lease target housing, results in a *low probability* of impairing the lessee’s ability to properly assess information regarding the risks associated with exposure to lead-based paint and/or lead-based paint hazards and to weigh this information with regard to leasing the target housing in question. Because the intent of this provision is to put potential lessees on notice of specific information relating to the presence of lead in the housing, violation of this provision deprives lessees of their right to make decisions based upon risk. As a result, under the Disclosure Rule ERP, a violation of 40 C.F.R. § 745.113(b)(3) is a *Level 5* violation.

**Extent of Harm:** The Disclosure Rule ERPP takes into consideration the risk factors for exposure to lead-based paint and lead-based paint hazards. The potential for harm is measured by the age of children living in the target housing and the presence of pregnant women living in the target housing. Children under the age of six are most likely to be adversely affected by the presence of lead-based paint and lead-based paint hazards, because of how they play and ingest materials from their environment, and because of their vulnerability due to their physical development. The harmful effects that lead can have on children under the age of six warrants a *major* extent factor. Children between the ages of six and eighteen may be adversely affected by the presence of lead-based paint and lead-based paint hazards because of their vulnerability due to their physical development. The harmful effects that lead can have on children between the ages of six and eighteen warrant a *significant* extent factor. The absence of children or pregnant women warrants a *minor* extent factor. Where the age of the youngest individual is not known, EPA may use a significant extent factor.

Respondent failed to include, as an attachment or within the lease contract for target housing at the following address, a list of any records or reports available to the lessor that pertain to lead-based paint or lead-based paint hazards in the housing, or an indication that no such records exist:

Address	Lease Date	Age of Youngest Occupant	Extent of Harm	Gravity-Based Penalty
<b>Lease Transaction</b>				
308 Union Street, Bangor, Maine	March 24, 2020	One child, age 1, was resident	Major	\$4,575