

**STATE OF RHODE ISLAND  
PROVIDENCE, SC.**

**SUPERIOR COURT**

**STATE OF RHODE ISLAND;** :  
**PETER F. NERONHA, in his** :  
**capacity as Attorney General of the** :  
**STATE OF RHODE ISLAND; and** :  
**DR. UTPALA BANDY,** :  
**in her capacity as Interim Director,** :  
**RHODE ISLAND DEPARTMENT** :  
**OF HEALTH** :

**Plaintiffs,** :

**v.** :

**C.A. No. PC-2023-**

**PIONEER INVESTMENTS, L.L.C.;** :  
**ANURAG SUREKA** :

**Defendants.** :

**COMPLAINT**

**I. PRELIMINARY STATEMENT**

1. This matter arises as a result of Pioneer Investments, L.L.C. and Anurag Sureka’s (hereinafter collectively “Pioneer”) failure to comply with numerous residential property rental, lead hazard, and consumer protection laws in the State of Rhode Island. Pioneer owns and/or operates more than 175 residential rental units across the state of Rhode Island. Pioneer routinely ignores lead hazard laws, landlord-tenant laws, and housing code regulations, and engages in unfair and deceptive trade practices within the State, allowing its properties to fall into disrepair and posing significant health and safety risks, frequently at the expense of financially vulnerable families, including children. Pioneer’s unlawful actions degrade neighborhoods and create and exploit market advantages by skirting important health and safety laws that law-abiding landlords follow. Pioneer profits unfairly

while taking advantage of consumer-tenants with limited options in Rhode Island's historically tight rental market.

2. Pioneer has represented to consumer-tenants, through their agents, that its rental units are habitable and safe. Instead, Pioneer's rental units are often poorly maintained, shoddily repaired, and consistently fail to conform to Rhode Island state law and municipal codes. Consumer-tenants living in Pioneer's properties report being subject to significant lead poisoning hazards, persistent rodent infestations, deterioration of structural support, cracking walls and windows, and at times, the lack of basic utilities like heat and water.
3. Pioneer has been on notice of these issues because consumer-tenants have contacted Pioneer along with code enforcement and municipal authorities, which have in turn contacted Pioneer.
4. Pioneer has harmed the Rhode Island public by failing to maintain their properties, allowing them to continue to pose risks to the health, safety, and livability of the public at large. Pioneer's failure to obtain or maintain lead-safe certifications exacerbates the already-significant public health concern of lead poisoning by risking their hundreds of consumer-tenants' potential unwitting poisoning.
5. The lead poisoning of children in rental housing is one of the most serious public health crises facing Rhode Island today. Although lead paint was banned by the federal government in 1978, paint with high lead levels remains in many homes built before those bans were imposed. Even when painted over several times, lead from paint with high levels of lead is accessible to small children when paint chips or peels, is on surfaces that small children may touch or chew, or is on surfaces like doors and windows where friction and/or

impact generates lead dust. As a result, paint with high levels of lead remains a pervasive and serious health risk, particularly for children under six years old.

6. Approximately 73% of Rhode Island's housing stock was built prior to 1980.<sup>1</sup> Of that 73%, four-fifths are occupied by renters.<sup>2</sup> Thus renters, like those living in Pioneer's properties, make up the vast majority of Rhode Islanders subject to the dangers of lead paint.
7. Lead poisoning is an environmental justice issue; it has long been established that it impacts low-income and families of color at disproportionate rates.<sup>3</sup> Because many individuals with low incomes live in rental housing, they rely on their landlords to uphold their duty to fix problems such as lead paint and other environmental hazards.<sup>4</sup> By depriving Rhode Island communities of lead-safe rental housing through their refusal to obtain lead safe certifications on their sizable portfolio of rental units, Pioneer is causing and contributing to a public nuisance and exacerbating safety risks to their consumer-tenants.
8. State and federal regulations require that property owners or agents disclose lead-based paint and lead-based paint hazards prior to selling or renting residential properties built prior to 1978. The U.S. Environmental Protection Agency and the Rhode Island Department of

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<sup>1</sup> HousingWorksRI at Roger Williams University, *2022 Housing Factbook*, p.13, available at <https://www.housingworksri.org>.

<sup>2</sup> *Id.*

<sup>3</sup> See, e.g., Bullard, R. D.. Race and environmental justice in the United States. *Yale Journal of International Law*, 18(1), 319-336 (1993); Centers for Disease Control and Prevention. (2021, October 29). *Childhood Lead Poisoning Prevention: Populations at Higher Risk*. <https://www.cdc.gov/nceh/lead/prevention/populations.htm>; Kraft, M. E., Scheberle, D. (1995). Environmental justice and the allocation of risk: the case of lead and public health. *Policy Studies Journal*, 23(1).

<sup>4</sup> Rauh, V. A., Landrigan, P. J., & Claudio, L. (2008). *Housing and health: intersection of poverty and environmental exposures*. *Annals of the New York Academy of Sciences*, 1136(1), 276-288. <https://doi.org/10.1196/annals.1425.032>

Health also require that property owners of pre-1978 housing use lead-safe work practices during renovations of those homes to protect occupants from exposure to toxic lead dust.

9. Yet Pioneer allows un-remediated, un-abated lead hazards to persist. Numerous children have been poisoned with lead while residing at Pioneer' properties.<sup>5</sup>

10. From 2019 to the present, **at least 5 children** were lead poisoned while residing in Pioneer's properties.

11. Through this action, State Plaintiffs seek to stop Pioneer's unlawful and dangerous housing practices. Plaintiffs seek to compel Pioneer to provide code-compliant, lead-safe housing and complete, truthful lead disclosures to their consumer-tenants. Plaintiffs additionally seek disgorgement of unjust profits, restitution to consumer-tenants harmed by Pioneer's conduct, and fines and penalties.

12. In order to protect the children of Rhode Island from further lead poisoning, State Plaintiffs seek an order requiring Pioneer to, among other things, inspect every rental unit and remediate all dangerous conditions immediately and in a lawful, lead-safe manner. Plaintiffs also seek an order mandating that Pioneer communicate lead hazards to consumer-tenants in full compliance with federal, state, and local laws, and similar relief aimed at protecting the current and future children in Pioneer's rental homes from harmful exposure to lead.

## **II. LEGAL BACKGROUND**

### **A. LEAD PAINT HAZARD CONTROL LAWS AND REGULATIONS**

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<sup>5</sup> To safeguard the children's identities and protected health information this Complaint does not include the identities of the poisoned children or information that could enable an individual to surmise the identity of the poisoned children.

13. The Rhode Island Lead Poisoning Prevention Act, Lead Hazard Mitigation Act, Housing Maintenance and Occupancy Code, and Property Maintenance Code, as well as federal regulations, impose affirmative obligations on property owners to ensure that residential rental properties are properly maintained as so to prevent interior and exterior surfaces from deteriorating and hazardous conditions from arising, particularly where children reside.
14. The use of hazardous lead paint was common in residential dwellings in Rhode Island before the 1978 federal ban on lead paint. In fact, Rhode Island law presumes that unless a test by a licensed lead inspector or certified lead renovator shows otherwise, all surfaces painted before 1978 contain lead-based paint.
15. State law and regulations, and federal regulations, require that owners of properties built before 1978: (1) disclose known lead-based paint and lead hazards in homes before renting out such properties; and (2) provide consumer-tenants with information concerning lead paint and lead hazards including, but not limited to, advance notice when renovation work that disturbs lead-based paint will be performed at their residence.

**i. Rhode Island Lead Poisoning Prevention Act & Lead Hazard Mitigation Act**

16. Over 30 years ago the Rhode Island General Assembly determined that childhood lead poisoning is caused by environmental exposure to lead, most commonly found in lead-based paints in older housing. Furthermore, the General Assembly recognized that childhood lead poisoning is **completely preventable**. R.I.G.L. § 23-24.6-2.

17. For decades, doctors and scientists have similarly recognized that lead-based paint in older homes is the leading source of lead exposure for children.<sup>6</sup> The U.S. Department of Health and Human Services has well documented that most lead poisoning in children is the result of dust and chips from deteriorating lead-based paint on interior surfaces in older homes.<sup>7</sup>
18. Lead has no health benefit, and no amount of lead in the body has been identified as safe.<sup>8</sup> In other words, any blood lead level (BLL) greater than 0 micrograms per deciliter of whole blood (0 µg/dL) may be associated with adverse health impacts. For purposes of this Complaint, “lead poisoning” is defined as an elevated blood lead level equal to or exceeding 5 µg/dL in a child under the age of six-years-old.
19. Lead poisonings are correlated with increased risks of neurological challenges such as attention-deficit/hyperactivity disorder, anxiety, and depression. Additionally, lead exposure is associated with decreased academic achievement in childhood, as well as lower IQ and socioeconomic status.<sup>9</sup>

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<sup>6</sup> Lanphear, B. P., Matte, T. D., Rogers, J., Clickner, R. P., Dietz, B., Bornschein, R. L., Succop, P., Mahaffey, K. R., Dixon, S., Galke, W., Rabinowitz, M., Farfel, M., Rohde, C., Schwartz, J., Ashley, P., & Jacobs, D. E. (1998). The contribution of lead-contaminated house dust and residential soil to children's blood lead levels. A pooled analysis of 12 epidemiologic studies. *Environmental research*, 79(1), 51–68. <https://doi.org/10.1006/enrs.1998.3859>; Lanphear, B. P., & Roghmann, K. J. (1997). Pathways of lead exposure in urban children. *Environmental research*, 74(1), 67–73. <https://doi.org/10.1006/enrs.1997.3726>; U.S. Department of Health and Human Services. (2020) *Toxicological Profile for Lead*, at 421. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

<sup>7</sup> U.S. Department of Health and Human Services. (2020). *Toxicological Profile for Lead*, at 421. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

<sup>8</sup> *Id.* at p. 5

<sup>9</sup> Reuben, A., Caspi, A., Belsky, D. W., Broadbent, J., Harrington, H., Sugden, K., Houts, R. M., Ramrakha, S., Poulton, R., & Moffitt, T. E. (2017). Association of childhood blood lead levels with cognitive function and socioeconomic status at age 38 years and with IQ change and socioeconomic mobility between childhood and adulthood. *JAMA*, 317(12), 1244-1251. <https://doi.org/10.1001/jama.2017.1712>.

20. As compared to children without lead exposure, children who are lead poisoned, even at low levels, are more likely to be held back in school, and more likely to have social, behavioral, and emotional problems. Data also suggests a correlation between lead exposure and lower state testing scores, higher rates of absenteeism, grade retention, and increased utilization of Individual Education Plans (“IEPs”).<sup>10</sup>
21. Lead poisoning has a lifelong impact on children, as well as their families and the greater community. Lead poisoning causes a downward shift in the poisoned cohort’s IQ and other cognitive indicators, which increases the number of students who require remedial assistance. A ten-fold increase in blood lead levels can cause a decrease in IQ of between one and six IQ points, with the largest decreases occurring at low-level increases in blood lead concentrations.<sup>11</sup> A downward shift of just five points in IQ at the population level would increase the number of children at the “very low” IQ level by 57%, requiring additional public spending on social services and special education of more than \$12,000 per year for each of these students.<sup>12</sup>
22. While the effects of childhood lead exposure are permanent, childhood lead poisoning is 100% preventable. As the CDC stresses, lead hazards in a child’s environment must be

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<sup>10</sup> Dataspark at the Univ. of R.I., *The Educational Impacts of Lead Exposure*. Updated Feb. 2021. available at <https://datasparkri.org/lead-exposure>

<sup>11</sup> U.S. Department of Health and Human Services. (2020). *Toxicological Profile for Lead*, at 140-167. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

<sup>12</sup> *Issue Brief: Childhood Lead Exposure and Educational Outcomes*, National Center for Healthy Housing, at 2, [https://nchh.org/resource-library/Childhood\\_Lead\\_Exposure.pdf](https://nchh.org/resource-library/Childhood_Lead_Exposure.pdf) (last accessed May 10, 2023).

“identified and controlled or removed safely” because the solution to childhood lead poisoning is preventing children from being exposed to lead in the first place.<sup>13</sup>

23. Lead poisoning prevention is key; a combination of risk factors can be used to assess a child’s risk of exposure in their home. Even when painted over several times, paint with high levels of lead is accessible to small children when paint chips or peels, is on surfaces like windowsills that small children may touch, chew, or is on surfaces like doors and windows where friction and/or impacts generate lead dust. Lead dust particles can come from the soil outside the home, from chipping paint inside the home, or from the friction of lead-painted surfaces like windows or doors. These child poisonings are preventable with the removal of these lead hazards.

24. Nationwide, the annual cost of lead exposure is estimated at \$50 billion due to lost economic productivity as a result of decreased cognitive potential alone.<sup>14</sup> Lead poisoning also imposes great economic burdens on families, schools, communities, health care providers, and governments. One study found that “[i]f the cost of proactive and universal lead hazard control is seen as prohibitive, the costs of inaction have proven to be significantly greater. For every dollar spent on controlling lead hazards, \$17–\$221 would be returned in health benefits, increased IQ, higher lifetime earnings, tax revenue, reduced spending on special education, and reduced criminal activity.”<sup>15</sup>

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<sup>13</sup> Centers for Disease Control and Prevention. (2021, October 27). *Childhood Lead Poisoning Prevention: Prevent Children’s Exposure to Lead*.  
<https://www.cdc.gov/nceh/features/leadpoisoning/index.html>.

<sup>14</sup> *Id.*

<sup>15</sup> Elise Gould, *Childhood Lead Poisoning: Conservative Estimates of the Social and Economic Benefits of Lead Hazard Control*, 117 *Envtl. Health Persp.* 1162, 1166 (2009) (discussing the cost-benefit of investing in remediation and need to minimize lead exposures).



25. Rhode Island is significantly affected by the high rates of lead poisoning in its communities. The State provides services and incurs expenses directly and indirectly related to lead poisoning. The State Department of Health provides lead education and lab services for lead poisoning. The State's programs including these services are burdened by the significant rates of lead poisoning in Rhode Island.
26. Housing stock containing lead paint and unmitigated lead hazards exists in every municipality in Rhode Island, and children are routinely lead poisoned in every community in the state.
27. For these reasons, the General Assembly passed the Lead Poisoning Prevention Act and, later, the Lead Hazard Mitigation Act.<sup>16</sup> Pursuant to these statutory frameworks, there is an affirmative duty for landlords of non-exempt units to maintain those units in a lead-safe condition and to obtain proof of the same prior to renting them out.<sup>17</sup>
28. The Lead Poisoning Prevention Act's goal is to reduce the incidence of childhood lead poisoning in Rhode Island to the greatest extent feasible, and therefore, it seeks "(1) to protect the public health and public interest by establishing a comprehensive program to reduce exposure to environmental lead and prevent childhood lead poisoning, the most severe environmental health problem in Rhode Island; and (2) to establish rigorous, systematic enforcement of requirements for the reduction of lead hazards in properties where children have been lead poisoned; and (3) to define the role of the department of health as the lead state agency charged with: (i) defining lead poisoning, (ii) establishing programs for screening persons, especially children under the age of six (6) years, who are

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<sup>16</sup>See generally R.I.G.L. §§ 23-1; 23-24.6 *et seq.* and 42-128.1 *et seq.*

<sup>17</sup> Information regarding statutory exemptions can be found in Rhode Island Gen. Laws § 42-128.1-8(e).

at risk of lead poisoning, (iii) setting standards for eliminating and reducing lead hazards in buildings and premises, including dwellings where a child under the age of six (6) years who has been lead poisoned resides, (iv) providing information to the public and segments thereof about the risks of lead poisoning, and (v) initiating enforcement actions against persons who violate the provisions of this chapter or regulations promulgated pursuant to this chapter.” R.I.G.L. § 23-24.6-3.

29. The Lead Poisoning Prevention Act and associated regulations also require that owners of non-exempt, pre-1978 properties provide incoming consumer-tenants with the EPA Pamphlet “Protect Your Family from Lead in Your Home,” containing the RIDOH insert, “What You Should Know About the Rhode Island Lead Law.”
30. Pursuant to the provisions of the Lead Poisoning Prevention Act, administrative fines or penalties of up to \$5,000 per violation per day may be assessed for each current or past violation of the Lead Poisoning Prevention Act, regulations promulgated by the Act, and/or any notices, orders, or consent agreements issued pursuant to the Act or RIDOH regulations. *Id.*
31. In conjunction with the Lead Poisoning Prevention Act, the Lead Hazard Mitigation Act seeks to promote the prevention of childhood lead poisoning in Rhode Island with the following goals: “(1) To increase the supply of rental housing in Rhode Island in which lead hazards are, at a minimum, mitigated; (2) To improve public awareness of lead issues and to educate both property owners and tenants about practices that can reduce the incidence of lead poisoning; [and] (3) To resolve disjointed insurance practices arising from lead liabilities exclusions.” R.I.G.L. § 42-128.1-3

32. The Lead Hazard Mitigation Act mandates that property owners of pre-1978 rental dwellings which have not been lead safe or have not been lead hazard abated comply with the following requirements: “(1) Learn about lead hazards by taking a lead hazard awareness seminar, himself or herself or through a designated person; (2) Evaluate the dwelling unit and premises for lead hazards consistent with the requirements for a lead hazard control evaluation; (3) Correct identified lead hazards by meeting and maintaining the lead hazard mitigation standard; (4) Provide tenants: (i) basic information about lead hazard control; (ii) a copy of the independent clearance inspection; and (iii) information about how to give notice of deteriorating conditions; (5) Correct lead hazards within thirty (30) days after notification from the tenant of a dwelling unit with an at risk occupant, or as provided for by § 34-18-22.” R.I.G.L. § 42-128.1-8.
33. A property owner subject to these requirements is required to, among the other duties referenced above, meet and maintain the Lead Hazard Mitigation Standard. This standard provides for “(i) A continuing and ongoing responsibility for lead-hazard control that includes: (A) Repair of deteriorated paint; (B) Correction of dust-generating conditions, such as friction or impact areas; (C) Provision of cleanable surfaces to eliminate harmful dust loading; (D) Correction of soil lead hazards; (E) Safe work practices; (ii) At unit turnover: (A) The provision of information on lead hazards and their avoidance and control to consumer-tenants; (B) Documentation of lead-hazard-mitigation compliance; (C) An explicit process for notification by tenants to property owners of instances of deterioration in conditions effecting lead hazards; and (iii) Maintenance of ‘lead-hazard control.’ ‘Lead-hazard control’ means those portions of the lead-hazard-mitigation standard pertaining to repair of deteriorating paint; correction of dust-generating conditions; provision of

cleanable surfaces; and correction of soil lead hazards that can be identified by visual inspection as provided for in subdivision (9)(ii) or through inspections conducted in accordance with chapter 24.2 of title 45, 'Minimum Housing Standards', and chapter 24.3 of title 45, 'Housing Maintenance and Occupancy Code'." R.I.G.L. § 42-128.1-4.

34. Compliance with the Lead Hazard Mitigation Standard is evidenced by obtaining a lead Certificate of Lead Conformance ("CLC") (or other appropriate lead-safe certification) from either the Department of Health or an Independent Licensed Rhode Island Lead Inspector. These certificates must be renewed every two years, or at unit turnover, whichever is longer. In instances where a tenancy exceeds two years, property owners are still required to obtain visual inspections and submit proper documentation in order for their certificates to remain valid in accordance with Rhode Island Gen. Laws § 42-128.1-4.

35. This CLC requirement is **essential** to the State of Rhode Island's lead poisoning prevention framework, as it is currently the State's primary prevention tool to ensure that landlords have fulfilled their affirmative duty to eliminate conditions conducive to lead poisoning in their properties.

36. Failure to maintain an active CLC or other proper lead certification is detrimental to the health and well-being of consumer-tenants, as childhood lead poisonings routinely occur in units that do not have an active certificate as required by the Lead Hazard Mitigation Act.

**ii. Rhode Island Housing Maintenance and Occupancy Code & Property Maintenance Code**

37. The standards for lead hazard control and lead hazard mitigation in pre-1978 housing are considered basic housing standards. The presence of unmitigated lead hazards in homes

indicate non-compliance with the Lead Hazard Mitigation Act, and is by extension a violation of the Housing Maintenance and Occupancy Code.

38. Violators may thus be subject to civil penalties of \$50 per day for each day that a lead hazard violation persists or \$100 per day for each day an emergency violation persists.

R.I.G.L. § 45-24.3-18.

39. In addition to the Housing Maintenance and Occupancy Code, the RISBC-6 State Property Maintenance Code (hereinafter “Property Maintenance Code” or “PMC”) sets forth the minimum maintenance requirements for existing buildings in the State and creates a pathway for action and enforcement when these minimum standards have been violated.

40. The PMC explicitly prohibits lead-based substances “whenever circumstances present a clear and significant health risk to the occupants of the property” and furthermore prohibits “potentially hazardous material on the interior surfaces of any dwelling unit, rooming house, rooming unit, or facility occupied by children.” 510 R.I. Code R. 00-00-6.5.

41. Because a home built prior to 1978 is presumed to have lead paint, and because disturbed paint is one of the primary causes of childhood lead poisoning, it is a violation of the PMC to fail to repair chipping and peeling paint in pre-1978 homes.

## **B. LAWS GOVERNING RENTAL PROPERTY MANAGEMENT**

42. Landlords are subject to Rhode Island’s various health and safety laws beyond the lead poisoning prevention context that ensure that, when complied with, rental units are fit for human habitation, including the aforementioned Housing Maintenance and Occupancy Code and the Property Maintenance Code.

### **i. Housing Maintenance and Occupancy Code**

43. In enacting the Housing Maintenance and Occupancy Code, the General Assembly found “that there exists, and may in the future exist within the state of Rhode Island, premises, dwellings, dwelling units, rooming units, structures, or parts thereof, which by reason of their structure, equipment, sanitation, maintenance, use, or occupancy, affect or are likely to adversely affect the public health, including the physical, mental, and social well-being of persons and families, safety, and general welfare.” R.I.G.L. § 45-24.3-2.
44. Furthermore, “conditions existing on blighted premises are dangerous to the public health, safety, morals, and general welfare of the people, and [] conditions existing on blighted premises necessitate excessive and disproportionate expenditure of public funds for public health and safety, crime prevention, fire protection, and other public services, and [] the conditions existing on blighted premises cause a drain upon public revenue, impairing the efficient and economical exercise of governmental functions in these areas.” R.I.G.L. § 45-24.3-2.
45. In order to “correct and prevent the existence of these adverse conditions, and to achieve and maintain levels of residential environmental quality as will protect and promote health, safety, and general welfare,” the Legislature established minimum housing standards for the State of Rhode Island. R.I.G.L. § 45-24.3-2 & 3.
46. The Housing Maintenance and Occupancy Code states that “no owner or operator or other person shall occupy, or let to another person, any vacant dwelling, dwelling unit, or structure unless it and the premises are clean, sanitary, fit for human occupancy, and comply with this chapter and all applicable legal requirements of the state and the corporate unit [municipality].” R.I.G.L. § 45-24.3-6(a).

47. The Code further establishes responsibilities of property owners, which include, among other duties: a) not letting to another person any dwelling unit unless it and the premises are clean, sanitary, fit for human occupancy, and comply with the HMOC and all applicable legal requirements of the state; b) maintaining, in a clean and sanitary condition, the shared public areas of dwellings and premises of a multiple dwelling property; c) supplying facilities or containers for the sanitary and safe storage and/or disposal of rubbish and garbage for dwellings containing four or more units; d) providing extermination when the owner fails to maintain a dwelling in a rodent-proof or reasonably insect-proof condition and providing extermination when infestation exists in two or more dwelling units; and e) not accumulating or permitting the accumulation of rubbish, boxes, lumber, scrap metal, or any other materials in a manner that may provide a rodent harborage in or about any dwelling, dwelling unit, or structure. R.I.G.L. § 45-24.3-6.

48. The Rhode Island General Assembly determined that the elimination of blighted premises is in the best interest of the public, finding that the enactment and enforcement of the Code is “essential to the public interest.”

49. Violators of the Code may be subject to civil penalties of \$50 per day for each day each violation persists or \$100 per day for each day an emergency violation persists. R.I.G.L. § 45-24.3-18.

## **ii. Property Maintenance Code**

50. The PMC similarly sets various minimum housing standards in Rhode Island. Under the PMC, property owners have a duty to maintain their properties, such that, *inter alia*, “[e]xterior walls shall be free from holes, breaks, and loose or rotting materials; and

maintained weatherproof and properly surface coated where required to prevent deterioration.” R.I. Property Maintenance Code § 304.6.

**iii. Landlord Tenant Act**

51. Under the Rhode Island Residential Landlord and Tenant Act, the landlord of a property has an affirmative duty to maintain their premises and is required to “comply with the requirements of applicable building and housing codes affecting health and safety.” R.I.G.L. § 34-18-22(a)(1).

**C. UNFAIR TRADE PRACTICE AND CONSUMER PROTECTION ACT**

52. The Rhode Island General Assembly has enacted a statutory framework to ensure fair play and healthy competition within Rhode Island. R.I. Gen. Laws § 6-13.1-5(a). This framework applies to the rental housing market, where deceptive and unfair trade practices must be curtailed.

53. The Unfair Trade Practice and Consumer Protection Act (hereinafter sometimes referred to as the “Consumer Protection Act”) was enacted to prohibit unfair or deceptive practices and provide a remedy for consumers who have sustained a loss. The General Assembly also vested the Attorney General with the authority to investigate and bring an action on behalf of the State to restrain or enjoin the use of a deceptive or unfair practice. § 6-13.1-5(a). In addition, the Attorney General may petition for civil penalties up to \$10,000 **per violation**. R.I. Gen. Laws § 6-13.1-8.

**III. PARTIES**

54. Peter F. Neronha is the Attorney General of the State of Rhode Island (“Attorney General”). The Attorney General is the State of Rhode Island’s chief law enforcement officer and, pursuant to Rhode Island Gen. Laws § 23-24.6-23, the Lead Advocate for the



State of Rhode Island. The Attorney General is authorized to pursue this action by various sections of the General Laws of Rhode Island cited herein, and through his powers *parens patriae*.

55. Dr. Utpala Bandy is the Interim Director of the Rhode Island Department of Health. RIDOH is authorized to pursue this action by various sections of the General Laws of Rhode Island cited herein.

56. Defendant Pioneer Investments, L.L.C. is a Rhode Island limited liability company and owner and/or operator of rental income-producing properties located within the State of Rhode Island. Pioneer was organized in or about 2012, and its principal place of business is 10 Dorrance Street, Suite 700, Providence, Rhode Island 02903.

57. Defendant Anurag Sureka is the president of Pioneer Investments, L.L.C., and a person authorized to act on behalf of the L.L.C. He also owns and operates rental housing units within Rhode Island in his personal capacity. Mr. Sureka is a resident of Massachusetts.

58. Pioneer and Mr. Sureka, as owners of all the properties subject to this action, have control over the operations and management of those properties; make decisions and have control over decisions about compliance with all applicable local, state, and federal housing laws and regulations; and have the ability to prevent violations of all applicable laws and regulations alleged herein but fail to do so.

#### **IV. JURISDICTION & VENUE**

59. Subject matter jurisdiction in this case is properly conferred in this Court pursuant to R.I. Gen. Laws §§ 8-2-13, and 23-24.6-23(c)(1) and (d).

60. Personal jurisdiction over the Defendant Pioneer Investments, LLC in this case is properly conferred in this Court based on the Defendant's presence within Rhode Island, with a

principal place of business in Providence, and ownership of multiple properties leased for residential rental purposes within the state, pursuant to R.I. Gen. Laws § 9-5-33(a).

61. Personal jurisdiction over Defendant Anurag Sureka in this case is properly conferred in this Court based on Defendant's ownership and operation of rental units within the State of Rhode Island, pursuant to R.I. Gen. Laws § 9-5-33(a).

62. Venue is properly placed in this Court pursuant to R.I. Gen. Laws § 9-4-3.

## V. FACTS

**A. PIONEER HAS CONSISTENTLY FAILED TO COMPLY WITH LEAD POISONING PREVENTION LAWS, AND HAS ALLOWED PERVASIVE LEAD-BASED PAINT HAZARDS TO PERSIST ACROSS PIONEER PROPERTIES, WHERE AT LEAST 5 CHILDREN HAVE BEEN LEAD POISONED, IN VIOLATION OF THE LEAD HAZARD MITIGATION ACT, LEAD POISONING PREVENTION ACT, AND OTHER STATE LAWS.**

**i. Pioneer Persistently Disregard their Responsibilities to Obtain Certificates of Lead Conformance for their Rental Units, in Violation of Law.**

63. Pioneer owns and/or operates more than 175 rental units within the State of Rhode Island.

64. All properties owned by Pioneer referenced in this Complaint were built prior to 1978. In fact, according to municipal records, all the units referenced in this Complaint are in properties which were built between 1828 and 1952. Therefore, each property is presumed to contain lead paint.

65. Because the buildings were built prior to 1978 and are non-exempt properties for purposes of the Lead Hazard Mitigation Act, each unit is required to have a Certificate of Lead Conformance ("CLC") which must be renewed every two years, or upon tenant turnover.

66. Presently, at least 140 of Pioneer's rental units lack required active CLCs, in violation of the law.

**ii. Lead-based Paint Hazards are Pervasive Across Pioneer’s Properties, and at Least Five Children Have Been Poisoned While Living in Them Since 2019.**

67. As alleged *supra*, Pioneer currently owns and/or operates more than 175 rental units housed in around 67 properties throughout the State. This does not include units that Pioneer had owned at one point since their incorporation in 2012 but which were sold prior to the filing of this Complaint.

68. Multiple consumer-tenants in Pioneer’s properties report the existence of lead hazards.

69. For instance, one of Pioneer’s consumer-tenants who lives in a pre-1978 property and has a child under the age of 6 reports that, “[t]here continues to be damaged paint throughout my unit, with paint and paint dust falling from the windows and doors.” This damaged paint and dust more likely than not contain lead.

70. Moreover, Pioneer’s consumer-tenants have repeatedly made complaints to Pioneer and various regulators about the condition of Pioneer’s properties.

71. At least 11 children living at Pioneer properties have detectable levels of lead in their blood. At least 5 of those children have been lead poisoned.

72. Rather than perform their statutorily required duties to obtain and renew CLCs for each of their rental units, Pioneer instead engages in what some public health experts refer to as a “canary in the coal mine” approach to lead abatement. In many cases, only *after* a child residing in one of Pioneer’s units – the “canary” – is poisoned will Pioneer attempt to remediate lead hazards and obtain a lead compliance certificate. This practice practically ensures that children will be harmed in order to allow Pioneer to illegally minimize business expenditures and reap maximum profits from families facing a constrained housing market.

73. State health regulations require early lead screenings of most children in the State. When children test for an elevated blood lead level at or above 5  $\mu\text{g}/\text{dL}$ , the Rhode Island Department of Health offers and often completes a lead inspection at the child's residence. Inspectors look for conditions that are conducive to lead poisoning, including chipping and peeling lead paint, lead dust, and deteriorating paint on friction surfaces such as doors and windows. The results are then shared with the owner, and the owner is required to remediate using lead-safe work practices.

74. Even after lead poisonings, Pioneer has misrepresented to consumer-tenants that the units have CLCs that they do not actively have. In one instance, a family of four, including two infants, moved into a Pioneer unit at Property A.<sup>18</sup> After living in Pioneer's unit for about 12 months, the children were tested for lead, and both had been lead poisoned. When the parents inquired with Pioneer about lead hazards, a Pioneer agent believed to be Mr. Sureka, told the parents, "We have lead Certs [sic] for this property." At the time this representation was made, the consumer-tenants' unit did not have a valid, active CLC, and in fact had serious unmitigated lead hazards.

75. Other poisonings have occurred in Pioneer properties. Pioneer purchased Property B, a five-unit rental building, in 2017. Pioneer initially obtained CLCs for each unit but allowed them to lapse, and Property B fell into disrepair.

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<sup>18</sup> To protect the identities of children who have been lead poisoned, and to prevent potential retaliation against complaining tenants, tenants' names and addresses are not provided in this Complaint. The State can, however, provide these names and addresses under seal to the extent necessary and if ordered by the Court to do so.

76. In or around June 2022 a three-year-old living at Property B was lead poisoned. A subsequent inspection determined that Pioneer had allowed lead hazards to persist at Property B.
77. Property C has been owned and/or operated by Pioneer or its agents since 2014. Property C's then-current CLCs were allowed to lapse under the ownership of Pioneer, and a child was subsequently lead poisoned there. After the poisoning, Pioneer corrected the lead hazards and obtained a new CLC but has since allowed that certification to lapse.
78. In all cases in which a child residing in one of Pioneer's properties was poisoned, the properties failed the subsequent RIDOH lead inspection of the premises. Each and every inspection identified hazards on or in the interior paint, exterior paint, and/or soil at the premises. Furthermore, for each of the severe lead poisonings (at or above 10 mcg/dL), RIDOH issued a Notice of Violation to Pioneer. These notices required Pioneer to remediate the lead hazards within thirty days. However, Pioneer failed to fully comply within thirty days as required by law.
79. Pioneer's periods of noncompliance each began 30 days after the issuance of the first Notice of Violation and ended upon their receipt of the proper lead certificate (or granting by RIDOH of an extension to come into compliance). In the cases where a Notice of Violation was issued, Pioneer remained out of compliance for more than 75 days across three properties.
80. Penalties for these periods of noncompliance may be as high as \$5,000 per day, for a total of approximately \$375,000 for these violations alone.

**B. PIONEER HAS VIOLATED RHODE ISLAND'S CONSUMER PROTECTION ACT, HOUSING MAINTENANCE AND OCCUPANCY CODE, AND PROPERTY MAINTENANCE CODE.**

81. Rhode Island's Consumer Protection Act, R.I.G.L. § 6-13.1-1 defines illegal unfair and deceptive practices as, *inter alia*:

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(ii) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services

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(v) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he or she does not have

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(xiii) Engaging in any act or practice that is unfair or deceptive to the consumer

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(xviii) Representing that work has been performed on or parts replaced in goods when the work was not in fact performed or the parts not in fact replaced

i. **Pioneers' Collection of Deceptive Late Fees violates the Consumer Protection Act.**

82. When Pioneer maintains a written lease with a consumer, the lease terms often provide that a late fee of \$5 per day will be assessed after the fifth day late and in a compounding manner. However, if a tenant is more than five days late, Pioneer has attempted to assess a flat \$75 late fee without regard to how many days the consumer-tenant is overdue.

83. In one instance, the consumer-tenant paid rent monthly on the 15<sup>th</sup> of each month. When the consumer-tenant's rent was late, Pioneer filed an eviction action against her. During the proceedings, the consumer-tenant became aware that she had been paying a \$75 late fee every month on top of the stated monthly rent. She had believed that the figure she had been paying – which included the \$75 fee – had been the baseline rent for the years she had been renting from Pioneer.

84. Pioneer also has a pattern of attempting to assess late fees on consumer-tenants who paid rent timely, and requiring them to demonstrate to Pioneer that they have already paid their rent.

85. Pioneer's practice of indiscriminately collecting set late fees, regardless of the timeliness of the rent, is deceptive because it is contrary to the plain language contained in lease agreements, and as evidenced by the number of consumer-tenants who did not understand that late fees were being assessed in contravention of their written leases. It is moreover unfair to require consumer-tenants to take affirmative action, like demonstrating that timely payment was made, before agreeing to forgo the fee.

**ii. Pioneer's Failure to Maintain Their Rental Properties Violates the Consumer Protection Act.**

86. Pioneer's allowance of persistent, egregious Housing Maintenance and Occupancy Code and Property Maintenance Code violations at their rental properties are unlawful practices in the sale or lease of a good or service and therefore constitute unfair conduct actionable under the Consumer Protection Act.

**1. Heating**

87. Pioneer has variously advertised or represented to potential renters their apartments as heat included or electricity included. After applying for apartments, consumer-tenants have found that a utility they thought would be included is not in fact included, or that after the tenancy has commenced Defendant has not made the promised improvements.

88. Moreover, Pioneer has, on multiple occasions, failed to maintain basic heating systems in their consumer-tenants' homes. Multiple consumer-tenants report heat either being altogether nonfunctional or mostly ineffective. Pioneer' jury-rigged and patchwork repairs of their heating systems have forced consumer-tenants to endure unsafe conditions in order to obtain heat, or at times go without, even in winter. Further, the supplemental use of electric space heaters has required consumer-tenants to spend more on electricity to supplement the lack of gas or oil heating.

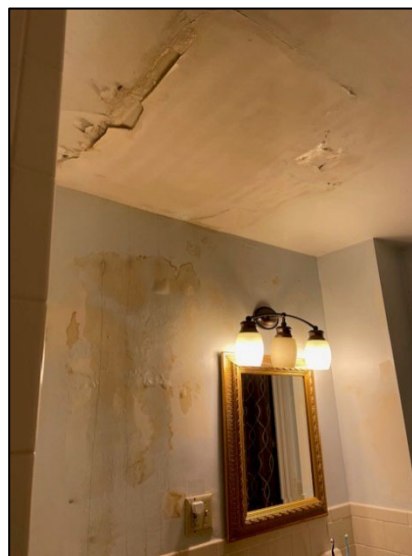
89. Heat is an essential component of the habitability of a dwelling and renters often make choices based on their assessment of the availability, price, and quality of heat. By deceptively advertising, making improper representations, and failing to repair broken heating systems in an acceptable manner, Pioneer engaged in a deceptive practice by misrepresenting the quality of their housing. Pioneer also engaged in an unfair practice by enticing renters to choose their units over other units in the market that properly disclosed the state of the heating system and made proper repairs.

## **2. Water and Plumbing Leaks**

90. Pioneer has repeatedly ignored or failed to adequately repair plumbing issues in their homes. Numerous consumer-tenants report that their ceilings are discolored from water dripping into their units from units above, leaking roofs during rain, burst pipes, and bathtubs and sinks that do not drain properly, sometimes for days at a time. Failure to maintain other property fixtures such as windows and doors exacerbates the issues, allowing flooding to occur and causing further damage to consumer-tenants' personal items. While waiting for repairs after long delays and which sometimes never come, consumer-tenants have lived with stained ceilings, collapsing ceilings, holes in the walls, and the stench of sewage. Pioneer has demanded that consumer-tenants pay surcharges for emergency plumbing work, in violation of Pioneer's obligation to provide a habitable dwelling and their consumer-tenants' reasonable expectations upon leasing Pioneer's properties.

91. The following images provided by Pioneer's current and former consumer-tenants depicting various Pioneer properties are representative of the issues described:





92. As a result of persistent leaks, water damage, and neglect, consumer-tenants have been forced to live in apartments that contain mold in their cabinets, walls, and floors. Pioneer has responded inadequately to consumer-tenants' complaints about the mold, with maintenance staff either telling consumer-tenants to remove the mold themselves, or by failing to address the underlying problem causing the mold. As a result of persistent mold in their apartments, consumer-tenants have been forced to live in conditions that threaten their health.

93. Working water and plumbing and intact ceilings and walls are essential elements of a habitable dwelling. By offering apartments for rent and subsequently failing to maintain the plumbing and water systems, leading to catastrophic failures and health hazards that are not timely or adequately mitigated, Pioneer actively deceives prospective renters into entering into and continuing their leases. Moreover, these misrepresentations and failures to maintain basic systems are unfair market practices because they disadvantage landlords that adequately and timely repair their rental units.

### **3. Rodent Infestations**

94. Pioneer's consumer-tenants have experienced rodent infestations so severe that they report rodents living and dying in walls and ceilings. One consumer-tenant reported that rats can be heard running through the walls and ceilings at all hours of the day, and in some instances, their urine and fecal matter discolor the ceilings and make the units smell of decaying rodent carcasses. Pioneer has either ignored these problems or has taken inadequate steps to exterminate and trap these pests and repair the rental premises to prevent their further infiltration.

95. Pioneer has been cited by municipal code enforcement for their infestations multiple times, sometimes at the same property.

96. Indeed, local code reports have indicated a "serious rodent infestation" in one of Pioneer's properties, and the presence of one of Pioneer's dumpsters overflowing with garbage and attracting pests.

97. Eliminating pests dangerous to human health in compliance with local code is an essential element of a habitable dwelling. By offering apartments for rent and subsequently failing to maintain their properties in a manner free from prohibited pests, Pioneer actively deceived prospective renters into entering into and continuing their leases. Moreover, these misrepresentations and failures to maintain their premises are unfair practices because they disadvantage landlords that adequately and timely engage in pest abatement.

#### **4. Other Safety Hazards**

98. Consumer-tenants at multiple properties report a disregard for basic safety in Pioneer properties. Consumer-tenants report, for example, fire alarms pulled down from the ceilings, cracking foundations, dilapidated siding, peeling and chipping paint, multiple

units connected to one electrical circuit, and fire escapes which fail to go to the ground floor.

99. The following images provided by Pioneer's current and former consumer-tenants depicting various of Pioneer properties are representative of the issues described:



100. Pioneer properties have been subject to numerous code enforcement violations notices, which in some instances they have responded to in merely a superficial manner rather than substantively attempting to correct the hazards. This is deceptive to consumer-tenants who have a reasonable expectation that their landlord will observe applicable housing and safety codes.

101. Pioneer has used their position of power over their consumer-tenants to threaten them when they complain to both the landlords and code enforcement, both of which are

protected legal actions. Landlord retaliation against consumer-tenants who complain of housing code violations is unfair, unethical, and contrary to public policy.

102. Pioneer has consistently failed to maintain their premises in a manner consistent with the Property Maintenance Code, Housing Maintenance and Occupancy Code, and related state law and regulation.

103. Moreover, as alleged *supra*, Pioneer has repeatedly failed to furnish apartments with the requisite Certificates of Lead Conformance to paying consumer-tenants, and Pioneer's consumer-tenants have observed significant lead hazard violations at Pioneer's properties.

104. By offering units for rent, Pioneer represented to the marketplace that they were in compliance with all applicable laws. Pioneer did not attain or maintain compliance throughout their holdings however, and through these practices Pioneer actively deceived prospective renters into entering into and continuing their leases. Moreover, these misrepresentations and failures to maintain their premises are unfair practices because they disadvantage landlords that follow the law.

**iii. Pioneers' Failure to Respond to Reasonable Requests for Maintenance is also a Consumer Protection Act Violation.**

98. Pioneer's written leases with consumer-tenants often include as a term that Pioneer will be responsible for "major maintenance and repair."

99. Pioneer also maintains a practice of ignoring maintenance requests from consumer-tenants, which is unfair. Upon signing a lease, some consumer-tenants are provided a sheet instructing them how to lodge maintenance requests. At various points in time, instructions have either directed consumer-tenants to send a text message to one of Pioneers' agents or lodge requests in an online maintenance portal.

100. Multiple consumer-tenants stated that Pioneer fail to check on or respond to requests in the maintenance portal altogether. Consumer-tenants report that the best way to receive a response is to text a group thread believed to include a mixture of the Pioneer management team, usually including Defendant Sureka and various other Pioneer agents. However, many consumer-tenants reported that a common response to requests is simply no response at all.

101. When Pioneer does reply to consumer-tenants, they frequently make representations that the issue will be resolved. In some instances, it has taken weeks or months for routine issues to be remedied; in other instances, it has taken weeks or months for Pioneer to even bring a contractor out for a quote only to not hire them. This left consumer-tenants with the impression that their issue would soon be resolved, when in fact Pioneer did not retain a contractor to repair the property.

102. Representing to consumer-tenants that repairs will be handled by the landlord who then fails to adequately address the repairs is material and misleading. Pioneer's repeated behavior is a deceptive practice that entices consumer-tenants to enter into and continue their leases.

**iv. Pioneers' Failure To Provide Consumer-Tenants With Accurate Information About Lead In Their Homes Violates the Consumer Protection Act.**

135. Since 1996, the federal government has required lessors and sellers of housing constructed before 1978 to provide all lessees and purchasers with disclosures concerning

the presence of any known lead-based paint and/or lead based paint hazards, as well as EPA-approved lead hazard information pamphlets.<sup>19</sup>

136. Rhode Island state law requires landlords to provide a state version of the EPA pamphlet “Protect Your Family from Lead in Your Home,” and keep written proof of its distribution to the consumer-tenants for three (3) years or the term of the tenancy, whichever is longer.

137. Some of Pioneer’s consumer-tenants report that Pioneer did not provide required disclosures about the presence and dangers of lead upon move-in, as required by state and federal law.

138. One Pioneer tenant states, “When I signed my lease, it was disclosed to me at that time that the [sic] Pioneer had no knowledge of lead-based paint and/or lead-based paint hazards in the house and unit.”

139. Other consumer-tenants report receiving no lead disclosures or acknowledgements whatsoever.

140. Failing to provide these legally required lead disclosures to consumer-tenants constitutes a dangerous, unethical, and unfair practice that violates the Consumer Protection Act.

**COUNT I: PUBLIC NUISANCE**  
**(Asserted Only by The Rhode Island Office of the Attorney General)**

141. The Attorney General hereby realleges and incorporates by reference herein, the allegations contained in Paragraphs 1 through 140, above, as if set forth in full.

142. Pursuant to R.I. Gen. Laws § 10-1-1 *et seq.*, the Attorney General may bring an action in the name of the state to “abate the nuisance and to perpetually enjoin the person or persons maintaining the nuisance and any or all persons owning any legal or equitable interest in

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<sup>19</sup> 40 C.F.R. §§ 745.102 and 745.107. EPA approved pamphlets are required to include a Rhode Island specific insert in this state.

the place from further maintaining ... the nuisance either directly or indirectly.” Similarly, where, as here, the interests in the health and well-being of the People of the State of Rhode Island are implicated and there is harm and potential for further harm to a substantial segment of the Rhode Island population, the Attorney General possesses *parens patriae* standing to commence legal action against Pioneer to stop their unlawful practices.

143. *Wherefore*, the extraordinary circumstances surrounding the state of Pioneer’s properties indicate that Pioneer is incapable of operating without court supervision, this Court should enjoin the nuisance at Pioneer’s properties, order remediation of the properties, and appoint a receiver to oversee the performance of Pioneer’s obligations under the law.

## **COUNT II: VIOLATIONS OF THE LEAD HAZARD MITIGATION ACT**

144. The Attorney General and Interim Director hereby reallege and incorporate by reference herein, the allegations contained in Paragraphs 1 through 143, above, as if set forth in full.

145. Pursuant to the Lead Hazard Mitigation Act, Pioneer’s properties are subject to the Lead Hazard Mitigation Standard. *See* R.I. Gen. Laws § 42-128.1-1 *et seq.* Nevertheless, Pioneer has failed to abide by their responsibilities under state law, renting out dwelling units without mitigating lead hazards or obtaining proof that they have done so.

146. *Wherefore*, The Attorney General and Interim Director respectfully ask that this Court issue an Order:

- a. Finding that Pioneer has violated the Lead Hazard Mitigation Act with regard to lead hazard violations that exist at the properties;
- b. Finding that Pioneer have violated the Lead Hazard Mitigation Act by failing to maintain active Certificates of Lead Conformance where required;

- c. Requiring Pioneer to cease and desist from engaging in behaviors and actions which violate the Act, including by remediating unmitigated lead hazards in all Pioneer properties;
- d. Granting such other and further relief as is appropriate and necessary.

**COUNT III: VIOLATIONS OF THE LEAD POISONING PREVENTION ACT**

147. The Attorney General and Interim Director hereby reallege and incorporate by reference herein, the allegations contained in Paragraphs 1 through 146, above, as if set forth in full.

148. Pursuant to RIDOH Regulation 216 R.I. Code R. 50-15-3.2, and the enabling act contained in R.I. Gen. Laws § 23-24.6-1 *et seq.*, Pioneer’s properties are subject to lead regulation by the Department of Health.

149. *Wherefore*, this Court should find that Pioneer have violated the Lead Poisoning Prevention Act, R.I. Gen. Laws § 23-24.6-1 *et seq.*, with regard to lead hazard violations that existed at the properties described in this Complaint, and order the payment of payment of penalties and fines as allowed by law.

**COUNT IV: VIOLATIONS OF THE RESIDENTIAL LANDLORD AND TENANT ACT**

150. The Attorney General and Interim Director hereby reallege and incorporate by reference herein, the allegations contained in Paragraphs 1 through 149, above, as if set forth in full.

151. R.I.G.L. § 34-18-22(a)(1)-(2) requires landlords to “make all repairs and do whatever is necessary to put and keep the premises in a fit and habitable condition,” and “comply with ...building and housing codes affecting health and safety.”

152. *Wherefore*, this Court should enjoin Pioneer’s unlawful conduct in violation of Rhode Island’s Landlord and Tenant Act and order remediation of Pioneer properties.

**COUNT V: VIOLATIONS OF THE RHODE ISLAND**



**PROPERTY MAINTENANCE CODE & HOUSING MAINTENANCE AND  
OCCUPANCY CODE**

153. The Attorney General and Interim Director hereby reallege and incorporate by reference herein, the allegations contained in Paragraphs 1 through 152, above, as if set forth in full.
154. The Building Code Standards Committee, in accordance with the rulemaking authority of R.I. Gen. Laws §§ 23-27.3-109.1(a) through (c) inclusive, formally adopted and promulgated the Rhode Island Property Maintenance Code, pursuant to the provisions of the International Property Maintenance Code, 2018 edition, as published by the International Code Council, Inc. (ICC), together with amendments set forth to the articles and sections of 510 R.I. Code R. 00-00-6.1.
155. This Property Maintenance Code, as adopted and promulgated, states that, “[t]he owner of the premises shall maintain the structures and exterior property in compliance with these requirements, except as otherwise provided for in this code. A person shall not occupy as owner-occupant or permit another person to occupy premises that are not in a sanitary and safe condition and that do not comply with the requirements of this chapter.”
156. The Housing Maintenance and Occupancy Code states that “no owner or operator or other person shall occupy, or let to another person, any vacant dwelling, dwelling unit, or structure unless it and the premises are clean, sanitary, fit for human occupancy, and comply with [the Housing Maintenance and Occupancy Code] and all applicable legal requirements of the state the corporate unit [municipality].” R.I.G.L. § 45-24.3-6.
157. The presence of unmitigated lead hazards in non-exempt rental homes, and failure to maintain CLCs, indicate non-compliance with the Lead Hazard Mitigation Act, and is by extension a violation of the Housing Maintenance and Occupancy Code, and is further a violation of the Property Maintenance Code.

158. *Wherefore*, this Court should enjoin Pioneers' unlawful conduct in violation of Rhode Island's Property Maintenance Code and Housing Maintenance and Occupancy Code, and order the payment of payment of penalties and fines as allowed by law.

**COUNT VI: VIOLATIONS OF THE DECEPTIVE TRADE PRACTICES ACT**  
**(Asserted Only by The Rhode Island Office of the Attorney General)**

159. The Attorney General hereby realleges and incorporates by reference herein, the allegations contained Paragraphs 1 through 158, above, as if set forth in full.

160. Making false and/or misleading statements to consumer-tenants and prospective consumer-tenants about the quality, nature, and certification of their rental units, and failing to provide adequate lead disclosures and CLCs required by law are unfair methods of competition and unfair and deceptive acts and practices in violation of R.I.G.L. § 6-13.1-2 *et seq.*

161. Pioneer has, for example, made false and misleading statements to consumer-tenants and government officials that they or their services have sponsorship, approval and certifications that they do not have, in violation of Rhode Island Gen. Laws § 6-13.1-1 *et seq.*, by representing to consumer-tenants that they offer residential dwelling units which conform to material provisions of State law when, in fact, their units frequently did not conform to State law.

162. Pioneer has engaged in actions which are unfair methods of competition and/or unfair or deceptive to consumer-tenants by:

- i. Attempting to assess late fees to consumer-tenants that are inconsistent with the terms of the lease;

- ii. Misrepresenting and/or mischaracterizing to consumer-tenants what utilities are included under the lease or rental agreement;
- iii. Representing to consumer-tenants that certain utilities are covered by Pioneer and then failing to maintain their properties in such a condition that allowed consumer-tenants to reap the benefits of those utilities;
- iv. Representing to consumer-tenants that certain utilities will be included in the price of rent, when in fact Pioneer has failed to reliably and timely pay heating, water, and electricity bills, resulting in shutoffs for consumer-tenants for disparate lengths of time;
- v. Representing to consumer-tenants that their dwellings are safe and habitable when in fact they were frequently unsafe, not habitable, toxic, and not maintained;
- vi. Representing to consumer-tenants that the costs of certain repairs would be borne by Pioneer, and then attempting to shift the cost of repairs onto consumer-tenants;
- vii. Representing to consumer-tenants that maintenance has been or will be performed in their units when in fact the maintenance was not performed;
- viii. Representing to consumers that they are behind on rent when they are not in fact behind on rent, and shifting the burden of proving that they are up-to-date on rent to the consumer-tenants;
- ix. Representing to consumer-tenants or prospective consumer-tenants that they would engage in adequate repairs in a timely manner, when in fact they

frequently do not engage in necessary repairs in a timely manner, and often fail to fully address safe-housing issues;

- x. Failing to provide legally-required lead disclosures to consumer-tenants;
- and
- xi. Failing to maintain CLCs in units required by law to maintain them.

163. *Wherefore*, this Court should enjoin Pioneer from engaging in unfair or deceptive trade practices in violation of the Consumer Protection Act; take any necessary action to restore to consumer-tenants and the state any money or property that may have been acquired by any unfair method of competition or unfair or deceptive trade practices, including requiring restitution to be paid to Pioneers' consumer-tenants harmed by their deceptive and unfair conduct or by disgorgement of profits; and assess a civil penalty up to \$10,000 for each violation of the Deceptive Trade Practices Act.

#### **PRAYER FOR RELIEF**

**WHEREFORE**, The Attorney General and Interim Director pray for a judgment against Pioneer, jointly and severally, as follows:

1. Ordering Pioneer to perform the following actions:
  - a. within 30 days of the judgment, through a RIDOH-Licensed Lead Inspector approved by the Attorney General and appointed at Pioneer's expense, have a lead hazard mitigation independent clearance inspection or comprehensive environmental lead inspection performed at each residence they own and/or manage in Rhode Island;
  - b. for each property where lead hazards are identified by the RIDOH-

- Licensed Lead Inspector, prepare a work plan for removing and/or remediating all conditions conducive to lead poisoning and all other code violations, within 15 days of receipt of such inspection report;
- c. for each property where lead hazards are identified by the RIDOH-Licensed Lead Inspector, fully correct all lead hazards or violations within 45 days of the inspection date or an otherwise appropriate timeframe using RIDOH Licensed Lead Professionals and properly trained and licensed workers and in full compliance with the Property Maintenance Code, Housing Maintenance and Occupancy Code, Lead Hazard Mitigation Act, Lead Poisoning Prevention Act, and all other local, state and federal laws;
  - d. bring each property in full compliance with the Housing Maintenance and Occupancy Code and Property Maintenance Code.
2. Ordering the appointment of an independent monitor to oversee and report on Pioneer's compliance with their obligations to assess each property and correct conditions in full compliance with state and federal laws and regulations; such monitor to be fully paid by Pioneer and subject to the approval of the Attorney General.
  3. Ordering Pioneer, for each property where work will be undertaken, to correct lead hazards and other housing code violations, to provide consumer-tenants with safe and conveniently located accommodations while work is being performed.
  4. Ordering Pioneer, for as long as they own and/or manage residential rental properties in the state of Rhode Island, to hire a RIDOH-Licensed Lead Inspector to inspect and perform lead dust clearances at each residence they now or in the future own and/or manage in

Rhode Island before a new tenant moves into the residence and at a minimum of once every 6 months for lead hazards, and to remedy all such conditions within 30 days of such inspection, using a firm not associated in any manner with Pioneer and properly trained workers and in full compliance with all local, state, and federal laws;

5. Ordering Pioneer to provide, within 15 days of the judgment, every lessee in each residential property they now or in the future own and/or manage in Rhode Island with a full and accurate lead disclosure statement that conforms to the content required by the state and federal lead disclosure rules, and a copy of the EPA-approved lead hazard information pamphlet with the appropriate Rhode Island specific insert;
6. Ordering Pioneer to provide the Attorney General and Interim Director, within 15 days of the judgment, a list of each property owned and/or managed by Pioneer in Rhode Island and further mandating that Pioneer provide an updated, accurate list containing all such information on the first of every month thereafter for 3 years from the date of judgment;
7. Ordering Pioneer to provide, within 15 days of judgment, full and complete information about the property owners and property managers for each residential rental property Pioneer owns in Rhode Island and further mandating that Pioneer provide an updated, accurate list containing all such information on the first of every month thereafter for 3 years from the date of judgment;
8. Ordering Pioneer to file reports generated by the independent monitor with the Office of the Attorney General at Pioneer's expense, regarding:
  - a. Pioneers' compliance with paragraph 1 above, such reports to be filed each month until all work required by paragraph 1 is complete; and Pioneers' compliance with paragraph 3 and 4 above within 180 days of the judgment

- and subsequent reports every 6 months for 3 years following the date of judgment. At the independent monitor's discretion, the monitor may require production of EPA lead certification, RIDOH licensure and/or certification, or additional information relevant to Pioneer's compliance with any orders of the Court;
9. Ordering Pioneer to post an appropriate performance bond to assure compliance with all legal obligations and injunctive relief;
  10. Appointing a receiver to immediately collect, hold in escrow, and disburse rent monies on properties Pioneer currently owns or manages, such that Pioneer shall not be entitled to receive proceeds of rent until the Attorney General has certified that Pioneer have complied with their obligations to have a risk assessment performed at each property they own and/or manage in Rhode Island and remedy every property of all lead hazards;
  11. Permanently enjoining Pioneer from further illegal acts relating to lead disclosures;
  12. Ordering Pioneer to respond to tenant maintenance requests with 24 hours of each complaint;
  13. Awarding restitution to Pioneer's consumer-tenants who were provided with false or misleading lead disclosures by Pioneer and to the respective municipalities and the State for failing to comply with the Consumer Protection Act and various state laws;
  14. Ordering disgorgement of profits earned by means of illegal conduct;
  15. Ordering Pioneer to pay fines and penalties in an amount to be determined by the Court;
  16. Retaining jurisdiction over this matter to assure compliance with any Orders and Judgments in this action;
  17. Granting such other and further relief as this Court deems just and equitable in accordance with the facts of this case.

Respectfully submitted,

**STATE OF RHODE ISLAND;**

**PETER F. NERONHA  
ATTORNEY GENERAL;**

**DR. UTPALA BANDY  
DEPARTMENT OF HEALTH**

By Their Attorneys:

**PETER F. NERONHA  
ATTORNEY GENERAL**

*/s/ Keith Hoffmann*

**KEITH HOFFMANN** (Bar No. 9874)

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