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Legal Alert

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Jury Awards \$3.5 Million for Bed Bugs

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A jury in Los Angeles recently awarded \$3,500,000 to sixteen current and former residents against the owner of their apartment community based upon a bed bug infestation. This follows a jury award of \$546,000 against a hotel in Rancho Cucamonga also based on bed bugs.

Lawsuits based upon bed bug infestations in rental housing have become increasingly prevalent in California and, due to the large damage awards which have been obtained, bed bug litigation will likely increase.

Now more than ever, owners and managers of rental property must have a cohesive risk management plan to address bed bugs, and bed bug claims, if and when they arise.

Insuring Against Risk

Property owners may wish to consult with their insurance agent to discuss whether bed bug-related claims would be covered under their insurance policies. If current insurance policies don't provide coverage, adding coverage for this risk should be investigated.

Bed Bugs Can Be Found Even In Well-Run Multi Family Communities

Although bed bugs are associated with the indigent, bed bugs are an equal opportunity pest. A steady increase in international travel and a ban on the pesticide DDT has allowed them to flourish in the United States once again. Bed bugs do not discriminate. They can invade even the most luxurious apartment communities. Once they make themselves at home, they can be extremely difficult to eradicate if all tenants don't completely and fully cooperate with treatment.

AB 551

The California legislature passed <u>AB 551</u> to address issues associated with bed bugs in the residential landlord-tenant relationship. It imposes a number of obligations on residential landlords, including the obligation to provide a specific bed bug notice to tenants. An article with information about AB 551 (which established Civil Code §1954.603 and other laws relating to bed bugs and the landlord-tenant relationship) is available at <u>http://clientportal.kts-law.com/resource_library/breg/documents/BedBugsandAB551.pdf.</u>

Bed Bug Lease Provisions

Trying to elicit tenant cooperation can be one of the most challenging aspects of a bed bug problem. Well-drafted pest and bed bug lease provisions can be a helpful landlord tool to educate tenants about bed bug issues and how to avoid bed bug infestations.

- The notice required under AB 551 (codified in Civil Code §1954.603) is meant to educate tenants about bed bug issues.
- Many landlords provide even more extensive provisions in their lease or a lease addendum in a comprehensive Bed Bug and Pest Addendum. The more extensive provisions (which contain language beyond that required in Civil Code §1954.603) describe additional tenant

obligations relating to bed bugs and pests, and require tenant cooperation if bed bugs or other pests are found.

Educational Resources

Landlords and property managers may also seek education for bed bug prevention and treatment by reviewing educational information provided on the following websites:

- (1) California Department of Public Health <u>http://www.cdph.ca.gov/Programs/CID/DCDC/Pages/BedBugs.aspx</u>
- (2) County of Los Angeles Public Health <u>http://www.publichealth.lacounty.gov/docs/BedBugSBPresentation.pdf</u>

This information can be helpful for landlords, property managers and tenants. Educating tenants about bed bugs may help elicit tenant cooperation.

HUD Guidelines for Bed Bug Treatments in HUD Properties

HUD has issued guidelines for bed bug treatment in HUD properties. HUD Notice 2012-5 is available at https://www.hud.gov/sites/documents/12-05HSGN.PDF .

Pest Management Professionals

A knowledgeable pest management professional can be a valuable resource to landlords dealing with bed bug problems.

Landlords facing a potential bed bug lawsuit should promptly seek legal assistance. If you are facing a bed bug lawsuit and are interested in a free initial consultation please contact Eli A. Gordon at <u>eli.gordon@kts-law.com</u> or 800-577-4587.

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