



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

AUG 16 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jose A. Cepeda-Rodriguez
Cepeda Law Offices
Suite 906, The Hato Rey Center
268 Ponce de Leon Avenue
Hato Rey, Puerto Rico 00918-2004

Re: Consent Agreement and Final Order
In the Matter of Lanco & Harris Corp.
Docket No. CAA-04-2012-1509(b)

Dear Mr. Cepeda-Rodriguez:

Enclosed please find a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk as directed in Section 22.5(a) of the Consolidated Rules of Practice, as amended. Please refer to Section IV (Final Order), for the terms and instructions regarding Lanco & Harris Corp.'s final payment on the penalty due. Any questions regarding the processing of Lanco & Harris Corp.'s penalty may be directed to Ms. Heather Russell, Financial Management Office, at (513) 487-2044.

If you have any other questions, please contact Chetan Gala of the South Air Enforcement Section at (404) 562-9746 or Michiko Kono, Associate Regional Counsel, at (404) 562-9558.

Sincerely,

A handwritten signature in black ink that reads "Beverly A. Spagg".

Beverly A. Spagg
Chief
Air and EPCRA Enforcement Branch

Enclosure

5. Respondent is a “person” as defined in CAA § 302(e), 42 U.S.C. § 7602(e).
6. Respondent is a corporation whose main business is the manufacture and/or distribution of architectural coatings and is therefore subject to the requirements of 40 C.F.R. Part 59, Subpart D.
7. Respondent is a “manufacturer” and/or “importer” of architectural coatings as defined at 40 C.F.R. § 59.401.
8. Respondent’s corporate headquarters and sole place of business is located at: 600 Mid Florida Drive, Orlando, Florida 32824. Respondent’s sole manufacturing facility is at this location.
9. The federal regulations implementing Section 183 of the CAA describe reporting requirements for manufacturers and/or importers of architectural coatings. The regulations include a requirement that each manufacturer and importer of any architectural coating submit an initial notification report no later than September 13, 1999, or within 180 days after the date that the first architectural coating is manufactured or imported, whichever is later. See 40 C.F.R. §§ 59.400, 59.408(b).
10. Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413 (d), and 40 C.F.R. Part 19, EPA may assess a penalty of not more than \$27,500 per day for each violation that occurred on or after January 31, 1997, not more than \$32,500 per day for each violation that occurred after March 15, 2004, and not more than \$37,500 per day for each violation that occurred after January 12, 2009.
11. Consistent with Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), the requisite joint determination has been made by EPA and the United States Department of Justice that this matter is appropriate for administrative penalty action.

II. Factual Allegations

12. Lanco & Harris Corp. commenced operation on or about July 13, 2003. Under 40 C.F.R. § 59.408(b), Lanco & Harris Corp. was required to submit an initial notification report within 180 days after the date the first architectural coating was manufactured or imported. Lanco & Harris Corp.’s initial notification was due to EPA by January 8, 2004. Lanco & Harris Corp. did not provide initial notification until April 26, 2010; therefore, Lanco & Harris Corp. violated 40 C.F.R. § 59.408(b).
13. On or about April 26, 2010, in response to an information request letter sent by EPA pursuant to Section 114 of the Act, 42 U.S.C. § 7414, Lanco & Harris Corp. provided EPA with the initial notification.

III. Consent Agreement

14. As provided in 40 C.F.R. § 22.18(b)(2), for the purposes of this CAFO, Respondent admits the jurisdictional allegations in paragraphs 1 through 11 set out above, but neither admits nor denies the factual allegations in paragraphs 12 through 13 set out above.
15. As provided in 40 C.F.R. § 22.18(b)(2), for the purposes of this CAFO, Respondent waives any rights to contest the allegations listed above and its right to appeal the proposed final order accompanying this consent agreement. Accordingly, Respondent waives its right to a hearing on the allegations contained herein.
16. As provided in 40 C.F.R. § 22.18(b)(2), Respondent consents to the assessment of the civil penalty set forth in this CAFO.
17. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with the compliance requirements of 40 C.F.R. Part 59, Subpart D.
18. As provided in 40 C.F.R. § 22.18(b)(2), compliance with this CAFO shall resolve Respondent's liability for Federal civil penalties for the violations alleged herein. This CAFO shall not in any case affect the right of the EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law.
19. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of the CAA.

IV. Final Order

20. Respondent shall pay a civil penalty of **SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500)**.
21. Respondent shall pay the penalty **within 30 days** of the effective date of the CAFO by forwarding a cashier's or certified check in the amount specified in paragraph 20, payable to: "Treasurer, United States of America," to the following address:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

The check shall reference on its face the name and the Docket Number of the CAFO (Lanco & Harris Corp., Docket Number CAA-04-2012-1509(b)).

Alternatively, **within 30 days** of the effective date of the CAFO, Respondent shall pay the penalty by wire transfer. The wire transfer shall be directed to the Federal Reserve Bank of New York, as described below.

Federal Reserve Bank of New York
ABA: 021030004
Account Number: 68010727
SWIFT address: FRNYUS33
33 Liberty St.
New York, NY 10045
Field Tag 4200 of the Fedwire message should read:
"D 68010727 Environmental Protection Agency"

The wire transfer shall reference the name of the Respondent and the Docket Number of the CAFO (Lanco & Harris Corp., Docket Number CAA-04-2012-1509(b)).

22. At the time of the payment, Respondent shall send a separate copy of the check or send a copy of the wire transfer authorization form and transaction record, and a written statement that payment has been made in accordance with this CAFO, to the following persons:

Regional Hearing Clerk
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960

Chetan Gala
Air and EPCRA Enforcement Branch
Air, Pesticides and Toxics Management Division
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303

Saundi Wilson (OEA)
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303

23. Pursuant to 31 U.S.C. § 3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the payment referenced in paragraph 19, from the effective date of this CAFO, if any such payment is not paid by the date required.

Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 4 C.F.R. § 102.13(c). A charge will be assessed to cover the costs of debt collection for any portion of the debt that remains delinquent more than ninety (90) days after payment is due.

24. The penalty described in paragraph 20, shall represent civil penalties assessed by Complainant within the meaning of section 162(f) of the Internal Revenue Code, 26 U.S.C. § 162(f), and is not a tax-deductible expenditure for purposes of federal law.
25. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
26. This CAFO shall not relieve Respondent of its obligation to comply with all applicable provisions of federal, state, or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.
27. This CAFO shall be binding upon the Respondent, its successors and assigns.
28. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally bind that party to it.
29. The following individual is authorized to receive service for EPA in this proceeding:

Chetan Gala
Air Enforcement and EPCRA Branch
Air, Pesticides and Toxics Management Division
U.S. EPA – Region 4
61 Forsyth Street, S.W.
Atlanta, GA 30303

(404) 562-9746

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CERTIFICATE OF SERVICE

I hereby certify that on the date set out below, I filed the original and one copy of the foregoing Consent Agreement and Final Order and served a true and correct copy of the foregoing Consent Agreement and Final Order, in the Matter of: Lanco & Harris Corp., Docket No. CAA-04-2012-1509(b), to the addressees listed below.

Jose A. Cepeda-Rodriguez
Cepeda Law Offices
Suite 906, The Hato Rey Center
268 Ponce de Leon Ave.
Hato Rey, Puerto Rico 00918-2004

(via Certified Mail, Return Receipt Requested)

Chetan Gala
U.S. EPA, Region 4
Air, Pesticides, and Toxics
Management Division
61 Forsyth St., SW
Atlanta, GA 30303

(Via EPA's internal mail)

Michiko Kono
U.S. EPA, Region 4
Office of Environmental Accountability
61 Forsyth St., SW
Atlanta, GA 30303

(Via EPA's internal mail)

Date: 8-16-12



Patricia A. Bullock, Regional Hearing Clerk
United States Environmental
Protection Agency, Region 4
Atlanta Federal Center
61 Forsyth Street, S.W.
Atlanta, GA 30303
(404) 562-9511