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U.S. EPA, REGIGN IX REGIONAL HEARING CLERK

# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

## I. CONSENT AGREEMENT

The United States Environmental Protection Agency ("EPA"), Region IX, and Bug Stop Pest Control d/b/a Do It Yourself Pest & Weed Control ("Bug Stop Pest Control" or the "Respondent") agree to settle this matter and consent to the entry of this Consent Agreement and Final Order ("CAFO").

### A. AUTHORITY AND PARTIES

1. This is a civil administrative action brought pursuant to Section 14(a) of the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. § 136*l*(a), for the assessment of a civil administrative penalty against Respondent for the sale and/or distribution of a registered pesticide whose composition differed from the composition represented in the registration in violation of Section 12(a)(1)(C) of FIFRA, 7 U.S.C. § 136*j*(a)(1)(C), and for the production of a pesticide in an unregistered establishment in violation of Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136*j*(a)(2)(L).

Ecosystems Division in EPA, Region IX. The Administrator of EPA delegated to the Regional Administrator of Region IX the authority to bring this action under FIFRA by EPA Delegation Order Number 5-14, dated May 11, 1994. The Regional Administrator of Region IX further delegated the authority to bring this action under FIFRA to the Associate Director for Agriculture of the Communities and Ecosystems Division by EPA Regional Order Number 1255.08 CHG1, dated June 9, 2005.

2. Complainant is the Associate Director for Agriculture of the Communities and

 Respondent is Bug Stop Pest Control, a corporation headquartered at 3215 East Thunderbird Road in Phoenix, Arizona.

#### **B. STATUTORY AND REGULATORY BASIS**

- 4. Section 12(a)(1)(C) of FIFRA, 7 U.S.C. § 136j(a)(1)(C), makes it unlawful for any person to distribute or sell to any person any registered pesticide the composition of which differs at the time of its distribution or sale from its composition as described in the statement required in connection with its registration under Section 3.
- 5. Section 3(c)(1)(D) of FIFRA, 7 U.S.C. § 136a(c)(1)(D), provides that each registration for a pesticide shall contain a statement that includes the complete formula of the pesticide.
- 6. Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L), makes it unlawful for any person who is a producer to violate any of the provisions of Section 7.
- 7. Section 7(a) of FIFRA, 7 U.S.C. § 136e(a), provides that no person shall produce a pesticide subject to FIFRA in any State unless the establishment in which it is produced is registered with the EPA.

#### C. ALLEGED VIOLATIONS

- 8. Respondent is a corporation and therefore fits within the definition of "person" as that term is defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s).
- 9. "Methrin P.C." (EPA Registration No. 4-350-60014) is a substance intended for preventing, destroying, repelling, or mitigating any pest and is therefore a "pesticide" as that term is defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u).

- 10. On or about March 13, 2007, Respondent "distributed or sold," as those terms are defined by Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), the pesticide "Methrin P.C." by holding and offering it for sale to the general public.
- 11. Laboratory analysis performed by the Arizona Department of Agriculture's State Agricultural Laboratory determined that the "Methrin P.C." "distributed or sold" on or about March 13, 2007 contained 39.03% active ingredient (permetrin) rather than the 13.03% active ingredient (permetrin) represented in its registration.
- 12. By distributing or selling the registered pesticide "Methrin P.C." on or about March 13, 2007, the composition of which differed at the time of its distribution or sale from that represented in its registration, Respondent violated Section 12(a)(1)(C) of FIFRA, 7 U.S.C.§ 136j(a)(1)(C).
- 13. At all times relevant to this CAFO, Respondent manufactured the registered pesticide "Methrin P.C." and is therefore a "producer" as that term is defined in Section 2(w) of FIFRA, 7 U.S.C. § 136(w).
- 14. At all times relevant to this CAFO, Respondent, by manufacturing "Methrin P.C.," operated a pesticide-producing facility that is an "establishment" as that term is defined by Section 2(dd) of FIFRA, 7 U.S.C. § 136(dd).
- 15. At all times relevant to this CAFO, Respondent's pesticide-producing establishment did not have an EPA pesticide production establishment number required pursuant to Section 7(a) of FIFRA, 7 U.S.C. § 136e(a).
- 16. By failing to register with EPA the pesticide production establishment in which the pesticide "Methrin P.C." was manufactured, Respondent violated Section 7(a) of FIFRA, 7 U.S.C. § 136e(a).
- 17. By violating Section 7(a) of FIFRA, 7 U.S.C. § 136e(a), Respondent violated Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L).
- 18. Section 14(a) of FIFRA, 7 U.S.C. § 136*l*(a), and the Civil Monetary Penalty Inflation Adjustment Rule, 40 C.F.R. Part 19, provide that any registrant, commercial applicator, wholesaler, dealer, retailer or other distributor who violates any provision of FIFRA may be

assessed a civil penalty by the EPA Administrator in an amount not to exceed \$6.500 for each 1 offense occurring on or after March 15, 2004. Under the Enforcement Response Policy for 2 FIFRA, dated July 2, 1990, and the Civil Monetary Penalty Inflation Adjustment Rule, the 3 violations cited above would merit a pre-adjustment civil penalty of \$7,700, given the alleged 4 violations' gravity level, size of business, and applicable gravity adjustments. 5 D. RESPONDENT'S ADMISSIONS 6 19. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding, 7 Respondent: (i) admits that EPA has jurisdiction over the subject matter of this CAFO and over 8 Respondent; (ii) neither admits nor denies the specific factual allegations contained in Section 9 I.C of this CAFO; (iii) consents to any and all conditions specified in this CAFO and to the 10 11 assessment of the civil administrative penalty under Section I.E of this CAFO; (iv) waives any 12 right to contest the allegations contained in this CAFO; and (v) waives the right to appeal the 13 proposed Final Order contained in this CAFO. E. CIVIL ADMINISTRATIVE PENALTY 14 20. In settlement of the violations specifically alleged in Section I.C of this CAFO, 15 Respondent shall pay a civil administrative penalty of FIVE HUNDRED DOLLARS (\$500). 16 17 Respondent shall pay this civil penalty within thirty (30) days of the effective date of this CAFO. Payment shall be made by cashier's or certified check payable to the "Treasurer, United States of 18 19 America," and shall be sent to the following address: 20 U.S. Environmental Protection Agency 21 Fines and Penalties Cincinnati Finance Center 22 P.O. Box 979077 St. Louis, MO 63197-9000 23 Respondent shall accompany its payment with a transmittal letter identifying the case name, the 24 case docket number, and this CAFO. Concurrent with delivery of the payment of the penalty, 25 Respondent shall send a copy of the check and transmittal letter to the following addresses: 26

Regional Hearing Clerk
Office of Regional Counsel (ORC-1)
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street

Consent Agreement and Final Order In re Bug Stop Pest Control

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San Francisco, CA 94105

Bill Lee Communities and Ecosystems Division (CED-5) U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94105

Edgar P. Coral Office of Regional Counsel (ORC-2) U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94105

- 21. Respondent shall not use payment of any penalty under this CAFO as a tax deduction from Respondent's federal, state, or local taxes, nor shall Respondent allow any other person to use such payment as a tax deduction.
- 22. If Respondent fails to pay the assessed civil administrative penalty of FIVE HUNDRED DOLLARS (\$500), as identified in Paragraph 20, by the deadline specified in that Paragraph, then Respondent shall also pay a stipulated penalty to EPA. The amount of the stipulated penalty will be TWO HUNDRED AND FIFTY DOLLARS (\$250), and will be immediately due and payable on the day following the deadline specified in Paragraph 20, together with the initially assessed civil administrative penalty of FIVE HUNDRED DOLLARS (\$500), resulting in a total penalty due of SEVEN HUNDRED AND FIFTY DOLLARS (\$750). Failure to pay the civil administrative penalty specified in Paragraph 20 by the deadline specified in that Paragraph may also lead to any or all of the following actions:
- (1) EPA may refer the debt to a credit reporting agency, a collection agency, or to the Department of Justice for filing of a collection action in the appropriate United States District Court. 40 C.F.R. §§ 13.13, 13.14 and 13.33. The validity, amount, and appropriateness of the assessed penalty or of this CAFO is not subject to review in any such collection proceeding.
- (2) The U.S. Government may collect the debt by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the U.S. Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40

2	(3) Pursuant to 40 C.F.R. § 13.17, EPA may either: (i) suspend or revoke		
3	Respondent's licenses or other privileges, or (ii) suspend or disqualify Respondent from doing		
4	business with EPA or engaging in programs EPA sponsors or funds.		
5	(4) Pursuant to 31 U.S.C. § 3701 et seq. and 40 C.F.R. Part 13, the U.S.		
6	Government may assess interest, administrative handling charges, and nonpayment penalties		
7	against the outstanding amount that Respondent owes to EPA for Respondent's failure to pay the		
8	civil administrative penalty specified in Paragraph 20 by the deadline specified in that Paragraph		
9	(a) Interest. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. §		
10	13.11(a)(1), any unpaid portion of the assessed penalty shall bear interest at the rate established		
11	according to 26 U.S.C. § 6621(a)(2) from the effective date of this CAFO, provided, however,		
12	that no interest shall be payable on any portion of the assessed penalty that is paid within thirty		
13	(30) days of the effective date of this CAFO.		
14	(b) Administrative Handling Charges. Pursuant to 31 U.S.C. §		
15	3717(e)(1) and 40 C.F.R. § 13.11(b), Respondent shall pay a monthly handling charge, based on		
16	either actual or average cost incurred (including both direct and indirect costs), for every month		
17	in which any portion of the assessed penalty is more than thirty (30) days past due.		
18	(c) Nonpayment Penalties. Pursuant to 31 U.S.C. § 3717(e)(2)		
19	and 40 C.F.R. § 13.11(c), a monthly penalty charge, not to exceed six percent (6%) annually,		
20	may be assessed on all debts more than ninety (90) days delinquent.		
21	F. CERTIFICATION OF COMPLIANCE		
22	23. In executing this CAFO, Respondent certifies that: (1) it is no longer selling or		
23	distributing any registered pesticide whose composition differs from that represented in the		
24	registration in violation of Section 12(a)(1)(C) of FIFRA, 7 U.S.C. § 136j(a)(1)(C); (2) it is no		
25	longer producing any pesticide in an unregistered establishment in violation of Section		
26	12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L); and (3) it has complied with all other FIFRA		

requirements at all facilities under its control.

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#### G. RETENTION OF RIGHTS

- 24. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondent's liabilities for federal civil penalties for the violations and facts specifically alleged in Section I.C of this CAFO. Nothing in this CAFO is intended to or shall be construed to resolve: (i) any civil liability for violations of any provision of any federal, state, or local law, statute, regulation, rule, ordinance, or permit not specifically alleged in Section I.C of this CAFO; or (ii) any criminal liability. EPA specifically reserves any and all authorities, rights, and remedies available to it (including, but not limited to, injunctive or other equitable relief or criminal sanctions) to address any violation of this CAFO or any violation not specifically alleged in Section I.C of this CAFO.
- 25. This CAFO does not exempt, relieve, modify, or affect in any way Respondent's duties to comply with all applicable federal, state, and local laws, regulations, rules, ordinances, and permits.

#### H. ATTORNEYS' FEES AND COSTS

26. Each party shall bear its own attorneys' fees, costs, and disbursements incurred in this proceeding.

#### I. EFFECTIVE DATE

27. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CAFO shall be effective on the date that the Final Order contained in this CAFO, having been approved and issued by either the Regional Judicial Officer or Regional Administrator, is filed.

#### J. BINDING EFFECT

- 28. The undersigned representative of Complainant and the undersigned representative of Respondent each certifies that he or she is fully authorized to enter into the terms and conditions of this CAFO and to bind the party he or she represents to this CAFO.
- 29. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns.

#### CERTIFICATE OF SERVICE

I certify that the original and one copy of the foregoing Consent Agreement and Final Order, Docket Number FIFRA-09-2008-0024 have been filed with the Regional Hearing Clerk and a copy was sent, certified mail to:

Jesse Smith Owner Bug Stop Pest Control 3215 E. Thunderbird Road Phoenix, AZ 85032

SEP	26	2008
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Dated:

Bv:

Danielle Carr

U.S. Environmental Protection Agency, Region IX

Danielle & Carr