

DENISE LEONG
Assistant Regional Counsel
United States Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, California 94105
(415) 972-3409
Leong.Denise@epa.gov



Suzanne Andrews
Regional Counsel
United States Environmental Protection Agency, Region IX

Attorneys for Complainant

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 HAWTHORNE STREET
SAN FRANCISCO, CALIFORNIA 94105

In the Matter of:)	Docket No. CAA-09-2025-0053
)	
JH Motorsports, Inc.)	CONSENT AGREEMENT AND
)	FINAL ORDER PURSUANT TO
)	40 C.F.R. §§ 22.13 and 22.18
)	
)	
Lathrop, California)	
)	
Respondent.)	
_____)	

I. CONSENT AGREEMENT

A. Preliminary Statement

1. This is a civil administrative penalty assessment proceeding brought under section 205(c)(1) of the Clean Air Act (“CAA” or the “Act”), 42 U.S.C. § 7524(c)(1), and sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (“Consolidated Rules”), as codified at 40 C.F.R. Part 22. In accordance with 40 C.F.R. §§ 22.13 and 22.18, entry

of this Consent Agreement and Final Order ("CAFO") simultaneously initiates and concludes this matter.

2. Complainant is the Assistant Director of the Air, Waste & Chemicals Branch of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency Region IX (the "EPA"), who has been delegated the authority to initiate and settle civil administrative penalty proceedings under section 205(c)(1) of the CAA, 42 U.S.C. § 7424(c)(1). EPA Delegation 7-19 (January 18, 2017); EPA Region 9 Redefinition R9-7-19 (October 5, 2017); Memorandum from John W. Busterud, Regional Administrator, Region 9, to all Region 9 supervisors and employees re: EPA R9 Organizational Realignment General Redefinition of Authority (May 5, 2020).

3. Respondent is JH Motorsports, Inc. ("JH Motorsports"), a California corporation distributing motor vehicle parts. JH Motorsports is headquartered at 14150 S. Harlan Road in Lathrop, California.

4. Complainant and Respondent, having agreed that settlement of this action is in the public interest, consent to the entry of this CAFO without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this CAFO.

B. Governing Law

5. This proceeding arises under Part A of Title II of the CAA, CAA §§ 202-219, 42 U.S.C. §§ 7521-7554, and the regulations promulgated thereunder. These laws aim to reduce emissions from mobile sources of air pollution, including hydrocarbons and oxides of nitrogen ("NOx").

6. Pursuant to section 203(a)(3)(B) of CAA, 42 U.S.C. § 7522(a)(3)(B),

The following acts and the causing thereof are prohibited—for any person to manufacture or sell, or offer to sell, or install, any part or component intended for use with, or as part of, any motor vehicle or motor vehicle engine, where a principal effect of the part or component is to bypass, defeat, or render inoperative any device or element of design installed on or in a

motor vehicle or motor vehicle engine in compliance with regulations under this subchapter, and where the person knows or should know that such part or component is being offered for sale or installed for such use or put to such use[.]

7. Violations of CAA section 203(a)(3)(B) are subject to civil penalties of up to \$5,911 per defeat device violation that occurred after November 2, 2015, where penalties are assessed on or after January 8, 2025. Section 205 of the CAA, 42 U.S.C. § 7524 and 40 C.F.R. Part 19.

8. Definitions:

a. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines "person" as "an individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency, department, or instrumentality of the United States and any officer, agent or employee thereof."

b. Section 216(2) of the CAA, 42 U.S.C. § 7550(2), defines "motor vehicle" as "any self-propelled vehicle designed for transporting persons or property on a street or highway."

9. The CAA requires EPA to prescribe and revise, by regulation, standards applicable to the emission of any air pollutant from new motor vehicles or new motor vehicle engines which cause or contribute to air pollution, which may reasonably be anticipated to endanger public health or welfare. CAA §§ 202(a)(1) and (3)(B), 42 U.S.C. §§ 7521(a)(1) and (3)(B).

10. Highway motor vehicles are one category of motor vehicles for which the EPA has promulgated emission standards. See 42 U.S.C. § 7521; see generally 40 C.F.R. Part 86.

11. Highway motor vehicle manufacturers employ many devices and elements of design to meet these emission standards. Certain hardware devices serve as emission control systems to manage and treat exhaust from highway motor vehicles in order to reduce levels of regulated

pollutants from being created or emitted into the ambient air. Such devices include catalytic converters.

C. Alleged Violations of Law

12. Respondent manufactures, sells and installs motor vehicle parts to various individual customers located throughout the United States.

13. On August 28, 2023, EPA conducted a site visit of a JH Motorsports facility located in Lathrop, California and requested records during the inspection pursuant to section 208(a) of the CAA, 42 U.S.C. § 7542(a), to Respondent regarding hardware Respondent sold or installed since August 28, 2022.

14. Based on information gathered during EPA's investigation and Respondent's responses provided on September 7, 2023 to EPA's records request, EPA alleges that JH Motorsport sold and installed various straight pipes ("subject straight pipe(s)"), secondary air intake deletes("subject secondary air intake delete(s)"), and manifold deletes ("subject manifold flap delete(s)"), for highway motor vehicles identified in Appendix A of this CAFO (collectively referred to as the "Devices").

15. The subject straight pipes are designed to delete the catalytic converter.

16. The subject secondary air injection system deletes are designed to block the pulsed secondary air injection ("PAIR") system, which is a certified emission control in light-duty gasoline motor vehicles. Blocking the PAIR system facilitates the removal of the catalytic converter.

17. The subject manifold flap deletes are designed to replace the OEM factory intake manifold flap, which controls intake airflow. The subject manifold flap deletes, are sold with a racing or off-road use only disclaimer describing the products as illegal for use on emissions-

controlled vehicles or any vehicle registered for public street or highway use. Deleting the manifold flap causes the manifold and throttle body to stay open and increase air intake and power and directly alters the certified configuration of the engine and creates a fault code that causes the check-engine light to appear.

18. Hardware devices and emission control systems, such as catalytic converters, PAIR system and manifold flaps, are “device[s] or element[s] of design installed on or in a motor vehicle or motor vehicle engine in compliance with [CAA] regulations” within the meaning of section 203(a)(3)(B) of the CAA, 42 U.S.C. § 7522(a)(3)(B).

19. Each subject straight pipe, subject secondary air injection system delete, and subject manifold flap delete is, and at all relevant times herein was, intended for use with certified motor vehicles and motor vehicle engines including Volkswagen and Audi vehicles ("Motor Vehicles").

20. A principal effect of each subject straight pipe, subject secondary air intake system delete, and subject manifold flap delete is to bypass, defeat, or render inoperative device(s) and/or element(s) of design such as the catalytic converter, PAIR system, and manifold flap that were installed on these Motor Vehicles.

21. Respondent knew or should have known that each subject straight pipe, subject secondary air intake system delete, and subject manifold flap delete part was being offered for sale or installed for such use or put to such use.

22. Between August 28, 2022 and August 28, 2023, JH Motorsports sold 354 Devices and installed 1 Device to/for individual customers located throughout the United States, in violation of section 203(a)(3)(B) of CAA, 42 U.S.C. § 7522(a)(3)(B).

D. Terms of Consent Agreement

23. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:
- a. admits that EPA has jurisdiction over the subject matter alleged in this CAFO and over Respondent;
 - b. neither admits nor denies the specific factual allegations contained in Section I.C of this CAFO;
 - c. consents to the assessment of a civil penalty under this Section, as stated below;
 - d. consents to the conditions specified in this CAFO;
 - e. waives any right to contest the allegations set forth in Section I.C of this CAFO; and
 - f. waives their rights to appeal the proposed Order contained in this CAFO.

E. Civil Penalty

24. Respondent submitted financial information to EPA which supports Respondent's claim that they are unable to pay a full penalty for the alleged violations.
25. Respondent agrees to:
- a. pay the civil penalty of TEN THOUSAND DOLLARS (\$10,000) (“EPA Penalty”) within 30 days of the Effective Date of this CAFO; and
 - b. pay the EPA Penalty using any method, or combination of methods, provided on the website <https://www.epa.gov/financial/makepayment>, and identifying the payment with “Docket No. CAA-09-2025-0053.” Within 24 hours of payment of the EPA Penalty, send proof of payment to Janice Chan at chan.janice@epa.gov (“proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, confirmation of wire or automated

clearinghouse transfer, and any other information required to demonstrate the payment has been made according to the EPA requirements, in the amount due, and identified with “Docket No. CAA-09-2025-0053”).

26. If Respondent does not timely pay the civil penalty, specified in Paragraph 25, then Respondent shall pay to the EPA a stipulated penalty in the amount of FIVE HUNDRED DOLLARS (\$500.00) for each day the default continues plus the remaining balance of the penalty sum specified in Paragraph 25 upon written demand by the EPA.

27. If Respondent fails to timely pay any portion of the penalty assessed under this CAFO, the EPA may:

- a. request the Attorney General to bring a civil action in an appropriate district court to recover: the amount assessed; interest at rates established pursuant to 26 U.S.C. § 6621(a)(2); the United States’ enforcement expenses; and a 10 percent quarterly nonpayment penalty, 42 U.S.C. § 7413(d)(5);
- b. refer the debt to a credit reporting agency or a collection agency, 42 U.S.C. § 7413(d)(5), 40 C.F.R. §§ 13.13, 13.14, and 13.33;
- c. 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 Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, 40 C.F.R. Part 13, Subparts C and H; and
- d. suspend or revoke Respondent’s licenses or other privileges granted by EPA, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, 40 C.F.R. § 13.

F. Certification of Compliance

28. Respondent certifies that as of the date of their signature of this Consent Agreement, Respondent is complying fully with section 203(a)(3) of the CAA, 42 U.S.C. § 7522(a)(3).

29. Respondent is aware of EPA's November 23, 2020 "Tampering Policy: The EPA Enforcement Policy on Vehicle and Engine Tampering and Aftermarket Defeat Devices under the Clean Air Act."

30. The provisions of this CAFO shall apply to and be binding upon Respondent and their officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns. Respondent must give written notice and a copy of this CAFO to any successors in interest prior to any transfer of ownership or control of any portion of or interest in Respondent. Simultaneously with such notice, Respondent shall provide written notice of such transfer, assignment, or delegation to EPA. In the event of any such transfer, assignment, or delegation, Respondent shall not be released from the obligations or liabilities of this CAFO unless EPA has provided written approval of the release of said obligations or liabilities.

31. By signing this CAFO, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information or personally identifiable information.

32. By signing this CAFO, the undersigned representative of Complainant and the undersigned representative of Respondent each certify that he or she is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party he or she represents to this CAFO.

33. By signing this CAFO, Respondent certifies that the information they have supplied concerning this matter was at the time of submission true, accurate, and complete for each such

submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

34. Each party agrees to bear its own costs and attorney's fees in this action.

G. General Provisions

35. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts specifically alleged above.

36. This civil penalty paid pursuant to this CAFO is not deductible for federal tax purposes.

37. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

38. This CAFO constitutes the entire agreement between the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to the subject matter hereof.

H. Effective Date

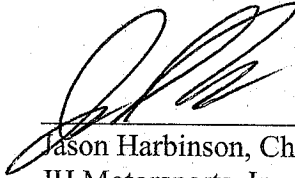
39. Respondent and Complainant agree to issuance of the attached Final Order. Upon filing, EPA will transmit a copy of the filed CAFO to the Respondent. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer on the date of filing with the Regional Hearing Clerk.

The foregoing Consent Agreement In the Matter of: JH Motorsports, Inc. Docket No. CAA-09-2025-0053 is hereby stipulated, agreed, and approved for entry:

JH Motorsports, Inc., Respondent

5/2/25

Date



Jason Harbinson, Chief Executive Officer
JH Motorsports, Inc.

The foregoing Consent Agreement In the Matter of: JH Motorsports, Inc. Docket No. CAA-09-2025-0053 is hereby stipulated, agreed, and approved for entry:

United States Environmental Protection Agency, Complainant

Date

**KAORU
MORIMOTO** Digitally signed by
KAORU MORIMOTO
Date: 2025.06.03
09:27:04 -07'00'

Kaoru Morimoto
Assistant Director
Enforcement and Compliance Assurance Division
United States Environmental
Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

**Consent Agreement and Final Order
In the Matter of: JH Motorsports, Inc.
Docket No. CAA-09-2025-0053**

II. FINAL ORDER

EPA Region IX and JH Motorsports, Inc., having entered into the foregoing Consent Agreement,

IT IS HEREBY, ORDERED that this Consent Agreement and Final Order (Docket No. CAA-09-2025-0053), shall be entered and Respondent shall pay a civil administrative penalty in the amount of TEN THOUSAND DOLLARS (\$10,000), and otherwise comply with the terms set forth in the CAFO. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31.

Date

Beatrice Wong
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 9

Appendix A

JH Motorsports, Inc., Violations of CAA § 203 for the period August 28, 2022 through August 28, 2023 for offering for sale or sale of 354 Defeat Devices and installation of 1 Defeat Device

#	SKU	Product Name	Vehicle Type	Qty
1	JHM-B6A43LDPs	Exhaust - Downpipes - JHM B6-A4 and C5-A6 3.0L Stainless Steel, 2.5 inches (LOCAL-WHOLESALE ONLY)	1998-2005 Audi A4, A6	1
2	JHM-B830TRP	Exhaust - Race Pipes (VERSION 2) - Stainless Steel, 2.5" (JHM) for B8 S4-S5 Q5 SQ5 3.0T	2008-Present Audi S5, S4, Q5, A6, A7, SQ5	88
3	JHM-B8S5RP	Exhaust - Race Pipes - (VERSION 2) Stainless Steel, 2.5" (JHM) for B8-S5 4.2L FSI (32v)	2008-2017 Audi S5	25
3	JHM-C730TRP	Exhaust - Race Pipes (VERSION 2) - Stainless Steel, 2.5" (JHM) for C7 A6-A7 3.0T	2012-2018 Audi C7, A6, A7	24
5	JHM-B8RS5PRH	Exhaust - 2.75" Performance Race Headers (JHM-OEM) for B8-RS5 4.2L	2011-2015 Audi RS5	8
6	JHM-4M30TRP	Exhaust - Race Pipes - Stainless Steel, 2.5" (JHM) for 4M Q7 3.0T	2016-Present Audi Q7	3
7	JHM-B67S4SAIBlock	Block Off Plate Kit for SAI, Secondary Air Injection RACE Plates (JHM) for B6-B7 S4, C5-allroad, C6-A6 w/ 4.2L V8	2001-2011 Audi allroad, S4, A6	41
8	034-104-3002	SAI Block-Off Plate Kit (034), Secondary Air Injection for 2.8l, 2.7T, Belt Drive V8	1998-2005 Volkswagen Passat, 1996-2005 Audi S8, A8, allroad, A6, S4, RS4, A4, S6	14
9	JHM-FSIV8SAIBlock	Block Off Plate Kit for SAI, Secondary Air Injection RACE Plates (JHM) for all 4.2L FSI V8	2006-2017 Audi RS4, S5	17
10	JHM-FSIV10SAIBlock	Block Off Plate Kit for SAI, Secondary Air Injection RACE Plates (JHM) for all 5.2L FSI V10	2006-2011 Audi S6, S8	12
11	JHM-FSIV8SAIBlock40t	Block Off Plate Kit for SAI, Secondary Air Injection RACE Plates (JHM) for C7 S6-S7-RS7 and D4 A8-S8 4.0T	2011-Present Audi A7, A6, S7, S6, RS7	9
12	JHM-06A131120Dplates	Block Off Plate Kit for SAI, Secondary Air Injection RACE Plates (JHM) for B8 RS4 and RS5	2011-2015 Audi RS4-RS5	6
13	JHM-B6S-LTH	Exhaust - Headers - JHM Mid-Length, Version 2 (Stainless Steel) for B6-B7 S4	2003-2009 Audi S4	6
14	JHM-C630TDP	Exhaust - Downpipes - Non Resonated - (JHM) for C6-A6 3.0T	2005.5-2011 Audi A6	8
15	JHM-40TDPXP-C7	Exhaust - 3" Performance Downpipe and Midpipe w/ X-Pipe Combo (JHM) for C7 S6-S7-RS7 4.0T	2013-Present Audi S6, S7, RS7	2

#	SKU	Product Name	Vehicle Type	Qty
16	JHM-B7RS4FlapDelPlug	JHM Intake Manifold Flap Delete Plug (KIT) for B7-RS4 4.2L FSI V8	2006-2009 Audi RS4	74
17	LBR-B7RS4FlapDelPlug	Labor for Intake Manifold Flap Delete for B7-RS4, Intake Manifold Off	2006-2009 Audi RS4	1
18	JHM-B7RS4FlapDelPlug-1	JHM Intake Manifold Flap Delete Plug (EACH) for B7-RS4 4.2L FSI V8	2006-2008 Audi RS4	16
			Total	355

CERTIFICATE OF SERVICE

I certify that the original of the fully executed Consent Agreement and Final Order in the matter of JH Motorsports, Inc. (Docket No. CAA-09-2025-0053) was filed with Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, and that a true and correct copy of the same was served on the parties, via electronic mail, as indicated below:

RESPONDENT:

Jason Harbinson
Chief Executive Officer
JH Motorsports, Inc.
14150 S. Harlan Road
Lathrop, CA 95330
Jason@jhmotorsports.com

Frank Radoslovich
Partner
Radoslovich, Shapiro, PC Attorneys
3600 American River Drive, Suite 200
Sacramento, CA 95864
Frank@radshap.com

COMPLAINANT:

Denise Leong
Assistant Regional Counsel
Air Toxics Section II (ORC 2-2)
U.S. EPA, Region IX
75 Hawthorne Street
San Francisco, CA 94105
Leong.Denise@epa.gov

Ponly Tu
Regional Hearing Clerk
U.S. EPA – Region IX