

**U. S. ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 RENNER BOULEVARD
LENEXA, KANSAS 66219**

Received by
EPA Region 7
Hearing Clerk

BEFORE THE ADMINISTRATOR

In the Matter of)
)
Corteva Agriscience LLC,) **Docket No. FIFRA-07-2022-0068**
)
Respondent.)

CONSENT AGREEMENT AND FINAL ORDER

Preliminary Statement

The U.S. Environmental Protection Agency, Region 7 (EPA or Complainant), and Corteva Agriscience LLC (Respondent) have agreed to a settlement of this action before the filing of a Complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. §§ 22.13(b) and 22.18(b)(2).

Jurisdiction

1. This proceeding is an administrative action for the assessment of civil penalties initiated pursuant to Section 14 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), 7 U.S.C. § 136l and in accordance with the Consolidated Rules of Practice.
2. This Consent Agreement and Final Order serves as notice that EPA has reason to believe that Respondent has violated Section 12 of FIFRA, 7 U.S.C. § 136j.

Parties

3. Complainant, by delegation from the Administrator of EPA, the Regional Administrator of EPA Region 7, and the Director of the Enforcement and Compliance Assurance Division of EPA Region 7, is the Branch Chief of the Chemical Branch of EPA Region 7.
4. The Respondent is Corteva Agriscience LLC, a limited liability company in good standing under the laws of the state Missouri, and doing business in the state of Missouri.

Statutory and Regulatory Background

5. Congress enacted FIFRA in 1947 and amended it in 1972 and in 1996. The general purpose of FIFRA is to provide the basis for regulation, sale, distribution and use of pesticides in the United States. 7 U.S.C. 136 *et. seq.*

6. Section 1 of FIFRA, 7 U.S.C. § 136(q), states that a pesticide is misbranded if (1) any word, statement, or other information required by or under authority of this subchapter to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or graphic matter in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use; or (2) the labeling accompanying it does not contain directions for use which are necessary for effecting the purpose for which the product is intended and if complied with, together with any requirements imposed under section 136a(d) of this title, are adequate to protect health and the environment.

7. 40 C.F.R. § 156.10(a) and (i) state that the contents of a label of a pesticide product must show clearly and prominently directions for use stated in terms which can be easily read and understood by the average person likely to use or to supervise the use of the pesticide, and which may appear on any portion of the label provided that they are conspicuous enough to be easily read by the user of the pesticide product.

8. Section 12(a)(1)(E) of FIFRA, 7 U.S.C. § 136j(a)(1)(E), states it shall be unlawful for any person in any state to distribute or sell to any person any pesticide which is adulterated or misbranded.

9. Section 2(a) of FIFRA, 7 U.S.C. § 136a(a), states that no person in any state may distribute or sell to any person any pesticide that is not registered under this subchapter.

10. 40 C.F.R. § 165.70(e) states that a refiller that is not a registrant must have the following items at its establishment before repackaging a pesticide product into any refillable container for distribution or sale: (1) the registrant's written refilling residue removal procedure for the pesticide product, and (2) the registrant's written description of acceptable containers for the pesticide product.

11. 40 C.F.R. § 165.67(c) states that both the registrant and the refiller that is repackaging the pesticide product under written contract may be liable for violations pertaining to the repackaged product.

12. Section 12(a)(2)(S) of FIFRA, 7 U.S.C. § 136j(a)(2)(S), states that it shall be unlawful for any person to violate any regulation issued under Section 2(a) of FIFRA, 7 U.S.C. § 136a(a).

13. Section 2(t) of FIFRA, 7 U.S.C. § 136(t), defines “pest” to mean (1) any insect, rodent, nematode, fungus, weed, or (2) any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other micro-organism on

or in living man or other living animals) which the Administrator declares to be a pest under Section 25(c)(1).

14. Section 2(u) of FIFRA, 7 U.S.C. § 136(u), defines “pesticide” to mean any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

15. 40 C.F.R. § 152.3 defines “pesticide product” to mean a pesticide in the particular form (including composition, packaging, and labeling) in which the pesticide is, or is intended to be, distributed or sold. The term includes any physical apparatus used to deliver or apply the pesticide if distributed or sold with the pesticide.

16. Section 2(s) of FIFRA, 7 U.S.C. § 136(s), defines “person” to mean any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

17. Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), defines “to distribute or sell” to mean to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, release for shipment, or receive and (having so received) deliver or offer to deliver.

18. Section 2(w) of FIFRA, 7 U.S.C. § 136(w) defines “produce” to mean to manufacture, prepare, compound, propagate, or process any pesticide or device or active ingredient used in producing a pesticide. 40 C.F.R. § 167.3 further defines “produce” to mean to package, repack, label, relabel, or otherwise change the container of any pesticide or device.

19. Section 2(w) of FIFRA, 7 U.S.C. § 136(w) defines “producer” to mean any person who manufactures, prepares, compounds, propagates, or processes any pesticide or device or active ingredient used in producing a pesticide. 40 C.F.R. § 167.3 further defines “producer” to mean any person who packages, repackages, labels, or relabels any pesticide, active ingredient, or device.

20. 40 C.F.R. § 165.3 defines “refiller” to mean a person who engages in the activity of repackaging pesticide product into refillable containers. This could include a registrant or a person operating under contract to a registrant.

21. Section 14(a)(1) of FIFRA, 7 U.S.C. § 136l(a)(1), authorizes a civil penalty of not more than \$5,000 for each offense. The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, 28 U.S.C. § 2461, and implementing regulations at 40 C.F.R. Part 19, increased these statutory maximum penalties \$21,805, for violations that occur after November 2, 2015, and for which penalties are assessed on or after January 12, 2022.

General Factual Allegations

22. Respondent is, and at all times referred to herein was, a “person” within the meaning of FIFRA.

23. On or about February 23, 2021, the Missouri Department of Agriculture conducted a Producer Establishment Inspection (the “inspection”) at Van Diest Supply Company’s establishment located at 901 Industrial Drive, Marshall, MO.

24. Respondent entered into a repackaging agreement with Van Diest Supply Co. in or around May 2020.

25. Respondent produces N-SERVE 24, EPA Reg. No. 62719-20, which is a pesticide registered with the EPA.

26. Van Diest Supply Company repackages and relabels at a registered establishment located at 901 Industrial Drive, Marshall, Missouri.

27. Van Diest Supply Co. repackages and relabels N-SERVE 24, as authorized by its repackaging agreement with Respondent, and therefore produces a pesticide.

28. N-SERVE 24 is a pesticide product, as per 40 C.F.R. § 152.3, in both its bulk form and in its repackaged form.

29. Van Diest Supply Company is a refiller, as defined by 40 C.F.R. 40 C.F.R. § 165.3, because Van Diest Supply Company repackaging pesticide products into refillable containers and is operating under contract to a registrant (Respondent).

Allegations of Violations

30. The Complainant hereby states and alleges that Respondent has violated FIFRA and federal regulations promulgated thereunder, as follows:

Count 1

31. The facts stated in Paragraphs 22 through 29 above are herein incorporated.

32. Pursuant to Section 12 of FIFRA, 7 U.S.C. § 136j(a)(1), it is unlawful for any person to distribute or sell any pesticide which is misbranded.

33. Section 1 of FIFRA, 7 U.S.C. § 136(q), states that a pesticide is misbranded if (1) any word, statement, or other information required by or under authority of this subchapter to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or graphic matter in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use; or (2) the labeling accompanying it does not contain directions for use which are necessary for effecting the purpose for which the product is intended and if complied with, together with any requirements imposed under section 136a(d) of this title, are adequate to protect health and the environment.

34. 40 C.F.R. § 156.10(a) and (i) state that the contents of a label of a pesticide product must show clearly and prominently directions for use stated in terms which can be easily read and understood by the average person likely to use or to supervise the use of the pesticide, and which may appear on any portion of the label provided that they are conspicuous enough to be easily read by the user of the pesticide product.

35. The inspection revealed that Respondent sold or distributed N-SERVE 24. At the time of the inspection, the N-SERVE 24 label was missing specific direction for use necessary to make the product effective and to adequately protect health and the environment.

36. The failure to ensure that a label of a pesticide product show clearly and prominently directions for use stated in terms which can be easily read and understood by the average person likely to use or to supervise the use of the pesticide, and which may appear on any portion of the label provided that they are conspicuous enough to be easily read by the user of the pesticide product, as required by 40 C.F.R. 156.10, constitutes misbranding.

37. Respondent violated Section 12(a)(1)(E) of FIFRA, 7 U.S.C. § 136j(a)(1)(E), by selling or distributing a misbranded pesticide.

Count 2

38. The facts stated in Paragraphs 22 through 29 above are herein incorporated.

39. Pursuant to 40 C.F.R. § 165.70(e), a refiller that is not a registrant must have the following items at its establishment before repackaging a pesticide product into any refillable container for distribution or sale: (1) the registrant's written refilling residue removal procedure for the pesticide product, and (2) the registrant's written description of acceptable containers for the pesticide product.

40. Pursuant to 40 C.F.R. § 165.67(c), both the registrant and the refiller that is repackaging the pesticide product under written contract may be liable for violations pertaining to the repackaged product.

41. The inspection revealed that Van Diest Supply Company, a refiller, did not have at its establishment before repackaging a pesticide product into any refillable container for distribution or sale (1) the registrant's written refilling residue procedure for the pesticide product and (2) the registrant's written description of acceptable containers for the pesticide product. Specifically, these items were not present in the repackaging agreement Respondent had with Van Diest Supply Company.

42. The failure of Van Diest Supply Company to have at its establishment these items is a violation of 40 C.F.R. § 165.70(e).

43. Because both the registrant and the refiller that is repackaging the pesticide product under written contract may be liable for violations pertaining to the repackaged product, Respondent is also in violation of 40 C.F.R. § 165.70(e).

44. Respondent violated Section 12(a)(1)(E) of FIFRA, 7 U.S.C. § 136j(a)(2)(S), by violating a regulation issued under FIFRA Section 2(a), 7 U.S.C. 136a(a).

CONSENT AGREEMENT

45. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

- (a) admits the jurisdictional allegations set forth herein;
- (b) neither admits nor denies the specific factual allegations stated herein;
- (c) consents to the assessment of a civil penalty, as stated herein;
- (d) consents to the issuance of any specified compliance or corrective action order;
- (e) consents to any conditions specified herein;
- (f) consents to any stated Permit Action;
- (g) waives any right to contest the allegations set forth herein; and
- (h) waives its rights to appeal the Final Order accompanying this Consent Agreement.

46. Respondent consents to the issuance of this Consent Agreement and Final Order and consents for the purposes of settlement to the payment of the civil penalty specified herein.

47. Respondent and EPA agree to the terms of this Consent Agreement and Final Order and Respondent agrees to comply with the terms specified herein.

48. Respondent and EPA agree to conciliate this matter without the necessity of a formal hearing and to bear their respective costs and attorneys' fees.

49. Respondent consents to receiving the filed Consent Agreement and Final Order electronically at the following e-mail address: *eileen.salathe@corteva.com*.

Penalty Payment

50. Respondent agrees that, in settlement of the claims alleged herein, Respondent shall pay a civil penalty of seven thousand, sixty-two dollars (\$7,062.00) as set forth below.

51. Respondent shall pay the penalty within thirty (30) days of the effective date of the Final Order. Such payment shall identify Respondent by name and docket number and shall be by certified or cashier's check made payable to the "United States Treasury" and sent to:

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

or by alternate payment method described at <http://www.epa.gov/financial/makepayment>.

52. A copy of the check or other information confirming payment shall simultaneously be sent to the following:

Regional Hearing Clerk
R7_Hearing_Clerk_Filings@epa.gov; and

Katherine Kacsur, Attorney
kacsur.katherine@epa.gov

53. Respondent understands that its failure to timely pay any portion of the civil penalty may result in the commencement of a civil action in Federal District Court to recover the full remaining balance, along with penalties and accumulated interest. In such case, interest shall begin to accrue on a civil or stipulated penalty from the date of delinquency until such civil or stipulated penalty and any accrued interest are paid in full. 31 C.F.R. § 901.9(b)(1). Interest will be assessed at a rate of the United States Treasury Tax and loan rates in accordance with 31 U.S.C. § 3717. Additionally, a charge will be assessed to cover the costs of debt collection including processing and handling costs, and a non-payment penalty charge of six (6) percent per year compounded annually will be assessed on any portion of the debt which remains delinquent more than ninety (90) days after payment is due. 31 U.S.C. § 3717(e)(2).

Effect of Settlement and Reservation of Rights

54. Full payment of the penalty proposed in this Consent Agreement shall only resolve Respondent's liability for federal civil penalties for the violations alleged herein. Complainant reserves the right to take any enforcement action with respect to any other violations of FIFRA or any other applicable law.

55. The effect of settlement described in the immediately preceding paragraph is conditioned upon the accuracy of Respondent's representations to EPA, as memorialized in the paragraph directly below.

56. Respondent certifies by the signing of this Consent Agreement that it is presently in compliance with all requirements of FIFRA and its implementing regulations.

57. Full payment of the penalty proposed in this Consent Agreement shall not in any case affect the right of the Agency or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Consent Agreement and Final Order does not waive, extinguish or otherwise affect Respondent's obligation to comply with all applicable provisions of FIFRA and regulations promulgated thereunder.

58. Complainant reserves the right enforce the terms and conditions of this Consent Agreement and Final Order.

59. Nothing contained in this Consent Agreement and Final Order shall alter or otherwise affect Respondent's obligation to comply with all applicable federal, state, and local environmental statutes and regulations and applicable permits.

General Provisions

60. By signing this Consent Agreement, the undersigned representative of Respondent certifies that he or she is fully authorized to execute and enter into the terms and conditions of this Consent Agreement and has the legal capacity to bind the party he or she represents to this Consent Agreement.

61. This Consent Agreement shall not dispose of the proceeding without a final order from the Regional Judicial Officer or Regional Administrator ratifying the terms of this Consent Agreement. This Consent Agreement and Final Order shall be effective upon filing by the Regional Hearing Clerk for EPA, Region 7. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

62. The penalty specified herein shall represent civil penalties assessed by EPA and shall not be deductible for purposes of Federal, State and local taxes.

63. This Consent Agreement and Final Order shall apply to and be binding upon Respondent and Respondent's agents, successors and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms, or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this Consent Agreement and Final Order.

RESPONDENT
Corteva Agriscience LLC

Date: 7-5-2022

By: 

AYLIN A. BARTEETT

Print Name

VP, CRDP PROTECTION SUPPLY CHAIN

Title

COMPLAINANT
U. S. ENVIRONMENTAL PROTECTION AGENCY

Date: _____

Candace Bednar
Chemical Branch Chief
Enforcement and Compliance Assurance Division

Katherine Kacsur
Office of Regional Counsel

FINAL ORDER

Pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

Respondent is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), the effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

IT IS SO ORDERED.

Karina Borromeo
Regional Judicial Officer

Date

CERTIFICATE OF SERVICE

I certify that that a true and correct copy of the foregoing Consent Agreement and Final Order was sent this day in the following manner to the addressees:

Copy via Email to Complainant:

kacsur.katherine@epa.gov

peters.milady@epa.gov

Copy via Email to Respondent:

eileen.salathe@corteva.com

Dated this _____ day of _____, _____.

Signed