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U.S. EPA, REGION IX
REGIONAL HEARING CLERK

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

_____)	
In the matter of:)	
)	Docket No. FIFRA-9-2007-0011
Veterinary Service, Inc.,)	
)	CONSENT AGREEMENT
)	AND FINAL ORDER
Respondent)	
_____)	

I. CONSENT AGREEMENT

Complainant, the Associate Director for Agriculture of the Communities and Ecosystems Division, United States Environmental Protection Agency, Region IX (“EPA Region IX”), and Respondent, Veterinary Service, Inc. (“Respondent”) agree to settle this case initiated under the Federal Insecticide, Fungicide, and Rodenticide Act (the “Act”), as amended, 7 U.S.C. §§ 136 et seq., and consent to the entry of this Consent Agreement and Final Order (“CAFO”).

A. AUTHORITY

1. EPA initiated this civil administrative proceeding for the assessment of a civil penalty under the Act pursuant to section 14(a) of the Act, 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, by issuing a Complaint and Notice of Opportunity for Hearing (“Complaint”) against Respondent on June 26, 2007.

2. The Complaint alleges that Respondent violated section 12(a)(1)(A) of the Act, 7 U.S.C. § 136j(a)(1)(E), by selling and distributing unregistered pesticides.
3. EPA Region IX and Respondent have agreed to resolve this civil administrative proceeding arising under the Act by executing this CAFO.

B. RESPONDENT’S ADMISSIONS

4. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding, Respondent (i) admits that EPA has jurisdiction over the subject matter of this CAFO and over Respondent; (ii) neither admits nor denies the specific factual allegations contained in the Complaint; (iii) consents to any and all conditions specified in this CAFO and to the assessment of the civil administrative penalty under Section I.C of this CAFO; (iv) waives any right to contest the allegations contained in the Complaint; and (v) waives the right to appeal the proposed final order contained in this CAFO.

C. CIVIL ADMINISTRATIVE PENALTY

5. Respondent agrees to the assessment of a penalty in the amount of FIFTY-SIX THOUSAND AND TWO HUNDRED DOLLARS (\$56,200) as final settlement of the civil claims against Respondent arising under the Act as alleged in the Complaint.
6. Respondent shall pay the assessed penalty within 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 America,” and shall be sent by certified mail, return receipt requested, 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 payment shall be accompanied by a transmittal letter identifying the case name, the case docket number, and this CAFO. Concurrent with delivery of the payment of the penalty, Respondent shall send a copy of the check and transmittal letter to the following addresses:

Regional Hearing Clerk
Office of Regional Counsel (ORC-1)
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

David H. Kim
Office of Regional Counsel (ORC-3)
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

7. Payment of the above civil administrative penalty shall not be used by Respondent or any other person as a tax deduction from Respondent’s federal, state, or local taxes.
8. If Respondent fails to make the payment in a timely manner as required by Paragraph 6, then Respondent shall pay a stipulated penalty of One Thousand Dollars (\$1,000.00) per calendar day for every day the penalty payment is late. In addition, failure to pay the civil administrative penalty within 30 days of the effective date of this CAFO may lead to any or all of the following actions:
 - a. The debt being referred 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. In any such collection action, the validity, amount, and appropriateness of the assessed penalty and of this CAFO shall not be subject to review.

- b. The debt being collected 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.
- c. EPA may (i) suspend or revoke Respondent's licenses or other privileges; or (ii) suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds. 40 C.F.R. § 13.17.
- d. In accordance with the Debt Collection Act of 1982 and 40 C.F.R. Part 13, interest, penalties charges, and administrative costs will be assessed against the outstanding amount that Respondent owes to EPA for Respondent's failure to pay the civil administrative penalty by the deadline specified in Paragraph 6. Interest will be assessed at an annual rate that is equal to the rate of current value of funds to the United States Treasury (i.e., the Treasury tax and loan account rate) as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins. 40 C.F.R. § 13.11(a)(1). Penalty charges will be assessed monthly at a rate of 6% per annum. 40 C.F.R. § 13.11(c). Administrative costs for handling and collecting Respondent's overdue debt will be

based on either actual or average cost incurred, and will include both direct and indirect costs. 40 C.F.R. § 13.11(b). In addition, if this matter is referred to another department or agency (e.g., the Department of Justice, the Internal Revenue Service), that department or agency may assess its own administrative costs, in addition to EPA's administrative costs, for handling and collecting Respondent's overdue debt.

D. CERTIFICATION OF COMPLIANCE

9. In executing this CAFO, Respondent certifies that (1) it is no longer distributing or selling unregistered pesticides in violation of Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), and (2) it is currently in compliance with all other FIFRA requirements for all its ongoing operations.

E. RETENTION OF RIGHTS

10. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondent's liability for federal civil penalties for the violations and facts specifically alleged in the Complaint. 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 the Complaint; 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 the Complaint.
11. This CAFO does not exempt, relieve, modify, or affect in any way Respondent's duty to comply with all applicable federal, state, and local laws, regulations, rules, ordinances,

and permits.

F. ATTORNEYS' FEES AND COSTS

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

G. EFFECTIVE DATE

13. 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.

H. BINDING EFFECT

14. 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.
15. 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.

FOR RESPONDENT VETERINARY SERVICE, INC.:

12-21-07
DATE

John R. Scheuber
By: John R. Scheuber
Title: President
Address: 4100 Bangs Ave
Modesto, CA 95356

FOR COMPLAINANT EPA REGION IX:

2/07/08
DATE

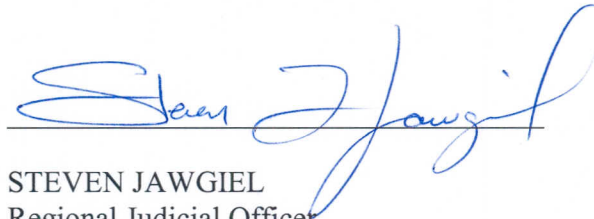
Katherine A. Taylor
Katherine A. Taylor
Associate Director for Agriculture
Communities and Ecosystems Division
United States Environmental
Protection Agency, Region IX
75 Hawthorne Street
San Francisco, California 94105

Agreement,

IT IS HEREBY ORDERED that this CAFO (Docket No. FIFRA-9-2007-0011) be entered, and Respondent shall pay a civil administrative penalty in the amount of FIFTY-SIX THOUSAND AND TWO HUNDRED DOLLARS (\$56,200) in accordance with the terms set forth in the Consent Agreement.

02/07/08

DATE



STEVEN JAWGIEL
Regional Judicial Officer
United States Environmental
Protection Agency, Region IX

CERTIFICATION / CERTIFICATE OF SERVICE

I hereby certify that the original of the foregoing Consent Agreement and Final Order, Docket No FIFRA-9-2007-11 has been filed with the Region 9 Hearing Clerk and that a copy was sent certified mail (7005 3110 0002 8247 2763), return receipt requested, to:

Mr. John Scheuber
Veterinary Service, Inc.
4100 Bangs Ave.
Modesto, CA 95356-8710

Feb. 7, 2008

Danielle E. Carr

DATE

Danielle Carr
Regional Hearing Clerk
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105