2812 HAR 23 AM 8:

BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III

In the Matter of

Consent Agreement and

Final Order

Julie and William Keller

922 Arch St.

Williamsport, PA 17701-5631,

Respondents,

1661 and 1663 Andrews Place Williamsport, PA 17701,

Target Housing.

U.S. EPA Docket No.

TSCA-03-2012-0082

CONSENT AGREEMENT

I. PRELIMINARY STATEMENT

- This Consent Agreement is entered into by the Director of the Land and Chemicals Division, U. S. Environmental Protection Agency, Region III ("Complainant" or "EPA" or "Agency") and Julie and William Keller ("Respondents"), pursuant to Sections 409 and 16(a) of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. §§ 2689 and 2615(a), the federal regulations set forth at 40 C.F.R. Part 745, and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits ("Consolidated Rules of Practice"), 40 C.F.R. Part 22 (with specific reference to 40 C.F.R. §§ 22.13(b), 22.18(b)(2), and (b)(3)).
- The violations cited herein pertain to the Respondents' alleged failure, as owners and lessors of certain housing, to comply with the requirements of 40 C.F.R. Part 745, Subpart F;

Section 1018(b)(5) of the Residential Lead-Based Paint Hazard Reduction Act ("RLBPHRA"), 42 U.S.C. § 4852d(b)(5); and TSCA Section 409, 15 U.S.C. § 2689.

In accordance with 40 C.F.R. §§ 22.13(b), 22.18(b)(2), and (b)(3) of the *Consolidated Rules of Practice*, Complainant hereby simultaneously commences and resolves, as part of the settlement set forth herein, EPA's civil claims alleged in Section IV ("Findings of Fact and Conclusions of Law") of this Consent Agreement.

II. JURISDICTION

The U.S. Environmental Protection Agency and EPA, Region III's Regional Judicial Officer have jurisdiction over the above captioned matter pursuant to TSCA Sections 16 and 409, 15 U.S.C. §§ 2615 and 2689; RLBPHRA Section 1018, 42 U.S.C. § 4852d; 40 C.F.R. Part 745, Subpart F; and 40 C.F.R. §§ 22.1(a)(5) and 22.4 of the *Consolidated Rules of Practice*.

III. GENERAL PROVISIONS

5. For purposes of this proceeding, Respondents admit the jurisdictional allegations set forth in this Consent Agreement and the attached Final Order, hereinafter collectively referred to as the "CAFO."

- 6. Except as provided in Paragraph 5 of this Consent Agreement, for purposes of this proceeding, Respondents neither admit nor deny the factual allegations and legal conclusions set forth in this Consent Agreement.
- Respondents agree not to contest the jurisdiction of EPA with respect to the execution of this Consent Agreement, the issuance of the attached Final Order, or the enforcement of this CAFO.
- 8. For purposes of this proceeding only, Respondents hereby expressly waive any right to contest any issue of law or fact set forth in this Consent Agreement and any right to appeal the accompanying Final Order.
- 9. Respondents consent to the issuance of this CAFO and agree to comply with its terms and conditions.
- 10. Each Party to this Consent Agreement shall bear its own costs and attorney's fees in connection with this proceeding.
- Respondents are aware that the submission of false or misleading information to the United States government may subject Respondents to separate civil and/or criminal liability. Complainant reserves the right to seek and obtain appropriate relief if Complainant obtains evidence that the information provided and/or representations made by Respondents to Complainant regarding the matters at issue in the Findings of Fact and Conclusions of Law are false or, in any material respect, inaccurate.

IV. FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 12. In accordance with 40 C.F.R. §§ 22.13(b), 22.18(b)(2) and (3) of the Consolidated Rules of Practice, Complainant alleges and adopts the Findings of Fact and Conclusions of Law set forth immediately below.
- Pursuant to RLBPHRA Section 1004(27), 42 U.S.C. § 4851b(27); TSCA Section 401(17), 15 U.S.C. § 2681(17); and 40 C.F.R. § 745.103, the term "target housing" means "any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling."
- Pursuant to RLBPHRA Section 1004(23), 42 U.S.C. § 4851b(23); TSCA Section 401(14), 15 U.S.C. § 2681(14); and 40 C.F.R. § 745.103, the term "residential dwelling" means either a single family dwelling, including attached structures such as porches and stoops, or a single-family dwelling unit in a structure that contains more than one separate residential dwelling unit, and in which each such unit is used or occupied, or intended to be used or occupied, in whole or in part, as the residence of one or more persons.
- The Respondents are and, at all times relevant to the violations alleged in this Consent Agreement, were the "owner[s]" and "lessor[s]" of the following "residential dwelling[s]," as those terms are defined at 40 C.F.R. § 745.103, located at Andrews Place, Williamsport, Pennsylvania, and listed below:

Counts	Lease Transaction Number	Contract to Lease
		Date
1, 3, 5, 7, and 9	Lease Transaction Number 1 -1661 Andrews Place,	03/01/08
	Williamsport, PA 17701	
2, 4, 6, 8, and	Lease Transaction Number 2 - 1663 Andrews Place,	06/01/10
10	Williamsport, PA 17701	

- The residential dwellings referred to in Paragraph 15, above, were constructed prior to 1978 and are "target housing," as that term is defined at 40 C.F.R. § 745.103. Said residential dwellings are hereinafter referred to as the "Target Housing."
- Pursuant to 40 C.F.R. § 745.103, the term "lead-based paint" means "paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter [mg/cm²] or 0.5 percent by weight."
- 18. Each contract to lease the Target Housing did not involve:
 - (1) a "[s]ale[] of target housing at foreclosure," as provided at 40 C.F.R. § 745.101(a);
 - (2) a "[l]ease[] of target housing . . . found to be lead-based paint free by an inspector certified under the Federal certification program or under a federally

accredited State or tribal certification program," as provided at 40 C.F.R. § 745.101(b);

- (3) a "[s]hort-term lease[] of 100 days or less, where no lease renewal or extension can occur," as provided at 40 C.F.R. § 745.101 (c); or
- (4) a "[r]enewal[] of [an] existing lease[]... in which the lessor has previously disclosed all information required under § 745.107 and where no new information described in § 745.107 has come into the possession of the lessor," as provided at 40 C.F.R. § 745.101(d).
- 19. Lessees moved into, and resided at, the Target Housing units during the terms of the contracts to lease said Target Housing.
- At the time that the relevant contracts to lease said Target Housing were executed, and at all times relevant to the violations alleged herein, the lessees of such Target Housing unit(s) were "lessees" of the Target Housing, as that term is defined in 40 C.F.R. § 745.103.

COUNTS 1-2

- 21. All previous paragraphs of this Consent Agreement are incorporated by reference herein as though fully set forth at length.
- Pursuant to 40 C.F.R. § 745.113(b)(1), the lessor is required to include, either as an attachment or within the contract to lease Target Housing, a Lead Warning Statement in strict accordance with the language provided therein.

- The contracts for Lease Transactions Nos. 1 and 2 cited in Paragraph 15, above, did not include, as an attachment or within such contract a Lead Warning Statement containing, verbatim, language set forth in and required by 40 C.F.R. § 745.113(b)(1).
- Respondents' failure to comply with 40 C.F.R. § 745.113(b)(1) by not including, either as an attachment or within the contracts for Lease Transactions Nos. 1 and 2, a Lead Warning Statement, constitutes two separate violations of 40 C.F.R. § 745.113(b)(1); RLBPHRA Section 1018(b)(5), 42 U.S.C. § 4852d(b)(5); and TSCA Section 409, 15 U.S.C. § 2689.

COUNTS 3-4

- 25. All previous paragraphs of this Consent Agreement are incorporated by reference herein as though fully set forth at length.
- Pursuant to 40 C.F.R. § 745.113(b)(2), the lessor is required to include, either as an attachment to or within the contract for lease, a statement disclosing the presence of any known lead-based paint and/or lead-based paint hazards in the target housing or lessor's lack of knowledge of such presence.
- The contracts for Lease Transactions Nos. 1 and 2 cited in Paragraph 15, above, did not include, as an attachment to or within such contracts, a statement disclosing the presence of known lead based paint and/or lead based paint hazards in the Target Housing or a statement indicating no knowledge of the presence of lead based paint and/or lead based paint hazards in the Target Housing.

Respondents' failure to comply with 40 C.F.R. § 745.113(b)(2) by not including, either as an attachment to or within the contracts for Lease Transactions Nos. 1 and 2, a statement disclosing the presence of lead-based paint and/or lead-based paint hazards in the Target Housing that was the subject of such contracts, or the Respondents' lack of knowledge of such presence, constitutes two separate violations of 40 C.F.R. § 745.113(b)(2); RLBPHRA Section 1018(b)(5), 42 U.S.C. § 4852d(b)(5); and TSCA Section 409, 15 U.S.C. § 2689.

COUNTS 5-6

- 29. All previous paragraphs of this Consent Agreement are incorporated by reference herein as though fully set forth at length.
- 30. Pursuant to 40 C.F.R. § 745.113(b)(3), the lessor is required to include, either as an attachment or within the contract to lease the Target Housing, a list of records or reports which were available to the lessor pertaining to lead-based paint and/or lead-based paint hazards in the housing that have been provided to the lessee or to indicate that no such records or reports were available.
- 31. The contracts for Lease Transactions Nos. 1 and 2 cited in Paragraph 15, above, did not include, as an attachment or within each such contract, a list of records or reports which were available to the lessor pertaining to lead-based paint or lead-based paint

hazards in the Target Housing that was provided to the lessees or did not indicate that no such records or reports were available.

Respondents' failure to comply with 40 C.F.R. § 745.113(b)(3) by not including, either as an attachment or within the contracts for Lease Transactions Nos. 1 and 2, a list of records or reports which were available to the lessor pertaining to lead-based paint or lead-based paint hazards in the Target Housing that were provided to the lessees or not indicating that no such records or reports were available, constitutes two separate violations of 40 C.F.R. § 745.113(b)(3); RLBPHRA Section 1018(b)(5), 42 U.S.C. § 4852d(b)(5); and TSCA Section 409, 15 U.S.C. § 2689.

COUNTS 7-8

- 33. All previous paragraphs of this Consent Agreement are incorporated by reference herein as though fully set forth at length.
- Pursuant to 40 C.F.R. § 745.113(b)(4), the lessor is required to include, either as an attachment or within the contract to lease Target Housing, a statement by the lessee affirming receipt of the information required by 40 C.F.R. §§ 745.113(b)(2) and (b)(3) and the lead hazard pamphlet required under 15 U.S.C. § 2686.
- 35. The contracts for Lease Transactions Nos. 1 and 2 cited in Paragraph 15, above, did not include, as an attachment or within each such contract, a statement by the lessees

affirming receipt of the information required by 40 C.F.R. §§ 745.113(b)(2) and (b)(3) and the lead hazard pamphlet required under 15 U.S.C. § 2686.

Respondents' failure to include either as an attachment or within the contracts for Lease Transactions Nos. 1 and 2, a statement by the lessees affirming receipt of the information required by 40 C.F.R. §§ 745.113(b)(2) and (b)(3) and the lead hazard pamphlet required under 15 U.S.C. § 2686 constitutes two separate violations of 40 C.F.R. § 745.113(b)(4); RLBPHRA Section 1018(b)(5), 42 U.S. § 4852d(b)(5); and TSCA Section 409, 15 U.S.C. § 2689.

COUNTS 9-10

- 37. All previous paragraphs of this Consent Agreement are incorporated by reference herein as though fully set forth at length.
- Pursuant to 40 C.F.R. § 745.113(b)(6), the lessor is required to include, either as an attachment or within the contract to lease the Target Housing, the signatures of the lessor, agent and lessee certifying to the accuracy of their statements, as well as dates of signature.
- 39. The contracts for Lease Transactions Nos. 1 and 2 cited in Paragraph 15, above, did not include, either as an attachment to or within such contracts, the signatures of the lessor, agent and lessee certifying to the accuracy of his/her statements, as well as date of signature.

Respondents' failure to include either as an attachment to or within the contracts for Lease Transactions Nos. 1 and 2, the signatures of the lessor, agent, and lessee certifying to the accuracy of their statements, as well as dates of signature, constitutes two separate violations of 40 C.F.R. § 745.113(b)(6); RLBPHRA Section 1018(b)(5), 42 U.S.C. § 4852d(b)(5); and TSCA Section 409, 15 U.S.C. § 2689.

V. CIVIL PENALTY

- Section 16(a) of TSCA, 15 U.S.C. § 2615(a) and Section 1018(b)(5) of the RLBPHRA, 42 U.S.C. § 4852d(b)(5), authorize the Administrator of EPA to assess a penalty not to exceed \$ 10,000 per day for each violation of Section 409 of TSCA, 15 U.S.C. § 2689. Pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990, Pub. L. 101-410, as amended, and its implementing regulation, the Adjustment of Civil Monetary Penalties for Inflation Rule, codified at 40 C.F.R. Part 19, EPA has subsequently raised the maximum civil penalty to \$ 16,000 per violation.
- In settlement of EPA's claims for civil penalties assessable for the violations alleged in this Consent Agreement, and based upon EPA's "Ability to Pay Analysis" of Respondents' financial documentation referenced in Exhibit A of this Consent Agreement, Respondents consent to the assessment of a civil penalty in the amount of two hundred dollars (\$200.00) which Respondents shall be liable to pay in accordance with the terms set forth below.

 Such civil penalty amount shall become due and payable immediately upon Respondents' receipt of a true and correct copy of this CAFO.

- The Parties represent that the settlement terms are reasonable and are based upon EPA's consideration of a number of factors, including the penalty criteria set forth in Section 16(a)(2)(B) of TSCA, 15 U.S.C. § 2615(a)(2)(B), i.e., the nature, circumstances, extent and gravity of the violations, and with respect to the Respondents, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require. EPA applied these factors to the particular facts and circumstances of this case with specific reference to EPA's Section 1018

 Disclosure Rule Enforcement Response and Penalty Policy ("December 2007 ERPP"). In applying these factors, EPA took into account that the last amendment to 40 C.F.R. Part 19 (See 73 Fed. Reg. 75340 (2008)) and the December 29, 2008, memorandum by EPA

 Assistant Administrator Granta Y. Nakayama entitled, Amendments to EPA's Civil Penalty Policies to Implement the 2008 Civil Monetary Penalty Inflation Adjustment Rule, modified the December 2007 ERPP and authorized EPA to assess penalties larger than those stated in the December 2007 ERPP's appended matrices.
- The settlement embodied in this Consent Agreement is based in part upon an analysis of Respondents' limited ability to pay a civil penalty. This analysis was based upon information submitted to Complainant by the Respondents, as listed in Exhibit A to this Consent Agreement. Respondents hereby certify that the information submitted to EPA regarding Respondents' ability to pay is accurate and not misleading.

In Re: Julie and William Keller TSCA-03-2012-0082

- Payment of the civil penalty amount assessed in Paragraph 42, above, shall be made by either cashier's check, certified check, or electronic wire transfer, in the following manner:
- A. All payments by Respondents shall reference Respondents' name and address, and the Docket Number of this action, i.e., TSCA-03-2012-0082;
- B. All checks shall be made payable to "United States Treasury";
- C. All payments made by check and sent by regular mail shall be addressed for delivery to:

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

Contact: Eric Volck 513-487-2105 or Craig Steffen 513-487-2091

D. All payments made by check and sent by overnight delivery service shall be addressed for delivery to:

U.S. Bank Government Lockbox 979077 U.S. EPA, Fines & Penalties 1005 Convention Plaza Mail Station SL-MO-C2-GL St. Louis, MO 63101

Contact: 314-418-1028

In Re: Julie and William Keller TSCA-03-2012-0082

E. All payments made by check in any currency drawn on banks with no USA branches shall be addressed for delivery to:

Cincinnati Finance US EPA, MS-NWD 26 W. M.L. King Drive Cincinnati, OH 45268-0001

F. All payments made by electronic wire transfer shall be directed to:

Federal Reserve Bank of New York ABA = 021030004 Account No. = 68010727 SWIFT address = FRNYUS33 33 Liberty Street New York, NY 10045

Field Tag 4200 of the Fedwire message should read: "D 68010727 Environmental Protection Agency"

G. All electronic payments made through the Automated Clearinghouse (ACH), also known as Remittance Express (REX), shall be directed to:

US Treasury REX / Cashlink ACH Receiver
ABA = 051036706
Account No.: 310006, Environmental Protection Agency
CTX Format Transaction Code 22 - Checking

Physical location of U.S. Treasury facility: 5700 Rivertech Court
Riverdale, MD 20737

Contact: Jesse White 301-887-6548 or REX, 1-866-234-5681

H. On-Line Payment Option:

WWW.PAY.GOV/PAYGOV

Enter sfo 1.1 in the search field. Open and complete the form.

- I. Additional payment guidance is available at the following internet address:

 http://www.epa.gov/ocfo/finservices/make_a_payment.htm
- J. Payment by Respondents shall reference Respondents' name and address, and the EPA Docket Number of this CAFO. A copy of Respondents' check or a copy of Respondents' electronic fund transfer shall be sent simultaneously to:

Philip Yeany
Senior Assistant Regional Counsel
U.S. Environmental Protection Agency
Region III (Mail Code 3RC50)
1650 Arch Street
Philadelphia, PA 19103-2029;

and

Ms. Lydia Guy Regional Hearing Clerk U.S. Environmental Protection Agency Region III (Mail Code 3RC00) 1650 Arch Street Philadelphia, PA 19103-2029

Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, EPA is entitled to assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim, as more fully described below. Accordingly, Respondents' failure to make timely payment or to comply with the conditions in this Consent Agreement and Final Order shall result in the assessment of late payment charges including interest, penalties, and/or administrative costs of handling delinquent debts.

- Interest on the civil penalty assessed in this CAFO will begin to accrue on the date that a copy of this CAFO is mailed or hand-delivered to the Respondents. However, EPA will not seek to recover interest on any amount of the civil penalty that is paid within thirty (30) calendar days after the date on which such interest begins to accrue. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a).
- The costs of EPA's administrative handling of overdue debts is charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). Pursuant to Appendix 2 of EPA's Resources Management Directives Cash Management, Chapter 9, EPA will assess a fifteen dollars (\$15.00) administrative handling charge for administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional fifteen dollars (\$15.00) for each subsequent thirty (30) days the penalty remains unpaid.
- A penalty charge of six (6) percent per year will be assessed monthly on any portion of the civil penalty that remains delinquent more than ninety (90) calendar days. 40 C.F.R. § 13.11(c). Should assessment of the penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d).
- Respondents agree not to deduct for federal tax purposes the civil penalty specified in this Consent Agreement and the accompanying Final Order.

VI. EFFECT OF SETTLEMENT

The settlement set forth in this CAFO shall constitute full and final satisfaction of all civil claims for penalties that Complainant may have under TSCA and/or the RLBPHRA for the specific violations alleged in Section IV ("Findings of Fact and Conclusions of Law"), above. Compliance with this CAFO shall not be a defense to any action commenced at any time for any other violation of the federal laws and regulations administered by EPA.

VII. OTHER APPLICABLE LAWS

Nothing in this CAFO shall relieve the Respondents of its obligation to comply with all applicable federal, state, and local laws and regulations.

VIII. CERTIFICATION OF COMPLIANCE

Respondents certify to Complainant, upon investigation, to the best of their knowledge and belief, that such Respondents, as "owner[s]" and "lessor[s]" of the aforementioned Target Housing, are currently in compliance with the provisions of TSCA, the RLBPHRA and 40 C.F.R. Part 745, Subpart F, that are referenced in this Consent Agreement.

IX. RESERVATION OF RIGHTS

This Consent Agreement and the accompanying Final Order resolve only EPA's claims for civil monetary penalties for the specific violations alleged in Section IV ("Findings of Fact and Conclusions of Law") herein. EPA reserves the right to commence action against any person, including Respondents, in response to any condition that EPA determines may present an imminent and substantial endangerment to the public health, public welfare, or the environment. In addition, this settlement is subject to all limitations on the scope of resolution and to the reservation of rights set forth in Section 22.18(c) of the Consolidated Rules of Practice. Further, EPA reserves any rights and remedies available to it under TSCA, the RLBPHRA, the regulations promulgated thereunder, and any other federal laws or regulations for which EPA has jurisdiction, to enforce the provisions of this CAFO, following its filing with the EPA Regional Hearing Clerk.

X. PARTIES BOUND

55. This Consent Agreement and the accompanying Final Order shall apply to and be binding upon the EPA and the Respondents.

XI. EFFECTIVE DATE

The effective date of this Consent Agreement and the accompanying Final Order is the date on which the Final Order, signed by the Regional Administrator of EPA Region III,

In Re: Julie and William Keller TSCA-03-2012-0082

or his designee, the Regional Judicial Officer, is filed with the EPA Regional Hearing Clerk pursuant to the *Consolidated Rules of Practice*.

XII. ENTIRE AGREEMENT

This Consent Agreement and the accompanying Final Order constitute the entire agreement and understanding of the parties regarding settlement of all claims pertaining to the specific violations alleged herein and there are no representations, warranties, covenants, terms, or conditions agreed upon between the parties other than those expressed in this CAFO.

For Respondents:

Date: 1 26/12

Julie Keller

Date:

William Keller

Land and Chemicals Division

U.S. EPA Region III

BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III

In the Matter of : Consent Agreement and : Final Order

Julie and William Keller : U.S. EPA Docket No.
Reading, PA 14607-1485, : TSCA-03-2012-0082

Respondents, : :
Julie and William Keller : 1401 Pershing Boulevard Reading, PA 14607-1485, : :

Target Housing.

FINAL ORDER

Complainant, the Director of the Land and Chemicals Division, U.S. Environmental Protection Agency - Region III, and the above captioned Respondents have executed a document entitled "Consent Agreement," which I hereby ratify as a Consent Agreement in accordance with 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 terms of the foregoing Consent Agreement are accepted by the undersigned and incorporated herein as if set forth at length.

WHEREFORE, Section 1018 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 ("RLBPHRA"), 42 U.S.C. §§ 4851 et seq., and 40 C.F.R. Part 745, Subpart F, authorize the assessment of a civil penalty under Section 16 of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2615, for violations of the RLBPHRA, and having determined, based on the representations of the parties to the attached Consent Agreement, that the agreed-

upon two hundred dollars (\$200.00) civil penalty was based upon consideration of the factors set forth in Section 16(a)(2)(B) of TSCA, 15 U.S.C. § 2615(a)(2)(B), IT IS HEREBY ORDERED that Respondents pay a civil penalty of two hundred dollars (\$200.00) in accordance with the payment provisions set forth in the attached Consent Agreement. The effective date of the foregoing Consent Agreement and this FINAL ORDER is the date on which this FINAL ORDER is filed with the EPA Regional Hearing Clerk.

Date: $\frac{\beta/21/12}{}$

Lever Dare jian Renée Sarajian

Regional Judicial Officer U.S. EPA - Region III