January 7, 2025 2:57 pm USEPA – Region II Regional Hearing Clerk

REGION 2

NEW YORK, N.Y. 10007

CERTIFIED MAIL NO. RETURN RECEIPT REQUESTED & VIA EMAIL

Steamboat Trading, Inc. 4046 Temple City Boulevard Suite 103 Rosemead, CA 91770

Re:

Clean Air Act Vehicle and Engine Expedited Settlement Agreement

Docket No. CAA-02-2024-1220

Dear Lily Yang:

An authorized representative of the United States federal government conducted an inspection to determine your company's compliance with the Clean Air Act (CAA) and regulations promulgated thereunder. The details of this inspection are outlined in the enclosed Clean Air Act Vehicle and Engine Expedited Settlement Agreement (Agreement). As a result of the inspection, it was determined that your company failed to comply with the CAA and the associated regulations. The Agreement describes the violations.

You may resolve these violations using an expedited process that involves significantly lower penalties than those sought through the normal settlement process. The United States Environmental Protection Agency (EPA) is authorized to enter into the Agreement under the authority vested in the EPA Administrator by Section 205(c)(1) of the CAA, 42 U.S.C. § 7524(c)(1). After the Agreement becomes effective, the EPA will take no further civil penalty action against your company for the violation(s) described in the Agreement. However, the EPA does not waive any rights to take an enforcement action for any other past, present, or future violations of the CAA or of any other federal statute or regulation.

If you do not sign and return the enclosed Agreement as presented within thirty (30) calendar days of its receipt, and meet all of your obligations under the Agreement, then the proposed Agreement will be withdrawn, with no need of additional notice to you, and without prejudice to the EPA's ability to file any other enforcement action for the violation(s) identified in the Agreement and seek penalties of up to \$57,617 per violation pursuant to Section 205(a) of the CAA, 42 U.S.C. § 7524(a), as adjusted for inflation, see 40 C.F.R. § 19.4. Please refer to the "CAA Vehicle and Engine Expedited Settlement Agreement Instructions," enclosed, for instructions on timely accepting and executing this Agreement.

Please contact Richard Kan at (212) 637-4017 or Kan.Richard@epa.gov with any questions.

Sincerely,

KATHLEEN Digitally signed by KATHLEEN ANDERSON Date: 2024.09.17
14:21:55-04'00'

Kathleen Anderson, Director Enforcement and Compliance Assurance Division

Enclosure

cc: Dechain CHB Inc.

chenchen@dechainchb.com

Docket Number CAA-02-2024-1220

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January 7, 2025 2:57 pm

Enclosure

USEPA – Region II

CLEAN AIR ACT VEHICLE AND ENGINE EXPEDITED SETTLEMENT AGREEMENT REGIONAL Hearing Clerk

DOCKET NO. **CAA-02-2024-1220**

Respondent: Steamboat Trading, Inc.

4046 Temple City Boulevard

Suite 103

Rosemead, CA 91770

- The parties enter into this Clean Air Act Vehicle and Engine Expedited Settlement
 Agreement (Agreement) in order to settle the civil violation(s) discovered as a result of the
 inspection(s) specified in Table 1, enclosed, incorporated into this Agreement by reference.
 The civil violation(s) that are the subject of this Agreement are described in Table 2,
 enclosed, incorporated into the Agreement by reference, regarding the vehicle(s)/engine(s)
 specified therein.
- 2. Respondent admits to being subject to the Clean Air Act (CAA) and its associated regulations and that the United States Environmental Protection Agency (EPA) has jurisdiction over the Respondent and the Respondent's conduct described in Table 2. Respondent neither admits nor denies the findings detailed therein and waives any objections Respondent may have to the EPA's jurisdiction.
- 3. Respondent certifies that payment of the penalty has been made in the amount of four thousand five hundred dollars (\$4,500), and that Respondent has followed the instructions in the "CAA Vehicle and Engine Expedited Settlement Agreement Instructions," enclosed, incorporated into this Agreement by reference. Respondent certifies that the required remediation, specified in Table 3 and incorporated into this Agreement by reference, has been carried out in full.
- 4. By its first signature below, the EPA approves the findings resulting from the inspection(s) and the alleged violation(s) set forth in Table 1 and Table 2. Upon signing and returning this Agreement to the EPA, Respondent consents to the terms of this Agreement without further notice. Respondent acknowledges that this Agreement is binding on the parties signing below and becomes effective on the date of the EPA Delegated Official's ratifying signature.
- 5. The parties consent to service of this Agreement by electronic delivery at the Respondent's e-mail address noted below.

APPROVED BY EPA:

KATHLEEN Digitally signed by KATHLEEN ANDERSON Date: 2024.09.17 14:31:53 -04'00'

Date:

Delegated Official: Kathleen Anderson, Director Enforcement and Compliance Assurance Division

Docket Number CAA-02-2024-1220

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	APPROVED BY RESPONDENT:	
	Name (print): SHL YOAN	_
	Title (print):	Email (print): <u>Service @ stagm</u> boatsus.00M
	Signature: Jumpan	
	RATIFIED BY EPA:	
_		10/18/24 Date:
For	Delegated Official: Kathleen Anderson, Director Enforcement and Compliance Assurance Division	

Table 1 - Inspection Information				
Inspection Date(s):	Docket Number:			
May 22, 2024	0 2 - 2 0 2 4 - 1 2 2 0			
Inspection Location Name:	Entry Number(s):			
H&M International Warehouse	N P V - 0 0 0 0 1 1 5 - 1			
Address:	Date of Entry Detention by CBP:			
700 Bellville Turnpike	May 8, 2024			
City:	Inspector(s) Name(s):			
Kearny	CBPO Ryan			
State: Zip Code:	EPA Approving Official:			
NJ 07032	Kathleen Anderson			
Importer Name (Respondent):	EPA Enforcement Contact:			
Steamboat Trading, Inc.	Richard Kan - (212) 637-4017			
	Julian Velez - (212) 637-3464			

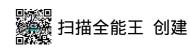
Table 2 - Description of Violation and Vehicles/Equipment

Steamboat Trading, Inc. (Respondent) imported the engines described at the bottom of Table 2 (the Subject Engines) on or about April 23, 2024. Authorized federal inspectors examined the Subject Engines and determined that they are uncertified and are not covered by an applicable Certificate of Conformity (COC). Respondent provided an EPA COC that does not apply to the Subject Engines; the COC presented is for materially different engines. The COC the Respondent presented is for a 4-stroke engine with a displacement of 53 cc, while the manual and Emission Control Information (ECI) label for the Subject Engines refer to a 2-stroke engine with a displacement of 80 cc. Moreover, the ECI label on the Subject Engines references the same Engine Family listed on the COC that is materially different from the Subject Engines. The ECI label also does not match or conform to the Sample Label Language in EPA's database which was submitted as part of the application for the inapplicable COC. Based on the above facts, EPA determined that the Subject Engines are not covered by a valid COC and are not certified. The EPA has found no further evidence indicating the Subject Engines are certified, exempt or otherwise excluded from coverage under Title II the Clean Air Act (CAA) and its implementing regulations. Accordingly, by importing the Subject Engines, Respondent has committed 9 violations of CAA Sections 203(a)(1) and 213(d), 42 U.S.C. §§ 7522(a)(1) and 7547(d), and the regulations codified at 40 C.F.R. § 1068.101(a)(1) and (b)(5).

Vehicle/Equipment Description	Observed Engine Manufacturer	Observed Model Year	Observed Engine Family	Quantity
Seeutek Single Cylinder Air Cooling 2 Stroke Bicycle Engine Kits	Shandong Huasheng Zhongtian Machinery Group CO., LTD	2024	RSHSS.0535GA	150

Table 3 - Penalty and Required Remediation					
Penalty	\$4,500				
Required Remediation	In addition to paying the monetary penalty, Respondent must provide to the EPA documentation showing that the Subject Engines have been destroyed, exported to a country other than Canada or Mexico, or are under exclusive control by U.S. Customs and Border Protection (CBP) pending exportation or destruction.				

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CAA VEHICLE AND ENGINE EXPEDITED SETTLEMENT AGREEMENT INSTRUCTIONS

Within thirty (30) days from your receipt of the Agreement, you must pay the penalty as described below:

Payment method 1 – Preferred (electronic): Pay online through the Department of the Treasury using **WWW.PAY.GOV**. In the Search Public Form field, enter SFO 1.1, click EPA Miscellaneous Payments - Cincinnati Finance Center and complete the SFO Form Number 1.1. The payment shall be identified in the online system with Docket Number listed below.

On the same day, once you submit your payment, send an email to "cinwd acctsreceivable@epa.gov" and the EPA contact email address noted below. Include in the subject line: "Payment Confirmation for Steamboat Trading, Inc. - Docket Number CAA-02-2024-1220." Enclose a copy of the Agreement and your payment receipt to the email.

Payment method 2 (check): Mail, via CERTIFIED MAIL, a certified check payable to the United States of America marked with **Steamboat Trading, Inc.**, and the Docket Number listed below, with a copy of the Agreement to:

U. S. Environmental Protection Agency
Government Lockbox 979077
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101
Attn: Docket Number CAA-02-2024-1220

Within thirty (30) days from your receipt of the Agreement, you must email <u>Kan.Richard@epa.gov</u> a scanned copy of the following:

- 1) the original signed Agreement,
- 2) the documentation of your Required Remediation corrective action(s) taken, and
- 3) <u>proof of payment</u> (meaning, as applicable, a photocopy of the original certified penalty check or confirmation of electronic payment).

If you prefer to mail this information via CERTIFIED MAIL, you may contact the EPA at the phone number listed below to confirm this arrangement (Note that mailed information must be postmarked within thirty (30) days of your receipt of the Agreement).

If you have any questions or would like to request an extension of time due to extraordinary circumstances, you may contact Richard Kan at (212) 637-4017. The EPA will consider whether to grant an extension on a case-by-case basis where appropriate justification is provided. The EPA will not accept or approve any Agreement returned more than thirty (30) days after the date of your receipt of the Agreement unless an extension has been granted by the EPA in writing. If you believe

that the alleged violations are without merit (and you can provide evidence contesting the allegations), you must provide such information to the EPA as soon as possible but no later than thirty (30) days from your receipt of the Agreement.

Unless an extension has been granted in writing by the EPA, if you do not sign and return the Agreement with proof of payment of the penalty amount and a report detailing your corrective action(s) within thirty (30) days of your receipt of the Agreement, the Agreement is automatically withdrawn, without prejudice to the EPA's ability to file an enforcement action for the above or any other violations. Failure to return the Agreement within the approved time does not relieve you of the responsibility to comply fully with the regulations, including correction of the violation(s) specifically identified in the enclosed Tables. If you choose not to enter into this Agreement and fully comply with its terms, the EPA may pursue more formal enforcement measures to correct the violation(s) and seek penalties of up to \$51,796 per violation pursuant to Section 205(a) of the CAA, 42 U.S.C. § 7524(a), as adjusted for inflation, see 40 C.F.R. § 19.4.

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