

BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

| In the Matter of: | DOCKET NO. FIFRA-10-2020-0034 |
|--------------------------------|-------------------------------|
| SOUND RESTAURANT SUPPLY, INC., |) CONSENT AGREEMENT |
| Fife, Washington, | |
| Respondent. |))) |

I. <u>STATUTORY AUTHORITY</u>

- 1.1. This Consent Agreement is issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Section 14(a) of the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. § 136*l*(a).
- 1.2. Pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136*l*(a), and in accordance with the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties," 40 C.F.R. Part 22, EPA issues, and Sound Restaurant Supply, Inc. ("Respondent") agrees to issuance of, the Final Order attached to this Consent Agreement ("Final Order").

II. PRELIMINARY STATEMENT

- 2.1. In accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b), issuance of this Consent Agreement commences this proceeding, which will conclude when the Final Order becomes effective.
- 2.2. The Director of Enforcement and Compliance Assurance Division, EPA

 Region 10 ("Complainant") has been delegated the authority pursuant to Section 14(a) of FIFRA,

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Consent Agreement Page 1 of 7 U.S. Environmental Protection Agency 1200 Sixth Avenue, Suite 155, 11-C07 Seattle, Washington 98101 (206) 553-1037 7 U.S.C. § 136l(a), to sign consent agreements between EPA and the party against whom an administrative penalty for violations of FIFRA is proposed to be assessed.

2.3. Part III of this Consent Agreement contains a concise statement of the factual and legal basis for the alleged violations of FIFRA together with the specific provisions of FIFRA and the implementing regulations that Respondent is alleged to have violated.

III. ALLEGATIONS

- 3.1. Section 2(s) of FIFRA, 7 U.S.C. § 136(s), defines a "person" as "any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not."
- 3.2. Section 2(u) of FIFRA, 7 U.S.C. § 136(u), defines a "pesticide," in part, as "any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest."
- 3.3. The regulation at 40 C.F.R. § 152.15 states that "a substance is considered to be intended for a pesticidal purpose, and thus to be a pesticide requiring registration, if: (a) the person who distributes or sells the substance claims, states, or implies (by labeling or otherwise) that the substance can or should be used as a pesticide; ... (b) the substance consists of or contains one or more active ingredients and has no significant commercially valuable use as distributed or sold other than use for pesticidal purpose (by itself or in combination with any other substances), [or] use for manufacture of a pesticide; ... or (c) the person who distributes or sells the substance has actual or constructive knowledge that the substance will be used, or is intended to be used, for a pesticidal purpose."
- 3.4. Section 2(p) of FIFRA, 7 U.S.C. § 136(p), defines "label" as "the written, printed, or graphic matter on, or attached to, the pesticide or device or any of its containers or wrappers."

This section also defines "labeling" as "all labels and all other written, printed, or graphic matter

(A) accompanying the pesticide or device at any time; or (B) to which reference is made on the

label or in literature accompanying the pesticide or device."

3.5. Section 2(gg) of FIFRA, 7 U.S.C § 136(gg), defines "to distribute or sell" as "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."

3.6. The regulation at 40 C.F.R. § 152.3 further defines "distribute or sell" as "the acts

of distributing, selling, offering for sale, holding for sale, shipping, holding for shipment,

delivering for shipment, or receiving and (having so received) delivering or offering to deliver,

or releasing for shipment to any person in any State."

3.7. Section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A), provides that it shall be

unlawful for any person in any State to sell or distribute to any person any pesticide that is not

registered under Section 3 of FIFRA.

3.8. Respondent is incorporated under the laws of the State of Delaware. Respondent

is therefore a "person" as that term is defined in Section 2(s) of FIFRA, 7 U.S.C. § 136(s).

3.9. Between March 14, 2017, and September 14, 2017, Respondent sold, distributed,

held for distribution, held for shipment, or shipped a product called "LT Sanitizer" on numerous

occasions in the United States.

3.10. At all times relevant to this Consent Agreement, the product name "LT Sanitizer"

contained a pesticidal claim, and the labeling for LT Sanitizer described the product as a "liquid

low-temperature dishmachine sanitizer," which is a pesticidal claim.

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3.11. Therefore, at all times relevant to this Consent Agreement, LT Sanitizer was a pesticide as that term is defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u), and 40 C.F.R.

§ 152.15.

3.12. At no time between March 14, 2017, and September 14, 2017, was LT Sanitizer

registered with EPA as a pesticide under Section 3 of FIFRA, 7 U.S.C. § 136a. Therefore, each

occasion alleged in Paragraph 3.9 where Respondent sold, distributed, held for distribution, held

for shipment, or shipped the product LT Sanitizer constitutes the sale or distribution of an

unregistered pesticide in violation of FIFRA.

ENFORCEMENT AUTHORITY

3.13. Pursuant to Section 14(a)(1) of FIFRA, 7 U.S.C. § 136l(a)(1), and 40 C.F.R.

Part 19, EPA may assess a civil penalty of not more than \$19,936 for each offense.

IV. TERMS OF SETTLEMENT

4.1. Respondent admits the jurisdictional allegations of this Consent Agreement.

4.2. Respondent neither admits nor denies the specific factual allegations contained in

this Consent Agreement.

4.3. In determining the amount of penalty to be assessed, EPA has taken into account

the factors specified in Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4). After considering all

of these factors, EPA has determined that an appropriate penalty to settle this action is \$5,000

(the "Assessed Penalty") and Respondent consents to the assessment of the Assessed Penalty.

4.4. Respondent agrees to pay the Assessed Penalty within 30 days of the effective

date of the Final Order.

4.5. Payments under this Consent Agreement and the Final Order may be paid by

check (mail or overnight delivery), wire transfer, ACH, or online payment. Payment instructions

are available at: http://www2.epa.gov/financial/makepayment. Payments made by a cashier's check or certified check must be payable to the order of "Treasurer, United States of America" and delivered to the following address:

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

Respondent must note on the check the title and docket number of this action.

4.6. Concurrently with payment, Respondent must serve photocopies of the check, or proof of other payment method, described in Paragraph 4.5 on the Regional Hearing Clerk and EPA Region 10 at the following addresses:

Regional Hearing Clerk
U.S. Environmental Protection Agency
Region 10, Mail Stop 11-C07
1200 Sixth Avenue, Suite 155
Seattle, Washington 98101
young.teresa@epa.gov

Nicholas Hurwit
U.S. Environmental Protection Agency
Region 10, Mail Stop 20-C04
1200 Sixth Avenue, Suite 155
Seattle, Washington 98101
hurwit.nicholas@epa.gov

- 4.7. If Respondent fails to pay any portion of the Assessed Penalty in full by its due date, the entire unpaid balance of the Assessed Penalty and accrued interest shall become immediately due and owing. If such a failure to pay occurs, Respondent may be subject to a civil action under Section 14(a)(5) of FIFRA, 7 U.S.C. § 136l(a)(5), to collect any unpaid penalties, together with interest, handling charges, and nonpayment penalties, as set forth below.
- 4.8. If Respondent fails to pay any portion of the Assessed Penalty in full by its due date, Respondent shall also be responsible for payment of the following amounts:
 - a. Interest. Pursuant to 31 U.S.C. § 3717(a)(1), any unpaid portion of the Assessed Penalty shall bear interest at the rate established by the Secretary of the

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Treasury from the effective date of the Final Order contained herein, provided, however, that no interest shall be payable on any portion of the Assessed Penalty that is paid within

30 days of the effective date of the Final Order contained herein.

b. Handling Charge. Pursuant to 31 U.S.C. § 3717(e)(1), a monthly handling

charge of \$15 shall be paid if any portion of the Assessed Penalty is more than 30 days

past due.

c. Nonpayment Penalty. Pursuant to 31 U.S.C. § 3717(e)(2), a nonpayment

penalty of 6% per annum shall be paid on any portion of the Assessed Penalty that is

more than 90 days past due, which nonpayment shall be calculated as of the date the

underlying penalty first becomes past due.

4.9. The Assessed Penalty, including any additional costs incurred under

Paragraph 4.8, represents an administrative civil penalty assessed by EPA and shall not be

deductible for purposes of federal taxes.

4.10. The undersigned representative of Respondent certifies that he or she is

authorized to enter into the terms and conditions of this Consent Agreement and to bind

Respondent to this document.

4.11. The undersigned representative of Respondent also certifies that, as of the date of

Respondent's signature of this Consent Agreement, Respondent has corrected the violation(s)

alleged in Part III.

4.12. Except as described in Paragraph 4.8, each party shall bear its own costs and

attorneys' fees in bringing or defending this action.

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- 4.13. For the purposes of this proceeding, Respondent expressly waives any affirmative defenses and the right to contest the allegations contained in the Consent Agreement and to appeal the Final Order.
- The provisions of this Consent Agreement and the Final Order shall bind Respondent and its agents, servants, employees, successors, and assigns.
- 4.15. Respondent consents to the issuance of any specified compliance or corrective action order, to any conditions specified in this consent agreement, and to any stated permit action.
- The above provisions in Part IV are STIPULATED AND AGREED upon by Respondent and EPA Region 10.

DATED:

FOR RESPONDENT:

DAVID HENSLEY, President Sound Restaurant Supply, Inc.

DATED:

1/6/2028

FOR COMPLAINANT:

EDWARD J, KOWALSKI, Director

Enforcement & Compliance Assurance Division

EPA Region 10

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| In the Matter of: | DOCKET NO. FIFRA-10-2020-0034 |
|--------------------------------|-------------------------------|
| SOUND RESTAURANT SUPPLY, INC., |) FINAL ORDER |
| Fife, Washington, |)) |
| Respondent. |))) |

- 1.1. The Administrator has delegated the authority to issue this Final Order to the Regional Administrator of EPA Region 10, who has redelegated this authority to the Regional Judicial Officer in EPA Region 10.
- 1.2. The terms of the foregoing Consent Agreement are ratified and incorporated by reference into this Final Order. Respondent is ordered to comply with the terms of settlement.
- 1.3. The Consent Agreement and this Final Order constitute a settlement by EPA of all claims for civil penalties under FIFRA for the violations alleged in Part III of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(a), nothing in this Final Order shall affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order does not waive, extinguish, or otherwise affect Respondent's obligations to comply with all applicable provisions of FIFRA and regulations promulgated or permits issued thereunder.

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Final Order Page 1 of 2 1.4. This Final Order shall become effective upon filing with the Regional Hearing Clerk.

SO ORDERED this 1th day of January, 2020.

RICHARD MEDNICK Regional Judicial Officer

EPA Region 10

Certificate of Service

The undersigned certifies that the original of the attached CONSENT AGREEMENT AND FINAL ORDER, In the Matter of: Sound Restaurant Supply, Inc., Docket No.: FIFRA-10-2020-0034, was filed with the Regional Hearing Clerk and served on the addressees in the following manner on the date specified below:

The undersigned certifies that a true and correct copy of the document was delivered to:

Danielle Meinhardt U.S. Environmental Protection Agency Region 10, Mail Stop 11-C07 1200 Sixth Avenue, Suite 155 Seattle, Washington 98101

Further, the undersigned certifies that a true and correct copy of the aforementioned document was placed in the United States mail certified/return receipt to:

David Hensley President Sound Restaurant Supply, Inc. 3701 Southeast Skyhawk Lane Port Orchard, Washington 98367

DATED this $\frac{8}{3}$ day of $\frac{5\alpha_{NN}}{N}$, 2020.

TERESA YOUNG Regional Hearing Clerk

EPA Region 10