SYLVIA A.OUAST Regional Counsel EDGAR P. CORAL Assistant Regional Counsel U.S. Environmental Protection Agency Region IX 75 Hawthorne Street San Francisco, CA 94105 (415) 972-3898 coral.edgar@epa.gov



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

I. CONSENT AGREEMENT

The United States Environmental Protection Agency ("EPA"), Region IX, and Native Farms LLC ("Respondent") agree to settle this matter and consent to the entry of this Consent Agreement and Final Order ("CAFO"). This CAFO simultaneously initiates and concludes this proceeding in accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b).

A. AUTHORITY AND PARTIES

- 1. This is a civil administrative action brought pursuant to Section 14(a)(2) of the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. § 136l(a)(2), for the assessment of a civil administrative penalty against Respondent for the use of a registered pesticide in a manner inconsistent with its labeling in violation of Section 12(a)(2)(G) of FIFRA, 7 U.S.C. § 136j(a)(2)(G), and the Worker Protection Standard set forth at 40 C.F.R. Part 170.
- 2. Complainant is the Manager of the Toxics Section in the Enforcement and Compliance Assurance Division, EPA Region IX, who has been duly delegated the authority to

bring this action and to sign a consent agreement settling this action.

3. Respondent is Native Farms LLC, a Hawaii limited liability company with headquarter offices located at 200 Keawe Street, Bay 65, in Honolulu, Hawaii.

B. STATUTORY AND REGULATORY BASIS

- 4. Section 12(a)(2)(G) of FIFRA, 7 U.S.C. § 136j(a)(2)(G), makes it unlawful for any person to use any registered pesticide in a manner inconsistent with its labeling.
- 5. Section 2(ee) of FIFRA, 7 U.S.C. § 136(ee), provides that a registered pesticide is used in a manner inconsistent with its labeling if the registered pesticide is used in a manner not permitted by the labeling.
- 6. Pursuant to 40 C.F.R. § 170.240(c), when personal protective equipment is specified by the labeling of any pesticide for any handling activity, the handler employer shall provide the appropriate personal protective equipment in clean and operating condition to the handler.
- 7. Pursuant to 40 C.F.R. § 170.9(b), a person who has a duty under 40 C.F.R. Part 170, as referenced on the pesticide label, and who fails to perform that duty, violates Section 12(a)(2)(G) of FIFRA, 7 U.S.C. § 136j(a)(2)(G), and is subject to a civil penalty under Section 14 of FIFRA, 7 U.S.C. § 136l.
- 8. Section 14(a)(2) of FIFRA, 7 U.S.C. § 136l(a)(2), 40 C.F.R. Part 19, and the Civil Monetary Penalty Inflation Adjustment Rule at 88 Fed. Reg. 986 (January 6, 2023) provide that, for any offense that occurred after November 2, 2015, where penalties are assessed on or after January 6, 2023, any private applicator or other person not included in Section 14(a)(1) who violates any provision of FIFRA subsequent to receiving a written notice from the Administrator or following a citation for a prior violation, may be assessed a civil penalty by the Administrator of up to \$3,446 for each offense.

C. ALLEGED VIOLATION

- 9. At all times relevant to this CAFO, Respondent was a limited liability company and therefore a "person" as that term is defined by Section 2(s) of FIFRA, 7 U.S.C. § 136(s), and as such is subject to FIFRA and the regulations promulgated thereunder.
 - 10. At all times relevant to this matter, Respondent operated a facility (the "Facility")

located at 41-732 Kakaina Street in Waimanalo, Hawaii.

- 11. This Facility is a "nursery" and therefore an "agricultural establishment" as those terms are defined at 40 C.F.R. § 170.3.
- 12. At all times relevant to this matter, the individuals employed by Respondent for assistance with the application of pesticides at the Facility were "handlers" as that term is defined at 40 C.F.R. § 170.3.
- 13. At all times relevant to this matter, Respondent was a "handler employer" as that term is defined at 40 C.F.R. § 170.3.
- 14. Banrot Broad Spectrum Fungicide (EPA Reg. No. 58185-10) is a registered "pesticide" as that term is defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u).
- 15. The labeling for the registered pesticide, Banrot Broad Spectrum Fungicide, provides, under the section labeled "Personal Protective Equipment (PPE)," that "mixers, loaders, applicators, and handlers must wear . . . chemical-resistant footwear plus socks."
- 16. On or about May 6, 2023, a handler applied the registered pesticide, Banrot Broad Spectrum Fungicide, at the Facility and Respondent, as the handler employer, failed to provide chemical resistant footwear to the handler for the handler's application of the pesticide.
- 17. Thus, on or about May 6, 2023, Respondent failed to provide the handler with personal protective equipment for application specified by the labeling of the registered pesticide, Banrot Broad Spectrum Fungicide, as required by 40 C.F.R § 170.240(c).
- 18. Respondent's failure to provide the handler with chemical resistant footwear for the application of the registered pesticide, Banrot Broad Spectrum Fungicide, at the Facility constitutes "use of a registered pesticide in a manner inconsistent with its labeling" pursuant to 40 C.F.R. § 170.9(b) and is thus a violation of Section 12(a)(2)(G) of FIFRA, 7 U.S.C. § 136j(a)(2)(G).
- 19. Respondent received a Notice of Warning from the State of Hawaii for a previous use violation in May 2022.

D. RESPONDENT'S ADMISSIONS

20. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding,

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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 Section I.C of this CAFO; (iii) consents to any and all conditions specified in this CAFO and to the assessment of the civil administrative penalty under Section I.E of this CAFO; (iv) waives any right to contest the allegations contained in this CAFO; and (v) waives the right to appeal the proposed Final Order contained in this CAFO.

E. <u>CIVIL ADMINISTRATIVE PENALTY</u>

21. In full and final settlement of the violation specifically alleged in Section I.C of this CAFO, Respondent shall pay a civil administrative penalty of ONE THOUSAND, TWO HUNDRED, AND SIXTY-SIX DOLLARS (\$1,266). Respondent shall pay this civil penalty within thirty (30) days of the effective date of this CAFO. The civil penalty shall be paid by remitting a certified or cashier's check, including the name and docket number of this case, for the amount, payable to "Treasurer, United States of America," (or be paid by one of the other methods listed below) and sent as follows:

Regular Mail:

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

Wire Transfers:

Wire transfers must be sent directly to the Federal Reserve Bank in New York City with the following information:
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Beneficiary = U.S. Environmental Protection Agency

Certified or Overnight Mail:

U.S. Bank 1005 Convention Plaza Mail Station SL-MO-C2GL ATTN Box 979077 St. Louis, MO 63101

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	ACH (also known as Remittance Express or REX):		
2	Automated Clearinghouse (ACH) payments to EPA can be made through the U.S. Treasury using the following information:		
4	U.S. Treasury REX/Cashlink ACH Receiver		
5	ABA = 051036706 Account = 31006, Environmental Protection Agency CTX Format Transaction Code 22 – checking		
6	Physical location of U.S. Treasury facility:		
7 8	5700 Rivertech Court Riverdale, MD 20737		
9	Remittance Express (REX) = (866) 234-5681		
10	On Line Payment:		
11	This payment option can be accessed from the information below:		
12	www.pay.gov		
13	Enter "SFO 1.1" in the search field Open form and complete required fields		
14	If clarification regarding a particular method of payment remittance is needed, contact the EPA's Cincinnati Finance Center at (513) 487-2091.		
15	needed, contact the EFA's Chichinati Finance Center at (515) 467-2091.		
16	A copy of each check, or notification that the payment has been made by one of the other		
17	methods listed above, including proof of the date payment was made, shall be sent with a		
18	transmittal letter, indicating Respondent's name, the case title, and docket number, to the		
19	following regular mail or email addresses:		
20	Regional Hearing Clerk		
21	Office of Regional Counsel (ORC-1) U.S. Environmental Protection Agency, Region IX		
22	75 Hawthorne Street San Francisco, CA 94105		
23	R9HearingClerk@epa.gov		
24	Brandon Boatman Toxics Section		
25	Enforcement and Compliance Assurance Division (ENF-2-3) U.S. Environmental Protection Agency, Region IX		
26	75 Hawthorne Street San Francisco, CA 94105		
27	boatryan.brandon@epa.gov		
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22. Respondent shall not use payment of any penalty under this CAFO as a tax deduction

Consent Agreement and Final Order *In re Native Farms LLC*

from Respondent's federal, state, or local taxes, nor shall Respondent allow any other person to use such payment as a tax deduction.

- 23. If Respondent fails to pay the assessed civil administrative penalty of ONE THOUSAND, TWO HUNDRED, AND SIXTY-SIX DOLLARS (\$1,266), as identified in Paragraph 20, by the deadline specified in that Paragraph, then Respondent shall pay a stipulated penalty to EPA of FIVE HUNDRED DOLLARS (\$500) per day in addition to the assessed penalty. Stipulated penalties shall accrue until such time as the assessed penalty and all accrued stipulated penalties are paid and shall become due and payable upon EPA's written request. Failure to pay the civil administrative penalty specified in Paragraph 20 by the deadline specified in that Paragraph may also Lad to any or all of the following actions:
- (1) EPA may refer the debt 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. The validity, amount, and appropriateness of the assessed penalty or of this CAFO is not subject to review in any such collection proceeding.
- (2) The U.S. Government may collect the debt 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 U.S. Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40 C.F.R. §§ 13(C) and 13(H).
- (3) Pursuant to 40 C.F.R. § 13.17, EPA may either: (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.
- (4) Pursuant to 31 U.S.C. § 3701 *et seq.* and 40 C.F.R. Part 13, the U.S. Government may assess interest, administrative handling charges, and nonpayment penalties against the outstanding amount that Respondent owes to EPA for Respondent's failure to pay the civil administrative penalty specified in Paragraph 20 by the deadline specified in that Paragraph.
 - (a) Interest. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R.

§13.11(a)(1), any unpaid portion of the assessed penalty shall bear interest at the rate established according to 26 U.S.C. § 6621(a)(2) from the effective date of this CAFO, provided, however, that no interest shall be payable on any portion of the assessed penalty that is paid within thirty (30) days of the effective date of this CAFO.

(b) Administrative Handling Charges. Pursuant to 31 U.S.C. Section 3717(e)(1) and 40 C.F.R. § 13.11(b), Respondent shall pay a monthly handling charge, based on either actual or average cost incurred (including both direct and indirect costs), for every month in which any portion of the assessed penalty is more than thirty (30) days past due.

(c) Nonpayment Penalties. Pursuant to 31 U.S.C. § 3717(e)(2) and 40 C.F.R. § 13.11(c), a monthly penalty charge, not to exceed six percent (6%) annually, may be assessed on all debts more than ninety (90) days delinquent.

F. CERTIFICATION OF COMPLIANCE

24. In executing this CAFO, Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and is at the time of signature to this CAFO, truthful, accurate, and complete; and that Respondent has corrected the violation alleged in Section I.C of this CAFO. Under 18 U.S.C. § 1001, submitting false or misleading information can result in significant penalties, including the possibility of fines and imprisonment for knowing submission of such information.

G. RETENTION OF RIGHTS

- 25. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondent's liabilities for federal civil penalties for the violation and facts specifically alleged in Section I.C of this CAFO. 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 Section I.C of this CAFO; 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 Section I.C of this CAFO.
 - 26. This CAFO does not exempt, relieve, modify, or affect in any way Respondent's

duties to comply with all applicable federal, state, and local laws, regulations, rules, ordinances, and permits.

H. ATTORNEYS' FEES AND COSTS

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

I. EFFECTIVE DATE

28. 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.

J. BINDING EFFECT

- 29. 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.
- 30. 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 NATIVE FARMS LLC:

 $\frac{9/20}{25}$

ANDREW DEDRICK Managing Member Native Farms LLC

FOR COMPLAINANT EPA:

KAORU MORIMOTO

Digitally signed by KAORU MORIMOTO Date: 2023.09.25 12:04:56 -07'00'

(for)

MATT SALAZAR, P.E.

Manager, Toxics Section

Enforcement and Compliance Assurance Division U.S. Environmental Protection Agency, Region IX

II. FINAL ORDER

EPA and Native Farms LLC having entered into the foregoing Consent Agreement, IT IS HEREBY ORDERED that this CAFO (Docket No. FIFRA-09-2023-0087) be entered, and Respondent shall pay a civil administrative penalty in the amount of ONE THOUSAND, TWO HUNDRED, AND SIXTY-SIX DOLLARS (\$1,266) and comply with the terms and conditions set forth in the Consent Agreement.

BEATRICE WONG

Digitally signed by BEATRICE WONG Date: 2023.09.25 14:38:11 -07'00'

Beatrice Wong
Regional Judicial Officer
U.S. Environmental Protection Agency, Region IX

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Consent Agreement and Final Order in the matter of Native Farms LLC, (Docket No. FIFRA-09-2023-0087) was filed with the Regional Hearing Clerk, and that a true and correct copy of the same was sent to the following parties via electronic mail, as indicated below:

RESPONDENT: Dewain A. Dedrick Managing Member

Native Farms LLC

200 Keawe Street, Bay 65 Honolulu, HI 96813

Andrew@Nativefarmshawaii.com

COMPLAINANTS: Edgar Coral

Assistant Regional Counsel (ORC-2)

U.S. EPA, Region IX 75 Hawthorne Street San Francisco, CA 94105 Carol.Edgar@EPA.gov

PONLY TU Digitally signed by PONLY TU Date: 2023.09.25 18:20:46 -07'00'

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Ponly Tu Regional Hearing Clerk U.S. EPA - Region IX

CERTIFIATE OF SERVICE

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