



UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY

BEFORE THE ADMINISTRATOR

In the Matter of:)
)
WOLFE LANDAU,) DOCKET NO. TSCA-02-2009-9267
)
Respondent.)

PREHEARING ORDER

As you have been previously notified, I am designated to preside over this proceeding. This proceeding will be governed by the Consolidated Rules of Practice Governing Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits, 40 C.F.R. §22.1 et seq., ("Rules of Practice"). The parties are advised to familiarize themselves with the applicable statute and the Rules of Practice.

Agency policy strongly supports settlement and the procedures regarding documenting settlements are set forth in Section 22.18 of the Rules of Practice, 40 C.F.R. §22.18. If settlement discussions in this proceeding have already been undertaken, the parties are commended for taking the initiative to resolve this matter informally and expeditiously. Each party is reminded that pursuing this matter through a hearing and possible appeals will require the expenditure of significant amounts of time and financial resources. The parties should also realistically consider the risk of not prevailing in the proceeding despite such expenditures. A settlement allows the parties to control the outcome of the case, whereas a judicial decision takes such control away. With such thoughts in mind the parties are directed to engage in a settlement conference on or before **January 20, 2010**, and attempt to reach an amicable resolution of this matter. The Complainant shall file a status report regarding settlement on or before **January 25, 2010**. If the case is settled, the Consent Agreement and Final Order signed by the parties should be filed no later than **February 19, 2010**, with a copy sent to the undersigned.

Should a Consent Agreement not be finalized on or before **February 19, 2010**, the parties must prepare for hearing and shall strictly comply with the prehearing requirements of this Order.

This Order is issued pursuant to Section 22.19(a) of the Rules. Accordingly, it is directed that the following prehearing exchange take place between the parties:

1. Pursuant to Section 22.19(a) of the Rules, each party shall file with the Regional Hearing Clerk and shall serve on the opposing party and on the Presiding Judge:

(A) the names of the expert and other witnesses intended to be called at hearing, identifying each as a fact witness or expert witness, with a brief narrative summary of their expected testimony, or a statement that no witnesses will be called;

(B) copies of all documents and exhibits intended to be introduced into evidence. Included among the documents produced shall be a curriculum vita or resume for each identified expert witness. The documents and exhibits shall be identified as Complainant's or Respondent's exhibit, as appropriate, and numbered with Arabic numerals (e.g., CX 1 or RX 1); and

(C) a statement of its views on the appropriate place of hearing and an estimate of the time needed to present its direct case. See Sections 22.21(d) and 22.19(d) of the Rules. *Include therein a statement as to whether any translation services are necessary for testimony, and the language to be translated.*

2. In addition, the Complainant shall submit the following as part of its Initial Prehearing Exchange:

(A) a copy of any and all documents supporting the truth of the allegations in paragraphs 20-22 of the Complaint that each of the housing units referenced therein constitutes "residential real property," a "residential dwelling unit," and "target housing" as defined in the relevant statutes and regulations;

(B) a copy of any and all documents supporting the truth of the allegations in paragraph 37 of the Complaint that Respondent failed to include in or attach to the eight lease contracts referred to therein a Lead Warning Statement;

(C) a copy of any and all documents supporting the truth of the allegation in paragraph 45 of the Complaint that Respondent failed to include in or attach to the sales contract for the Vermont Street Property a Lead Warning Statement;

(D) a copy of any and all documents supporting the truth of the allegations in paragraph 53 of the Complaint that Respondent failed to include in or attach to the eight lease contracts referred to therein the lessor's required Lead-Based Paint Disclosure Statement;

(E) a copy of any and all documents supporting the truth of the allegation in paragraph 61 of the Complaint that Respondent failed to include with or attach to the sales contract for the Vermont Street Property the seller's required Lead-Based Paint Disclosure Statement;

(F) a copy of any and all documents supporting the truth of the allegations in paragraph 69 of the Complaint that Respondent failed to include in or attach to the eight lease

contracts referred to therein a list of records and reports available pertaining to lead-based paint or lead-based paint hazards or a statement indicating that such documentation was not available;

(G) a copy of any and all documents supporting the truth of the allegation in paragraph 77 of the Complaint that Respondent failed to include with or attach to the sales contract for the Vermont Street Property a list of records and reports available pertaining to lead-based paint or lead-based paint hazards or a statement indicating that such documentation was not available;

(H) a copy of any and all documents supporting the truth of the allegations in paragraph 85 of the Complaint that Respondent failed to include in or attach to the eight lease contracts referred to therein a statement by the lessee affirming receipt of the lessor's statement disclosing the presence of known lead-based paint and/or lead-based paint hazards and related pamphlet;

(I) a copy of any and all documents supporting the truth of the allegation in paragraph 93 of the Complaint that Respondent failed to include in or attach to the sales contract for the Vermont Street Property a statement by the purchaser affirming receipt of the seller's statement disclosing the presence of known lead-based paint and/or lead-based paint hazards and related pamphlet;

(J) a copy of any and all documents supporting the truth of the allegation in paragraph 101 of the Complaint that Respondent failed to attach to the sales contract for the Vermont Street Property a statement by the purchaser regarding receiving the opportunity to conduct risk assessment or inspection;

(K) a copy of any and all documents supporting the truth of the allegations in paragraph 109 of the Complaint that Respondent failed to include in or attach to the eight lease contracts referred to therein a certification of the accuracy of statements made therein;

(L) a copy of any and all documents supporting the truth of the allegation in paragraph 117 of the Complaint that Respondent failed to attach to the sales contract for the Vermont Street Property a certification of the accuracy of statements made therein;

(M) a copy of any and all documents other demonstrating the truth of the allegations in the Complaint the accuracy of which the Respondent denied in his Answer in whole or in part;

(N) copies of EPA's Guidelines for Assessment of Civil Penalties Under Section 16 of the Toxic Substances Control Act published September 10, 1980 and EPA's December 2007 Section 1018 Disclosure Rule Enforcement Response and Penalty Policy, both of which were referenced on page 18 of the Complaint; and

(O) a statement regarding whether the Paper Work Reduction Act of 1980 ("PRA"), 44 U.S.C. § 3501 *et seq.*, applies to this proceeding, whether there is a current Office of Management and Budget control number involved herein, and whether the provisions of Section 3512 of the PRA are applicable in this case; and

3. The Respondent shall also submit the following as part of his Prehearing Exchange:

(A) a detailed narrative statement that fully elaborates on the exact factual and legal basis for his denial of the truth of the allegations made in paragraph 2 of the Complaint regarding jurisdiction, along with copies of all documents in support thereof;

(B) a detailed narrative statement that fully elaborates on the exact factual and legal basis for his denial of the truth of the allegations made in paragraphs 37-41, 45-49, 53-57, 61-65, 69-73, 77-81, 85-89, 93-97, 101-105, 109-113, and 117-121 of the Complaint, along with copies of all documents in support thereof;

(C) a complete copy of the lease contracts entered into by Respondent referred to in paragraphs 23-30 of the Complaint including any and all attachments thereto relating to lead-based paint or lead based paint hazards;

(D) a complete copy of the sales contracts and indenture entered into by Respondent referred to in paragraphs 31 and 33 of the Complaint including any and all attachments thereto relating to lead-based paint or lead based paint hazards;

(E) a detailed narrative statement that fully elaborates on the exact factual and legal basis for the claims made in paragraphs 25, 30, , 32, 33, 38, 40, 41, 46, 48, 49, 54, 56, 57, 62, 64, 65, 70, 72, 73, 78, 80, 81, 86, 89, 90, 95, 97, 98, 103, 105, and 106 of the Answer that Respondent has "ensured" that the lessor and/or seller performed all required activities under 40 C.F.R. § 745.113 and "any cited violations are in error," along with copies of all documents in support thereof;

(F) if Respondent takes the position that he is unable to pay the proposed penalty, a narrative statement explaining the factual and legal basis for his position and a copy of any and all documents he intends to rely upon in support of such position; and

(G) if Respondent takes the position that the proposed penalty should be reduced or eliminated on any other grounds, a narrative statement explaining the factual and legal basis for his position and a copy of any and all documents he intends to rely upon in support of such position.

4. Complainant shall submit as part of its Rebuttal Prehearing Exchange a statement and/or any documents in response to Respondents' Prehearing Exchange submittals as to provisions 3(A) through 3(G) above.

The prehearing exchanges called for above shall be filed *in seriatim* fashion, pursuant to the following schedule:

- February 19, 2010** - Complainant's Initial Prehearing Exchange
- March 12, 2010** - Respondents' Prehearing Exchange, including any direct and/or rebuttal evidence
- March 25, 2010** - Complainant's Rebuttal Prehearing Exchange

Section 22.19(a) of the Rules of Practice provides that, except in accordance with Section 22.22(a), any document not included in the prehearing exchange shall not be admitted into evidence, and any witness whose name and testimony summary are not included in the prehearing exchange shall not be allowed to testify. Therefore, each party should thoughtfully prepare its prehearing exchange. Any supplements to prehearing exchanges shall be filed with an accompanying motion to supplement the prehearing exchange.

The Complaint herein gave the Respondent notice and opportunity for a hearing, in accordance with Section 554 of the Administrative Procedure Act (APA), 5 U.S.C. § 554. In his Answer to the Complaint, the Respondent requested such a hearing. In this regard, Section 554(c)(2) of the APA sets out that a hearing be conducted under Section 556 of the APA. Section 556(d) provides that a party is entitled to present its case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts. Thus, the Respondent has the right to defend himself against the Complainant's charges by way of direct evidence, rebuttal evidence or through cross-examination of the Complainant's witnesses. Respondent is entitled to elect any or all three means to pursue his defenses. If the Respondent intends to elect only to conduct cross-examination of Complainant's witnesses and to forgo the presentation of direct and/or rebuttal evidence, the Respondent shall serve a statement to that effect on or before the date for filing his prehearing exchange. **The Respondent is hereby notified that his failure to either comply with the prehearing exchange requirements set forth herein or to state that he is electing only to conduct cross-examination of the Complainant's witnesses can result in the entry of a default judgment against him.** The Complainant is notified that its failure to file its prehearing exchange in a timely manner can result in a dismissal of the case with prejudice. **THE MERE PENDENCY OF SETTLEMENT NEGOTIATIONS OR EVEN THE EXISTENCE OF A SETTLEMENT IN PRINCIPLE DOES NOT CONSTITUTE A BASIS**

FOR FAILING TO STRICTLY COMPLY WITH THE PREHEARING EXCHANGE REQUIREMENTS. ONLY THE FILING WITH THE HEARING CLERK OF A FULLY EXECUTED CONSENT AGREEMENT AND FINAL ORDER, OR AN ORDER OF THE JUDGE, EXCUSES NONCOMPLIANCE WITH FILING DEADLINES.

Prehearing exchange information required by this Order to be sent to the Presiding Judge, as well as any other further pleadings, if sent by mail, shall be addressed as follows:

The Honorable Susan L. Biro
Chief Administrative Law Judge
Office of Administrative Law Judges
U.S. Environmental Protection Agency
Mail Code 1900L
1200 Pennsylvania Ave. N.W.
Washington, D.C. 20460

Hand-delivered packages transported by Federal Express or another delivery service which x-rays their packages as part of their routine security procedures may be delivered directly to the Offices of the Administrative Law Judges at 1099 14th Street, N.W., Suite 350, Washington, D.C. 20005.

Telephone contact may be made with my legal assistant, Maria Whiting-Beale at (202) 564-6259 or my staff attorney, Lisa Knight, Esquire at (202) 564-6291. The facsimile number is (202) 565-0044.

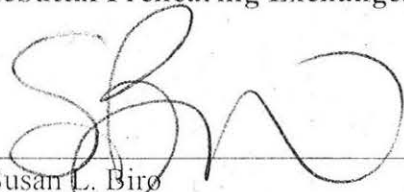
If any party wishes to receive, by e-mail or by facsimile, an expedited courtesy copy of decisions and substantive orders issued in this proceeding, the party shall submit a request for expedited courtesy copies by letter addressed to Maria Whiting-Beale, Legal Staff Assistant, Office of Administrative Law Judges, U.S. Environmental Protection Agency, Mail Code 1900L, 1200 Pennsylvania Ave. N.W., Washington, D.C. 20460. The letter shall include the case docket number, the e-mail address or facsimile number to which the copies are to be sent, and a statement as to whether the party requests: (A) expedited courtesy copies of the initial decision and/or any orders on motion for accelerated decision or dismissal, or (B) expedited courtesy copies of all decisions and substantive orders. The undersigned's office will endeavor to comply with such requests but does not guarantee the party's receipt of expedited courtesy copies.

Prior to filing any motion, the moving party is directed to contact the other party or parties to determine whether the other party has any objection to the granting of the relief sought in the motion. The motion shall then state the position of the other party or parties. The mere consent of the other parties to the relief sought does not assure that the motion will be granted and no reliance should be placed on the granting of an unopposed motion. Furthermore, all motions which do not state that the other party has no objection to the relief sought must be

submitted in sufficient time to permit the filing of a response by that party and the issuance of a ruling on the motion before any relevant deadline set by this or any subsequent order. Sections 22.16(b) and 22.7(c) of the Rules of Practice, 40 C.F.R. §§ 22.16(b) and 22.7(c), allow a fifteen-day (15) response period for motions with an additional five (5) days added thereto if the pleading is served by mail. Motions and responses not filed in a timely manner will not be considered without motion for leave to file the document and a showing of good cause.

Furthermore, upon the filing of a motion, a response to a motion, or a reply to a motion, a party may submit a written request for an oral argument on the motion pursuant to 40 C.F.R. § 22.16(d). Included in the request for oral argument shall be a statement as to the proposed appropriate location(s) for the argument to take place. The Office of Administrative Law Judges recently acquired access to state of the art videoconferencing capabilities, and strongly encourages the parties to consider utilizing such technology for oral arguments on motions in order to minimize the expenditure of time and resources in connection with such arguments. A request for oral argument may be granted, in the undersigned's discretion, where further clarification and elaboration of arguments would be of assistance in ruling on the motion.

If either party intends to file any dispositive motion regarding liability, such as a motion for accelerated decision or motion to dismiss under 40 C.F.R. § 22.20(a), it shall be filed **within thirty days after the due date for Complainant's Rebuttal Prehearing Exchange.**



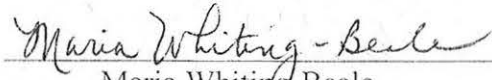
Susan L. Biro
Chief Administrative Law Judge

Dated: January 5, 2010
Washington, D.C.

In the Matter of Wolfe Landau, Respondent
Docket No. TSCA-02-2009-9267

CERTIFICATE OF SERVICE

I certify that the foregoing **Prehearing Order**, dated January 5, 2010, was sent this day in the following manner to the addressees listed below.



Maria Whiting-Beale
Staff Assistant

Dated: January 5, 2010

Original And One Copy By Pouch Mail To:

Karen Maples
Regional Hearing Clerk
U.S. EPA
290 Broadway, 16th Floor
New York, NY 10007-1866

Copy By Pouch Mail To:

Lee Spielmann, Esquire
Office of Regional Counsel
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290 Broadway, 16th Floor
New York, NY 10007-1866

Copy By Regular Mail To:

Raphael A. Weitzner, Esquire
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134 Broadway, Suite 616
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