

Enclosure

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-10-7916

Respondent: Richie Laatz, President  
Richie Laatz dba KJ's  
3395 West Lake Mead Boulevard  
North Las Vegas, NV 89032

1. The parties enter into this Clean Air Act Mobile Source Expedited Settlement Agreement (Agreement) in order to settle the civil violations discovered as a result of the inspection specified in Table 1, attached, incorporated into this Agreement by reference. The civil violations that are the subject of this Agreement are described in Table 2, attached, incorporated into the Agreement by reference, regarding the vehicles/engines specified therein.
2. Respondent admits 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 does not contest the findings detailed therein, and waives any objections Respondent may have to EPA's jurisdiction.
3. Respondent consents to the payment of the penalty in the amount specified in Table 3, attached, incorporated into the Agreement by reference. Respondent agrees to follow the instructions in "CAA Mobile Source Expedited Settlement Agreement Instructions," attached, incorporated into this Agreement by reference. Respondent certifies that the required remediation, detailed in Table 3, has been carried out.
4. By its first signature below, EPA approves the findings resulting from the inspection and alleged violations set forth in Table 1 and Table 2. Upon signing and returning this Expedited Settlement Agreement to EPA, Respondent consents to the terms of the Expedited Settlement without further notice. Respondent acknowledges that this Expedited Settlement Agreement is binding on the parties signing below, and becomes effective on the date of the EPA Air Enforcement Division Director's ratifying signature.

APPROVED BY EPA:

  
Phillip A. Brooks, Director, Air Enforcement Division

Date: 4/14/2010

APPROVED BY RESPONDENT:

Name (print): Richard Laatz

Title (print): owner

Signature: 

RATIFIED BY EPA:

  
Phillip A. Brooks, Director, Air Enforcement Division

Date: 9/28/2010

**Table 1 - Inspection Information**

<b>Entry/Inspection Date(s):</b>		<b>Docket Number:</b>	
January 11, 2010		C A A - 1 0 - 7 9 1 6	
<b>Inspection Location:</b>		<b>Entry/Inspection Number(s)</b>	
Price Transfer Inc.		A F A - 0 1 6 1 5 2 7 - 2	
<b>Address:</b>			
2711 E. Dominguez Street		B 3 0 1 2 1 1 0 0 9 0 5	
<b>City:</b>		<b>Inspector(s) Name(s):</b>	
Long Beach		CBPO Eugene Kim, Chip Woolford, Mike Johnson	
<b>State:</b>	<b>Zip Code:</b>	<b>EPA Approving Official:</b>	
CA	90810	Phillip A. Brooks	
<b>Respondent:</b>		<b>EPA Enforcement Contact:</b>	
Richie Laatz dba KJ's		Jocelyn Adair	

**Table 2 - Description of Violation and Vehicles/Engines**

Richie Laatz (Laatz) imported 330 motorized skateboards/ scooters that contained engines that are not covered by an EPA certificate of conformity (COC) and do not qualify for an exemption as manufacturer-owned (which requires the importer to hold a valid COC). The engine family listed on the emission label, 5SHSS.0525GA, covers small nonroad spark-ignition engines. The engine family was certified as having no adjustable parameters. EPA concluded from the inspections that the carburetors on these vehicles have an easily adjustable mixture screw which, when adjusted, would change the ratio of fuel to air entering the engine. Thus, EPA has determined that the engines contain an adjustable parameter, since adjustment of the mixture screw will affect emissions. These engines are not covered by the COC because a COC covers only those engines that conform in all material respects to the design described in the application for the COC, and the design described in the application has no adjustable parameters. Inspections also revealed that the EPA emission control information label was missing required content and contained erroneous information. Laatz committed 330 violations of 40 C.F.R. § 90.1003(a) by importing the skateboards containing engines that were not covered by a COC. In addition, Laatz did not qualify to use the manufacturer-owned exemption because Laatz is not the holder of a COC from EPA.

Equipment Description	Engine Family	Manufacturer	Model Year	Quantity
X-Racer	5SHSS.0525GA	Shandong Huasheng Zhongtian Machinery Group Co., Ltd.	2009	200
Skater RX				110
Dirt Dog				20

**Table 3 - Penalty and Required Remediation**

<b>Penalty</b>	\$ 5,000
<b>Required Remediation</b>	Richie Laatz must provide EPA with report and documentation showing that the 330 above-mentioned vehicles have been exported to a country other than Canada or Mexico or destroyed.