Contents

Preface xi
Acknowledgments xiii
About the Editors xv
About the Authors xvii

Chapter 1: Judicial Challenges to Federal Agency Action 1
Joel Beauvais, Steven P. Croley, and Elana Nightingale Dawson

I. Introduction 1
II. Types of Agency Regulatory Actions Subject to Judicial Challenge 2
III. Requisites of Judicial Challenges to Agency Action 5
   A. What: Threshold Conditions of Judicial Authority 6
      1. Sovereign Immunity 6
      2. Federal Jurisdiction 7
      3. Cognizable Legal Claim 9
      4. Preclusion 10
      5. Justiciability: The Political Question Doctrine 11
   B. Who: Standing to Bring a Judicial Challenge 12
   C. When: The Timing of Judicial Review 15
      1. Statute of Limitations 15
      2. Final Agency Action 16
      3. Ripeness and Mootness 17
      4. Exhaustion of Administrative Remedies 17
   D. Where: The Appropriate Forum for a Judicial Challenge 19
IV. Claims and Standards of Judicial Review 21
   A. Challenging Agency Legal Interpretations 22
      1. Interpretation of a Statute 22
      2. Interpretation of a Regulation 27
   B. Challenging Agency Policy and Factual Determinations 28
      1. Arbitrary-and-Capricious Review 28
      2. Substantial Evidence 30
   C. Constitutional Claims 32
   D. Procedural Claims: Statutory and APA 33
   E. Challenges to Agency Inaction 35
   F. A Note on Record Review 38
V. Remedies 39
VI. Conclusion 43
Chapter 2: Environmental Criminal Enforcement

Jane F. Barrett, W. Warren Hamel, and Steven P. Solow

I. Introduction

A. Issues in Environmental Criminal Cases
B. The Initial Development of Environmental Criminal Law
C. Federal Environmental Crime Enforcement
   1. Federal Prosecutors
   2. Federal Investigators

II. Statutory Overview: Using an Elements Analysis to Assess a Potential Case

A. An Elements Analysis of a Clean Water Act Felony
B. Clean Air Act Section 113(c)
C. Resource Conservation and Recovery Act
D. Wildlife Crimes
E. Other Environmental Crimes
F. Title 18 Offenses

III. Mens Rea

A. Strict Liability
B. Negligence
C. Knowing
   1. “Knowing” under the CWA
   2. “Knowing” under RCRA
   3. Corporate Workplace Safety Prosecutions: Use of the “Collective Knowledge” Doctrine
D. Willful
E. Responsible Corporate Officer Liability

IV. Issues of Importance When Responding to the Environmental Criminal Investigation

A. Voluntary Disclosure—Policies and Practice
B. Parallel Proceedings Policies
   1. Grand Jury and the Nondisclosure Requirement
   2. The Role of Civil Investigative Tools
   3. Civil Discovery and the Fifth Amendment
C. Attorney-Client Privilege and Attorney Work Product

V. Pretrial Considerations

A. Pretrial Motions
B. Plea Negotiations
   1. Representative Counts
   2. Terms of Imprisonment and Fine Amounts
   3. Supplemental Sentencing Measures
   4. Global Settlements

VI. Trial

A. Jury Selection and Voir Dire
B. Daubert Issues—Expert Testimony
   1. The Expert Report
   2. Motion to Strike and Daubert/Rule 104 Hearings
   3. Motion in Limine
 Contents

VII. Sentencing and Consequences of Conviction 87
   A. How the Guidelines Work for Organizations and Individuals 88
      1. Organizations 88
      2. The Impact of the Organizational Guidelines beyond Sentencing 89
      3. Individuals 90
   B. Collateral Consequences: Suspension and Debarment 94
   C. Appeals 95

Chapter 3: Civil Environmental Enforcement Litigation 97
   Joel M. Gross
   I. Introduction 97
   II. The Logistics of Federal Civil Enforcement 99
   III. The Government’s Claims 102
      A. Direct Statutory Claims 104
      B. Regulatory Claims 105
      C. Permit Enforcement 107
      D. Use of Endangerment Authorities 108
   IV. The Relief the Government Seeks 110
      A. Injunctions 110
      B. Penalties 114
   V. Defenses to Enforcement 119
      A. Fair Notice 119
      B. Permit as a Shield 119
      C. “Upset” and “Bypass” 120
      D. Statute of Limitations 121
      E. Laboratory Error 122
      F. State Involvement 123
      G. Technological or Economic Infeasibility 124
   VI. Procedural and Evidentiary Issues 125
      A. Prefiling Discovery 125
      B. Litigation Hold 126
      C. Preemptory Changes to Potential Enforcement 126
      D. Demanding a Jury 128
      E. Seeking Sanctions against Government Counsel 129
      F. Retaining Experts 129
      G. Offers of Judgment 130
      H. Audit Privilege 130
      I. Credible Evidence 131
   VII. Settlement 132
      A. Advantages of Settlement 132
      B. Settlement Process 133
      C. Supplemental Environmental Projects and Mitigation Projects 133
      D. The Consent Decree Document 136
      E. Early Settlement 136
   VIII. Parallel Proceedings 137
Chapter 4: Insurance Recovery for Environmental Liabilities
Marc S. Mayerson

I. Introduction 141
II. Notice 141
III. General Liability Policies 142
   A. Determining the Coverage Program 143
   B. The Basic Elements of Coverage under Occurrence-Based Policies 145
      1. Property Damage: Environmental Contamination 146
      2. Trigger: Property Damage during the Policy Period 147
      3. Occurrence 150
      4. “As Damages” 154
   C. The Duty to Defend: Important Coverage for Litigation Costs 155
      1. Trigger: Based on the Underlying Allegations 156
      2. The “Suit” Issue: What Is a Suit? 157
      3. Control of Defense 158
      4. Investigative and Oversight Costs: Loss (Indemnity) or Expense (Defense)? 160
      5. The Reasonableness Limitation on the Defense Obligation 162
      6. Coverage for In-House “in Lieu of” Defense Costs 163
      7. Coverage of the Costs Associated with Affirmative Claims 164
   D. Additional Issues Raised by Occurrence-Based General Liability Policies 165
      1. Notice: Involving the Insurer 165
      2. Scope/Allocation 167
      3. Voluntary Payments 170
      4. Corporate Successorship 171
   E. The Pollution Exclusion 172
      1. The “Sudden and Accidental” Pollution Exclusion 173
      2. The So-Called “Absolute” Pollution Exclusion 176
IV. Specialty Pollution Policies 179
   A. General Issues regarding Claims-Based Policies 179
      1. Trigger and Claims-Based Policies 179
      2. Notice of Claim under Claim-Based Policies 183
   B. Environmental Impairment Liability Insurance 183
   C. Cost-Cap/PLL Policies 184
V. Conclusion 186

Chapter 5: CERCLA Cost Recovery and Contribution and a Primer on Natural Resource Damages Law:
Regulation, Litigation, and Basic Economic Principles
Ira Gottlieb, Nathan Howe, Rick Dunford, and Cynthia Betz

I. Introduction 189
II. CERCLA’s Liability Scheme 190
III. Key Definitions 192
IV. Elements of Cost Recovery and Contribution Claims 193
V. The Landmark Aviall and Atlantic Research Decisions

VI. The CERCLA World after Aviall and Atlantic Research

VII. Burlington Northern & Santa Fe Railway Co. v. United States

VIII. The Aftermath of BNSF
  A. Divisibility of Response Costs
  B. Arranger Liability

IX. Statute of Limitations

X. Equitable Allocation

XI. Orphan Shares

XII. The Rising Tide of Sediment Sites

XIII. Natural Resource Damages
  A. What Are Natural Resources?
  B. What Are Natural Resource Services?

XIV. Trusteeship
  A. The Public Trust Doctrine
  B. Who Are the Trustees?
  C. The Concept of Trusteeship
  D. Thorny Issues of Co-Trusteeship

XV. Key Statutory Regimes
  A. CERCLA and OPA
  B. PSRPA and Sanctuaries Act
  C. State Statutes

XVI. Common Law Causes of Action

XVII. The Natural Resources Damages Assessment (NRDA) Process
  A. Phases in the NRDA Process
  B. Injury Determination
  C. Quantification
  D. Damage Determination
  E. Baseline
  F. Valuation Methodologies
    1. Habitat Equivalency Analysis and Resource Equivalency Analysis
    2. Revealed Preference Methodologies
    3. Stated Preference Methodologies
    4. Benefits Transfer Methodology

XVIII. Defending against NRD Claims
  A. Assessment
  B. Causation
  C. Divisibility of Harm
  D. Defenses
    1. Double Recovery
    2. Retroactive Liability
    3. Federally Permitted Releases

XIX. Special Topics
  A. Early Restoration Actions
  B. Climate Change
Chapter 6: Toxic Tort Litigation

J. Alan Harrell and Barbara L. Arras

I. Introduction 257
II. Theories of Liability and Defenses 258
III. Discovery and Investigation
   A. Initial Investigation 262
   B. Discovery 265
IV. Parties and Forums
   A. Personal Jurisdiction 268
   B. Joinder of Plaintiffs 270
   C. Class Actions 270
   D. Multidistrict Litigation 274
V. Science
   A. Causation 276
   B. Samples and Testing 278
   C. Experts 279
   D. The Law 281
   E. Conclusion 285
VI. Case Management 285
VII. Trial 288
VIII. Settlement 291

Chapter 7: Citizen Suits

Karl S. Coplan

I. History and Overview 295
   A. Kinds of Statutory Citizen Suits 296
      1. Citizen-Enforcement Suits 296
      2. Mandatory Regulatory Duties 296
      3. Citizen Cleanup Remedies 297
   B. Statutory Citizen-Suit Provisions 297
II. Conditions Precedent to Suit 300
   A. Notice 300
      1. Waiting Period 300
      2. Means of Service 301
      3. Contents of Notice 301
      4. Persons to Be Served with Notice 303
      5. Importance of Careful Compliance with Notice Requirements 304
   B. Diligent Prosecution 305
   C. Continuing Violation 307
III. Standing to Sue and Mootness 308
   A. Individual Standing 309
      1. Injury in Fact 309
      2. Causation 310
      3. Redressability 311
   B. Organizational Standing 311
   C. Mootness 312
IV. Pleading Elements of a Citizen Suit 313
   A. Standing 313
   B. Notice 314
   C. Continuing Violation 314
   D. Lack of Diligent Prosecution 314
   E. Substantive Elements 314
V. Discovery and Proof 314
   A. Violations 315
   B. Proof of Imminent and Substantial Endangerment 316
   C. Proof of Environmental Harm 317
   D. Compliance or Cleanup Efforts 317
   E. Proof of Economic Benefit of Noncompliance 318
   F. Feasibility and Effectiveness of Compliance Measures 318
   G. Plaintiffs’ Standing and Organizational Capacity 318
VI. Defenses 319
   A. Statutory Conditions to Suit 319
   B. Standing 320
   C. Statute of Limitations 320
   D. Res Judicata 321
   E. Abstention 321
   F. Mootness 322
   G. Governmental Immunity 322
VII. Remedies 323
   A. Injunctive Relief 323
   B. Civil Penalties 324
   C. Attorneys’ Fees 325
VIII. Settlements 325

Chapter 8: Pesticide Litigation 327
Claudia O’Brien, Stacey VanBelleghem, Laura Glickman, and Stijn Van Osch

I. Introduction 327
II. FIFRA Litigation 328
   A. Registration and Labeling 328
   B. Enforcement 330
   C. Cancellation, Reclassification, and Suspension 332
      1. Cancellation and Reclassification 332
      2. Suspension 334
      3. Emergency Suspension 334
   D. Judicial Review 335
III. FIFRA Data Compensation 336
IV. Preemption 338
   A. FIFRA Preemption 338
      1. Express Preemption under FIFRA 338
      2. Conflict Preemption 341
   B. State Law Preemption of Local Pesticide Laws 342
V. Federal Food, Drug, and Cosmetic Act
VI. Endangered Species Act
   A. Pesticides and Section 9 of the ESA
   B. Pesticides and Section 7 of the ESA
   C. Judicial Review of Pesticide-Related Biological Opinions
VII. Clean Water Act
VIII. Pesticides and Biotechnology
IX. National Environmental Policy Act
X. Resource Conservation and Recovery Act
XI. Comprehensive Environmental Response, Compensation, and Liability Act
XII. Conclusion

Table of Cases
Index