



THE UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT *of* LOUISIANA

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Department of Justice

U.S. Attorney's Office

Eastern District of Louisiana

FOR IMMEDIATE RELEASE

Wednesday, July 13, 2016

California Woman and Her Company Sentenced for Clean Air Act Violation

U.S. Attorney Kenneth A. Polite announced that **CHEERY WAY, INC.**, and **ELAINE CHIU**, age 60, a resident of San Francisco, California, were sentenced today by the Honorable Susie Morgan to five years of probation, a \$500,000 fine, and \$162,520 in restitution to workers for medical monitoring costs for violating notification requirements under the Clean Air Act.

According to the court documents, on or about April 2, 2011, in the Eastern District of Louisiana, **CHEERY WAY, INC.**, and **CHIU** did knowingly fail to notify and report to the Louisiana Department of Environmental Quality the demolition of the Mississippi Queen Riverboat which contained regulated asbestos containing material, to wit: wall and ceiling tiles, at least ten days prior to the start of the demolition as required by the Clean Air Act, in violation of Title 42, United States Code, Section 7413(c)(2)(B) and Title 40, Code of Federal Regulations, Section 61.145(b).

Prior to the demolition of the Mississippi Queen, **CHIU** and agents of **CHEERY WAY, INC.**, had been informed that samples of the wall and ceiling tiles on the old riverboat contained asbestos. However, **CHEERY WAY, INC.**, did not inform the demolition contractor they hired that sampling had been performed. **CHEERY WAY, INC.**, merely told the contractor that the riverboat "might" have asbestos. The inexperienced demolition contractor told **CHIU** and **CHEERY WAY, INC.**, that he did not believe the vessel contained any asbestos. As a result, workers were not required to take any precautions against the release of asbestos. After receiving a tip about the worksite, the Louisiana Department of Environmental Quality issued the site a Notice of Deficiency and work was stopped. The site was thereafter remediated by another **CHIU** company at a cost of \$245,248.23.

During her five year term of probation, **CHIU** is prohibited from participating in any capacity in the construction, demolition, or renovation business anywhere in the United States and must ensure that none of the companies she owns or operates will engage in the construction, demolition, or renovation business. Similarly, neither **CHEERY WAY, INC.**, or its agents or employees will engage in the construction, demolition, or renovation business anywhere in the United States.

"Unsafe handling of asbestos endangers human health and can seriously harm the environment," said Ted Stanich, Acting Director for the U.S. EPA-Criminal Investigation Division. "The defendants knowingly put unsuspecting workers at great risk and threatened the health and safety of the general public. This

case should serve notice that when companies and their top managers put Americans at risk, EPA and its partner agencies will hold them accountable.”

“Any business that breaks the law through false statements and illegal actions in order to pollute our soil, air and water does so with a blatant disregard for our health and environment,” said Dr. Chuck Carr Brown, DEQ Secretary. “Crimes of this nature affect all of us, so we encourage anyone with information on any type of illegal environmental activity to contact DEQ and local law enforcement as soon as possible so that we may investigate and bring these violators to justice.”

U.S. Attorney Polite praised the work of the Environmental Protection Agency-Criminal Investigation Division and the Louisiana Department of Environmental Quality-Criminal Investigation Division in investigating this matter. Assistant U.S. Attorney Emily K. Greenfield of the National Security Unit of the United States Attorney’s Office of the Eastern District of Louisiana is in charge of the prosecution.

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Topic:

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