

HOUSE BILL NO. 4766

May 04, 2021, Introduced by Reps. Howell, VanSingel and Sowerby and referred to the Committee on Natural Resources and Outdoor Recreation.

A bill to allow local governments and certain authorities to withhold payment under certain conditions to contractors on an asbestos abatement project; to provide for mandatory contract conditions on certain asbestos abatement projects; to provide for certain disclosures; and to prescribe the powers and duties of certain local officials.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Asbestos" means a group of naturally occurring minerals
3 that separate into fibers, including chrysotile, amosite,
4 crocidolite, anthophyllite, tremolite, and actinolite.

5 (b) "Asbestos abatement contractor" means a business entity
6 that is licensed under the asbestos abatement contractors licensing
7 act, 1986 PA 135, MCL 338.3101 to 338.3319, and that carries on the
8 business of asbestos abatement on the premises of another and not
9 on the asbestos abatement contractor's premises.

10 (c) "Asbestos abatement project" means any activity involving
11 persons working directly with the demolition, renovation, or
12 encapsulation of friable asbestos materials.

13 (d) "Local government" means a county, city, village, or
14 township.

15 Sec. 3. Beginning on the effective date of this act, if a
16 local government or a land bank authority created under section 23
17 of the land bank fast track act, 2003 PA 258, MCL 124.773, enters
18 into a contract with an asbestos abatement contractor or a
19 demolition contractor that involves an asbestos abatement project,
20 the contract must include a provision that the local government or
21 land bank authority may withhold any payment to that asbestos
22 abatement contractor or demolition contractor if the asbestos
23 abatement contractor, demolition contractor, or any subcontractor
24 of the asbestos abatement contractor or demolition contractor on
25 that asbestos abatement project has entered into, or is in
26 negotiations to enter into, an administrative consent order or
27 consent judgment with the department of environment, Great Lakes,
28 and energy or another environmental regulatory agency within the
29 immediately preceding 12 months that involves violations of

1 environmental regulations. Payment may be withheld by the local
2 government or land bank authority until the local government or
3 land bank authority receives verification from the asbestos
4 abatement contractor, the demolition contractor, the department of
5 environment, Great Lakes, and energy, or another environmental
6 regulatory agency that the violations of environmental regulations
7 related to the administrative consent order or consent judgment, or
8 a proposed administrative consent order or consent judgment, have
9 been corrected.

10 Sec. 5. If involved in an asbestos abatement project with a
11 local government or land bank authority, an asbestos abatement
12 contractor, demolition contractor, or any subcontractor of the
13 asbestos abatement contractor or demolition contractor must
14 disclose to the local government or land bank authority if that
15 asbestos abatement contractor, demolition contractor, or
16 subcontractor is subject to an active administrative consent order
17 or consent judgment, or has entered into, or is in negotiations to
18 enter into, an administrative consent order or consent judgment,
19 with the department of environment, Great Lakes, and energy or
20 another environmental regulatory agency for any violations of
21 environmental regulations.