

**SUBSTITUTE FOR
HOUSE BILL NO. 5607**

A bill to prohibit certain public entities from entering into certain contracts with certain entities that remove or abate asbestos; to require certain entities to disclose certain information when bidding on certain contracts with public entities; and to impose certain duties and responsibilities on certain public entities.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "public entity asbestos removal verification act".

3 Sec. 3. As used in this act:

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

1 (b) "Asbestos abatement contractor" means a business entity
2 that is licensed under the asbestos abatement contractors licensing
3 act, 1986 PA 135, MCL 338.3101 to 338.3319, and that carries on the
4 business of asbestos abatement on the premises of another business
5 entity and not on the asbestos abatement contractor's premises.
6 Asbestos abatement contractor includes an individual or person with
7 an ownership interest in a business entity described in this
8 subdivision.

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

12 (d) "Public entity" means this state or an agency or authority
13 of this state, school district, community college district,
14 intermediate school district, city, village, township, county, land
15 bank, public authority, or public airport authority.

16 Sec. 5. (1) A public entity shall not enter into an asbestos
17 abatement project with an asbestos abatement contractor or a
18 general contractor that contracts with an asbestos abatement
19 contractor for the abatement of asbestos unless the public entity
20 conducts a background investigation, as determined by the public
21 entity, of the asbestos abatement contractor seeking to bid on the
22 asbestos abatement project. If the asbestos abatement contractor
23 has a criminal conviction related to compliance with environmental
24 regulations as determined by the public entity, then the public
25 entity shall not enter into a contract for an asbestos abatement
26 project with that asbestos abatement contractor. If the asbestos
27 abatement contractor does not have any criminal convictions related

1 to compliance with environmental regulations as determined by the
2 public entity but has 5 or more violation notices of environmental
3 regulations or is subject to an administrative consent order or a
4 consent judgment involving environmental regulations, within the
5 immediately preceding 5 years, the public entity may enter into a
6 contract with that asbestos abatement contractor only after the
7 public entity investigates each of the violation notices or the
8 administrative consent order or consent judgment and determines
9 whether the asbestos abatement contractor is able to adhere to the
10 proposed contract based on the public entity's observations of
11 improvements in performance, improvements in operations to ensure
12 compliance with environmental regulations, or other demonstrated
13 ability to comply with regulations. This determination of the
14 public entity shall be made in writing and publicly available.

15 (2) If an asbestos abatement contractor enters into a contract
16 with a public entity for an asbestos abatement project, the
17 asbestos abatement contractor shall not enter into a contract with
18 another asbestos abatement contractor unless the public entity has
19 conducted a background investigation of that asbestos abatement
20 contractor in the same manner as provided in subsection (1).

21 (3) Before entering into a contract for an asbestos abatement
22 project with an asbestos abatement contractor, or a general
23 contractor that contracts with an asbestos abatement contractor,
24 that has 5 or more violation notices of environmental regulations
25 or is subject to an administrative consent order or a consent
26 judgment involving environmental regulations, within the
27 immediately preceding 5 years as determined under subsection (1),

- 1 the public entity shall conduct a public hearing with not less than
- 2 30 days' notice for public input.