

# HOUSE BILL No. 5596

February 20, 2018, Introduced by Reps. Howell, Chang, Maturen, VanSingel, Inman, Sowerby, Rabhi, Garrett, Cambensy, Peterson, Geiss, Wittenberg, Crawford, VanderWall, Wentworth, Yaroch, Marino, Pagan, Bellino and Faris and referred to the Committee on Natural Resources.

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; 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 business

1 entity and not on the asbestos abatement contractor's premises.

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

5 (d) "Local government" means a county, city, village, or  
6 township.

7 Sec. 3. Beginning on the effective date of this act, if a  
8 local government or a land bank authority created under section 23  
9 of the land bank fast track act, 2003 PA 258, MCL 124.773, enters  
10 into a contract with an asbestos abatement contractor or a  
11 demolition contractor that involves an asbestos abatement project,  
12 the contract must include a provision that the local government or  
13 land bank authority may withhold any payment to that asbestos  
14 abatement contractor or demolition contractor if the asbestos  
15 abatement contractor, demolition contractor, or any subcontractor  
16 of the asbestos abatement contractor or demolition contractor on  
17 that asbestos abatement project has entered into, or is in  
18 negotiations to enter into, an administrative consent order or  
19 consent judgment with the department of environmental quality or  
20 another environmental regulatory agency within the immediately  
21 preceding 12 months that involves violations of environmental  
22 regulations. Payment may be withheld by the local government or  
23 land bank authority until the local government or land bank  
24 authority receives verification from the asbestos abatement  
25 contractor, the demolition contractor, the department of  
26 environmental quality, or another environmental regulatory agency  
27 that the violations of environmental regulations related to the

1 administrative consent order or consent judgment, or a proposed  
2 administrative consent order or consent judgment, have been  
3 corrected.