

# HOUSE BILL NO. 4186

March 07, 2023, Introduced by Reps. McKinney, Aiyash, Mentzer, Tyrone Carter, Tsernoglou, Dievendorf, Rheingans, Wilson, Wegela, Hope, Paiz, Morgan, VanderWall, Byrnes, Puri, Liberati and Weiss and referred to the Committee on Natural Resources, Environment, Tourism 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

1 immediately preceding 12 months that involves violations of  
2 environmental regulations. Payment may be withheld by the local  
3 government or land bank authority until the local government or  
4 land bank authority receives verification from the asbestos  
5 abatement contractor, the demolition contractor, the department of  
6 environment, Great Lakes, and energy, or another environmental  
7 regulatory agency that the violations of environmental regulations  
8 related to the administrative consent order or consent judgment, or  
9 a proposed administrative consent order or consent judgment, have  
10 been corrected.

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