

**SUBSTITUTE FOR  
SENATE BILL NO. 225**

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 may be cited as the "public entity asbestos  
2 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 and subject to subsection (2), of the asbestos abatement  
22 contractor seeking to bid on the asbestos abatement project.

23 (2) At a minimum, the background investigation required under  
24 subsection (1) must consist of the public entity consulting the  
25 department of environment, Great Lakes, and energy's webpage to  
26 determine if the asbestos abatement contractor or a general  
27 contractor that contracts with the asbestos abatement contractor  
28 has received notices of violation of environmental regulations, or  
29 has been subject to an administrative consent order or a consent

1 judgment involving environmental regulations, and the United States  
2 Department of Labor, Occupational Safety and Health  
3 Administration's webpage to determine if the asbestos abatement  
4 contractor or a general contractor that contracts with the asbestos  
5 abatement contractor has received notices of violation of asbestos  
6 regulations.

7 (3) If the asbestos abatement contractor has been issued 5 or  
8 more notices of violation of environmental regulations, or has been  
9 subject to an administrative consent order or a consent judgment  
10 involving environmental regulations, within the immediately  
11 preceding 5 years, the public entity may not enter into a contract  
12 with that asbestos abatement contractor unless the public entity  
13 investigates each of the violation notices, or the administrative  
14 consent order or consent judgment, and determines that the asbestos  
15 abatement contractor is able to adhere to the proposed contract  
16 based on the public entity's observations of improvements in  
17 performance, improvements in operations to ensure compliance with  
18 environmental regulations, or other demonstrated ability to comply  
19 with environmental regulations. The public entity shall make the  
20 determination described in this subsection in writing and shall  
21 make that determination publicly available.

22 (4) If an asbestos abatement contractor enters into a contract  
23 with a public entity for an asbestos abatement project, the  
24 asbestos abatement contractor shall not enter into a contract with  
25 another asbestos abatement contractor unless the public entity has  
26 conducted a background investigation of that asbestos abatement  
27 contractor in the same manner as utilized by the public entity  
28 under subsection (1).

29 (5) Before entering into a contract for an asbestos abatement

1 project with an asbestos abatement contractor, or a general  
2 contractor that contracts with an asbestos abatement contractor,  
3 that has been issued 5 or more notices of violation of  
4 environmental regulations, or has been subject to an administrative  
5 consent order or a consent judgment involving environmental  
6 regulations, within the immediately preceding 5 years, as  
7 determined by the background investigation required under  
8 subsection (1), the public entity shall conduct with not less than  
9 30 days' notice a public hearing for public input.

10 Enacting section 1. This act does not take effect unless House  
11 Bill No. 4190 of the 102nd Legislature is enacted into law.