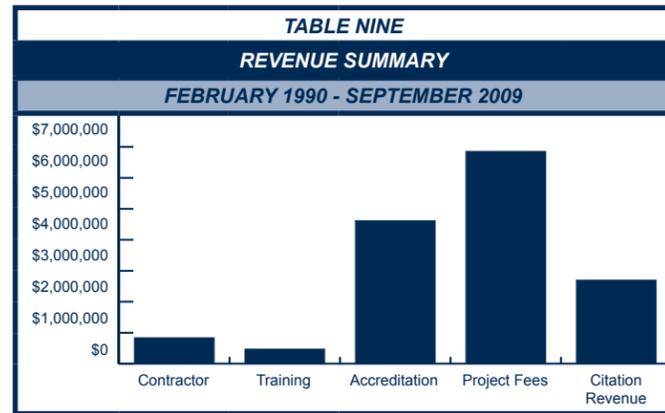


## Revenue Summary

All statistics provided with this report are based upon information derived from the *Asbestos Management Information System (AMIS)*. More detailed information in regard to figures for Fiscal Years 1993 through 2008 can be found in previous years' annual reports.

Including penalties from citations issued, from February 12, 1990, to September 30, 2009, the Asbestos Program has generated approximately **\$15,477,336** in revenue. All Revenue generated by project fees, licensing, accreditation, and training course review, totaling approximately **\$12,779,518**, has been deposited in the Asbestos Fund, which was created by Act 135, P.A. 1986, Section 220(5). As indicated in Act 135, Section 220(6), these funds are to be used only for asbestos-related responsibilities of the department under the act.

Total revenue generated for Fiscal Year 2009 is approximately **\$771,752**, with approximately **\$593,718** of this amount originating from non-citation related sources. Monetary revenue resulting from citation penalties are not deposited in the Asbestos Fund or used by the Asbestos Program. These penalties are remitted to the state's general fund.



Revenue generated by the **one-percent** asbestos abatement project **notification fee** is one of the Asbestos Program's main revenue source. Since the Asbestos Program database system originally went on-line (i.e., February 12, 1990), yearly revenue from this source has always been greater than \$225,000. For Fiscal Year 2009, revenue from notification fees were in excess of **\$274,168**. Further, please note that based upon the one-percent notification fee that the Asbestos Program received for Fiscal Year 2009, asbestos-related work in the state of Michigan exceeded \$27,416,800.

As illustrated in *Table Eight*, accreditation fees continue to bring in revenue greater than \$225,000 per year with **\$241,050** collected in FY 2009. *Table Eight* provides a breakdown of revenue received by category for Fiscal Year 2009. *Table Nine* provides a summary of revenues by category from February 12, 1990, through September 30, 2009. For this 19-year time period, the Asbestos Program received more than \$15,000,000 for operating revenue.

## Summary

The Asbestos Program's appropriated budget for Fiscal Year 2009 was \$857,900. The actual operating costs, specific to the Asbestos Program's Fund [created by Section 220(5) of Act 135, P.A. 1986, as amended], for this fiscal year were \$554,493. As noted in the Revenue Summary, the Asbestos Program received \$593,718 in operating revenue. This resulted in a surplus of \$49,411.

We trust this annual report of the MIOSHA - Asbestos Program activity has been both thorough and informative. Questions regarding this report and the Asbestos Program may be directed to **Douglas J. Kalinowski**, Director of the Michigan Occupational Safety & Health Administration at 517.322.1817; or **George E. Howard**, Program Manager, MIOSHA Asbestos Program, 517.322.1320.

**TABLE EIGHT**  
**FY 2009 - REVENUE SUMMARY**

CATEGORY	REVENUE
Training Course	\$34,800
Accreditation	\$241,050
Contractor Licensing	\$43,700
Project Notification Fees	\$274,168
<b>SUBTOTAL</b>	<b>\$593,718</b>
Citation Penalties Assessed	\$178,034
<b>TOTALS</b>	<b>\$771,752</b>

**MIOSHA ASBESTOS PROGRAM**  
**ANNUAL REPORT Fiscal Year 2009**

The MIOSHA Asbestos Program publishes this report annually. The purpose of the Annual Report is to address the status of licensing of asbestos abatement contractors, the amount of revenue generated by fees, the number of asbestos abatement projects inspected and the number of citations issued for violations of Act 135, P.A. 1986, as amended and other applicable laws, rules, and regulations in the state of Michigan.

Although the length of this Annual Report has been condensed from previous Annual Reports, all criteria are the same as previous reports. More detailed information in regard to the categories contained in this Annual Report can be found in the FY 2007 and previous year's annual reports.

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# MIOSHA ASBESTOS PROGRAM

## ANNUAL REPORT Fiscal Year 2009



Ten thousand Americans die each year – a rate approaching 30 deaths per day – from diseases caused by asbestos, according to a detailed analysis of government mortality records and epidemiological studies by the Environmental Working Group (EWG) Action Fund. Asbestos kills thousands more people than skin cancer each year, and nearly the number that are slain in assaults with firearms.

Asbestos is a confirmed human carcinogen and asbestos-related lung disease is the number one category of disease caused by exposure to dust reported to the Michigan Department of Energy, Labor & Economic Growth (DELEG). The most effective way to assure that asbestos-related work is performed in a safe manner is through effective training programs, mandatory pre-reporting by contractors of asbestos removal activities, and enforcement oversight of asbestos-related work activities.

These key elements are the foundation of the Michigan Occupational Safety and Health Administration (MIOSHA), Construction Safety and Health Division, Asbestos Program. Without such a program's expertise and regulatory oversight, asbestos-related diseases would become more prevalent. In fact, the likelihood that asbestos would be removed in an unsafe manner would increase, putting both the worker and the public at risk of exposure to asbestos.

## Overview

The primary function of the MIOSHA Asbestos Program is to assure that people working with asbestos are properly trained and individuals performing asbestos abatement comply with rules governing the work activity. These rules are designed to protect not only the individual performing asbestos abatement work, but also the general public that occupy the area or building in which the work occurs.



Asbestos worker glovebagging asbestos pipe covering.

The Asbestos Program is responsible for the enforcement of the *Asbestos Abatement Contractors Licensing Act* (Act 135, P.A. 1986, as amended), the *Asbestos Workers Accreditation Act* (Act 440, P.A. 1988, as amended), and for meeting the state of Michigan's responsibilities under the Environmental Protection Agency's (EPA's) *Asbestos Hazard Emergency Response Act* (AHERA). The program also enforces asbestos issues related to the *Michigan Occupational Safety and Health Act* (Act 154, P.A., 1974, as amended). In accordance with Act 135, P.A. 1986, as amended, Section 220(7) and Section 315, herein is the MIOSHA Asbestos Program's 21st Annual Report to the Governor and the Legislature.

A significant portion of the Asbestos Program's funding is through fees. Funding sources are from asbestos abatement contractor licensing fees, asbestos abatement project notification fees, asbestos abatement worker accreditation fees, and fees submitted for the approval of asbestos training courses.

During Fiscal Year 2009 (October 1, 2008 through September 30, 2009), the Asbestos Program employed eight staff members consisting of: one program manager, three industrial hygienists, one departmental analyst, two secretaries, and one student assistant.

## Asbestos Program: Areas of Responsibility

1. Asbestos Hazard Emergency Response Act (AHERA) Management Plan review.
2. Review and approval of asbestos training courses.
3. Accreditation of asbestos workers, contractor/supervisors, inspectors, management planners, and project designers.
4. Licensing of asbestos abatement contractors.
5. Processing asbestos abatement project notifications.
6. Conducting compliance investigations.



Working to Create Michigan's Future Today

## AHERA Management Plan Review

The Asbestos Program is the state's designated lead agency for reviewing asbestos management plans for K-12 public and private nonprofit schools. The program's role is to assure that the plans meet the minimum requirements of the *Asbestos Hazardous Emergency Response Act* (AHERA). The Asbestos Program has received and reviewed a total of **5,801** AHERA management plans. The Asbestos Program received and reviewed **53** management plans this fiscal year. The program also continues to conduct a complimentary management plan review of non-AHERA related facilities such as day care centers, schools in rented buildings, church sanctuaries, etc.

TABLE ONE MANAGEMENT PLANS	
CATEGORY	#
Public Schools	4,432
Private Schools	1,100
Charter Schools	269
<b>TOTALS</b>	<b>5,801</b>

## Review and Approval of Asbestos Training Courses

A function of the Asbestos Program is the review and approval of **ten distinct** types of asbestos **training courses**. These courses are conducted by various organizations such as environmental consulting firms, trade unions, and asbestos abatement firms. The courses include the Abatement Worker, Abatement Contractor/Supervisor, Building Inspector, Management Planner, and Project Designer. There are Initial and Refresher courses for each category.

The approval process for each course is regulated by the Federal Environmental Protection Agency's (EPA's) *Model Accreditation Plan*. The Asbestos Program periodically conducts **unannounced on-site audits** of training courses to evaluate the instructor's

TABLE TWO TRAINING COURSE APPLICATIONS						
CATEGORY	INITIAL		RENEWAL		TOTAL	
	#	REVENUE	#	REVENUE	#	REVENUE
Abatement Worker Initial	0	\$0	11	\$2,200	11	\$2,200
Abatement Worker Refresher	1	\$400	14	\$2,600	15	\$3,000
Contractor/Supervisor Initial	1	\$400	22	\$4,200	23	\$4,600
Contractor/Supervisor Refresher	3	\$1,200	29	\$5,600	32	\$6,800
Inspector Initial	1	\$400	16	\$3,000	17	\$3,400
Inspector Refresher	3	\$1,200	22	\$4,200	25	\$5,400
Management Planner Initial	0	\$0	6	\$1,000	6	\$1,000
Management Planner Refresher	5	\$2,000	8	\$1,400	13	\$3,400
Project Designer Initial	1	\$400	7	\$1,200	8	\$1,600
Project Designer Refresher	5	\$1,600	10	\$1,800	15	\$3,400
<b>TOTALS</b>	<b>20</b>	<b>\$7,600</b>	<b>145</b>	<b>\$27,200</b>	<b>165</b>	<b>\$34,800</b>

overall abilities, the effectiveness of the instruction, and the hands-on portion of the class. During this fiscal year, the Asbestos Program conducted **26** on-site course audits.

For Fiscal Year 2009, the Asbestos Program received applications for **165** training courses from a total of **34** training providers.

The Asbestos Program received a total of **\$34,800** in revenue from training course applications in Fiscal Year 2009. *Table Two* provides a listing by category of the approved training courses and the associated revenue for this fiscal year.

## Accreditation of Asbestos Workers

Asbestos abatement workers, asbestos contractor/supervisors, building inspectors, management planners, and project designers must become accredited before performing asbestos-related work in the state of Michigan. It should be noted that there are more accredited individuals in the contractor/supervisor discipline than in other categories. Also, **many individuals** are **accredited in more than one discipline**.

The Asbestos Program's accreditation process consists of reviewing and verifying the information submitted. The review process typically takes one week. Accreditation cards are printed and mailed on a weekly basis.

*Table Three* displays information regarding accreditation applications for this fiscal year. In Fiscal Year 2009, **4,417** accreditation applications were received with fees totaling **\$241,050**. As noted in *Table Three*, a late fee is assessed for any application received within 30 days prior to the expiration date in accordance with Act 440, P.A. 1988, as amended.

TABLE THREE ACCREDITATION APPLICATIONS		
CATEGORY	#	REVENUE
Worker Initial	261	\$12,850
Worker Renewal	522	\$13,150
Contractor/Supervisor Initial	521	\$25,975
Contractor/Supervisor Renewal	1,936	\$48,350
Inspector Initial	104	\$15,600
Inspector Renewal	768	\$57,075
Management Planner Initial	16	\$2,400
Management Planner Renewal	167	\$12,525
Project Designer Initial	14	\$2,100
Project Designer Renewal	108	\$8,100
Late Fees		\$41,950
Card Reissue		\$975
<b>TOTALS</b>	<b>4,417</b>	<b>\$241,050</b>

TABLE FOUR CONTRACTOR LICENSING		
CATEGORY	#	REVENUE
Type I Initial	17	\$3,400
Type I Renewal	32	\$3,200
Type I Late Fee		\$600
Type I Proc Fees	6	\$150
<b>TOTAL TYPE I REVENUE</b>	<b>55</b>	<b>\$7,350</b>
Type II Initial	18	\$6,600
Type II Renewal	95	\$28,500
Type II Late Fees		\$1,200
Type II Proc Fees	2	\$50
<b>TOTAL TYPE II REVENUE</b>	<b>115</b>	<b>\$36,350</b>
<b>GRAND TOTALS</b>	<b>170</b>	<b>\$43,700</b>

## Licensing of Asbestos Abatement Contractors

With the exception of exempt trade group members (i.e., Michigan licensed plumbers, electricians, mechanical contractors, residential builders, and maintenance/alteration contractors), any person or entity desiring to conduct friable asbestos abatement on the premises of another individual or business entity **must receive a license from the Asbestos Program** before engaging in any asbestos abatement activities in Michigan. There are two designations for license types in Michigan: Type I (1-4 employees) and Type II (5 or more employees).

During Fiscal Year 2009, the program received and reviewed **170** asbestos abatement contractor license applications. Of those applications, **35** initial applications and **127** renewal applications were received.

As is shown in *Table Four*, during Fiscal Year 2009, the Asbestos Program received **\$43,700** in contractor licensing fees.

## Asbestos Abatement Project Notifications

State legislation enacted on February 12, 1990, mandating that asbestos abatement contractors and exempt trade groups notify the Asbestos Program of any friable asbestos removal or encapsulation projects exceeding **10 linear feet or 15 square feet**, or both. Section 220(3) of Act 135, P.A. 1986, as amended, specifies that all projects requiring notification must include a project fee equal to one percent of the price of the contract for the asbestos abatement portion of the project. To address notification requirements, the Asbestos Program and the Air Quality Division of the Michigan Department of Environmental Quality coproduce and periodically revise the *Notification of Intent to Renovate/Demolish* form.

During Fiscal Year 2009, **2,318** notifications were received. Of this total, **2,111** were regular notifications and **207** were processed as emergency notifications. Regular notifications are received at least 10 calendar days prior to the beginning of a project. Emergency notifications are received via telephone requesting immediate abatement due to an impending health threat or unforeseen asbestos problem.

*Table Five* provides information regarding asbestos abatement project notifications received by the program. Total revenue from project notification fees for this fiscal year were **\$274,168**.

TABLE FIVE PROJECT NOTIFICATIONS		
CATEGORY	#	REVENUE
Regular	2,111	\$264,805
Emergency	207	\$9,363
<b>TOTALS</b>	<b>2,318</b>	<b>\$274,168</b>

## Compliance Investigations

The Asbestos Program is responsible for investigating the asbestos abatement activities of contractors, exempt trade groups, and others. The program conducts programmed (self-initiated) investigations and **responds to** formal and informal **complaints of improper work practices** or procedures involving asbestos abatement and disturbance activities. If noncompliance is proven, citations may be proposed with monetary fines.

TABLE SEVEN INSPECTION & CITATION INFORMATION	
TYPES OF CITATIONS	# ISSUED
Other Than Serious	28
Serious	133
Repeat	8
Willful	11
Act 135	20
Act 440	3
<b>TOTAL</b>	<b>203</b>

The Asbestos Program is granted the authority to conduct investigations and issue citations under Act 154, P.A. 1974, as amended (the *Michigan Occupational Safety and Health Act*); Act 135, P.A. 1986, as amended, (the *Asbestos Abatement Contractors Licensing Act*); and Act 440, P.A. 1988, as amended, (the *Asbestos Workers Accreditation Act*).

During Fiscal Year 2009, the Asbestos Program conducted **139** inspections and issued **203** citations involving **562** rule violations. As noted in *Table Six*, the penalties associated with those violations are approximately **\$178,034**. *Table Seven* displays the breakdown by severity for citations issued during this fiscal year. As noted, the majority of the proposed citations were of a serious nature.

TABLE SIX NUMBER OF INVESTIGATIONS, CITATIONS, AND PENALTIES ASSESSED			
TYPE OF CITATION	INV	CIT	AMOUNT
Act 135		20	\$26,564
Act 440		3	\$2,050
MIOSHA (Act 154)		180	\$149,420
<b>TOTALS</b>	<b>139</b>	<b>203</b>	<b>\$178,034</b>