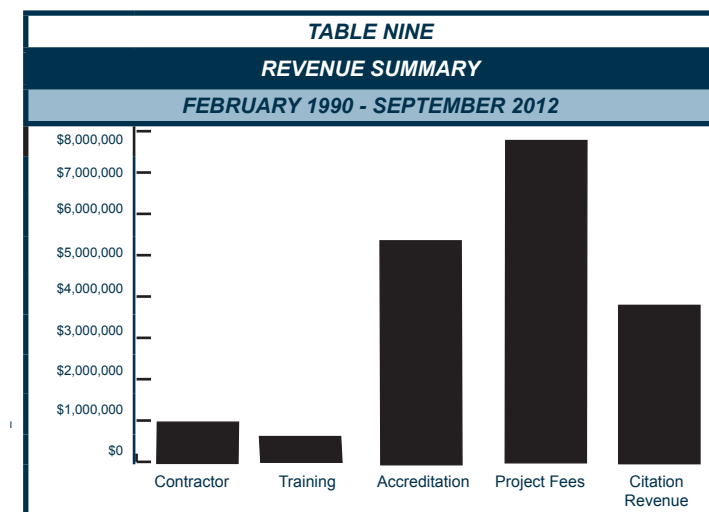


Revenue Summary

All statistics provided with this report are based upon information derived from the *Asbestos Management Information System (AMIS)*. More detailed information for fiscal years 1993 through 2011 can be found in previous years' annual reports.

Including penalties from citations issued from **February 12, 1990 to September 30, 2012**, the Asbestos Program has generated approximately **\$18,526,218** in revenue. All revenue generated by project fees, licensing, accreditation, and training course review, totaling approximately **\$14,747,192**, 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.

TABLE EIGHT	
REVENUE SUMMARY	
CATEGORY	REVENUE
Training Course	\$37,000
Accreditation	\$268,475
Contractor Licensing	\$48,500
Project Notification Fees	\$273,871
SUBTOTAL	\$627,846
Citation Penalties Assessed	\$655,183
TOTAL	\$1,283,029



Total revenue generated for FY 2012 was approximately **\$1,283,029**, with approximately **\$627,846** of this amount originating from non-citation-related sources. Monetary revenue resulting from Act 135 and Act 440 citation penalties (**\$20,620**) were deposited in the Asbestos Fund and used by the Asbestos Program. Citation revenue resulting from Act 154 penalties (**\$634,563**) were remitted to the state General Fund and not used by the Asbestos Program.

Revenue generated by the **one percent** asbestos abatement project **notification fee** is a main source of revenue for the Asbestos Program. For FY 2012, revenue from notification fees were in excess of **\$273,871**. Further, please note that based upon the one percent notification fee that the Asbestos Program received for FY 2012, asbestos-related work in the state of Michigan exceeded \$27,387,100.

As illustrated in *Table Eight*, accreditation fees also continue to bring in a great revenue with **\$268,475** collected in FY 2012. *Table Eight* provides a breakdown of revenue received by category for FY 2012. *Table Nine* provides a summary of revenues by category from February 12, 1990 through September 30, 2012. For this time period, the Asbestos Program received more than \$14 million for operating revenue.

Summary

The MIOSHA Asbestos Program adds significant value to the state of Michigan. The primary function of the program is to ensure that the contractors performing asbestos removal comply with rules governing the work activity and that the people working with asbestos are properly trained.

The Asbestos Program provides information and training services online that help employers find accredited trainers and providers to help lessen the exposure and risk of acquiring an asbestos-related disease. Information on the MIOSHA Asbestos Program is available at www.michigan.gov/asbestos.

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 MIOSHA Director **Martha B. Yoder**, at 517.322.1817.

MIOSHA ASBESTOS PROGRAM ANNUAL REPORT Fiscal Year 2012

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.

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Health Manager: Michael T. Mason
Website: www.michigan.gov/asbestos
E-mail: asbestos@michigan.gov
Phone 517.322.1320



MIOSHA ASBESTOS PROGRAM

ANNUAL REPORT Fiscal Year 2012



In accordance with Act 135, P.A. 1986, as amended, Section 220(7) and Section 315, herein is the Michigan Occupational Safety and Health Administration (MIOSHA), Asbestos Program, 23rd Annual Report to the Governor and the Legislature.

Overview

Exposure to airborne friable asbestos may result in a potential health risk because people may breathe in asbestos fibers. Continued exposure can increase the amount of fibers that remain in the lung. Fibers embedded in lung tissue over time may cause serious lung diseases including asbestosis, lung cancer, or mesothelioma. The **key to preventing occupational illnesses/diseases involving asbestos** is to initially recognize products that may contain asbestos and assure that employees are properly trained, protected, and equipped to work with such materials in a safe manner.

The MIOSHA Asbestos Program was initiated in September 1986. The **primary function of the program** is to ensure that people working with asbestos are properly trained and that individuals performing asbestos removal comply with the rules governing work activities. 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 is occurring.

The MIOSHA 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 responsibilities under the Environmental Protection Agency *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).

The Asbestos Program is **funded 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.

The Asbestos Program website provides useful, up-to-date information on asbestos requirements to employees, employers, and the general public. Information that can be accessed includes currently accredited individuals, licensed contractors, project notifications, approved trainers, and scheduled training courses. For example, homeowners who want hire a contractor to remove asbestos from their homes may use the website to search for accredited individuals and companies licensed by the MIOSHA Asbestos Program.

The online accreditation application renewal service became available on the Asbestos Program website in February 2012, with 551 accredited asbestos workers using it during this fiscal year. Accredited asbestos workers are now able to submit and pay for their asbestos accreditation renewal applications online instead of using forms sent through the mail. In June 2012, because of the implementation of this renewal service, the Licensing and Regulatory Affairs (LARA) Director Steven Hilfinger awarded a **Reinvention Patent Certificate** to the MIOSHA Asbestos Program for its Innovative Ideas for Increased Productivity. This patent certificate is granted to the person or people whose innovative ideas have resulted in increased productivity, elimination of unnecessary or duplicative processes, increased cost savings, improved quality of service, and simplified work process that are *Customer Driven, Business Minded*.

During fiscal year 2012 (October 1, 2011 through September 30, 2012), the **Asbestos Program employed 12 staff** members consisting of one program manager, one supervisor, six industrial hygienists, one departmental analyst, two secretaries, and one student assistant.

The Asbestos Program has six major 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.



AHERA Management Plan Review

The Asbestos Program is the state-designated lead agency for reviewing asbestos management plans for K-12 public and private nonprofit schools. The role of the program is to ensure 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 **5,852** AHERA management plans since December 1987 as indicated in *Table One*. The Asbestos Program received and reviewed **27** 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.

Review and Approval of Asbestos Training Courses

A function of the Asbestos Program is the review and approval of **10 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 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) *Model Accreditation Plan*. The Asbestos Program periodically conducts **unannounced on-site audits** of training courses to evaluate the instructor's overall abilities, the effectiveness of the instruction, and the hands-on portion of the class. During this fiscal year, the Asbestos Program conducted **10** on-site course audits.

TABLE TWO							
TRAINING COURSE APPLICATIONS							
CATEGORY	INITIAL		RENEWAL		LATE FEES	TOTAL	
	#	REVENUE	#	REVENUE	REVENUE	#	REVENUE
Abatement Worker Initial	2	\$800	10	\$2,000	\$0	12	\$2,800
Abatement Worker Refresher	2	\$800	15	\$3,000	\$0	17	\$3,800
Contractor/Supervisor Initial	3	\$1,200	23	\$4,600	\$0	26	\$5,800
Contractor/Supervisor Refresher	6	\$2,400	31	\$6,200	\$0	37	\$8,600
Inspector Initial	1	\$400	15	\$3,000	\$0	16	\$3,400
Inspector Refresher	1	\$400	27	\$5,400	\$0	28	\$5,800
Management Planner Initial	0	\$0	5	\$1,000	\$0	5	\$1,000
Management Planner Refresher	0	\$0	12	\$2,400	\$0	12	\$2,400
Project Designer Initial	0	\$0	5	\$1,000	\$0	5	\$1,000
Project Designer Refresher	0	\$0	12	\$2,400	\$0	12	\$2,400
TOTALS	15	\$6,000	155	\$31,000	\$0	170	\$37,000

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 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 FY 2012, **5,037** accreditation applications were received with fees totaling **\$268,475**. 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	294	\$14,650
Worker Renewal	509	\$12,750
Contractor/Supervisor Initial	826	\$41,350
Contractor/Supervisor Renewal	2,192	\$54,775
Inspector Initial	98	\$14,400
Inspector Renewal	822	\$60,600
Management Planner Initial	7	\$1,050
Management Planner Renewal	160	\$12,000
Project Designer Initial	15	\$2,250
Project Designer Renewal	114	\$8,400
Late Fees	---	\$45,450
Card Reissue	---	\$800
TOTALS	5,037	\$268,475

TABLE ONE	
MANAGEMENT PLANS	
DEC 1987 - SEPT 2012	
CATEGORY	#
Public Schools	4,449
Private Schools	1,107
Charter Schools	296
TOTAL	5,852

TABLE FOUR		
CONTRACTOR LICENSING		
CATEGORY	#	REVENUE
Type I Initial	30	\$5,800
Type I Renewal	54	\$5,400
Type I Late Fee	---	\$1,400
Type I Processing Fees	1	\$25
TOTAL TYPE I REVENUE	85	\$12,625
Type II Initial	13	\$5,200
Type II Renewal	96	\$28,800
Type II Late Fees	---	\$1,800
Type II Processing Fees	4	\$75
TOTAL TYPE II REVENUE	113	\$35,875
GRAND TOTALS	198	\$48,500

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 (five or more employees).

During FY 2012, the program received and reviewed **198** asbestos abatement contractor license applications. Of those applications, **41** initial applications and **143** renewal applications were approved.

As is shown in *Table Four*, during FY 2012, the Asbestos Program received **\$48,500** in contractor licensing fees.

Asbestos Abatement Project Notifications

State legislation enacted on February 12, 1990 mandated 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 FY 2012, **3,204** notifications were received. Of this total, **3,030** were regular notifications and **174** 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 **\$273,871**.

TABLE FIVE		
PROJECT NOTIFICATIONS		
CATEGORY	#	REVENUE
Regular	3,030	\$266,458
Emergency	174	\$7,413
TOTALS	3,204	\$273,871

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	128
Serious	197
Repeat	13
Willful	16
Act 135	13
Act 440	10
TOTAL	377

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 FY 2012, the Asbestos Program conducted **251** inspections and issued **377** citations involving **550** rule violations. As noted in *Table Six*, the penalties associated with those violations were approximately **\$655,183**. *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	---	13	\$8,560
Act 440	---	10	\$12,060
MIOSHA (Act 154)	---	354	\$634,563
TOTALS	251	377	\$655,183