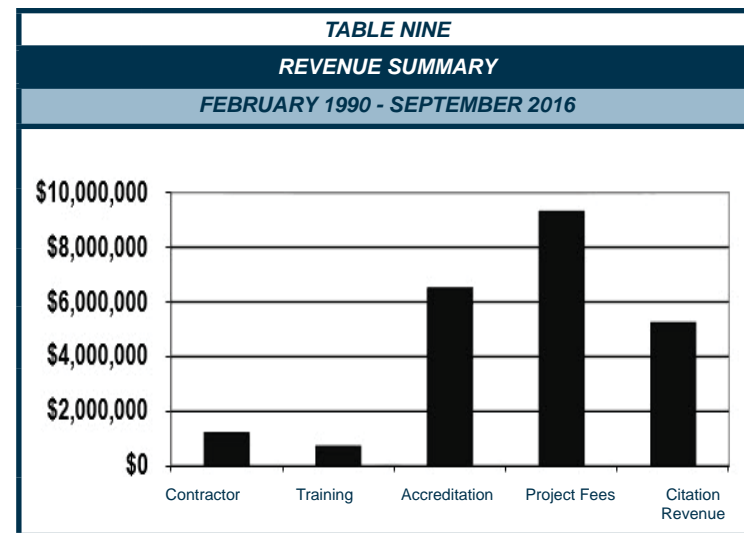


Revenue Summary

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 2015 can be found in previous years' annual reports.

Including penalties from citations issued from **February 12, 1990**, to **September 30, 2016**, the MIOSHA Asbestos Program has generated approximately **\$22,974,342** in revenue. All revenue generated by project fees, licensing, accreditation, and training course review, totaling approximately **\$17,738,972**, has been deposited in the Asbestos Abatement 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.

CATEGORY	REVENUE
Training Course	\$34,275
Accreditation	\$276,050
Contractor Licensing	\$58,275
Project Notification Fees	\$456,863
SUBTOTAL	\$825,463
Citation Penalties Assessed	\$483,848
TOTAL	\$1,309,311



Total revenue generated for FY 2016 was approximately **\$1,309,311**, with approximately **\$825,463** of this amount originating from non-citation-related sources. Monetary revenue resulting from Act 135 and Act 440 citation penalties (**\$23,338**) were deposited in the Asbestos Abatement Fund and used by the Asbestos Program. Citation revenue resulting from Act 154 penalties (**\$460,510**) were remitted to the State of Michigan General Fund.

Revenue generated by the **one percent** asbestos abatement project **notification fee** is a main source of revenue for the asbestos program. For FY 2016, revenue from notification fees were in excess of **\$456,863**. Further, please note that based upon the one percent notification fee that the Asbestos Program received for FY 2016, asbestos-related work in the State of Michigan exceeded \$45,686,300.

As illustrated in *Table Eight*, accreditation fees also continue to bring in significant revenue, with **\$276,050** collected in FY 2016. *Table Eight* provides a breakdown of revenue received by category for FY 2016. *Table Nine* provides a summary of revenues by category from February 12, 1990, through September 30, 2016. For this time period, the Asbestos Program received more than \$17 million for operating revenue.

Summary

The MIOSHA Asbestos Program adds significantly to the safety and health of employees in 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 people working with asbestos are properly trained.

The 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 **Barton G. Pickelman, CIH**, at 517.284.7777.

MIOSHA ASBESTOS PROGRAM ANNUAL REPORT Fiscal Year 2016

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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LARA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

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MIOSHA ASBESTOS PROGRAM

ANNUAL REPORT Fiscal Year 2016



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's 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 lungs. 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 ensure 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).

During fiscal year (FY) 2016 (October 1, 2015 through September 30, 2016), 11 staff members worked in the MIOSHA Asbestos Program; one program manager, one supervisor, six industrial hygienists, one departmental analyst, and two secretaries.

The program launched a state emphasis program on September 1, 2016, to inspect licensed asbestos abatement contractors who receive federal blight funds to perform asbestos abatement work in **neighborhood stabilization projects around the state**. To protect workers involved in blight removal, inspectors will verify that the contractors who remove asbestos-containing materials from structures comply with the relevant rules and regulations, and are properly licensed and accredited under the state asbestos laws. Contractors performing friable asbestos removal work in the state must provide notification of the start and end dates and other job-related information to the program 10 days before beginning the job. The Asbestos Program will identify specific properties for inspection based on the 10-day and other notifications by working with land banks around the state that are involved in blight removal.

This initiative involves unannounced inspections of demolition sites. It is the first time MIOSHA has emphasized inspections of blight removal sites. "As Michigan continues to eliminate blight and revitalize its neighborhoods, it's especially important that the **men and women working on these projects are protected** from potential health hazards," MIOSHA Director Bart Pickelman said in a statement.

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, contractors/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 MIOSHA 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 AHERA. The program has received and reviewed a total of **5,896** AHERA management plans since December 1987, as indicated in *Table One*. The asbestos program received and reviewed **24** 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 MIOSHA 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's) *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 **14** on-site course audits.

TABLE ONE	
MANAGEMENT PLANS	
DEC 1987 - SEPT 2016	
CATEGORY	#
Public Schools	4,464
Private Schools	1,105
Charter Schools	327
TOTAL	5,896

TABLE TWO							
TRAINING COURSE APPLICATIONS							
CATEGORY	INITIAL		RENEWAL		LATE FEES	TOTAL	
	#	REVENUE	#	REVENUE	REVENUE	#	REVENUE
Abatement Worker Initial	0	\$0	8	\$1,600	\$0	8	\$1,600
Abatement Worker Refresher	2	\$800	11	\$2,025	\$0	13	\$2,825
Contractor/Supervisor Initial	3	\$1,200	27	\$5,400	\$600	30	\$7,200
Contractor/Supervisor Refresher	2	\$800	34	\$6,800	\$200	36	\$7,800
Inspector Initial	0	\$0	16	\$3,200	\$200	16	\$3,400
Inspector Refresher	0	\$0	24	\$4,800	\$200	24	\$5,000
Management Planner Initial	0	\$0	5	\$1,000	\$0	5	\$1,000
Management Planner Refresher	0	\$0	13	\$2,450	\$0	13	\$2,450
Project Designer Initial	0	\$0	4	\$800	\$0	4	\$800
Project Designer Refresher	0	\$0	11	\$2,200	\$0	11	\$2,200
TOTALS	7	\$2,800	153	\$30,275	\$1,200	160	\$34,275

Accreditation of Asbestos Workers

Asbestos abatement workers, asbestos contractors/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 MIOSHA 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 2016, **5,155** accreditation applications were received with fees totaling **\$276,050**. 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	280	\$13,775
Worker Renewal	507	\$12,625
Contractor/Supervisor Initial	875	\$41,625
Contractor/Supervisor Renewal	2,285	\$57,100
Inspector Initial	134	\$19,575
Inspector Renewal	817	\$60,300
Management Planner Initial	21	\$3,075
Management Planner Renewal	136	\$10,200
Project Designer Initial	9	\$1,350
Project Designer Renewal	91	\$6,825
Late Fees	---	\$48,050
Card Reissue	---	\$1,550
TOTALS	5,155	\$276,050

TABLE FOUR		
CONTRACTOR LICENSING		
CATEGORY	#	REVENUE
Type I Initial	18	\$3,600
Type I Renewal	79	\$7,900
Type I Late Fee	---	\$1,800
Type I Processing Fees	2	\$50
TOTAL TYPE I REVENUE	99	\$13,350
Type II Initial	12	\$4,600
Type II Renewal	127	\$37,900
Type II Late Fees	---	\$2,300
Type II Processing Fees	5	\$125
TOTAL TYPE II REVENUE	144	\$44,925
GRAND TOTALS	243	\$58,275

Licensing of Asbestos Abatement Contractors

With the exception of exempt trade group members (e.g., 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 MIOSHA 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).

Table Four displays information regarding contractor license applications for this fiscal year. In FY 2016, **243** contractor license applications were received with fees totaling **\$58,275**. As noted in *Table Four*, a late fee is assessed for any application received within 30 days prior to the expiration date in accordance with Act 135, P.A. 1986, as amended.

Asbestos Abatement Project Notifications

State legislation enacted on February 12, 1990, mandated that asbestos abatement contractors and exempt trade groups notify the MIOSHA 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 2016, **8,918** notifications were received. Of this total, **8,708** were regular notifications and **210** 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 because of impending health threats or other unforeseen asbestos problems.

Table Five provides information regarding asbestos abatement project notifications received by the Asbestos Program. Total revenue from project notification fees for FY 2016 was **\$456,863**.

TABLE FIVE		
PROJECT NOTIFICATIONS		
CATEGORY	#	REVENUE
Regular	8,708	\$448,795
Emergency	210	\$8,068
TOTALS	8,918	\$456,863

Compliance Investigations

The MIOSHA 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	
INVESTIGATION & CITATION INFORMATION	
TYPES OF CITATIONS	# ISSUED
Other Than Serious	70
Serious	304
Repeat	12
Willful	12
Act 135	20
Act 440	4
TOTAL	422

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 2016, the asbestos program conducted **232** investigations and issued **422** citations involving **709** rule violations. As noted in *Table Six*, the penalties associated with those violations were approximately **\$483,848**. *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	\$22,238
Act 440	---	4	\$1,100
Act 154	---	398	\$460,510
TOTALS	232	422	\$483,848