

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 2014 can be found in previous years' annual report.

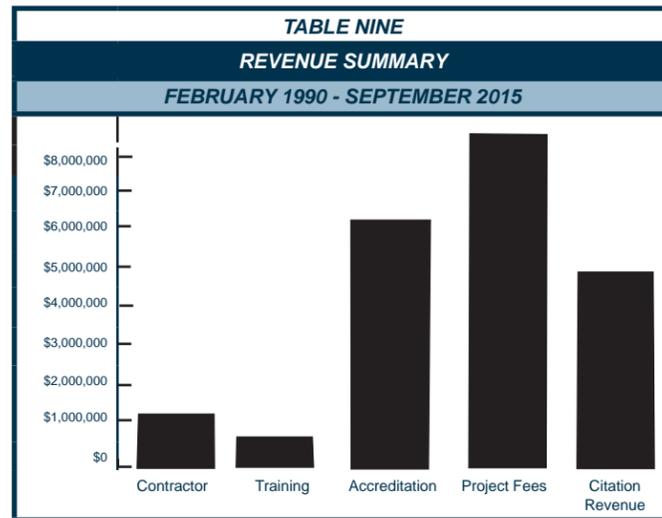
Including penalties from citations issued from **February 12, 1990 to September 30, 2015**, the MIOSHA Asbestos Program has generated approximately **\$21,665,031** in revenue. All revenue generated by project fees, licensing, accreditation, and training course review, totaling approximately **\$16,913,509**, 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	\$33,600
Accreditation	\$285,445
Contractor Licensing	\$60,550
Project Notification Fees	\$430,110
SUBTOTAL	\$809,705
Citation Penalties Assessed	\$249,165
TOTAL	\$1,058,870

Total revenue generated for FY 2015 was approximately **\$1,058,870**, with approximately **\$809,705** of this amount originating from non-citation-related sources. Monetary revenue resulting from Act 135 and Act 440 citation penalties (**\$40,670**) were deposited in the Asbestos Abatement Fund and used by the asbestos program. Citation revenue resulting from Act 154 penalties (**\$208,495**) were remitted to the state 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 2015, revenue from notification fees were in excess of **\$430,110**. Further, please note that based upon the one percent notification fee that the asbestos program received for FY 2015, asbestos-related work in the state of Michigan exceeded \$43,011,000.

As illustrated in *Table Eight*, accreditation fees also continue to bring in a significant revenue with **\$285,445** collected in FY 2015. *Table Eight* provides a breakdown of revenue received by category for FY 2015. *Table Nine* provides a summary of revenues by category from February 12, 1990, through September 30, 2015. For this time period, the asbestos program received more than \$16 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 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 517.284.7777.

MIOSHA ASBESTOS PROGRAM ANNUAL REPORT Fiscal Year 2014

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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MIOSHA ASBESTOS PROGRAM

ANNUAL REPORT Fiscal Year 2015



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, 27th 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 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).

During fiscal year (FY) 2015 (October 1, 2014 through September 30, 2015), ten staff members worked in the MIOSHA Asbestos Program; one program manager, one supervisor, five industrial hygienists, one departmental analyst, and two secretaries.

A new web-based service, Penalty Reduction Agreement (PRA) will soon become available to contractors who receive a citation with a monetary penalty. A contractor will be able to **request a penalty reduction online**, if they are eligible. The PRA service will be available 24/7, and will enable a contractor to reach a tentative agreement with the MIOSHA Asbestos Program to **resolve penalties concerning a MIOSHA compliance investigation** at the earliest possible time. A penalty reduction will not be provided unless the contractor first submits adequate notification of abatement or correction. The service is NOT an agreement to change the number of citations issued, the rule cited, the description of violation, the classification, or abatement date. Only the penalty can be reduced up to 50 percent with the new service. A contractor will be able to electronically upload abatement documentation at any time for later review following submission of their online penalty reduction request. There will be a five MB limit per file with unlimited number of files in 25 MB bundles. The following formats will be accepted: .doc, .docx, .xls, .xlsx, .pdf, .ppt, .pptx, .jpeg, and .gif files. A link to upload abatement documentation will be located on an easily accessible MIOSHA web page. The contractor will be able to return to the service to submit abatement at any time by clicking the Abatement E-Tool link on the MIOSHA PRA webpage.

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 asbestos program has received and reviewed a total of **5,886** AHERA management plans since December 1987, as indicated in *Table One*. The asbestos program received and reviewed **15** 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 **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 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 **19** on-site course audits.

TABLE TWO							
TRAINING COURSE APPLICATIONS							
CATEGORY	INITIAL		RENEWAL		LATE FEES	TOTAL	
	#	REVENUE	#	REVENUE	REVENUE	#	REVENUE
Abatement Worker Initial	0	\$0	11	\$2,200	\$0	11	\$2,200
Abatement Worker Refresher	0	\$0	13	\$2,600	\$0	13	\$2,600
Contractor/Supervisor Initial	1	\$400	27	\$5,400	\$0	28	\$5,800
Contractor/Supervisor Refresher	0	\$0	36	\$7,200	\$0	36	\$7,200
Inspector Initial	1	\$400	15	\$3,000	\$200	16	\$3,600
Inspector Refresher	0	\$0	25	\$5,000	\$0	25	\$5,000
Management Planner Initial	0	\$0	5	\$1,000	\$0	5	\$1,000
Management Planner Refresher	1	\$400	12	\$2,400	\$0	13	\$2,800
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	3	\$1,200	161	\$32,200	\$200	164	\$33,600

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 2015, **5,362** accreditation applications were received with fees totaling **\$285,445**. 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	304	\$15,095
Worker Renewal	536	\$13,325
Contractor/Supervisor Initial	985	\$49,050
Contractor/Supervisor Renewal	2,302	\$57,525
Inspector Initial	123	\$18,150
Inspector Renewal	846	\$62,250
Management Planner Initial	11	\$1,575
Management Planner Renewal	148	\$11,100
Project Designer Initial	4	\$600
Project Designer Renewal	103	\$7,725
Late Fees	---	\$47,700
Card Reissue	---	\$1,350
TOTALS	5,362	\$285,445

TABLE ONE	
MANAGEMENT PLANS	
DEC 1987 - SEPT 2015	
CATEGORY	#
Public Schools	4,459
Private Schools	1,105
Charter Schools	322
TOTAL	5,886

TABLE FOUR		
CONTRACTOR LICENSING		
CATEGORY	#	REVENUE
Type I Initial	17	\$3,400
Type I Renewal	73	\$7,300
Type I Late Fee	---	\$2,500
Type I Processing Fees	6	\$150
TOTAL TYPE I REVENUE	96	\$13,350
Type II Initial	18	\$7,200
Type II Renewal	125	\$37,200
Type II Late Fees	---	\$2,700
Type II Processing Fees	4	\$100
TOTAL TYPE II REVENUE	147	\$47,200
GRAND TOTALS	243	\$60,550

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 2015, **243** contractor license applications were received with fees totaling **\$60,550**. 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 2015, **7,606** notifications were received. Of this total, **7,426** were regular notifications and **180** 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 problems.

Table Five provides information regarding asbestos abatement project notifications received by the asbestos program. Total revenue from project notification fees for FY 2015 were **\$430,110**.

TABLE FIVE		
PROJECT NOTIFICATIONS		
CATEGORY	#	REVENUE
Regular	7,426	\$426,226
Emergency	180	\$3,884
TOTALS	7,606	\$430,110

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	112
Serious	284
Repeat	5
Willful	0
Act 135	16
Act 440	0
TOTAL	417

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 2015, the asbestos program conducted **203** investigations and issued **417** citations involving **692** rule violations. As noted in *Table Six*, the penalties associated with those violations were approximately **\$249,165**. *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	---	16	\$40,670
Act 440	---	0	\$0
Act 154	---	401	\$208,495
TOTALS	203	417	\$249,165