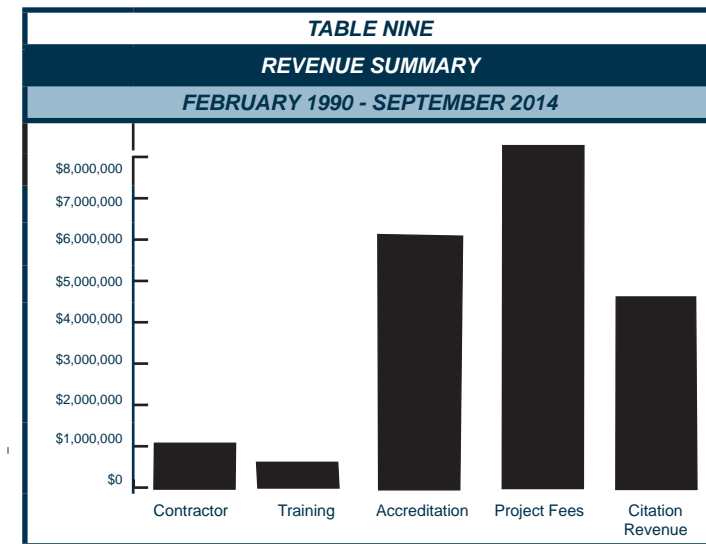


## Revenue Summary

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 2013 can be found in previous years' annual reports.

Including penalties from citations issued from **February 12, 1990** to **September 30, 2014**, the Asbestos Program has generated approximately **\$20,606,161** in revenue. All revenue generated by project fees, licensing, accreditation, and training course review, totaling approximately **\$16,103,804**, 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	\$34,400
Accreditation	\$281,225
Contractor Licensing	\$61,075
Project Notification Fees	\$303,709
<b>SUBTOTAL</b>	<b>\$680,409</b>
Citation Penalties Assessed	\$256,380
<b>TOTAL</b>	<b>\$936,789</b>



Total revenue generated for FY 2014 was approximately **\$936,784**, with approximately **\$680,409** of this amount originating from non-citation-related sources. Monetary revenue resulting from Act 135 and Act 440 citation penalties (**\$33,550**) were deposited in the Asbestos Fund and used by the Asbestos Program. Citation revenue resulting from Act 154 penalties (**\$222,830**) 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 2014, revenue from notification fees were in excess of **\$303,709**. Further, please note that based upon the one percent notification fee that the Asbestos Program received for FY 2014, asbestos-related work in the state of Michigan exceeded \$30,370,900.

As illustrated in *Table Eight*, accreditation fees also continue to bring in a significant revenue with **\$281,225** collected in FY 2014. *Table Eight* provides a breakdown of revenue received by category for FY 2014. *Table Nine* provides a summary of revenues by category from February 12, 1990, through September 30, 2014. 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](http://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 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 2014



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, 26th 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).

The Asbestos Program is **funded through fees**. Funding sources are from asbestos abatement contractor licensing fees, project notification fees, and worker accreditation fees, as well as fees submitted for the approval of asbestos training courses.

The staff of the MIOSHA Asbestos Program and the Michigan Department of Environmental Quality, National Emission Standards for Hazardous Air Pollutants (NESHAP) Asbestos Program, held their fourth asbestos symposium on March 13, 2014 at the Michigan State Police Training Academy in Lansing. The symposium was well attended. There were 212 asbestos training providers, asbestos abatement contractors, and other interested parties registered for the symposium and 193 attended, including ten people who hadn't pre-registered, but paid full price at the door to attend. The Lansing Area Safety Council handled registrations.

During the symposium, the audience was able to meet key individuals involved in training and enforcement of the asbestos regulations. The MIOSHA and NESHAP program managers provided updates on their respective programs. The administrative staff presented a review of past, present, and future online services. MIOSHA and NESHAP field staff presented case studies. Representatives from MIOSHA's Consultation Education and Training Division interacted with the attendees. There was an open-format, question and answer session at the end. Ninety-six percent of the attendees indicated they would attend future asbestos symposiums.

During fiscal year (FY) 2014 (October 1, 2013 through September 30, 2014), the **Asbestos Program employed 10 staff** members consisting of one program manager, one supervisor, five industrial hygienists, one departmental analyst and two secretaries.

### 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 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 **5,875** 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 **21** on-site course audits.

TABLE TWO							
TRAINING COURSE APPLICATIONS							
CATEGORY	INITIAL		RENEWAL		LATE FEES	TOTAL	
	#	REVENUE	#	REVENUE	REVENUE	#	REVENUE
Abatement Worker Initial	0	\$0	12	\$2,400	\$0	12	\$2,400
Abatement Worker Refresher	0	\$0	14	\$2,800	\$0	14	\$2,800
Contractor/Supervisor Initial	0	\$0	27	\$5,400	\$400	27	\$5,800
Contractor/Supervisor Refresher	1	\$400	36	\$7,200	\$200	37	\$7,800
Inspector Initial	1	\$400	14	\$2,800	\$0	15	\$3,200
Inspector Refresher	1	\$400	26	\$5,200	\$0	27	\$5,600
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
<b>TOTALS</b>	<b>3</b>	<b>\$1,200</b>	<b>163</b>	<b>\$32,600</b>	<b>\$600</b>	<b>166</b>	<b>\$34,400</b>

### 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 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 2014, **5,189** accreditation applications were received with fees totaling **\$281,225**. 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	288	\$14,375
Worker Renewal	484	\$12,100
Contractor/Supervisor Initial	867	\$42,750
Contractor/Supervisor Renewal	2,309	\$57,750
Inspector Initial	151	\$22,350
Inspector Renewal	818	\$60,975
Management Planner Initial	10	\$1,500
Management Planner Renewal	150	\$11,250
Project Designer Initial	9	\$1,350
Project Designer Renewal	103	\$7,725
Late Fees	---	\$47,925
Card Reissue	---	\$1,175
<b>TOTALS</b>	<b>5,189</b>	<b>\$281,225</b>

TABLE ONE	
MANAGEMENT PLANS	
DEC 1987 - SEPT 2014	
CATEGORY	#
Public Schools	4,453
Private Schools	1,104
Charter Schools	318
<b>TOTAL</b>	<b>5,875</b>

TABLE FOUR		
CONTRACTOR LICENSING		
CATEGORY	#	REVENUE
Type I Initial	31	\$6,200
Type I Renewal	65	\$6,500
Type I Late Fee	---	\$2,300
Type I Processing Fees	6	\$150
<b>TOTAL TYPE I REVENUE</b>	<b>102</b>	<b>\$15,150</b>
Type II Initial	26	\$10,200
Type II Renewal	115	\$34,400
Type II Late Fees	---	\$1,300
Type II Processing Fees	1	\$25
<b>TOTAL TYPE II REVENUE</b>	<b>142</b>	<b>\$45,925</b>
<b>GRAND TOTALS</b>	<b>244</b>	<b>\$61,075</b>

## 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 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 FY 2014, the program received and reviewed **244** asbestos abatement contractor license applications. Of those applications, **55** initial applications and **174** renewal applications were approved.

As is shown in *Table Four*, during FY 2014, the Asbestos Program received **\$61,075** 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 2014, **6,449** notifications were received. Of this total, **6,277** were regular notifications and **172** 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 2014 were **\$303,709**.

TABLE FIVE		
PROJECT NOTIFICATIONS		
CATEGORY	#	REVENUE
Regular	6,277	\$296,026
Emergency	172	\$7,683
<b>TOTALS</b>	<b>6,449</b>	<b>\$303,709</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	
INVESTIGATION & CITATION INFORMATION	
TYPES OF CITATIONS	# ISSUED
Other Than Serious	213
Serious	326
Repeat	16
Willful	2
Act 135	9
Act 440	2
<b>TOTAL</b>	<b>568</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 FY 2014, the Asbestos Program conducted **287** investigations and issued **568** citations involving **774** rule violations. As noted in *Table Six*, the penalties associated with those violations were approximately **\$256,380**. *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	---	9	\$32,950
Act 440	---	2	\$600
MIOSHA (Act 154)	---	557	\$222,830
<b>TOTALS</b>	<b>287</b>	<b>568</b>	<b>\$256,380</b>