

**PUBLIC ASBESTOS ABATEMENT CONTRACTS (EXCERPT)**  
**Act 55 of 2024**

**338.3383 Asbestos abatement project; contract with public entity; payment withholding requirements.**

Sec. 3.

Beginning on the effective date of this act, if a local government or a land bank authority created under section 23 of the land bank fast track act, 2003 PA 258, MCL 124.773, enters into a contract with an asbestos abatement contractor or a demolition contractor that involves an asbestos abatement project, the contract must include a provision that the local government or land bank authority may withhold any payment to that asbestos abatement contractor or demolition contractor if the asbestos abatement contractor, demolition contractor, or any subcontractor of the asbestos abatement contractor or demolition contractor on that asbestos abatement project enters into, or begins negotiations to enter into, an administrative consent order or consent judgment with the department of environment, Great Lakes, and energy or another environmental regulatory agency within the time period the contract for that asbestos abatement project began that involves violations of environmental regulations related to that project or other asbestos abatement projects. Payment may be withheld by the local government or land bank authority until the local government or land bank authority receives verification from the asbestos abatement contractor, the demolition contractor, the department of environment, Great Lakes, and energy, or another environmental regulatory agency that the violations of environmental regulations related to the administrative consent order or consent judgment, or a proposed administrative consent order or consent judgment, have been corrected.

**History:** 2024, Act 55, Eff. Apr. 2, 2025