

Office of Policy and Legal Analysis

Date: April 21, 2021
To: Joint Standing Committee on Innovation, Development, Economic Advancement and Business
From: Rachel Olson, Legislative Analyst
Re: LD 992, An Act To Prevent the Denial or Revocation of a Professional or Business License for a Violation Not Related to That Profession or Business (Newman)

Bill Summary

This bill prohibits the Commissioner of Professional and Financial Regulation, or any bureau, board or commission within or affiliated with the Department of Professional and Financial Regulation, from denying or revoking a professional or occupational license if the denial or revocation is for a violation unrelated to the practice of the licensed profession or occupation. It requires the department to submit to the Joint Standing Committee on Innovation, Development, Economic Advancement and Business a report identifying existing statutes that allow for such denial or revocation and gives the committee the authority to report out legislation repealing these statutes to the Second Regular Session of the 130th Legislature.

The bill also prohibits municipalities from denying or revoking a business license if the denial or revocation is for a violation unrelated to the conduct of the business. It requires the Department of Economic and Community Development to submit to the Joint Standing Committee on Innovation, Development, Economic Advancement and Business a report identifying existing statutes that allow for such denial or revocation and gives the committee the authority to report out legislation repealing these statutes to the Second Regular Session of the 130th Legislature.

Testimony ([link](#)):

Proponents: Representative Newman, sponsor; Linda Reardon;

Opponents: Neal Goldberg, Maine Municipal Association; Will Lund, Bureau of Consumer Credit Protection; Dennis Smith, Board of Licensure of Medicine; Penny Vaillancourt, Board of Dental Practice; Kim Esquibel, State Board of Nursing; Katherine Soverel, Maine Veterinary Medical Association;

Neither for nor against: None

Possible Technical Issues or Problems:

Individuals and businesses licensed within this state are licensed under the statutory authority of the licensing entity. Such provisions can include rule-making provisions, which can establish health and safety practices and standards, as well as list the reasons for suspension, revocation or denial of a license and any subsequent requirements, included fees, associated with violating those provisions. Additionally, rules governing the warning, censure, reprimands, suspensions, revocations, probation, etc. are included in [Title 10, chapter 901, section 8003](#).

The “notwithstanding” language within the bill would mean the following sections of Maine law, which may not represent all instances, may no longer apply:

Title 5, chapter 341, section 5301 allows for disqualification for an occupational license on the basis of criminal record.

Title 19, chapter 65, section 2201 allows for the revocation or refusal to issue or re-issue a license based on failure to be in compliance with an order of support.

Title 25, chapter 13, section 1232 allows the prevention of renewal, reissuance, or other extension of a license of certificate for failure to file or pay taxes.

Title 14, Chapter 502-A, section 3142, allows for the suspension of any license, certification, registration, permit, etc. for a failure to pay fines owed to the state.

Title 30-A, subpart 6 allows for municipalities to regulate and issue licenses and permits for certain activities, including innkeepers, victualers (people who serve food or drink prepared for consumption on the premises by the public) and lodging houses.

Denial, suspension, and revocations are subject to the [same hearing procedures](#) that were outlined for LD 891.

Possible Amendments:

Representative Newman submitted a list of proposed amendments to the Committee.

Fiscal Impact: Not Yet Determined