

The Voice of Merit Construction

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FROM: ASSOCIATED BUILDERS AND CONTRACTORS

RE: S.B. 664 – BUSINESS REGULATIONS – MISCELLANEOUS

STATE BUSINESS LICENSES – ENFORCEMENT AND

PENALTIES

POSITION: OPPOSE

The Associated Builders and Contractors (ABC) opposes S.B. 664 which is before you today for consideration. This bill introduces several concerning provisions that will negatively impact Maryland businesses, particularly small businesses, and create unnecessary burdens and potential for abuse.

We feel that requiring each license application to designate a specific individual as a "license representative" who is subject to penalties is problematic. While accountability is important, this provision creates a significant risk for individuals who may not have direct control over all aspects of the business. This could lead to unfair penalization for actions outside their direct responsibility. Furthermore, requiring the representative to be a Maryland resident unnecessarily restricts businesses' operational flexibility.

The bill's expansion of penalty application to various individuals within a business, including officers, members, and managing individuals, is overly broad and potentially unjust. Holding individuals personally liable for violations, even without clear evidence of their direct involvement or intent, is excessive and could discourage individuals from serving in leadership roles within businesses.

We believe that the current regulatory framework for business licenses already provides sufficient mechanisms for enforcement. The changes proposed in S.B. 664 are unnecessary, create excessive burdens on businesses, and raise serious concerns about due process and fairness. Instead of focusing on punitive measures, I encourage the legislature to explore alternative approaches that promote compliance through education and collaboration.

On behalf of the over 1,500 ABC members in Maryland, we respectfully request a unfavorable report on S.B. 664

Marcus Jackson, Director of Government Affairs