



ADMINISTRATIVE RULES OF MONTANA



4.12.1032 CONDITIONED, SUSPENDED, OR REVOKED LICENSES FOR COMMODITY DEALERS

- (1) Upon receiving a complaint, after an inspection, or when receiving an application, the department may issue a full, conditional, or suspended license consistent with this rule to ensure the producer's safety and maintain a competitive fairness consistent with Montana antitrust laws.
- (2) The department may issue a conditional license if a request is received from the licensee and modifications are deemed to be in the best interest of producers, and the alternative is not issuing a license at all.
- (3) All appeals, either formal or informal, of a conditional, suspended, or revoked license are subject to the MAPA dispute process. Informal appeals are sent by letter to the director and do not require an attorney.
- (4) The department's anticipated uses of conditional, suspended, and revoked licenses are listed in (a) through (c).
 - (a) Conditional licenses are limited in scope and differ in the amount, type, or length as requested by the licensee as the result of an inspection or as initially issued by the department. Conditional licenses will clearly state results and whether a license will become a full license or move into a suspended/revoked status.
 - (b) Suspended licenses can be caused by incomplete paperwork, bonding, and/or failing to comply with a financial statement filing date pursuant to ARM 4.12.1020. Suspensions last for the period of the license or until the license is reinstated by correcting the purpose for the suspension.
 - (i) Partially suspended licenses can prevent licensees from entering into new contracts; and/or
 - (ii) Fully suspended licenses can prevent licensees from receiving commodities under current contracts until payment is rendered to the grower; and/or
 - (iii) Voluntarily suspended licenses can be allowed if a company ceases operation in Montana, needs to restructure, or plans to change management.
 - (c) Revoked licenses are voided by the department due to falsified paperwork, the inability to pay a producer, or a court order. The department may refuse to relicense an entity with a revoked license for up to five years.

Implementing statute(s): 80-4-403, MCA

History: NEW, 2020 MAR p. 1019, Eff. 6/13/20.