

SENATE BILL 1037

C2, E4

3lr3320
CF HB 1513

By: **Senators King, Brinkley, Colburn, Currie, DeGrange, Edwards, Garagiola, Jones-Rodwell, Kasemeyer, Madaleno, Manno, Middleton, Miller, Peters, ~~and Robey~~ Robey, and McFadden**

Introduced and read first time: March 1, 2013

Assigned to: Rules

Re-referred to: Budget and Taxation, March 7, 2013

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 29, 2013

CHAPTER _____

1 AN ACT concerning

2 **Public Safety – Response to a State Disaster or Emergency – Licensing and**
3 **Taxes**

4 FOR the purpose of providing that certain out-of-state businesses and out-of-state
5 employees may not be considered to have established a presence in the State
6 that would subject the businesses or employees to certain licensing,
7 registration, or tax requirements; exempting certain out-of-state businesses
8 and out-of-state employees from certain income taxes and withholding
9 requirements; requiring certain out-of-state businesses and registered
10 businesses to provide a certain statement containing certain information;
11 defining certain terms; and generally relating to out-of-state businesses and
12 out-of-state employees.

13 BY repealing and reenacting, without amendments,
14 Article – Public Safety
15 Section 14-203(b)
16 Annotated Code of Maryland
17 (2011 Replacement Volume and 2012 Supplement)

18 BY adding to
19 Article – Public Safety
20 Section 14-219

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2011 Replacement Volume and 2012 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
4 MARYLAND, That the Laws of Maryland read as follows:

5 **Article – Public Safety**

6 14–203.

7 (b) This subtitle applies only during the effective period of an official
8 proclamation by the Governor that declares a stated area to be within an actual or
9 threatened emergency or disaster area.

10 **14–219.**

11 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
12 MEANINGS INDICATED.

13 (2) “DECLARED STATE DISASTER OR EMERGENCY” MEANS ANY
14 DISASTER OR EMERGENCY EVENT FOR WHICH:

15 (I) THE GOVERNOR PROCLAIMS A STATE OF EMERGENCY;

16 (II) A PRESIDENTIAL DECLARATION OF A FEDERAL MAJOR
17 DISASTER OR EMERGENCY IS ISSUED; OR

18 (III) A ~~GOOD FAITH RESPONSE EFFORT IS REQUIRED~~
19 WIDESPREAD UTILITY OUTAGE OCCURS.

20 (3) “DISASTER– OR EMERGENCY–RELATED WORK” MEANS
21 REPAIRING, RENOVATING, INSTALLING, BUILDING, RENDERING SERVICES, OR
22 OTHER BUSINESS ACTIVITIES THAT RELATE TO INFRASTRUCTURE THAT IS
23 DAMAGED, IMPAIRED, OR DESTROYED BY THE DECLARED STATE DISASTER OR
24 EMERGENCY.

25 (4) “DISASTER PERIOD” MEANS A PERIOD THAT BEGINS 10 DAYS
26 BEFORE THE FIRST DAY OF THE DECLARED STATE DISASTER OR EMERGENCY
27 AND EXTENDS FOR A PERIOD OF 60 CALENDAR DAYS AFTER THE END OF THE
28 DECLARED STATE DISASTER OR EMERGENCY.

29 (5) (I) “INFRASTRUCTURE” MEANS PROPERTY AND
30 EQUIPMENT OWNED OR USED BY COMMUNICATIONS NETWORKS, ELECTRIC
31 GENERATION FACILITIES, ELECTRIC AND GAS TRANSMISSION AND
32 DISTRIBUTION SYSTEMS, PUBLIC ROADS AND BRIDGES, ~~TRANSMISSION AND~~

1 ~~DISTRIBUTION SYSTEMS~~, WATER PIPELINES, AND RELATED SUPPORT
2 FACILITIES.

3 (II) "INFRASTRUCTURE" INCLUDES REAL AND PERSONAL
4 PROPERTY.

5 (6) (I) "OUT-OF-STATE BUSINESS" MEANS A BUSINESS ENTITY
6 THAT:

7 1. HAS NO REGISTRATIONS, NEXUS, OR TAX FILINGS
8 IN THE STATE PRIOR TO THE DECLARED STATE DISASTER OR EMERGENCY; AND

9 2. IS REQUESTED BY A REGISTERED BUSINESS OR
10 THE STATE OR A LOCAL GOVERNMENT TO PERFORM DISASTER OR EMERGENCY
11 RELATED WORK DURING A DISASTER PERIOD.

12 (II) "OUT-OF-STATE BUSINESS" INCLUDES A BUSINESS
13 ENTITY THAT IS AFFILIATED WITH A REGISTERED BUSINESS IN THE STATE
14 SOLELY THROUGH COMMON OWNERSHIP.

15 (7) "OUT-OF-STATE EMPLOYEE" MEANS AN EMPLOYEE WHO
16 DOES NOT WORK IN THE STATE, EXCEPT DURING A DECLARED STATE DISASTER
17 OR EMERGENCY.

18 (8) "REGISTERED BUSINESS" MEANS A BUSINESS ENTITY THAT IS
19 CURRENTLY REGISTERED TO DO BUSINESS IN THE STATE BEFORE THE
20 DECLARED STATE DISASTER OR EMERGENCY.

21 (B) AN OUT-OF-STATE BUSINESS THAT PERFORMS DISASTER- OR
22 EMERGENCY-RELATED WORK DURING A DISASTER PERIOD DOES NOT
23 ESTABLISH A LEVEL OF PRESENCE THAT WOULD REQUIRE THE OUT-OF-STATE
24 BUSINESS OR ITS OUT-OF-STATE EMPLOYEES TO BE SUBJECT TO:

25 (1) STATE OR LOCAL LICENSING OR REGISTRATION
26 REQUIREMENTS;

27 (2) STATE OR COUNTY INCOME TAXES;

28 (3) UNEMPLOYMENT INSURANCE CONTRIBUTIONS;

29 (4) PERSONAL PROPERTY TAX; OR

30 (5) ANY REQUIREMENT TO COLLECT AND REMIT THE SALES AND
31 USE TAX.

1 **(C) (1) AN OUT-OF-STATE EMPLOYEE MAY NOT BE REQUIRED TO PAY**
2 **STATE OR COUNTY INCOME TAXES OR BE SUBJECT TO INCOME TAX**
3 **WITHHOLDING REQUIREMENTS.**

4 **(2) AN OUT-OF-STATE BUSINESS THAT EMPLOYS AN**
5 **OUT-OF-STATE EMPLOYEE MAY NOT BE REQUIRED TO PAY STATE OR COUNTY**
6 **INCOME TAXES OR BE SUBJECT TO INCOME TAX WITHHOLDING REQUIREMENTS**
7 **WITH RESPECT TO ANY OUT-OF-STATE EMPLOYEES.**

8 **(D) (1) AN OUT-OF-STATE BUSINESS SHALL PROVIDE TO THE**
9 **COMPTROLLER A STATEMENT THAT THE OUT-OF-STATE BUSINESS IS IN THE**
10 **STATE SOLELY FOR PURPOSES OF PERFORMING DISASTER- OR**
11 **EMERGENCY-RELATED WORK.**

12 **(2) THE STATEMENT REQUIRED UNDER PARAGRAPH (1) OF THIS**
13 **SUBSECTION SHALL INCLUDE FOR THE OUT-OF-STATE BUSINESS:**

14 **(I) THE NAME;**

15 **(II) THE STATE OF DOMICILE;**

16 **(III) THE PRINCIPAL ADDRESS;**

17 **(IV) THE FEDERAL TAX IDENTIFICATION NUMBER;**

18 **(V) THE DATE OF ENTRY INTO THE STATE; AND**

19 **(VI) CONTACT INFORMATION.**

20 **(E) A REGISTERED BUSINESS IN THE STATE SHALL PROVIDE THE**
21 **INFORMATION REQUIRED UNDER SUBSECTION (D) OF THIS SECTION FOR ANY**
22 **OUT-OF-STATE BUSINESS AFFILIATE THAT ENTERS THE STATE TO PERFORM**
23 **DISASTER- OR EMERGENCY-RELATED WORK.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 ~~October~~ June 1, 2013.