

SENATE BILL 1037

C2, E4

3lr3320
CF 3lr3386

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

Introduced and read first time: March 1, 2013

Assigned to: Rules

A BILL ENTITLED

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
21 Annotated Code of Maryland
22 (2011 Replacement Volume and 2012 Supplement)

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

25 **Article – Public Safety**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 14-203.

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

5 14-219.

6 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
7 MEANINGS INDICATED.

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

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

11 (II) A PRESIDENTIAL DECLARATION OF A FEDERAL MAJOR
12 DISASTER OR EMERGENCY IS ISSUED; OR

13 (III) A GOOD FAITH RESPONSE EFFORT IS REQUIRED.

14 (3) “DISASTER- OR EMERGENCY-RELATED WORK” MEANS
15 REPAIRING, RENOVATING, INSTALLING, BUILDING, RENDERING SERVICES, OR
16 OTHER BUSINESS ACTIVITIES THAT RELATE TO INFRASTRUCTURE THAT IS
17 DAMAGED, IMPAIRED, OR DESTROYED BY THE DECLARED STATE DISASTER OR
18 EMERGENCY.

19 (4) “DISASTER PERIOD” MEANS A PERIOD THAT BEGINS 10 DAYS
20 BEFORE THE FIRST DAY OF THE DECLARED STATE DISASTER OR EMERGENCY
21 AND EXTENDS FOR A PERIOD OF 60 CALENDAR DAYS AFTER THE END OF THE
22 DECLARED STATE DISASTER OR EMERGENCY.

23 (5) (I) “INFRASTRUCTURE” MEANS PROPERTY AND
24 EQUIPMENT OWNED OR USED BY COMMUNICATIONS NETWORKS, ELECTRIC
25 GENERATION FACILITIES, GAS DISTRIBUTION SYSTEMS, PUBLIC ROADS AND
26 BRIDGES, TRANSMISSION AND DISTRIBUTION SYSTEMS, WATER PIPELINES, AND
27 RELATED SUPPORT FACILITIES.

28 (II) “INFRASTRUCTURE” INCLUDES REAL AND PERSONAL
29 PROPERTY.

30 (6) (I) “OUT-OF-STATE BUSINESS” MEANS A BUSINESS ENTITY
31 THAT:

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

3 2. IS REQUESTED BY A REGISTERED BUSINESS OR
4 THE STATE OR A LOCAL GOVERNMENT TO PERFORM DISASTER OR EMERGENCY
5 RELATED WORK DURING A DISASTER PERIOD.

6 (ii) “OUT-OF-STATE BUSINESS” INCLUDES A BUSINESS
7 ENTITY THAT IS AFFILIATED WITH A REGISTERED BUSINESS IN THE STATE
8 SOLELY THROUGH COMMON OWNERSHIP.

9 (7) “OUT-OF-STATE EMPLOYEE” MEANS AN EMPLOYEE WHO
10 DOES NOT WORK IN THE STATE, EXCEPT DURING A DECLARED STATE DISASTER
11 OR EMERGENCY.

12 (8) “REGISTERED BUSINESS” MEANS A BUSINESS ENTITY THAT IS
13 CURRENTLY REGISTERED TO DO BUSINESS IN THE STATE BEFORE THE
14 DECLARED STATE DISASTER OR EMERGENCY.

15 (b) AN OUT-OF-STATE BUSINESS THAT PERFORMS DISASTER- OR
16 EMERGENCY-RELATED WORK DURING A DISASTER PERIOD DOES NOT
17 ESTABLISH A LEVEL OF PRESENCE THAT WOULD REQUIRE THE OUT-OF-STATE
18 BUSINESS OR ITS OUT-OF-STATE EMPLOYEES TO BE SUBJECT TO:

19 (1) STATE OR LOCAL LICENSING OR REGISTRATION
20 REQUIREMENTS;

21 (2) STATE OR COUNTY INCOME TAXES;

22 (3) UNEMPLOYMENT INSURANCE CONTRIBUTIONS;

23 (4) PERSONAL PROPERTY TAX; OR

24 (5) ANY REQUIREMENT TO COLLECT AND REMIT THE SALES AND
25 USE TAX.

26 (c) (1) AN OUT-OF-STATE EMPLOYEE MAY NOT BE REQUIRED TO PAY
27 STATE OR COUNTY INCOME TAXES OR BE SUBJECT TO INCOME TAX
28 WITHHOLDING REQUIREMENTS.

29 (2) AN OUT-OF-STATE BUSINESS THAT EMPLOYS AN
30 OUT-OF-STATE EMPLOYEE MAY NOT BE REQUIRED TO PAY STATE OR COUNTY

1 INCOME TAXES OR BE SUBJECT TO INCOME TAX WITHHOLDING REQUIREMENTS
2 WITH RESPECT TO ANY OUT-OF-STATE EMPLOYEES.

3 (D) (1) AN OUT-OF-STATE BUSINESS SHALL PROVIDE TO THE
4 COMPTROLLER A STATEMENT THAT THE OUT-OF-STATE BUSINESS IS IN THE
5 STATE SOLELY FOR PURPOSES OF PERFORMING DISASTER- OR
6 EMERGENCY-RELATED WORK.

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

9 (I) THE NAME;

10 (II) THE STATE OF DOMICILE;

11 (III) THE PRINCIPAL ADDRESS;

12 (IV) THE FEDERAL TAX IDENTIFICATION NUMBER;

13 (V) THE DATE OF ENTRY INTO THE STATE; AND

14 (VI) CONTACT INFORMATION.

15 (E) A REGISTERED BUSINESS IN THE STATE SHALL PROVIDE THE
16 INFORMATION REQUIRED UNDER SUBSECTION (D) OF THIS SECTION FOR ANY
17 OUT-OF-STATE BUSINESS AFFILIATE THAT ENTERS THE STATE TO PERFORM
18 DISASTER- OR EMERGENCY-RELATED WORK.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2013.