H.312—"Facilitating Business Rapid Response to Declared State Disasters" Owen Smith, Regional Vice President/External Affairs, AT&T

- 1. AT&T is the proponent of H.312, which would facilitate its ability to rapidly respond to a disaster that has damaged its communication network in Vermont.
- 2. The bill provides that in the event of officially declared state disaster or emergency (or a "non-official" disaster or emergency that requires an emergency response, as deemed by an appropriate state official) an out of state business and out of state employees of a business that has a presence in Vermont (such as AT&T) may, for a limited amount of time, do work in Vermont repairing "critical infrastructure" (communications networks and utility infrastructure) without having to take certain steps that would otherwise be required by law, as follows:
 - a. An out of state company that does not otherwise have a presence in Vermont would not need to register with the Secretary of State to perform disaster recovery work in Vermont.
 - b. An out of state company that does not otherwise have a presence in Vermont would not be subject to Vermont's corporate income tax for performing disaster recovery work in Vermont. Similarly, out of state employees would not be subject to Vermont income tax liability for performing disaster recovery work in Vermont and their employers would not need to withhold Vermont income taxes. However, these entities and individuals would be subject to Vermont's sales tax, rooms and meals tax and any other consumption taxes.
 - c. Individuals performing disaster recovery work in Vermont who hold a professional or occupational license in another state would not need to be licensed in Vermont.
- 3. The period of time during which the foregoing exemptions would apply would begin 10 days prior to the disaster declaration. This would accommodate the advance deployment of personnel based on a weather forecast indicating an upcoming, severe weather event. It would then run for 60 days after the declaration of disaster or emergency (or date upon which an appropriate state official designated an event required an emergency response).

- 4. H.312 is based on model NCSL legislation developed by that organization pursuant to a resolution it adopted in 2011.
- 5. The NCSL model has been adopted in the following states: in 2012 in Maine, in 2013 in Delaware, Indiana, Maryland and South Carolina, in 2014 in Alabama, Arizona, Colorado, Georgia, Missouri, Pennsylvania and Utah, and so far in 2015 in Arkansas, Kansas, Mississippi, and Virginia. In addition to H.312 in Vermont legislation based on the NCSL model is pending in New Jersey, Oklahoma (passed the Senate), Oregon and Texas.
- 6. H.312 supplements the Emergency Management Assistance Compact (20 V.S.A. chapter 4 ("EMAC") and the International Emergency Management Assistance Compact (20 V.S.A. chapter 8) ("IEMAC").
 - a. The EMAC is a compact amongst the 50 states regarding providing each other with assistance during in connection with an officially declared disaster.
 - b. The IEMAC is a similar compact amongst the New England States, the Province of Quebec and the Canadian Maritime Provinces.
 - c. Both compacts provide for reimbursement by a requesting state for aid provided by another state/province and provide that for the purposes of tort liability and immunity a person or entity that provides assistance is considered an agent of the requesting jurisdiction.
 - d. Notably, both compacts provide that a person who holds a professional or occupational license in a party state/province may work in a requesting jurisdiction without being licensed in the requesting jurisdiction. See 20 V.S.A. §104(b) and 20 V.S.A. §206, respectively.
 - e. Both compacts also provide that personnel who are injured or killed while deployed in another state are to receive workers compensation benefits (including survivors' benefits) in accordance with the laws of their home jurisdiction as if the injury or death were sustained in their home jurisdiction. See 20 V.S.A. §107 and 20 V.S.A. §209.
- 7. H.312 complements these compacts by facilitating the deployment to Vermont of out of state employees of a national company like AT&T.