



Facilitating Rapid Response to Disaster

NCSL Model Legislation

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When Disasters Strike

Disasters can sever the networks that connect societies – power lines go down, cell towers are lost, pipelines are damaged and water service fails.

Critical Infrastructure companies rush into the disaster zone to begin the recovery process.

- Resources can be pre-staged immediately out of harms way to speed up recovery.
- Out-of-State Employees volunteer to come in and help on a temporary basis expediting the recovery process.

Background

The Issue

Applying normal tax and regulatory requirements during a disaster creates unnecessary obstacles to restoring critical infrastructure. Requiring businesses and employees to go through the often slow and burdensome process of ensuring that they are in compliance with state regulatory, tax and licensing laws and regulations can throw roadblocks in the way.

The Solution

The NCSL Model Facilitating Rapid Response to Disaster Act removes tax and regulatory burdens on critical infrastructure companies, and their employees when they respond to a hurricane or any other natural or man made disasters. The Act contains important safeguards that limit the benefits to restoration of critical infrastructure only when either the President or the Governor declares a disaster.



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

**NCSL RESOLUTION ON RESPONSE TO DECLARED DISASTERS TO REPAIR AND REPLACE
DAMAGED INFRASTRUCTURE**

**EXECUTIVE COMMITTEE TASK FORCE ON STATE & LOCAL TAXATION OF COMMUNICATIONS
AND ELECTRONIC COMMERCE**

WHEREAS 48 states experienced natural catastrophes including storms, blizzards, hurricanes, tornados, flooding, tidal waves, earthquakes, volcanic eruptions, fires, landslides, mudslides and other acts of God in 2011 for which a state's Governor or the President of the United States issues a Declaration of Disaster or Emergency.

WHEREAS states and its citizens experience damage and destruction to infrastructure, including buildings, roads, communications networks, utility lines and other property, as a result of such Disasters or Emergencies.

WHEREAS such Disasters or Emergencies result in interruption of crucial civic and business services to a state's citizens and the demand for resources to repair and replace the damaged property and infrastructure can exceed local capacity.

WHEREAS such Disasters and Emergencies may involve the need for companies to bring in resources on a temporary basis from out-of-state including materials, equipment, temporary shelters, and personnel to assist in the repair and restoration of the damaged infrastructure and property.

WHEREAS existing state regulation and policies can cause delays in a business's ability to quickly bring resources into the state to aid in the recovery efforts.

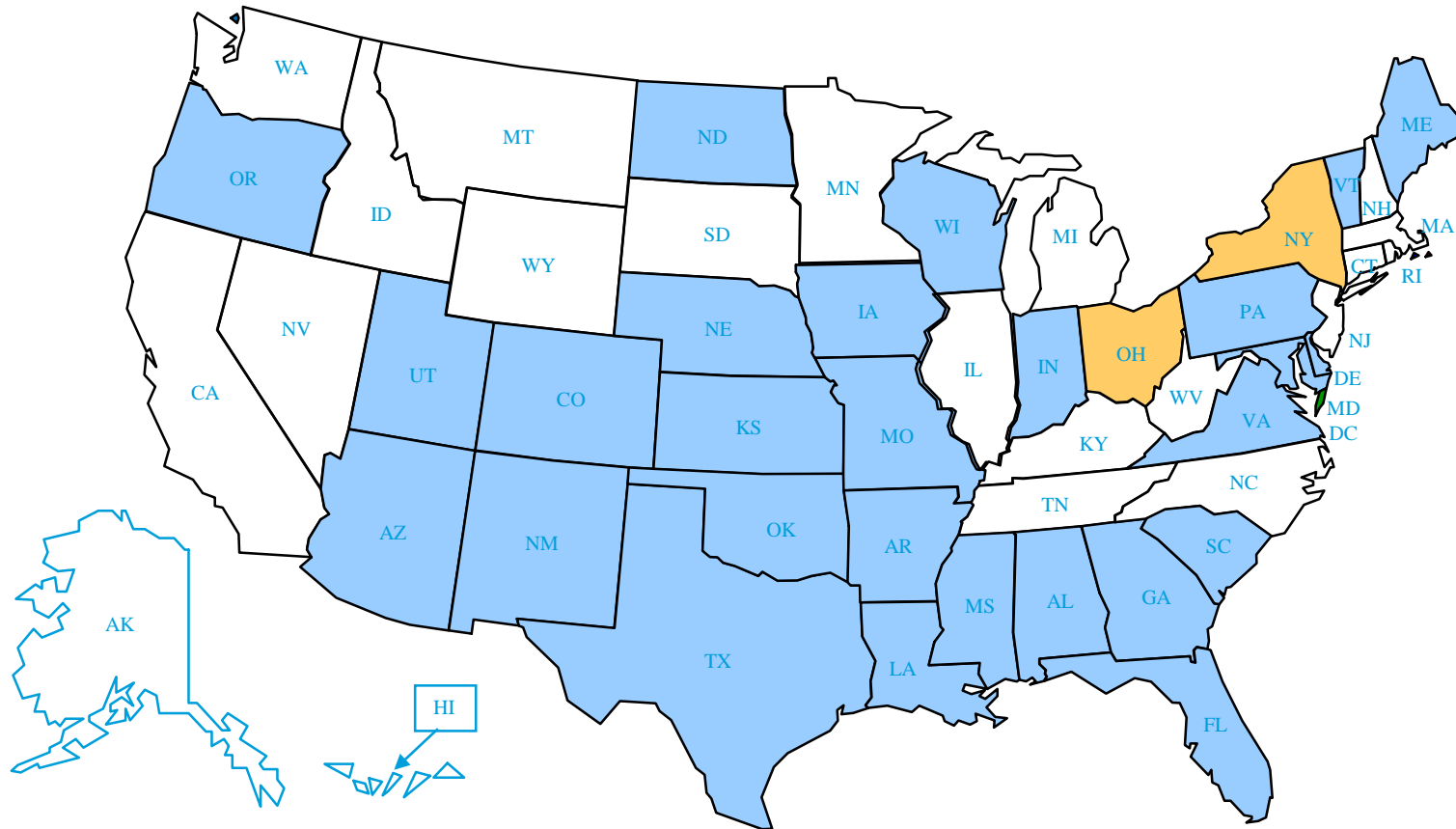
WHEREAS out of state companies and personnel that have entered the state on a temporary basis solely to provide crucial resources and assistance to the state or its instate registered businesses should not be hampered in their efforts by registrations and taxes that are intended for companies and individuals in the state in the normal course of business, nor should they be deterred from entering the state on account of such taxes and registrations.

WHEREAS, state action that will facilitate the ability of companies and their personnel to provide rapid response to state Declared Disasters or Emergencies throughout the United States will aid the state and its citizens in restoring and repairing crucial infrastructure.

THEREFORE, LET IT BE RESOLVED that the National Conference of State Legislatures supports efforts by states to pass legislation with appropriate safeguards that facilitates rapid and unburdened response in the interest of restoring a state's property and infrastructure damage in the event of a Declared Disaster or Emergency.

Adopted Unanimously December 8, 2011

NCSL Model Facilitating Rapid Response to Disaster Act – Legislative Status March 19, 2018



Key

- Enacted Disaster Relief
- Introduced/Active Legislation
- Awaiting Governor's Action

Why it Matters

Removing the barriers to efficient deployment of resources to the hardest hit areas will:

Decrease the response time for companies to deploy staff to affected community allowing them to provide needed resources to first responders and customers faster.

Reduce the disincentives and headaches for employees which will encourage volunteers to pitch in during times of need.

Lessons Learned

Focus on “Critical Infrastructure”

Equipment owned or used by communications networks, electric generation, transmission and distribution systems, gas distribution systems, water pipelines and related support facilities that services multiple customers and citizens

Clarify Corporate Income Tax Interactions

Clarifying language was needed to make sure that apportionment factors and combined group member status were not altered from what they would have been had t

here not been a disaster.

Sales Tax and Property Tax Exemption Clarification

The model act only exempts the taxes on property and equipment temporarily in the State to respond to the disaster. It does not otherwise exempt the property and equipment or purchases during the time of the disaster.

Helpful links

Model Act: <http://www.ncsl.org/ncsl-in-dc/standing-committees/communications-financial-services-and-interstate-commerce/ncsl-state-declared-disaster-model-language.aspx>

Resolution in Support: <http://www.ncsl.org/ncsl-in-dc/standing-committees/communications-financial-services-and-interstate-commerce/resolution-on-response-to-declared-disasters.aspx>



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