

HOUSE No. 3117

The Commonwealth of Massachusetts

PRESENTED BY:

Richard M. Haggerty

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to support disaster response and broadband infrastructure affordability.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Richard M. Haggerty</i>	<i>30th Middlesex</i>	<i>1/17/2025</i>

HOUSE No. 3117

By Representative Haggerty of Woburn, a petition (accompanied by bill, House, No. 3117) of Richard M. Haggerty relative to the taxation of disaster response and broadband infrastructure. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act to support disaster response and broadband infrastructure affordability.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Subsection (a) of section 18H of chapter 6A of the General Laws, as
2 appearing in the 2020 Official Edition, is hereby amended by striking out the seventh sentence
3 and inserting in place thereof the following sentence:

4 The provisions of this subsection shall not apply to prepaid wireless service as defined in
5 section 18A.

6 SECTION 2. Chapter 62C of the General Laws is hereby amended to add the following
7 new section:

8 Section 89. (a)The following words as used in this section shall, unless the context
9 otherwise requires, have the following meanings

10 “Registered business in the commonwealth”, a business entity that is currently registered
11 to do business in the state prior to the declared state disaster or emergency.

12 “Out-of-state business”, a business entity that, except for disaster or emergency related
13 work, has no presence in the commonwealth and conducts no business in the commonwealth
14 whose services are requested by a registered business in the commonwealth or by the
15 commonwealth or local government for purposes of performing disaster or emergency related
16 work in the commonwealth. This shall also include a business entity that is affiliated with the
17 registered business in the commonwealth solely through common ownership. The out-of-state
18 business has no registrations or tax filings or nexus in the commonwealth other than disaster or
19 emergency related work during the tax year immediately preceding the declared state disaster or
20 emergency.

21 “Out-of-state employee”, an employee who does not work in the commonwealth, except
22 for disaster or emergency related work during the disaster response period.

23 “Critical infrastructure”, property and equipment located in the commonwealth that is
24 owned or used by communications networks; cable, video, or broadband networks; gas and
25 electric distribution systems; water pipelines; railways; public roads and bridges; and related
26 support facilities that service multiple customers, including but not limited to real and personal
27 property such as buildings, offices, lines, poles, pipes, structures, and equipment.

28 “Declared state disaster or emergency”, disaster or emergency event (1) for which a
29 Governor's state of emergency declaration has been issued, (2) for which a Presidential
30 declaration of a federal major disaster or emergency has been issued, or (3) for which a response
31 has been requested by a public safety or governmental agency in the commonwealth.

32 “Disaster or emergency related work”, repairing, renovating, installing, building,
33 rendering services or other business activities that relate to critical infrastructure that has been

34 damaged, - destroyed, or lost as a result of the declared state disaster or emergency during the
35 disaster response period; or any action taken in response to a request from a public safety or
36 governmental agency in the commonwealth.

37 “Disaster response period” means a period that begins ten days prior to the first day of the
38 governor’s declaration, or the President’s declaration, or the request for a response to a disaster
39 or emergency event issued by a public safety or governmental agency, whichever occurs first,
40 and that extends sixty days after the end of the declared state disaster or emergency.

41 (b)An out-of-state business that conducts operations within the commonwealth for
42 purposes of performing work or services on critical infrastructure damaged, destroyed, or lost as
43 a result of a declared state disaster or emergency during the disaster response period shall not be
44 considered to have established a level of presence that would require that business to register, file
45 or remit state or local taxes or that would require that business or its out of state employees to be
46 subject to any state licensing or registration requirements; inclusive of all state or local business
47 licensing or registration requirements or state and local taxes or fees including, but not limited to,
48 unemployment insurance, state or local occupational licensing fees and sales and use tax or ad
49 valorem tax on equipment brought into the commonwealth temporarily for use during the
50 disaster response period and subsequently removed from the commonwealth, public service
51 commission or secretary of state licensing and regulatory requirements. For purposes of any state
52 or local tax on or measured by, in whole or in part, net or gross income or receipts, all activity of
53 the out-of-state business that is conducted in this commonwealth pursuant to this section shall be
54 disregarded with respect to any filing requirements for such tax including the filing required for a
55 unitary or combined group of which the out-of-state business may be a part. For the purpose of
56 apportioning income, revenue, or receipts the performance by an out-of-state business of any

57 work in accordance with this section shall not be sourced to or shall not otherwise impact or
58 increase the amount of income, revenue, or receipts apportioned to the commonwealth.

59 (c) Any out-of-state employee shall not be considered to have established residency or a
60 presence in the commonwealth that would require that person or that person's employer to file
61 and pay income taxes or to be subjected to tax withholdings or to file and pay any other state or
62 local tax or fee during the disaster response period, including related state or local employer
63 withholding and remittance obligations.

64 (d) Out-of-state businesses and out-of-state employees shall be required to pay
65 transaction taxes and fees including but not limited to fuel taxes or sales/use taxes on materials or
66 services consumed or used in the commonwealth subject to sales or use tax, hotel taxes, car
67 rental taxes or fees that the out-of-state affiliated business or out-of-state employee purchases for
68 use or consumption in the commonwealth during the disaster response period, unless such taxes
69 are otherwise exempted during a disaster response period.

70 (e) Any out-of-state business or out-of-state employee that remains in the commonwealth
71 after the disaster response period will become subject to the commonwealth's normal standards
72 for establishing presence, residency or doing business in the commonwealth and will therefore
73 become responsible for any business or employee tax requirements that ensue.

74 (f) (1) The out-of-state business that enters the commonwealth shall, upon request,
75 provide to the department a statement that it is in the commonwealth for purposes of responding
76 to the disaster or emergency, which statement shall include the business' name, state of domicile,
77 principal business address, federal tax identification number, date of entry, and contact
78 information. (2) A registered business in the commonwealth shall, upon request, provide the

79 information required in subsection (1) of this section for any affiliate that enters the
80 commonwealth that is an out-of-state business. The notification shall also include contact
81 information for the registered business in the commonwealth.

82 (g) An out-of-state business or an out-of-state employee that remains in the
83 commonwealth after the disaster response period shall complete state and local registration,
84 licensing and filing requirements that ensue as a result of establishing the requisite business
85 presence or residency in the commonwealth applicable under the existing rules.

86 (h)The department shall promulgate necessary regulations, develop and issue forms or
87 online processes, and maintain and make available an annual record of any designations pursuant
88 to this section.

89 SECTION 3. Section 1 of Chapter 64H of the General Laws, as so appearing in the 2020
90 Official Edition, is hereby amended by inserting, after the definition of “Retail establishment”,
91 the following new definitions:-

92 “Critical telecommunications infrastructure”, property and equipment located within the
93 Commonwealth that is owned or used by a licensed provider of telecommunication services for
94 purposes of distributing, transmitting, monitoring, switching, routing, or producing
95 telecommunications services and related support facilities that service multiple customers,
96 including but not limited to real and personal property such as buildings, office, lines, poles,
97 pipes, structures and equipment.

98 “Qualified truck”, commercial motor vehicle that has 2 axles and a gross vehicle weight
99 rating in excess of 10,000 pounds or a commercial motor vehicle that has 3 or more axles.

100 “Rolling stock”, qualified truck, trailer drawn behind a qualified truck, and parts or other
101 tangible personal property affixed to or to be affixed to and used in the operation of a qualified
102 truck or trailer.

103 SECTION 4. Section 6 of Chapter 64H of the General Laws, as amended by Chapter
104 238, Laws 2024, is hereby further amended by inserting, after subsection (zz), the following new
105 subsection:-

106 “(aaa) sales of rolling stock used by a licensed provider of telecommunications services
107 to transport goods in interstate commerce or to perform work or services on critical
108 telecommunications infrastructure in response to a request from a public safety or other
109 governmental agency or to support the continuation or repair of telecommunications services
110 during a weather-related emergency in the Commonwealth.

111 For purposes of this paragraph, a licensed provider of telecommunications services shall
112 substantiate the need to respond to a request from a public safety or other governmental agency
113 or to support the continuation or repair of telecommunications services during a weather-related
114 emergency, at such time and in such a manner as the Commissioner shall determine to be
115 necessary and appropriate; provided, however, that the need shall be deemed to be substantiated
116 by the Commissioner if the documentation demonstrating the request for the deployment, the
117 nature and duration of the deployment, and a complete and accurate listing of rolling stock used
118 to perform work or services on critical telecommunications infrastructure.”

119 SECTION 5. Section 6 of Chapter 64H of the General Laws, as amended by Chapter
120 238, Laws 2024, is hereby further amended by inserting, after subsection (aaa), the following
121 new subsection:-

122 (bbb) Sales of machinery, equipment, or replacement parts thereof, to a communications
123 service provider to be used in the provision of broadband communications services. For the
124 purposes of this paragraph:

125 (A) “Machinery, equipment, or replacements parts thereof” includes, but is not limited to,
126 wires, cables, fiber, conduits, antennas, poles, switches, routers, amplifiers, rectifiers, repeaters,
127 receivers, multiplexers, duplexers, transmitters, circuit cards, insulating and protective materials
128 and cases, power equipment, backup power equipment, diagnostic equipment, storage devices,
129 modems, and other general central office or headend equipment, such as channel cards, frames,
130 and cabinets, or equipment used in successor technologies, including items used to monitor, test,
131 maintain, enable, or facilitate qualifying equipment, machinery, software, ancillary components,
132 appurtenances, accessories, or other infrastructure that is used in whole or in part to provide
133 broadband communications services.

134 (B) “Broadband communications services” means telecommunications service, video
135 programming service, internet access service, or any combination thereof.

136 (C) “Telecommunications service” means the same as defined in section 1 of this chapter
137 sixty-four H.

138 (D) “Video programming service” means the sale, offering, transmission, conveyance, or
139 routing of video programming or other video content for purchase by subscribers or customers,
140 regardless of the medium, technology, or method of display and regardless of the payment
141 schedule or storage method used to purchase or access such video programming or video
142 content. The term shall also include, but shall not be limited to, the provision of video
143 programming by a multichannel video programming distributor, as defined in paragraphs (20)

144 and (13) of 47 U.S.C. Section 522, including cable service, as defined in 47 U.S.C. Section 522
145 and any substantially equivalent successor technology.

146 (E) "Internet access service" has the same meaning as in Section 1105(5) of the Internet
147 Tax. Freedom Act, 47 United States Code, Section 151, Note.

148 SECTION 6. Section 1 of chapter 64I, as so appearing, is hereby amended by inserting in
149 line 6, after the words "retail sale", the following new words:- ", rolling stock", "qualified
150 truck", "critical telecommunications infrastructure".

151 SECTION 7. Section 7 of chapter 64I, as so appearing, is hereby amended by inserting,
152 after subsection (e), the following new subsection:-

153 (f) Storage, use or other consumption of rolling stock that is exempt from tax pursuant to
154 subsection (yy) of section 6 of chapter 64H".

155 SECTION 8. Section 5 of this Act shall take effect for sales occurring on and after July
156 1,2025.