

SENATE COMMITTEE ON COMMERCE, LABOR, ECONOMIC DEVELOPMENT THURSDAY, JANUARY 30 PROPONENT TESTIMONY SB51

Chairman Alley and Committee Members, the Greater Topeka Chamber represents the voice of over 1,200 business members and is the lobbying arm for entities within the Greater Topeka Partnership. To that end, we are writing today in support of SB51, providing a sales tax exemption for qualifying data centers.

Go Topeka, our Topeka and Shawnee County economic development entity, has had several Data Center projects express interest. The economic impact both directly and indirectly is substantial. These projects contribute to the economy through infrastructure investments, employment, and function as a catalyst to growth as industries become more digitally driven.

A future that includes AI, innovation, and any industry that relies on technology will need Data Centers. They are essential for housing, storing, and processing data.

Data centers are capital intensive projects. The upfront costs in the initial construction phase of capital expenditures is made up of land acquisition, shell construction, mechanical and electronic equipment purchasing and installing. Policymakers nationwide have introduced policy such as sales tax exemptions to drive companies to build data centers and invest in surrounding areas.

The U.S. leads the world in data centers, as it responsible for 43% of global data businesses. It is vital that we stay ahead of competitors by implementing new technology to streamline storage and process of big data, especially in industries like healthcare and manufacturing.

We urge the committee to support the passage of SB51.

Respectfully submitted by:

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