
Written Only, Opponent Testimony SB 81
Rachel Willis, Director of Legislative Affairs, Kansas Department of Commerce
Senate Utilities Committee
February 11, 2025, 1:30 p.m.
Room 548 S

Thank you for allowing us to provide written opponent testimony for SB 81. This bill would prohibit large industrial and commercial businesses from receiving certain tariffs or if the large business fails to meet workforce and electric demand requirements from qualifying for economic development electric rates. This would negatively impact Commerce's business recruitment efforts especially related to data centers. Furthermore, this bill will undue the good work that was accomplished in HB 2527 last year.

Overall, data centers are a win-win for all parties. Though they often do not create a large number of jobs, they do create high paying jobs, generate tax revenue (property tax specifically) and attract other technology related companies to the area. Our business recruitment team currently has 14 data center projects in the pipeline, with a potential capital investment of over \$15 billion dollars in the state of Kansas, creating 500+ jobs. SB 81 will move us backwards on power costs and end these recruitment efforts.

It also is important to note that Senate Commerce is having robust conversations regarding SB 51, which provides sales tax exemption on equipment for data centers. SB 51 will better align our economic development tools to what other states offer including Missouri. We need both strong economic development tools and friendly utility policies to be the most competitive.

Commerce respectfully asks the Senate Committee to oppose SB 81 and continue to show businesses across the world that Kansas is the best place to do business.