
Maryland House Ways & Means Committee
Lower House Office Building
6 Bladen St. Room 131
Annapolis, Maryland 21401

February 27th, 2024

RE: Concerns with HB 905

Dear Chair Atterbeary, Vice Chair Wilkins, and members of the committee,

On behalf of Rowan Digital Infrastructure (Rowan), thank you for the opportunity to provide concerns regarding HB 905, particularly as it relates to the future of hyperscale data center development in our state. As a hyperscale data center developer with an approved project in Frederick County, Rowan can provide insights into the challenges and implications that HB 905 has for our company and the broader economic development landscape for our industry in Maryland.

Rowan was established in November 2020 to support hyperscale data center users in meeting their development needs sustainably. We are actively developing multiple, strategically located sites across the U.S. to host next-generation, mission critical, hyperscale data centers.

On January 10, 2024, Rowan received unanimous Planning Commission conditional approval for our 777,000 SF data center project in Frederick County, which will bolster statewide economic activity by \$125 million each year. This will directly generate \$7 million in annual tax revenues for Frederick County and an additional \$14 million for the State of Maryland.¹

In 2020, the Maryland Legislature recognized the significant investment required for hyperscale digital infrastructure projects and passed — nearly unanimously — a bipartisan legislative package aimed to unlock industry investment in the state. Prior to the implementation of the State Sales & Use Tax Incentive program, Maryland was not competitive in attracting such developments. The legislature rightly acknowledged the importance of attracting this industry to remain up-to-date, secure, and competitive in the rapidly evolving digital landscape. That is the reason Rowan is here today.

In order for projects like ours, which will invest over \$700 million, to be successful in the state, the industry needs regulatory certainty. Making such significant amendments to this economic development program so quickly after its adoption sends a very concerning message to Rowan, and to the market at large, that jeopardizes current and future investments in the state of Maryland.

Rowan unequivocally shares Marylanders' priorities around environmental conservation and responsible development. Our company is committed to operating with sustainability as our north star. We will be using low-carbon concrete and steel in our buildings, have set a goal to recycle at least 70% of non-hazardous construction material waste, will be employing an on-site Environmental Compliance

¹ Maryland Tech Council (Jan 2024), <https://mdtechcouncil.com/wp-content/uploads/2024/01/Rowan-Frederick-Economic-Impact-Study.pdf>

Specialist during construction, and will only partner with hyperscale data center operators that aim to support their facilities with 100% renewable energy.

Sound public policy is developed when all stakeholders are brought to the table to discuss opportunities, concerns, and compromises. That has not been the case with this legislation. We respectfully encourage your reconsideration of HB 905 and look forward to working with you on a collaborative approach that balances environmental goals with economic development and the industry's need for regulatory certainty. Thank you for considering our concerns on this important matter.

Sincerely,

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