



**Committee: House Economic Matters**

**Testimony on: House Bill 270 – Data Center Impact Analysis and Report**

**Organization: Mobilize Frederick**

**Submitting: Karen Cannon, Executive Director**

**Position: Favorable**

**Hearing Date: January 23, 2025**

Dear Chair Wilson, Vice-Chair Crosby, and Committee Members:

Thank you for the opportunity to comment on House Bill 270 – Data Center Impact Analysis and Report. Mobilize Frederick urges the Committee to issue a **favorable** report on this bill.

Mobilize Frederick is a nonprofit community advocacy organization formed to assist with implementing the recommendations of the 2021 Climate Response and Resilience Report (CRRR). The CRRR is a comprehensive climate action plan chartered by the City of Frederick and Frederick County designed to put Frederick City and County on the path to safer, healthier, and more resilient communities through innovative and effective local solutions to address climate change.

Frederick County has first-hand experience with data centers. The State’s first hyperscale data center campus is currently under development on a Frederick County brownfields site of more than 2,000 acres in size. Mobilize Frederick has been deeply engaged with Frederick County planning and elected officials for more than two years as an advocate for sustainable growth of critical digital infrastructure, having served on a Frederick County Data Center Workgroup formed in 2023 at the direction of County Executive Jessica Fitzwater to study the impact of data centers on the County’s energy supply, environmental resources, and quality of life. The Workgroup’s March 2024 [Final Report](#) offered a set of recommendations to promote data center development in a manner that is sustainable.

The critical digital infrastructure sector is a rapidly changing and expanding resource-intensive industry with significant implications for power consumption, allocation of electricity costs among ratepayer classes, renewable energy needs, greenhouse gas emissions, water resources, and the ability of the State to timely meet its climate and renewable energy goals. House Bill 270 is a straightforward bill that simply requires the Department of Legislative Services to coordinate a comprehensive analysis of the economic,

fiscal, energy, and environmental impacts of data centers by the University of Maryland School of Business and agencies with relevant expertise.

Although not explicitly mentioned in the bill, we urge the study to include an analysis of the potential impacts to water supply resources, the risks and costs associated with the potential for stranded transmission system assets if the industry transitions in whole or part to on-site co-generation or operating data centers shut down before full cost recovery has occurred, and any other emerging issues not identified in the bill.

It is imperative that Marylanders, regulatory agencies, and the General Assembly fully understand these impacts before further significant expansion of the industry occurs in the State. Only with a sound understanding of the impacts can the State and local governments take proactive measures to ensure that the benefits of data centers don't come at an unacceptable cost to our environment and our communities.

For all the foregoing reasons, we urge the Committee to issue a **favorable** report on House Bill 270.

Karen Cannon  
Executive Director

cc: Kathy Kinsey  
Chair, Government Affairs and Policy Committee