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SB0116 – Data Center Impact Analysis and Report

Meeting of the Economic Matters Committee

March 25, 2025

Dear Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee, on behalf of Elders Climate Action Maryland, I urge a favorable report on SB0116, Data Center Impact Analysis and Report.

Elders Climate Action is a nationwide organization devoted to ensuring that our children, grandchildren, and future generations have a world in which they can thrive. The Maryland Chapter has members across the state.

Hyperscale data centers are being built at an increasing pace across the country. Many are proposed or under construction in Maryland. Data centers are vital for much of what we do in daily life now, and they are playing an expanded role with the growth of artificial intelligence. We support the development of data centers, but we have concerns.

Hyperscale data centers have massive electricity demands, which could result in more fossil fuel emissions, problems with grid reliability, need for more transmission capacity, and increased costs for residential and other commercial customers. There are also issues with water use, land use, air pollution from backup generators, and noise.

We need to also understand their economic impacts. How much in tax revenues can the state of Maryland and the counties that host these centers expect? Many jobs will be created during construction, but fewer people work in a data center during operation than in other industrial operations that could need those same energy supplies.

There are solutions to all of these problems, but to solve them, we need much more information. A study such as the one proposed in this bill is the most appropriate way to get that information in the timeframe required.

We know the provisions to study energy use were removed from the bill in the Senate. We believe that it is essential that data center energy use be well analyzed so that information will be available for decision makers and the public. We know, however, that there is more than one way to do that. Having data center energy use specifically included in a bill focusing on energy planning, such as HB1037, the Energy Resource Adequacy and Planning Act, would satisfy that vital need.

Please pass the Data Center Impact Analysis and Report bill, so that we have the information we need to ensure that data centers will be a benefit to Maryland and her people. We urge a favorable report on SB0116.

Thank you.