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## Ways and Means Committee

**To:** Delegate Vanessa Atterbeary, Chair; Delegate Jheanelle Wilkins, Vice-Chair; and Members of the Committee.

**From:** Jason Ascher, Political Director, Mid-Atlantic Pipe Trades Association.

### **ONLY Support If Amended – HB 905 – Sales and Use Tax Exemption – Qualified Data Center Personal Property – Eligibility**

On behalf of the Mid-Atlantic Pipe Trades Association and our five United Association of Plumbers and Steamfitters Locals, which represent 10,000+ Plumbers, Steamfitter, Welders, HVAC Techs, and Sprinkler Fitters across Maryland, I ask you **ONLY** to **Support IF Amended**.

The data center industry in Northern Virginia has kept thousands of United Association members employed over the last 15-20 years. It has allowed a 1200-member local union to grow to a 5500-member local union. This growth means more workers earning good wages with great benefits, caring for their families, and investing money back into their communities. It also increased funding for public safety, schools, and other county priorities. The opportunity to grow this industry in Maryland and create more amazing plumbing and steam fitting careers is exciting. It would mean more workers earning good wages with excellent benefits taking care of their families, all while investing money back into their communities. These data centers would help grow the workforce and increase economic growth. This tax credit will encourage data center operators to build in Maryland.

While we love seeing the labor standards included in getting a tax credit, other items in this legislation concern us. To ensure these great opportunities come to Maryland, you should refrain from putting added requirements on them that no other jurisdiction in the country does. The one thing a data center must have is electricity. The worst thing to a data center is losing power and not having backup power ready. As an organization, the United Association believes in an all the above approach to energy production. In Maryland, there is an insane push to electrify everything without considering where the electricity will come from. The key to electrification is stability; you do not have stability with Wind, Solar, and Batteries. It is ridiculous to require a data center to be prepared for electrification before the grid is ready. Putting these unnecessary burdens on the data center operators will also put Maryland at a disadvantage since other jurisdictions competing for these data centers do not include these requirements. If the data centers do not come here, we won't get new jobs, tax revenue, or economic growth.

On behalf of the Mid-Atlantic Pipe Trades Association, I ask that you **ONLY support HB 905** if the unrealistic renewable energy requirements are removed. Data Centers can bring great career opportunities to Maryland workers. Careers that provide health insurance for the worker and their family, pensions for a dignified retirement, and training to help their next jobs in the construction industry.

Sincerely,

Jason Ascher  
Political Director  
Mid-Atlantic Pipe Trades Association