

Testimony on House Bill – Favorable
HB 560 – Sales and Use Tax and Property Tax - Exemptions for Data Centers
- Repeal

House Ways & Means Committee

February 10, 2026

Dear Honorable Chair Wilkins, Vice Chair Feldmark, and Members of the Committee,

My name is Jean Cavanaugh and I am a resident of Frederick, Maryland, State legislative district 4. **I am writing in support of HB 560 – Sales and Use Tax and Property Tax - Exemptions for Data Centers - Repeal.**

The current tax exemptions in effect incentivize data center development without conditions to protect the environment or our communities. Other states with data center tax exemptions have literally lost hundreds of millions of dollars in revenue due to false claims by data center lobbyists that states would be receiving other revenue from their development.

Data centers are super lucrative for developers and artificial intelligence corporations. Let's make sure some of that revenue comes back to the communities bearing the worst impacts of data centers - air and water pollution, diminishment of water supplies, increase in energy prices, constant noise and vibration from backup generators, and electric utility power lines ruining treasured rural landscapes.

Thank you,
Jean Cavanaugh
Frederick, MD