



**HB 0560 - SUPPORT**

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**HB 0560**

**Sales and Use Tax and Property Tax –  
Exemptions for Data Centers - Repeal**

Ways and Means Committee  
February 12, 2026

Dear Chair Wilkins and Committee Members:

The Climate Communications Coalition is a Maryland-based grassroots climate and environmental justice non-profit, a member of the Mid-Atlantic Justice Coalition, and of the Maryland Climate Justice Wing, among others. The Climate Communications Coalition strongly supports HB 0560.

A wave of hyper-scale data centers is negatively impacting Maryland, making use of an outdated 2020 tax exemption, which has cost Marylanders close to \$22.2 million amidst state budget woes. The fact is that this voracious trillion-dollar industry does not need sales and use, or property tax exemptions. The industry needs to ensure that they have inordinate amounts of energy and water for their operations.

We urge you to repeal the exemptions which are fueling a series of crises across our state:

- 1) Marylanders, during this very cold winter, are struggling to afford astronomic power bills inflated by data center growth. Prices are only projected to rise further with additional infrastructure requirements for data centers;
- 2) A looming health crisis for Marylanders exposed to the toxic fumes from diesel generators -a Group One Carcinogen as established by the World Health Organization - in addition to noise, light, and water pollution. Data Centers should be located in areas away from communities that offer sufficient 100% clean energy and water;
- 3) Water insecurity: data centers require more water than we have available which will impact our communities, biodiversity, economy, agriculture, and streams; and,
- 4) Exacerbating the climate crisis by deviating Maryland's Clean Energy Transition through the expansion of polluting fossil and bio-fuel use, land conversion, in addition to impacting biodiversity with noise and light pollution.

We respectfully request a favorable report on HB 0560.

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