

September 2, 2025

The Honorable Nick Miller Chair Senate Democratic Policy Committee Pennsylvania Senate 352 Main Capitol Harrisburg, PA 17120

RE: Data Centers: Impacts, Operations, and Policy Considerations

Dear Chairman Miller and Members of the Committee,

On behalf of TechNet, I'm writing to provide comments on the positive economic impacts that data centers can bring to the Commonwealth.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes 104 dynamic American businesses ranging from startups to the most iconic companies on the planet and represents five million employees and countless customers in the fields of information technology, artificial intelligence, ecommerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

TechNet promotes policies that encourage the development of entrepreneurship, mobile commerce, and the next wave of innovation in the economy. Establishing an innovation-friendly policy framework is the key to the competitiveness of the technology industry. TechNet will advocate for reduced regulatory burdens on data centers, as well as protections for sensitive information, to ensure that Pennsylvania's position as a technology hub remains competitive. We will continue to urge lawmakers to apply any requirements neutrally to all large electricity users.

Due to our broad membership, which includes both major AI developers and hyperscalers, as well as other technology companies with diverse energy profiles, TechNet's comments today reflect feedback we have been made aware of; however, it is important to note that these comments do not reflect the position of all of our members.

Data centers bring tremendous economic benefits to the regions where they are located. The Data Center Coalition recently engaged PwC to examine the economic



contribution of the U.S. data center industry at the national and state level in 2022 and 2023. Highlights from the February 2025 <u>report</u> include:

Employment

- From 2017 to 2023, direct employment in the U.S. data center industry grew by over 50%, compared to 10% growth in employment for the United States overall during the same period.
- At the national level, each direct job in the data center industry supports more than six jobs elsewhere in the U.S. economy.
- From 2017 to 2023, the data center industry's total annual employment contribution grew from 2.9 million jobs to 4.7 million jobs, a 60% increase.
- In 2023 in Pennsylvania, there were an estimated 99,150 jobs stemming from the data center industry, with a total annual labor income contribution of \$8.3 billion.

Value

- The data center industry's total annual contribution to U.S. GDP grew from \$355 billion in 2017 to \$727 billion in 2023, a 105% increase.
- For each dollar contributed to GDP by the U.S. data center industry, 2.6 dollars were contributed to GDP elsewhere in the U.S. economy.
- From 2022 to 2023 in Pennsylvania, the industry's total GDP contribution increased from \$13.3 billion to \$14.4 billion.

Taxes

- The data center industry's total fiscal support to federal, state, and local governments increased from \$66.2 billion in 2017 to \$162.7 billion in 2023, a 146% increase. Tax revenues help support essential services and programs at all levels of government.
- In total, the data center industry's tax contribution to federal, state, and local governments over the 2017-2023 period amounted to \$715.5 billion.
- In 2022 in Pennsylvania, the data center industry's total state and local tax contribution was about \$1.3 billion.

In Pennsylvania, our member companies are already investing in the Commonwealth. In June, Amazon Web Services (AWS) announced their plans to invest \$20 billion to expand their data center infrastructure supporting artificial intelligence (AI) and cloud computing technologies. This investment is expected to create at least 1,250 new high-skilled jobs, while supporting thousands of other jobs in the AWS data center supply chain. The new high-skilled jobs will range from data center engineers and network specialists, to engineering operations managers, security specialists, and many more technical roles. In addition to these direct positions, this planned investment is expected to support thousands of local



construction jobs and businesses in the data center supply chain, as well as other jobs in the local community. AWS has also committed to partner with Pennsylvania educational institutions and workforce organizations to develop training programs that prepare job seekers for careers in data center construction and operations.

TechNet and its member companies are committed to working with regulators and lawmakers as the issue of data centers reaches the forefront. We want to ensure Pennsylvania is competitive and open for business for future investments. We encourage the legislature to work collaboratively with industry to develop balanced policies that promote environmental goals without compromising innovation and economic growth. Thank you for your consideration of our comments and please don't hesitate to reach out with any questions.

Sincerely,

Margaret Burkin

Margaret Durkin TechNet Executive Director, Pennsylvania & the Mid-Atlantic