



**Senate Commerce Committee**  
**Written Testimony in Support of Hyperscale Data Centers on SB 545**  
**By Greg Kindle, Wyandotte Economic Development Council**  
**March 20, 2024**

On behalf of Wyandotte Economic Development Council (WYEDC) please accept this written testimony in support of the proposed legislation to provide a sales tax exemption for the construction or remodeling of a qualified data center in Kansas and the purchase of data center equipment, eligible data center costs, electricity and certain labor costs to qualified firms that commit to a minimum investment of at least \$600 million and meet new Kansas jobs and other requirements.

A recent PwC report found that between 2017-2021, data centers added \$2.1 trillion to the U.S. Gross Domestic Product from direct, indirect, and induced effects over those five years. Data centers are the backbone to the technology sector. Kansas needs to be more aggressive about attracting these kinds of investments to support ecommerce, telehealth, video conferencing, government services, education, and entertainment.

Wyandotte County is actively pursuing a hyperscale data center development with an investment greater than \$1 billion at a location where we have the infrastructure to accommodate this type of development. We have pursued this kind of development before but were unsuccessful in large part due to sales taxes on electricity that other states do not have and where data center development of this scale are constructed.

Kansas' central and safe U.S. location is beneficial to attracting mega investments of this scale. Our neighbors in Nebraska, Iowa and more recently, Missouri, have benefited from massive data center investments. Typically, these hyperscale data center developments also attract additional broadband and technology investments.

When Kansas moves swiftly and aggressively to attract significant investments, we are successful. This tool as proposed continues that progressive view towards attracting investments tied to innovation and future technologies that will drive long term economic growth in the State.

Kansas has established a record of being innovative and leading successful economic development programs. We are pleased with the focus on growing the Kansas economy and for proactively developing tools to attract investments focused on the next generation of jobs.

We urge you to consider this proposed legislation and the positive impact this tool can have on the State of Kansas. Today there is an urgency to ensure the State is ready to attract the kinds of investments for the long term. Thank you for your service to the State and for your thoughtful consideration. If you have questions, please email me at [gkindle@wyedc.org](mailto:gkindle@wyedc.org) or by phone at 913-748-2272.

Sincerely,

*Gregory S Kindle*



President