



Written Only Testimony in Support of SB 51  
House Tax Committee  
Greg Kindle, President  
March 6, 2025

Chairman Smith and Honorable Committee Members,

Honorable Members of the Kansas Senate, thank you for the opportunity to present this testimony on behalf of the Wyandotte Economic Development Council (WYEDC) in support of Senate Bill 51 (SB 51). We support the sales tax exemptions for the construction, remodeling, and equipping of qualified data centers in our state for firms that commit to a minimum investment of at least \$250 million.

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. Wyandotte County is currently working with several proposed data center investments valued at more than \$10 billion that could be constructed over a five-year period. This sales tax exemption will assist us in winning these projects, which will provide high-wage construction jobs, data center operations, and IT services.

While data centers have been criticized for not being job creators, we believe the direct and indirect service jobs are significant. The data centers considering Wyandotte County anticipate hiring as many employees as several of our recent light manufacturing companies. Jobs like technicians, engineers, project managers, operations managers, directors and executives all earn more than \$100,000 annually.

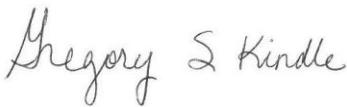
Where there are data centers, there is significant broadband infrastructure. SB 51 helps Kansas be more aggressive about attracting technology investments to support e-commerce, telehealth, video conferencing, government services, education, and entertainment.

Wyandotte County is actively pursuing four data center developments that would all benefit from this sales tax exemption. These are locations where we have the infrastructure to accommodate this type of development with support from our municipal electric company. We have pursued data centers over the years but were unsuccessful in large part due to sales taxes on the ongoing investments made by these facilities. Despite proposed sales tax workarounds to support ongoing purchases made by data centers – we have been unsuccessful in attracting data center investments because there was not enough certainty.

Kansas' central and safe U.S. location is beneficial to attracting mega investments of this scale. Our neighbors in Nebraska, Iowa, and Missouri, have benefited from massive data center investments.

In conclusion, SB 51 represents a critical step towards making Kansas a competitive player in the technology sector. We urge the Committee to support this legislation. If you have questions, please email me at [gkindle@wyedc.org](mailto:gkindle@wyedc.org) or by phone at 913-748-2272.

Sincerely,

  
President