



A BLACK & VEATCH COMPANY

To: Senate Commerce Committee

From: Brad Hardin, President, Diode Ventures, LLC

Date: January 30, 2025

Re: Proponent for SB51

Good afternoon, Chairman Alley, and Honorable Members of the Senate Commerce Committee. My name is Brad Hardin, and I am the President of Diode Ventures, LLC, a global data center developer headquartered in Overland Park, Kansas. We are a subsidiary of Overland Park-based Black & Veatch, one of the largest employers in the State of Kansas. Thank you for allowing me the opportunity to testify regarding Senate Bill 51 and the significant benefits investing in data center infrastructure can bring to our State.

At Diode, we work with some of the world's largest technology companies, to ensure their customers have reliable, efficient and 24x7 access to data. As the world's digital footprint continues to expand, access to modern data centers is only going to increase, and we believe Kansas would benefit from being in the discussion to reap the benefits that these facilities deliver. We also know not all data centers are created equal and proceeding with the right set of objectives for a project to be met and that the community is satisfied is critical. Market opportunities like this with the right set of incentives will bring the best projects forward to Kansas with skilled data center partners and developers.

### **Data Centers Benefit Local Communities**

Approving tax incentives for data centers will help Kansas communities unlock substantial benefits to public infrastructure and essential services, oftentimes in the communities that are struggling the most to meet the ever-increasing needs for critical human infrastructure. Growing up in a small farm town in the Kansas City area, I know firsthand what the impact of millions of dollars in property tax revenue to benefit schools, libraries and other public facilities could mean. Data center developments regularly contribute to community improvements in water, wastewater and transportation infrastructure to make them more resilient. This additional infrastructure not only supports the data center project but also the increasing demands for growing communities. The downward pressure on the overall tax rate, coupled with increased job opportunities, benefits local businesses in the community and in the State.

### **Data Centers Create Community Partnerships**

As an example, our recently developed 900-acre data center campus in Missouri, now operated by Meta, will provide a significant source of funding for the Smithville School District. In fact, contributions from the first year of operations in part allowed the Smithville School District to increase staff salaries 7.5%, the largest amount that has ever been added in a single year. Our estimated contributions over the course of the project are projected to reach into the millions of dollars. Additionally, Meta has announced an \$800 million investment in the community and sponsorship of children's STEM and technology programs. Imagine what millions of dollars in found revenue can do for school children across Kansas.

### **The Data Center Landscape is Competitive**

Having been in the data center development market for the better part of a decade, we have a pulse on the areas of the country of most interest to global technology companies. I can tell you for certain there are several sites in Kansas of significant interest. Access to large and diverse energy sources and abundant land in the center of the country make our state a desirable destination for these developments. Right now, however Kansas is not in a position to compete with neighboring states who have already approved incentive packages. Approving Senate Bill 51 would significantly increase our State's chances of reaping the significant economic benefits data centers bring to their communities.

In closing, I would like to offer that the technology world is moving at a rapid pace, and it's time that Kansas continues to grow and to take advantage of the significant benefits these projects can bring to their communities. Diode has had the privilege of working around the world to bring critical technology infrastructure where it is needed most. Having seen transformed school programs, improved roads, enhanced public safety and enriched communities, it would bring us no greater joy than to bring these benefits to our fellow citizens in Kansas. In voting in favor of Senate Bill 51, you have the opportunity to leave a legacy of innovation, economic growth and a generational investment in our communities. Thank you for your consideration.