

Submitter: Samuel Butler

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB1586

My name is Sam Butler. I am a student at Portland State university writing in opposition to this bill primarily because of the way it interacts with the creation of large data centers. Oregon currently considers data centers a related industry to the biotechnology, alternative energy production, and semiconductor manufacturing industries mentioned in this bill, and provides hefty tax credits to data centers that can be carried on balance for up to five years.

This will cost our communities hundreds of millions of dollars in lost tax revenue based on the reporting of the Good Jobs First nonprofit group, all to support an industry that does not provide meaningful economic benefit. Data centers use massive amounts of electrical and water resources, and are primarily being used to promote a manufactured investment bubble in artificial intelligence companies that is impossible to ultimately profit on and will burst within the next few years, devastating the American, and Oregonian, economy. This will only be more severe the more we invest in data centers. In the meantime, they significantly drive up utility costs in surrounding communities, directly harming everyday Oregonians.

However, just because data centers are largely useless and harmful to ordinary Oregonians does not prevent large corporate investors or Wall Street speculators from shoveling money into them for the time being. For this reason, it is especially concerning that this bill includes a provision to rezone 1700 acres of land to be within Metro's urban growth boundary, given that it will almost certainly be used as a site for data center construction.

If we are going to allow data centers to be built, we hardly need our legislation to prevent them from paying their fair share of taxes.