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**Rhode Island Works Best When We Say UNION YES.**

May 6, 2025

The Honorable Marvin L. Abney  
House Committee on Finance  
Rhode Island State House  
Providence, RI

RE: Testimony in Support of HB6097 - An Act Relating to State Affairs and Government – Rhode Island  
Commerce Corporation – Qualified Data Centers Location Incentive

Dear Chair Abney and members of the Committee,

Thank you for the opportunity to provide this written testimony. On behalf of the Rhode Island AFL-CIO, representing more than 80,000 union members and their families across the state, I submit this testimony in support of HB6097. This legislation would establish a tax incentive program through the Rhode Island Commerce Corporation to attract qualified data center development to Rhode Island.

At a time when our state is seeking to rebuild and diversify its economy, this bill presents an important opportunity to stimulate high-wage job creation and position Rhode Island as a competitive location for a fast-growing and strategically vital industry.

Data centers are a critical piece of today's digital economy. As thirty-nine (39) states, including Connecticut and Massachusetts, have enacted similar data center incentives, Rhode Island has fallen behind. RI is now ranked 50<sup>th</sup> in the country for data center development, a decline of more than 75% from 2016 to 2023. This bill provides a responsible, regulated pathway to reverse that trend while protecting local revenue through required host municipality agreements.

While we are in support of this initiative, we do ask the sponsor and the committee to consider an amendment that would require all companies receiving a qualified data center incentive to pay construction workers on these projects the wages and benefits required under RIGL 37-13. Requiring strong labor standards as a prerequisite for developers interested in participating in the program will secure high-wage jobs for our local workforce.

Crucially for the labor movement, the construction and operation of data centers represent meaningful job opportunities for highly skilled, local trades workers. According to the U.S. Chamber of Commerce, the construction of a single large-scale data center can support more than 1,600 jobs, providing hundreds of millions in wages and benefits that will be poured directly back into our local economy. Ongoing operations would sustain dozens of permanent jobs, many requiring technical training and offering career pathways in STEM and IT, areas that are critical for our economic future.

The Rhode Island AFL-CIO believes that policies like HB6097 can be part of a worker-centered economic development strategy, one that invests in high-road employers, strengthens our skilled workforce, and ensures that development is anchored in local communities.

We urge this committee to support House Bill 6097 and help bring these jobs to Rhode Island. Thank you for your time and consideration. Please do not hesitate to contact me at 401-751-7100 should you have any questions or require additional information.

Sincerely,

Erica Hammond  
Legislative Director, Rhode Island AFL-CIO

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