



May 6, 2025

The Honorable Marvin L. Abney, Chairman
House Finance Committee
State House
Providence, RI 02903

Re: H.6097, An Act Relating to State Affairs and Government – Rhode Island Commerce Corporation – Qualified Data Centers Location Incentive

Dear Chairman Abney,

The undersigned members of the Rhode Island Business Coalition support House Bill 6097 and thank Representative Finkelman for introducing this legislation. This bill would create incentives through the Rhode Island Commerce Corporation for qualified data centers to locate in Rhode Island.

Data centers are facilities that house computer systems and associated components such as telecommunications and storage systems to store, process and manage significant amounts of data generated by an increasingly connected digital world. Data centers allow organizations to collect, store, and process data which is a vital function for the healthcare and education industries as well as emergency response systems.

Thirty-seven states have enacted laws to exempt data centers from various tax obligations including sales, use, property, occupation, service, and/or income taxes, including our neighboring states. Last year, Connecticut enacted legislation identical to H.6097 with their program operated by the Connecticut Commission of Economic and Community Development. In addition, Massachusetts enacted legislation exempting all sales and use tax on data center equipment, data center software, electricity used by a data center and data center construction costs.

Data and its storage are increasingly becoming central parts of this country's economy. Rhode Island cannot afford to remain uncompetitive for these investments. H.6097 provides incentives to attract large-scale data centers to Rhode Island. We ask for the Committee's support of this legislation.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

Thank you for your consideration of our position on H.6097.

Sincerely,

Associated Builders and Contractors – Rhode Island Chapter

East Greenwich Chamber of Commerce

Reivity

Rhode Island Business Group on Health

Rhode Island Manufacturers Association

Rhode Island Staffing Association

Small Business Economic Summit Tax and Budget Committee

TechNet

cc. House Finance Committee members