

SENATE BILL REPORT

SB 6589

As Reported by Senate Committee On:
Economic Development & International Trade, February 1, 2018

Title: An act relating to establishing a joint legislative task force on the data center industry in Washington.

Brief Description: Establishing a joint legislative task force on the data center industry.

Sponsors: Senators Chase, Hasegawa and Zeiger.

Brief History:

Committee Activity: Economic Development & International Trade: 2/01/18 [DP, DNP].

Brief Summary of Bill

- Establishes a joint legislative task force to review the data center industry in Washington.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & INTERNATIONAL TRADE

Majority Report: Do pass.

Signed by Senators Chase, Chair; Takko, Vice Chair; Wagoner and Wellman.

Minority Report: Do not pass.

Signed by Senator Brown, Ranking Member.

Staff: Alex Fairfortune (786-7416)

Background: A retail sales and use tax exemption is available for sales of server equipment and power infrastructure to eligible data centers in rural counties. Rural counties are counties with a population density of less than 100 persons per square mile or that are smaller than 225 square miles.

Summary of Bill: A task force is created to review the following:

- the current state of the data center industry in Washington;
- policies and incentives available in Washington and other areas for data centers; and

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- recommendations for changes to state and local policies to maintain and expand data centers and create jobs in Washington.

The task force consists of nine members, including:

- one member from each major caucus of the Senate, appointed by the President of the Senate;
- one member from each major caucus of the House, appointed by the Speaker of the House of Representatives;
- four members representing local government or private sector interests, appointed jointly by the President of the Senate and the Speaker of the House of Representatives; and
- one member representing the Department of Commerce, appointed by the Governor.

The task force must report its findings and recommendations to the Governor and appropriate committees of the Legislature by December 1, 2018.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: Yes.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill is a result of other bills heard this session on data centers and the submarine cables that we have in our state. We have heard testimony about regulations and the high cost of permitting in our state versus other states. We should take a deep dive on exactly what is happening with data centers.

Persons Testifying: PRO: Senator Maralyn Chase, Prime Sponsor.

Persons Signed In To Testify But Not Testifying: No one.