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To: The Senate Committee on Government Operations, Labor and Economic Development
From: Sen. Dan Feyen
Re: Senate Bill 122

Hello members of the committee, thank you for taking the time to hear testimony on SB 122.

Planning for a massive data center is underway in Port Washington. This generational development could potentially be as large as 1,900 acres and bring high paying jobs and large capital investments to the community and State of Wisconsin.

While Port Washington is not in my district, an investment of this magnitude is good for all Wisconsinites. Along with other data centers, this can be a launching pad for more investments and technological advancements right here in Wisconsin.

With the demand to process increasing amounts of data growing every day, especially given advances in Artificial Intelligence, we need data centers to keep the internet up to speed.

As demand for data centers grows across the country, competition also is growing among municipalities to attract data centers to invest in their communities. Wisconsin is uniquely positioned to capitalize on this growth, with our moderate climate, access to fresh water and reliable energy grid.

SB 122 creates an exemption for Port Washington's Tax Incremental District 5 from the 12% rule. This will allow them to continue towards the development of a massive data and server center while maintaining flexibility for future development and growth.

Thank you again for taking the time to hold a hearing on this bill.

**Testimony on Senate Bill 122 for Senate Committee on Government Operations, Labor,
and Economic Development
Thursday, April 24, 2025**

Good morning, Chair Feyen, Vice-Chair Kapenga, Ranking Member Spreitzer, and members of the committee. Thank you for taking the time to hold this hearing, and for the opportunity to testify in support of Senate Bill 122, which would grant an exemption to the 12% rule in the City of Port Washington to allow for the construction and development of a new data center. I want to thank Senator Feyen, Representative Brooks, and Representative Melotik for their bipartisan collaboration on this important bill for our communities.

The City of Port Washington has spent the past several months planning for the development of a large-scale data center on 1,900 acres of land recently annexed from the Town of Port Washington, just north of the city. This legislation is a critical step that would enable the city to move forward using tax incremental financing (TIF), while maintaining the flexibility needed for future growth. The project is expected to generate significant economic benefits—including the creation of hundreds of high-paying jobs—both during construction and development, and permanently—and will meaningfully expand the local tax base. This data center campus also has the potential to attract further investment throughout the region and across the state.

Wisconsin is rapidly emerging as a national contender in the data center and AI economy, with more data processing, storage, and Artificial Intelligence increasing demand for such data centers. With this opportunity also comes certain challenges and questions, including from my constituents about how this and other data centers will impact the community's character, land use, water use, energy use, and the environment broadly. As an environmental attorney, I have the same questions, and I am committed to ensuring that Wisconsin's growth in this sector is not only robust but also strategic and sustainable, and with ample public input. That includes working with local leaders in Port Washington to ensure we are all planning wisely and responsibly for the long term.

Senate Bill 122 provides a narrow, common-sense exemption for Port Washington's TID No. 5 from the state's "12% rule." It enables the city to seize a transformational economic opportunity while preserving the tools necessary to support thoughtful development well into the future.

Thank you for holding this hearing and for your consideration of this important legislation.



ROBERT BROOKS

STATE REPRESENTATIVE • 59TH ASSEMBLY DISTRICT

**Testimony before the Senate Committee on Government Operations, Labor and Economic
Development
Thursday, April 24, 2025**

Good morning, Chairman Feyen and members of the committee, thank you for affording me the opportunity to testify in favor of Senate Bill 122 relating to granting an exemption to the twelve percent rule in the city of Port Washington to build a data center. As you may know, planning is currently underway for a major data center development in Port Washington. This transformative project could span up to 1,900 acres and is expected to bring high-paying jobs and significant capital investment to both the local community and the State of Wisconsin.

As the demand for faster and more robust data processing continues to rise—driven in large part by advancements in Artificial Intelligence—the need for additional data centers is becoming increasingly urgent. With municipalities across the country actively competing to attract these high-tech developments, positioning Port Washington as a viable destination is both timely and strategic.

This legislation provides an exemption for Port Washington's Tax Incremental District (TID) No. 5 from the "twelve percent rule," which limits the total equalized value of taxable property within new or amended TIDs—combined with the value increment of existing TIDs—to no more than 12% of a municipality's total equalized taxable property value. Granting this exemption enables the city to advance this substantial data and server center initiative while preserving long-term development flexibility.

Thank you for hearing my testimony. I am happy to answer any questions you may have.

