

DATA CENTERS: POWERING TEXAS' ECONOMY

What they are, what they do, and what they mean for your community

SO... WHAT IS A DATA CENTER?

A data center is a big, secure building full of computers. Those computers run the digital things we all use every day: online banking, phone apps, hospital records, package tracking, streaming, video calls, and yes, the new AI tools showing up everywhere. When you send a text, swipe a credit card, or ask a smart speaker a question, a computer somewhere does the work. That computer lives in a data center. Texas has approximately 450 data centers, many of which have been operating for years, powering the technology we all rely on every day.

WHY SHOULD MY COMMUNITY CARE?

Because data centers bring big, long-term investment to the towns that host them. Here's what that looks like:

- **Bigger tax base.** Data centers cost a lot to build, which means major property tax revenue that pays for schools, roads, police, and fire departments.
- **Jobs.** Hundreds of construction jobs while they're being built and permanent, valuable technical and ongoing maintenance jobs once they're completed.
- **They stay.** Data centers usually operate for decades and are steady, long-term, steel-in-the-ground investments that have permanent and positive economic impacts on communities.
- **They attract more business.** Modern companies want to be in communities with strong digital infrastructure.

AND HERE'S SOMETHING MOST PEOPLE DON'T KNOW...

Many data center companies don't just plug into the town's existing power and water resources – **they build their own infrastructure.**

That means new power plants, new water systems, new roads, and new equipment paid for by the company, not by local taxpayers. That new infrastructure benefits the entire community.

BUT WON'T THEY USE UP ALL OUR POWER AND WATER?

POWER: Texas has its own electric grid, and the people who run it plan years ahead for new demand. When a data center comes to town, the grid operators know about it and plan for it. **Many data centers also build their own power plants right next to the building**, so they're bringing new electricity into the area, not just taking from what's already there. Some can even dial back their energy use when the grid is under strain, like on the hottest days of summer, to help keep the lights on for everyone else.

WATER: All the data centers in Texas combined use **less than half of one percent** of the state's water. That's a tiny fraction. Newer data centers are also being designed to use very little water at all — some cool their computers with air, some recycle the same water over and over, and some use treated wastewater systems to help preserve local supplies of fresh drinking water.

THE BOTTOM LINE

Data centers are a once-in-a-generation chance for Texas communities to bring in serious investment, build a stronger tax base, and put themselves on the list for the businesses of the future. The companies building them are often bringing new power, new water systems, and new local revenue with them.

Texas is leading on this, and the communities that lean in are the ones that benefit most.