

**ESSB 5048** - H AMD TO H AMD (H-2540.1/17) **383**

By Representative Stokesbary

**WITHDRAWN 03/30/2017**

1 On page 27, after line 12, insert the following:

2  
3 "(38) Within amounts provided in this section, the department  
4 shall analyze the current state of the data center industry in  
5 Washington and whether changes to existing state tax laws would  
6 result in additional in-state investments, job creation, or the  
7 development of the state's technology ecosystems. The department  
8 must submit a report to the appropriate committees of the  
9 legislature by November 1, 2017, that addresses the following:

10 (a) Whether current state tax laws result in Washington losing  
11 data center investments to other states, and whether other states'  
12 tax laws have been more successful than Washington's for attracting  
13 data centers;

14 (b) Whether changing state tax laws related to data centers  
15 would result in more investment in data centers in Washington;

16 (c) Whether changing state tax laws would accelerate job growth  
17 in the data center sector in Washington, including direct, indirect,  
18 and induced job growth; and

19 (d) Whether changing state tax laws with respect to data centers  
20 would result in a positive business and financial impact for the  
21 state of Washington.

22 The report must make recommendations to the legislature  
23 regarding changes to state policy that would maintain and expand  
24 data centers in Washington. In creating the report, the department  
25 must consult with the department of revenue, fiscal and budget staff  
26 of the house of representatives and the senate, independent policy  
27 experts, and labor and business representatives with experience in

1 data centers. The department shall compile publicly available  
2 reports on data centers in Washington and other states as part of  
3 its report."

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EFFECT: Directs the Department of Commerce, within amounts appropriated, to analyze the effect of existing tax laws on the state's data center industry, and submit a report to the appropriate committees of the legislature by November 1, 2017.

FISCAL IMPACT: No net change to appropriated levels.

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