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Maine's Rural Development Council



**Testimony of Joe Oliva, Outreach and Communications Director of
GrowSmart Maine
in support of LD 307, Resolve, to Establish the Maine Artificial
Intelligence Data Center Coordination Council**

February 5, 2026

Senator Lawrence, Representative Sachs and distinguished members of the Joint Standing Committee on Energy, Utilities, and Technology,

My name is Joe Oliva and I am the Outreach and Communications Director for GrowSmart Maine. We are a statewide non-partisan non-profit organization helping communities navigate change in alignment with smart growth. We advocate for comprehensive policies and funding for smart growth practices and outcomes.

[GrowSmart Maine recently released its first Community Guide on AI data centers](#), including a compilation of publicly available information and guiding questions for consideration, as well as an accompanying Op-ed that further explains the importance of information-driven decision making related to AI data center development and siting.

LD 307 meets the moment. As the construction of AI data centers proliferates across the country, Maine communities have also been approached by developers to host these exceptionally resource-consumptive facilities. Offering the guardrails outlined in this bill is well-timed and important.

Much like the ways in which they've arrived in other states, they appear on town and city council dockets with the full weight of the largest companies in the world at their back, without meaningful regulatory support from the federal government and a glaring void where state policy should be but isn't; yet, by and large, communities are left on their own to contemplate and negotiate with developers who aim to build these facilities within their municipal boundaries.

We support the passage of LD 307 and the creation of a Data Center Council for this reason. The data center development process thrives on asymmetry - of information, resources, and assets - and the deliverables outlined by this bill would go a long way towards providing clarity for the legislature and Maine communities alike when it comes to ensuring that Maine towns and cities can make critical decisions on an equalized footing.

Specifically, we support the Data Center Council's duties related to:

- Section 2, Article 2. Crafting policy that supports broad community interests.
 - Based on our research, state policy to entice data center development has produced mixed results. [Good Jobs First found](#) that 15 data center sales and use exemption programs across the country “drained a small number of communities of almost \$1.5 billion” in revenue in 2023. In 2023, [Wisconsin established a sales tax exemption](#) for data center equipment with no sunset, allowing companies like Microsoft, worth 2-trillion dollars, to avoid paying sales tax on equipment in perpetuity. We believe that state policy in Maine must be crafted differently – learning from what has and hasn't worked in other states and collecting salient data to create a policy landscape that ensures broad stakeholder benefits to data center construction.
- Section 2, Article 5. Understanding the impact of data centers on the environment, resource management, and land use.
 - From an environmental and resource management perspective, data centers present an unprecedented industrial stress-test on local and regional [electricity infrastructure](#) and [water supply](#). As an economic development project, it's tempting to see these facilities as a boon, but the [complete picture is murkier than that](#). Will land use implications involve repurposing an old mill building or the conversion of [hundreds of acres of farmland](#)?
- Section 2, Article 7. Supporting communities through development of Community Benefits Agreements related to data center development.
 - [These types of agreements can, and should](#), reflect the broad impact of data centers with an equally broad set of community considerations including environmental and resource management impact, land use, economic development, infrastructure improvement, and more. These types of agreements would go a long way towards ensuring transparency, affordability, and sustainability for communities.

Not included in LD 307, but something we believe to be important and modeled in states that have passed similar legislation, is a moratorium on data center construction until the Data Center Council has concluded its work.

Our mission is to create communities in which people feel they are safe, they belong, and have the opportunities to thrive. Community wellbeing relative to these projects is dependent on a robust and transparent public process that persistently contextualizes what's at stake for the community as a whole. To that end, we strongly urge the committee to pass LD 307 and are willing to assist the committee in any way that is helpful. We stand ready to support the Council once it is created, offering our expertise in land use and our numerous community connections.