
July 27, 2026

Senate Committee on Finance

Committee Members:

- CHAIR - Joan Huffman
- VICE-CHAIR - Juan "Chuy" Hinojosa
- Carol Alvarado
- Paul Bettencourt
- Donna Campbell
- Pete Flores
- Bob Hall
- Phil King
- Lois Kolkhorst
- Angela Paxton
- Charles Perry
- Charles Schwertner
- Royce West
- Judith Zaffirini

The Sierra Club Lone Star Chapter will be calling on the Senate Committee on Finance to phase out incentives for data centers, and, in particular, a sales tax exemption on their inputs that could cost the state up to \$3 billion in lost revenues.

Information about the Senate Finance Committee hearing [can be found here](#).

You can testify in person, turn in written testimony, or even call and/or email committee members asking them to eliminate all state and local tax incentives for data centers.

Submit written testimony to a Texas Senate committee by using the online House Witness Registration portal while on Capitol Wi-Fi, or at one of the Capitol Extension kiosks. You can also drop off physical copies to the committee clerk at the hearing room or email it directly to the committee staff.

Submitting written testimony to a Texas Senate committee is a powerful way to influence legislation. Unfortunately, ***there is no way to submit written testimony online for Senate committees.***

Talking Points:

- The Legislature should end incentives for large computational loads by eliminating the sales tax exemption as well as the electricity tax exemption. Both exemptions will cost

billions of dollars to state revenue going forward only to help some of the wealthiest corporations in the world.

- The Legislature should eliminate the potential for large computational loads like data centers and AI to be eligible for county property tax breaks (through 312 property tax abatement agreements) or school property tax abatements through the new JETI (Jobs, Energy, Technology and Investment) ACT, which currently can provide significant school property tax abatements for both data centers and onsite gas plants used to power their facility.
- If these incentives remain, then data centers should be held to much higher performance standards for noise, air pollution, energy use and water use.