

Tallahassee Democrat.

October 2, 2026

Data centers can deliver for Florida, if we get the rules right

Jerry Haar and Imran Siddiqui

Your paycheck cleared this morning. Your doctor pulled up a chart. A storm warning reached your phone before the sky changed. Every one of those depended on a building most Floridians will never see and, until about two years ago, never thought about.

Now data centers are at the center of growing debates across Florida. Urban, suburban and rural communities are asking the same questions about electricity, water, noise and what they get in return.

Those questions deserve answers. Communities that host critical infrastructure have every right to understand what they could gain as well as what they could lose. But conflicting and sometimes exaggerated claims, particularly on social media, have muddied the debate and made it harder for local leaders to separate legitimate concerns from speculation. Some communities have responded by pausing data center development while searching for answers.

The debate gained an important new set of facts this week. Florida TaxWatch released an independent analysis Monday examining both the potential fiscal benefits of large-scale data centers and the protections communities need as development accelerates. The report calls for a balanced approach that pairs economic opportunity with ratepayer protection, infrastructure readiness, responsible water planning and long-term fiscal discipline.

Florida is well-positioned to do that, and the payoff could be substantial. Florida TaxWatch estimates that a hypothetical \$10 billion, 500-megawatt data center could generate more than \$1 billion in state and local tax revenue over eight years, with roughly 94% staying local. For Florida's smaller, fiscally constrained counties, a facility of that scale could generate more than 3.5 times their current property tax collections.

That kind of investment can give communities more resources for public safety, roads and other services without the same demands on schools and many other public services as residential development. And it could become even more significant if Florida voters approve Amendment 3 in November, which would substantially expand the homestead exemption for non-school property taxes and reduce revenue available to local governments.

The benefits extend beyond the tax base. Building and operating data centers creates sustained demand for electricians, engineers, skilled trades, contractors and suppliers. For families, this can mean a son or daughter may train for a good-paying career and find that opportunity close to home rather than leaving the community.

Realizing those benefits requires safeguards. Florida already makes very large electricity users responsible for serving their demand rather than shifting those costs to other customers. State law also addresses water use, while longstanding permitting requirements require major water users to show that withdrawals will not interfere with existing legal uses and are consistent with the public interest.

Local governments have an important role, too. The Florida Digital Infrastructure and Security Alliance, known as FDISA, recently released a model data center ordinance that gives cities and counties a starting point for addressing siting, setbacks, noise, water, utility coordination, traffic, emergency planning, transparency and decommissioning while preserving local decision-making.

None of this makes data centers uncomplicated. Neither are the ports, highways, airports and power plants a modern economy runs on. We did not decline to build those. We built them with standards attached, and we argued loudly about what those standards should be.

That is the argument worth having now. Florida can welcome investment while setting clear expectations for how and where it happens.

The work ahead is to put those expectations into practice. Set clear standards. Enforce them consistently. And make sure every community that hosts these projects can see what it is getting in return.

Jerry Haar is a professor of international business at the College of Business at Florida International University. Imran Siddiqui is executive director of the Florida Digital Infrastructure and Security Alliance, a trade association representing Florida companies and community leaders in the technology, energy, water and infrastructure sectors.