

**Congress of the United States**  
**U.S. House of Representatives**  
**Committee on Small Business**  
2361 Rayburn House Office Building  
Washington, DC 20515-6515

**MEMORANDUM**

**TO:** Members of the Subcommittee on Rural Development, Energy, and Supply Chains of the Committee on Small Business

**FROM:** Committee Majority Staff

**DATE:** January 16, 2026

**RE:** Subcommittee Hearing Titled: “Empowering Rural America Through Investment in Innovation”

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On **Wednesday, January 21, 2026, at 10:00 AM ET**, the Subcommittee on Rural Development, Energy, and Supply Chains of the Committee on Small Business will hold a hearing titled “**Empowering Rural America Through Investment in Innovation.**” The meeting will convene in room 2360 of the Rayburn House Office Building. The purpose of this hearing is to discuss the challenges and opportunities that come with the rapid growth of data centers in rural communities.

**I. Witnesses**

- **Mr. Chris Crosby**, Chief Executive Officer, Compass Datacenters
- **Mr. Kirk Offel**, Chief Executive Officer, OVERWATCH Mission Critical
- **Dr. Nicol Turner Lee**, Senior Fellow, Governance Studies, and Director, Center for Technology Innovation, Brookings Institute

**II. Background**

In the age of artificial intelligence (AI), the construction of data centers is accelerating at an unprecedented pace. The global race to strengthen innovation through AI has driven a new demand for skilled labor, ranging from electrical and mechanical trades to information technology and cybersecurity professionals.<sup>1</sup> This opens pathways to high-quality, middle-class jobs in rural communities that have previously been left out of the technology boom. Data centers are increasingly locating to rural communities, where developers can assess large tracts of land and

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<sup>1</sup> *Why the AI Infrastructure Boom Drives U.S. Demand for Skilled Trades*, ALIGN BUS. ADVISORY SERVS, <https://alignba.com/2025/05/09/why-the-ai-infrastructure-boom-drives-u-s-demand-for-skilled-trades/> (last visited Jan. 13, 2026).

connect to high-capacity energy infrastructure on the grid.<sup>2</sup> Large firms often operate large facilities to house computing systems that power cloud services and digital platforms. However, small businesses are critical to the success of data centers and, in turn, to America's AI ecosystem used every day.

Data centers are not merely warehouses for servers; they also function as catalysts for local economic development. Their presence supports entrepreneurship, strengthens supply chains, and creates sustained demand for small businesses by providing jobs and services. By creating long-term economic opportunities, data centers generate a powerful multiplier effect, supporting seven additional jobs in the community for every direct position at the facility.<sup>3</sup> Together, these investments help build the new age of rural economies, revitalize Main Street, and position small businesses as key partners in America's AI-driven growth.

The economic impact of a data center extends far beyond the construction fence line. Once operational, a data center is a permanent fixture that requires decades of maintenance. This creates long-term careers for local entrepreneurs specializing in HVAC repair, landscape maintenance, pest control, and janitorial services, among countless other trades. Small businesses are vital to the American economy and a critical partner in ensuring that the demands of America's AI ecosystem are met.

The data center industry faces a variety of challenges, including the demand for both energy and a skilled workforce. With the ongoing data center boom, power demand is expected to double over the next decade.<sup>4</sup> Additionally, professions vital to maintaining a data center face critical shortages as demand grows. The future of data centers depends on attracting and training a strong pipeline of electricians, engineers, and technicians, many of whom work as small business owners.

### **III. Conclusion**

While the world is increasingly relying on AI, AI relies on data centers. Often, data center developers turn to rural communities that offer affordable land, room for long-term expansion, and a deregulatory environment. This expansion offers rural communities a unique opportunity to grow their economies. Whether directly or indirectly, data centers provide significant benefits to both their local communities and small businesses.

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<sup>2</sup> Craig Kaiser, *Why Data Centers are Driving Rural Land Demand: Location Requirements Explained*, LAND APP (Oct. 28, 2025).

<sup>3</sup> *How Data Centers Benefit Texas Communities*, TEXAS ECON. DEVELOPMENT CORP., <https://businessintexas.com/blog/how-data-centers-benefit-texas-communities/> (last visited Jan. 13, 2026).

<sup>4</sup> VIRGINIA JOINT LEGISLATIVE AUDIT & REVIEW COMM'N, REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY OF VIRGINIA: DATA CENTERS IN VIRGINIA (2024).