

Table A-5: The economic contribution of the data center industry in Alabama, 2023-2024

Metric	Type of contribution	2023	2024	Growth
Employment (jobs)	Direct contribution	9,170	9,340	2%
	Indirect and induced without the spillover effect ^a	20,550	26,810	30%
	Operational	11,090	11,580	4%
	Capital spending	9,460	15,230	61%
	Total contribution without the spillover effect ^a	29,720	36,150	22%
	Cross-state spillover	15,380	17,620	15%
	Total contribution with the spillover effect ^a	45,100	53,770	19%
Labor income (\$millions)	Direct contribution	\$872	\$930	7%
	Indirect and induced without the spillover effect ^a	\$1,165	\$1,593	37%
	Operational	\$543	\$584	8%
	Capital spending	\$621	\$1,009	62%
	Total contribution without the spillover effect ^a	\$2,036	\$2,523	24%
	Cross-state spillover	\$914	\$1,103	21%
	Total contribution with the spillover effect ^a	\$2,950	\$3,626	23%
GDP (\$millions)	Direct contribution	\$1,425	\$1,513	6%
	Indirect and induced without the spillover effect ^a	\$2,001	\$2,695	35%
	Operational	\$1,018	\$1,094	7%
	Capital spending	\$983	\$1,601	63%
	Total contribution without the spillover effect ^a	\$3,426	\$4,208	23%
	Cross-state spillover	\$1,628	\$1,968	21%
	Total contribution with the spillover effect ^a	\$5,053	\$6,176	22%
Tax payments ^b (\$millions)	State, without cross-state spillover effect ^a	\$198	\$241	22%
	Local, without cross-state spillover effect ^a	\$104	\$128	22%
	State and local, without cross-state spillover effect ^a	\$302	\$369	22%
	State, with cross-state spillover effect ^a	\$291	\$361	24%
	Local, with cross-state spillover effect ^a	\$154	\$191	24%
	State and local, with cross-state spillover effect ^a	\$444	\$552	24%

Source: PwC calculations using the IMPLAN modeling system and public data. Details may not sum to totals due to rounding.

^a The spillover effect refers to the indirect and induced effects in a state attributable to the industry's direct activity in all other states.

^b Tax contribution includes all state and local taxes directly or indirectly resulting from the industry's U.S. construction and operations (including direct, indirect, and induced economic effects) benefiting the state.

1. The industry's total annual employment contribution in Alabama (without the cross-state spillover effect) increased by 22 percent from 29,720 jobs in 2023 to 36,150 jobs in 2024. Including the cross-state spillover effect, the industry's total annual employment contribution in Alabama was 45,100 jobs and 53,770 jobs in 2023 and 2024, respectively.
2. The industry's total annual labor income contribution in Alabama (without the cross-state spillover effect) increased by 24 percent from \$2.0 billion in 2023 to \$2.5 billion in 2024. Including the cross-state spillover effect, the industry's total annual labor income contribution in Alabama was \$3.0 billion and \$3.6 billion in 2023 and 2024, respectively.
3. The industry's total annual GDP contribution in Alabama (without the cross-state spillover effect) increased by 23 percent from \$3.4 billion in 2023 to \$4.2 billion in 2024. Including the cross-state spillover effect, the industry's total annual GDP contribution in Alabama was \$5.1 billion and \$6.2 billion in 2023 and 2024, respectively.
4. The industry's total state and local tax contribution in Alabama (without the cross-state spillover effect) of \$369 million in 2024 would have been sufficient to fund over half of the state's spending on fire protection safety, including fire inspection and investigation; support of volunteer fire forces; and other fire prevention activities, based on the latest available government spending data (2023).