



TO: The Honorable Members of the House of Representatives Energy Committee

FROM: Aaron Riggleman, Director, Government Affairs

DATE: June 16, 2026

RE: **PA Chamber memo: Oppose H.B. 2359 - NDA Ban & Sales Tax Exemption Requirements**

The Pennsylvania Chamber of Business and Industry opposes H.B. 2359 and the amendment (A03427) expected to be considered by the committee tomorrow.

HB 2359 would prohibit Commonwealth and local agencies from entering into confidentiality or nondisclosure agreements related to the development of data centers. Confidentiality during site selection and project development is a standard and widely accepted component of economic development projects.

Developers frequently require confidentiality while evaluating potential sites, negotiating infrastructure needs, and assessing project feasibility. Restricting the use of nondisclosure agreements may discourage companies from engaging with local governments until later in the process or could lead projects toward states that provide greater flexibility for confidential business negotiations.

We are also concerned by the amendment (A03427) that will be considered by the committee. The amendment would impose significant new conditions on eligibility for the sales tax exemption for computer equipment by adding extensive certification, disclosure, public engagement, and reporting requirements, along with ongoing compliance obligations necessary to maintain eligibility. These requirements would create substantial new administrative burdens and inject uncertainty into the investment process.

This exemption passed with broad bipartisan support in 2021 to attract investment and is clearly performing as intended. We oppose repealing or conditioning this exemption, just as we would oppose any comparable legislative bait-and-switch that creates a perception of Pennsylvania's business climate as unreliable and unpredictable. Businesses making long-term investment decisions rely on stability and certainty in the Commonwealth's economic development policies. Imposing significant new requirements on an existing incentive risks undermining Pennsylvania's competitiveness at a time when states across the country are actively competing for these projects.

For these reasons, we urge your opposition to H.B. 2359. Please contact **Aaron Riggleman** at ariggleman@pachamber.org or 724-640-3290 with questions or to discuss.

[Click here](#) to check the PA Chamber Legislative Scorecard.

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