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House of Representatives

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Ranking Member Maxwell Alejandro Frost
Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs
“America’s AI Moonshot: The Economics of AI, Data Centers, and Power Consumption”
April 1, 2025

Thank you, Chairman Burlison, and thank you to the witnesses for being here this morning.

Artificial Intelligence (AI) is quickly becoming part of Americans’ everyday life, and a lot of us are growing to love the entertainment and efficiency it brings. AI has exciting benefits for health care and education and it’s reshaping our economy, national security, and social life.

Continuing progress in AI will require enormous amounts of technology and infrastructure, including the hardware, software, computer networks, data, and facilities required to operate AI algorithms. Data center capacity plays a key role in the future of innovation—and the future of our people.

In January, President Trump announced “Stargate,” an AI infrastructure project with \$500 billion in commitments over four years that would expand on progress made during the Biden Administration.

It’s a positive thing that Trump is continuing the focus on developing the capacity and uses for AI, but his approach is wrong. We can support innovation without removing the safeguards that have prioritized personal civil rights and civil liberties. Instead, Trump is only pushing forward the policies that benefit corporations.

The tech companies that are promoting and investing in AI are some of the most powerful in the world and use that power to exploit and oppress the communities they build in.

County commissioners in Oregon were confronted with an army of lawyers when working out a data center deal with Amazon. The deal resulted in a billion-dollar tax break for the company. A Microsoft data center in New Albany, Ohio received a 15-year property tax exemption while expecting to create thirty jobs with an average salary of \$50,000.

We need AI policy that puts the people first.

The Trump Administration has already reversed the Democratic progress made to establish reasonable safeguards on AI, such as regular testing requirements to demonstrate that AI use does not violate civil rights and civil liberties laws, in an apparent attempt to clear the way of any perceived barriers to America’s dominance in AI. But the health, safety, and privacy of our people are not barriers—they’re our rights.

At the same time as we've seen benefits from AI's development, we've started to see many examples of the risks of AI, from deepfakes to the use and imitation of copyrighted material. In just the past few weeks, we've seen:

- AI used to replicate Studio Ghibli's style through the unauthorized training of AI on Miyazaki's copyrighted materials;
- H&M announce that they are going to use new, quote, "AI twins" in the place of models; and
- More than 420 actors, directors, and other creatives send an open letter urging the government to uphold copyright laws to protect the arts.

The GAO found that poorly designed AI systems used in the health care field can harm patients through misdiagnosis or bias, leading to questions of accuracy, security, privacy, and liability.

We should also be concerned about AI's use when it comes to national security, including the possible use of deepfakes on the battlefield, AI control of nuclear weapons, or autonomous weapons authorized to make decisions about the use of lethal force.

Elon Musk's DOGE has also reportedly tried to use AI across government agencies, including exporting large amounts of personal data from the Department of Education for use in unvetted AI models.

Relevant to our work on this Subcommittee is the promotion of reasonable AI safeguards to address environmental concerns.

AI is powered by data centers that use an astonishing amount of electricity. The carbon footprint of data centers is already greater than the entire commercial airlines industry, and their power usage will more than double in the next five years. A single data center's campus can consume a gigawatt of electricity – the amount of electricity that could power two Pittsburghs. This electricity demand can overwhelm cities' grids and raise utility bills.

Data centers have massive diesel backup generators that are regularly test-run, expelling black plumes of toxic smoke over entire neighborhoods and increasing output from nearby fossil fuel power plants.

In the four years between 2019 and 2023, researchers from Caltech estimate AI data centers cost people tens of billions of dollars in health care costs and resulted in more than one thousand premature deaths.

Each data center also consumes millions of gallons of water every day for their cooling systems. Because humidity can be harmful to data centers' hardware, they are often sited in states where water is already scarce.

It is a matter of national security that we maintain our global AI edge and that edge has already led to innovations in fields like medicine, energy, and transit that are improving people's daily lives.

But as we enthusiastically pursue AI innovation, Congress must look out for working families and pass and strengthen responsible safeguards.

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