



## FOR IMMEDIATE RELEASE

### **Virginia Data Centers Supported 45,000 Jobs and \$7.5 Billion in Economic Output in 2021**

*Northern Virginia Technology Council releases its biennial “The Impact of Data Centers on the State and Local Economies of Virginia” report*

**Herndon, Va. – March, 24, 2022** – The [Northern Virginia Technology Council](#) (NVTC), the trade association representing the National Capital region’s technology community, today released a research report, [“The Impact of Data Centers on the State and Local Economies of Virginia”](#) highlighting the data industry’s crucial role in strengthening and diversifying the region’s economy as well as propelling innovation in Virginia.

Data centers continue to be the major drivers of investment in Virginia. According to information from the Virginia Economic Development Partnership (VEDP), in 2021, 62 percent (\$6.8 billion) of all the new investment announced by VEDP was from new and expanding data centers. In 2021, the data center industry supported over 45,000 jobs, producing \$3.6 billion in labor income and \$7.5 billion in economic output.

Northern Virginia in particular has the largest data center market in the world with the region’s total data center capacity more than doubling from 2018 to 2021. As of last year, the data center inventory in Northern Virginia exceeded that of the next five largest markets (Chicago, Dallas-Fort Worth, Silicon Valley, New York/Tri-State Area and Phoenix), with an annual compound rate of growth of 25 percent from 2014-2021.

“This extraordinary growth of our region’s data centers truly shows the significant capital, innovation and human investment our technology companies have made,” said Jennifer Taylor, NVTC president and CEO. “As the foundation to the modern technology economy, data centers and NVTC members have proven crucial to creating unprecedented tax revenue, and the state’s incentive programs send a clear signal to potential investors worldwide that Virginia is home for technology and innovation.”

Highlights of the research’s findings include:

- In 2021, the data center industry in Virginia provided approximately **5,550 operational jobs** and almost **10,000 construction and manufacturing jobs**.
- For every job inside a Virginia data center, there are **4.1 additional jobs** that are supported in the rest of the Virginia economy, with **45,460 supported jobs in 2021**.

- **Data centers generate significant tax revenue** for local governments. Data centers were directly and indirectly responsible for generating \$174 million in state revenue and \$1 billion local tax revenue in Virginia.
- **Without data centers and the way Virginia subsidizes local education budgets**, the state would have had to reallocate \$90.5 million in state education funding away from other Virginia localities to provide \$73 million in additional funding to Loudoun County, and \$17.5 million in additional funding to Prince William County.
- Virginia's data center tax incentive programs demonstrate to investors the business climate in Virginia is **friendly to the high-tech industry**.

“Data centers are the major drivers of investment in Virginia and we look forward to seeing the continued growth of the industry in the years ahead,” said Vinay Nagpal, chairman of NVTC’s data center and cloud committee. “It is through the hard work and collaboration of our members, tech leaders and innovators, along with Northern Virginia’s technology-rich culture, that places the National Capital region on the map as a major player in the industry.”

NVTC is honored to work with lead sponsors of this report, including: CloudHQ, Digital Realty, Dominion Energy, Fairfax Economic Development Authority, Iron Mountain, Loudoun County Virginia Economic Development, Microsoft, Prince William Economic Development and VISA. Supporting sponsors include: Fredericksburg Regional Alliance and Vantage Data Centers.

NVTC will host a complimentary virtual event to review the report’s key findings on March 31, 2022 from 11:00 AM -12:00 PM. Members of the data center community, Virginia’s EDAs, policymakers and administration officials, industry and community partners, other interested parties and the media are invited to attend. Fletcher Mangum, Ph.D., the founder and CEO of Mangum Economics, the company that prepared the report, will be a guest speaker. To register, please visit:

[https://www.nvtc.org/NVTC/Events/Event\\_Display.aspx?EventKey=MTGDATA137](https://www.nvtc.org/NVTC/Events/Event_Display.aspx?EventKey=MTGDATA137)

Read the full report to learn more about the significant contribution data centers make to the state of Virginia here:

[https://www.nvtc.org/NVTC/Workforce/Resource\\_Library\\_Docs/2022\\_NVTC\\_Data\\_Center\\_Report.aspx](https://www.nvtc.org/NVTC/Workforce/Resource_Library_Docs/2022_NVTC_Data_Center_Report.aspx)

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### **About the Northern Virginia Technology Council**

The Northern Virginia Technology Council (NVTC) is the trade association representing the national capital region’s technology community. As one of the nation’s largest technology councils, NVTC serves companies from all sectors of the industry, from small businesses and startups to Fortune 100 technology companies, as well as service providers, academic institutions, and nonprofit organizations. Nearly 500 entities make up the NVTC membership and look to the organization as a resource for networking and educational opportunities, peer-to-peer communities, policy advocacy, industry

promotion, fostering of strategic relationships, and branding of the region as a major global technology center. Visit NVTC at <http://www.nvtc.org>.

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