

United States Senate

WASHINGTON, DC 20510

March 16, 2026

Ohio Tax Credit Authority
Ohio Department of Development Office
77 South High Street, 29th Floor
Columbus, Ohio 43215

The Carlyle Group
1001 Pennsylvania Ave NW
Washington, DC 20004

To Whom It May Concern:

I write regarding the Ohio Tax Credit Authority's recent decision to approve a \$4.5 million sales tax exemption to Ark Data Centers ("Ark")—a company owned by The Carlyle Group ("Carlyle")—to help fund a \$136 million expansion of data center facilities in Akron and Independence.¹ Despite the millions of dollars being thrown at this project, it will only create ten new jobs.² Think about that for a moment: a private equity giant like Carlyle, which has \$477 billion in assets under management, gets millions of dollars in tax breaks courtesy of Ohio's taxpayers.³ In return, we get a grand total of ten jobs. That's not economic development; that's a sweetheart deal for Wall Street while everyday Ohioans are forced to foot the bill.

According to the Ohio Department of Development, the ten new full-time positions will generate \$1.1–\$1.5 million in annual payroll.⁴ In exchange, Ark will receive a 50 percent state sales tax exemption on data center equipment for the next decade.⁵ While I applaud companies that choose to expand their presence in Ohio, the financing for this deal is unjustified: a \$4.5 million subsidy for only ten jobs amounts to \$450,000 in incentives for Ark per employee. That is ridiculous when you consider what \$4.5 million could do for Ohio families instead.

¹ Jeremy Pelzer, *Why Ohio Gave \$4.5M to a Data Center Project That Will Create Just 10 Jobs*, Cleveland.com (Mar. 6, 2026), <https://www.cleveland.com/news/2026/03/why-ohio-gave-45m-to-a-data-center-project-that-will-create-just-10-jobs.html>

² Arielle Kass, *\$4.5 Million Tax Credit Will Help Data Center Expand in Akron*, Signal Akron (Mar. 5, 2026), <https://signalakron.org/4-5-million-tax-credit-will-help-data-center-expand-in-akron>

³ The Carlyle Group, *Carlyle Presents Growth Outlook at 2026 Shareholder Update* (Feb. 26, 2026), <https://ir.carlyle.com/news-releases/news-release-details/carlyle-presents-growth-outlook-2026-shareholder-update>

⁴ Office of Governor Mike DeWine, *Governor DeWine Announces 8 Projects Set to Create 1,320 Jobs, More Than \$853 Million in Investments* (Mar. 2, 2026), <https://governor.ohio.gov/media/news-and-media/governor-dewine-announces-8-projects-set-to-create-1320-jobs-more-than-853-million-in-investments>

⁵ Office of Governor Mike DeWine, *Governor DeWine Announces 8 Projects*, *supra*.

Worse, these data center tax breaks are costing the state dearly.⁶ That's money that could go toward schools, roads, or helping the communities hit hardest by rising costs—not padding the profits of a firm that's already swimming in cash.

And it doesn't stop at taxes. When corporations like Carlyle demand massive amounts of electricity to fund their projects, it's everyday Ohioans who get stuck with the bill. Without protections, these costs are quietly dumped onto families and small businesses through higher utility rates, while taxpayers are left to subsidize grid upgrades necessary to accommodate private projects.⁷

That is why President Trump's *Ratepayer Protection Pledge* is so important: it ensures that companies building and operating data centers pay the full cost of the power and infrastructure they require, rather than offloading those expenses onto the public. Major companies—including Google, Microsoft, Amazon, Oracle, Meta, OpenAI, and xAI—have already embraced this principle by committing to build, bring, or buy their own energy resources and to cover the cost of necessary grid upgrades.⁸ Taxpayers deserve accountability and a clear return on investment when public resources support private projects.

So why are hardworking Ohio taxpayers being asked to subsidize a project that creates so few jobs while a global private equity powerhouse gets a free ride? It's unfair, it's unnecessary, and it's time to call it what it is: a bad deal for the people of Ohio.

Given these concerns, I urge Carlyle to do the right thing: voluntarily give up this \$4.5 million subsidy, immediately sign onto President Trump's *Ratepayer Protection Pledge*, and commit to creating more jobs through the data center expansion. Make no mistake: Carlyle doesn't need the cut, and I won't stand by while Ohio families' pocketbooks get sold out for a superficial press release.

Sincerely,



BERNIE MORENO
United States Senator

⁶ Ohio Department of Taxation, *Tax Expenditure Report: The State of Ohio Executive Budget Fiscal Years 2026/2027* (2025), https://archives.obm.ohio.gov/Files/Budget_and_Planning/Operating_Budget/Fiscal_Years_2026-2027/Tax%20Expenditure%20Report%202026-2027.pdf

⁷ Ethan Howland, *Utilities May Subsidize Data Center Growth by Shifting Costs to Other Ratepayers: Harvard Law Paper*, Utility Dive (Mar. 10, 2025), <https://www.utilitydive.com/news/utilities-subsidize-data-center-growth-ratepayer-cost-shif-harvard-peskoe/742001/>

⁸ The White House, *President Trump Secures Historic Commitment to Keep Electricity Costs Down Amid Data Center Boom* (Mar. 5, 2026), <https://www.whitehouse.gov/articles/2026/03/president-trump-secures-historic-commitment-to-keep-electricity-costs-down-amid-data-center-boom/>