

Table A-27: The economic contribution of the data center industry in Michigan, 2023-2024

Metric	Type of contribution	2023	2024	Growth
Employment (jobs)	Direct contribution	23,590	23,520	0%
	Indirect and induced without the spillover effect ^a	61,210	74,510	22%
	Operational	39,260	39,780	1%
	Capital spending	21,950	34,730	58%
	Total contribution without the spillover effect ^a	84,800	98,030	16%
	Cross-state spillover	32,250	37,080	15%
	Total contribution with the spillover effect ^a	117,050	135,110	15%
Labor income (\$millions)	Direct contribution	\$2,803	\$2,912	4%
	Indirect and induced without the spillover effect ^a	\$3,989	\$5,103	28%
	Operational	\$2,304	\$2,396	4%
	Capital spending	\$1,685	\$2,707	61%
	Total contribution without the spillover effect ^a	\$6,792	\$8,015	18%
	Cross-state spillover	\$2,190	\$2,655	21%
	Total contribution with the spillover effect ^a	\$8,982	\$10,669	19%
GDP (\$millions)	Direct contribution	\$4,981	\$5,113	3%
	Indirect and induced without the spillover effect ^a	\$6,674	\$8,405	26%
	Operational	\$4,075	\$4,253	4%
	Capital spending	\$2,599	\$4,152	60%
	Total contribution without the spillover effect ^a	\$11,655	\$13,518	16%
	Cross-state spillover	\$3,733	\$4,536	22%
	Total contribution with the spillover effect ^a	\$15,388	\$18,054	17%
Tax payments ^b (\$millions)	State, without cross-state spillover effect ^a	\$801	\$879	10%
	Local, without cross-state spillover effect ^a	\$411	\$450	10%
	State and local, without cross-state spillover effect ^a	\$1,212	\$1,330	10%
	State, with cross-state spillover effect ^a	\$888	\$1,030	16%
	Local, with cross-state spillover effect ^a	\$455	\$528	16%
	State and local, with cross-state spillover effect ^a	\$1,344	\$1,558	16%

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 Michigan (without the cross-state spillover effect) increased by 16 percent from 84,800 jobs in 2023 to 98,030 jobs in 2024. Including the cross-state spillover effects, the industry's total annual employment contribution in Michigan was 117,050 jobs and 135,110 jobs in 2023 and 2024, respectively.
2. The industry's total annual labor income contribution in Michigan (without the cross-state spillover effect) increased by 18 percent from \$6.8 billion in 2023 to \$8.0 billion in 2024. Including the cross-state spillover effects, the industry's total annual labor income contribution in Michigan was \$9.0 billion and \$10.7 billion in 2023 and 2024, respectively.
3. The industry's total annual GDP contribution in Michigan (without the cross-state spillover effect) increased by 16 percent from \$11.7 billion in 2023 to \$13.5 billion in 2024. Including the cross-state spillover effects, the industry's total annual GDP contribution in Michigan was \$15.4 billion and \$18.1 billion in 2023 and 2024, respectively.
4. The industry's total state and local tax contribution (without the cross-state spillover effects) of \$1.3 billion in Michigan in 2024 would have been sufficient to fund over one-third of the state's police protection expenditures including police patrols and communications, crime prevention activities, detention and custody of persons awaiting trial, traffic safety, and vehicular inspection, based on the latest available government spending data (2023).