

Kirk Offel, Founder & CEO, OVERWATCH Mission Critical

SDVOSB

Opening Statement

House Small Business Committee

Rural Development, Energy, and Supply Chains Subcommittee Hearing

“Empowering Rural America Through Investment in Innovation”

January 21, 2026, 10:00 a.m. EST

Chairman, Ranking Member, Members of the Committee, thank you for the opportunity to testify today.

As an industry, we did not communicate early enough or often enough about our datacenter plans, and that created avoidable concerns. We didn’t clearly explain what we were building, why it mattered, or how communities would benefit and we relied on trust we hadn’t yet earned. We’re fixing it by increasing transparency, tightening our outreach, and making sure every community and stakeholder understands the mission, the safeguards, and the benefits. We know trust is earned, and you’ll see that reflected in how we engage moving forward.

My name is Kirk Offel. I’m the CEO of Overwatch, and we’re proud to be a Service-Disabled Veteran Owned Small Business. Before I ever set foot in a data center, I spent five years in the United States Navy, serving aboard the Nuclear Fast Attack Submarine USS Memphis. That experience taught me something simple: *you don’t accomplish big missions with big slogans, you accomplish them with small, highly capable teams who know how to execute.*

And that’s exactly what’s happening with the AI boom today.

Let me be blunt: small businesses are the backbone of this entire industry.

Not “a part of it.” Not “important contributors.”

I’m saying the AI boom does not happen without us. Period.

Today, more than 75% of the whole AI - infrastructure ecosystem is driven by small businesses.

We are the ones building AI factories. We are the ones pulling fiber, erecting steel, trenching conduit, fabricating components, hauling equipment, running logistics, and delivering the professional services that keep projects moving.

And as our grid gets pushed harder than ever before, it won’t be a big company flying in from out of state fixing that.

It’ll be local electricians, local line crews, local engineering firms, and local contractors, small businesses that actually understand the communities they serve.

We’re going to see new small businesses pop up in manufacturing, equipment rental, transportation, environmental services, permitting, legal, security, cleaning, maintenance, you name it. And all the indirect jobs, housing, food, retail, childcare will all grow because of this work.

We’ve seen this before.

Every major leap in American infrastructure has had the same outcome: small businesses became the biggest winners. They grew with the railroad era. They scaled during the electrification of America. They expanded through the construction of the interstate system. And they absolutely exploded during the automobile revolution. Each of those moments didn’t just change the country; they created millions of small businesses that reshaped the American workforce.

And today, we are living through what I believe is the Fifth Industrial Revolution, a revolution powered by data, by intelligence, and by the people who build and sustain the infrastructure behind it.

AI factories are no different.

They are simply the 21st-century version of those earlier transformations, and they will become the next great engine of American small-business growth.

Let me put some numbers behind that. For every **\$100 billion** we invest in building digital infrastructure, we get roughly:

- **\$800 million in tax revenue**
- **500,000 new jobs**
- **\$40 billion in labor income**
- **And a \$140 billion boost to U.S. GDP**

This isn't theory. This is basic economics playing out in real time.

Now, I want to address the concerns we all hear - **energy, water, environmental impact, and job creation.**

Look, those concerns are valid. They deserve attention. And they're being monitored closely. But the answer is not to hit the brakes. The answer is the same answer we used with railroads, electricity, cars, and roads: *govern it, guide it, and build it responsibly.*

People forget this, but the first cars were horribly inefficient, wildly polluting, incredibly dangerous, and brutal on city infrastructure. Between 1900 and 1930, gasoline consumption grew

fiftyfold. Roads were a mess. Cities were choking on fumes. Noise, pollution, congestion, every argument you hear today about data centers was made about cars.

So what did we do?

We built smarter. We built safer.

We set standards.

We improved efficiency.

It took decades for seat belts to get adopted, and even longer to become a requirement.

Progress doesn't happen because we avoid the challenge.

It happens because we take it head-on. I believe this is the American Way.

Today, we have 5,400 data centers in the U.S. The most in the world.

Hyperscale capacity has doubled in the last five years.

We're staring down \$5 trillion in construction over the next five years.

And the industry is on track to triple by the end of the decade.

And for the first time ever, we have the ability to retrofit the past, to take older facilities and make them just as efficient as the new data centers we build today.

Let me say something that I don't think gets said enough:

AI factories are the most transformational infrastructure America has ever attempted to build.

Henry Ford enabled the movement of people and goods. AI factories enable the movement of data, intelligence, and services.

And once again, they're going to create millions of small-business opportunities. Just like cars did. Just like railroads did. Just like electricity did. But here's the part that matters most, and this is where my Navy background speaks up:

If we don't build this infrastructure here...If we don't scale it...

If we don't support it with American labor and American small businesses...Those jobs and that technology are going overseas.

And they'll go to countries with worse environmental standards, less transparency, and strategic interests directly opposing ours.

This is not just an economic issue.

It is a national security issue.

So, to the Committee, I'll leave you with this:

Energy use isn't a reason to stop. It's a reason to lead.

Growth isn't a threat. It's an opportunity.

And small businesses aren't just part of this story; they are the story.

Empower them, and they will build the next generation of American infrastructure.

Fail to empower them, and we will fall behind nations that would love nothing more than to take our place.

Thank you. I look forward to your questions.