

Bill: SB0116 - Data Center Impact Analysis and Report

Hearing Date: March 25, 2025

Bill Sponsor: Senators Lewis Young and Ready

Committee: Economics Matter

Submitting: Liz Feighner for **HoCo Climate Action**

Position: Favorable

<u>HoCo Climate Action</u> is a <u>350.org</u> local chapter and a grassroots organization representing approximately 1,400 subscribers. We are also a member of the <u>Climate Justice Wing</u> of the <u>Maryland Legislative Coalition</u>.

Howard County Climate Action supports **SB0116**, **Data Center Impact Analysis and Report** which is critically important because the bill originally required an analysis of the likely environmental, energy, and economic impacts of Maryland data centers to be completed and submitted to the Governor and General Assembly.

HoCo Climate Action has been advocating for clean, renewable energy for years along with advocating for decarbonizing buildings since October 2020 and campaigned for the Climate Solutions Now Act of 2022 (CSNA). These data centers are estimated to put emissions at an additional ~8 million new MTCO2e per year. The CSNA is law and we will not be in any position to meet this mandate if we do not have a handle on this issue and study the impacts of data centers.

This bill originally directed the Department of the Environment, the Maryland Energy Administration, and the University of Maryland School of Business, in coordination with the Department of Legislative Services, to conduct an analysis of the likely environmental, energy, and economic impacts of data center development in the State and to submit a report to the Governor and the General Assembly by September 1, 2026. However, it has been amended to remove the Maryland Energy Administration and an energy analysis.

Adding planned data centers will be equivalent to doubling all the household electricity consumption in Maryland. Decisions on permitting data centers are made at the local and county level, while the impacts affect all Marylanders. The power, water, and land use requirements of hyperscale datacenters will result in a monumental transformation of any locality in which they are built and the effects will reverberate throughout the state. We must

protect taxpayers and ratepayers from skyrocketing costs while the companies that own these data centers reap all the benefits.

The study should look at the role and impact that incentives can play for the addition of new wind and solar power production and batteries for emergency backup, which can support sustainability goals. Also, since the state does not collect or report any data on data centers, we also recommend that a reporting requirement be added so that State agencies be mandated to track, plan and report data center locations, energy requirements, backup generators, new wind and solar additions and water usage.

Maryland needs to learn from Virginia's experiences – both in how to maximize benefits and how to protect ratepayers and communities in MD from the many possible negative effects.

We strongly support the bill but we think it is essential that either SB116 Data Center Impact Analysis and Report bill be amended to add back energy planning for data centers or that energy forecasts for data centers be explicitly included in SB909/HB1037 Energy Resource Adequacy and Planning Act. We also recommend that a reporting requirement be added so that State agencies be mandated to track, plan and report data center locations, energy requirements, backup generators, new wind and solar additions and water usage.

We urge a **favorable report on SB0116**.

Howard County Climate Action
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