SENATE BILL 116

M5, M3, C8

(PRE-FILED)

By: Senator Lewis Young Senators Lewis Young and Ready
Requested: September 9, 2024
Introduced and read first time: January 8, 2025
Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments
Senate action: Adopted with floor amendments
Read second time: February 24, 2025

CHAPTER _____

AN ACT concerning

Data Center Impact Analysis and Report

- FOR the purpose of requiring 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 generally relating to data centers.
- 8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 9 That:
 - (a) 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, shall conduct an analysis of the likely environmental, energy, and economic impacts of data center development in the State.
- 14 (b) The analysis shall include:

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- 15 (1) an assessment by the Department of the Environment of the potential 16 impacts of the data center industry on the natural resources of the State, including an 17 evaluation of:
 - (i) the potential impacts on air and water quality;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

- 21 (ii) the potential impacts on the State's ability to meet its bay 2 restoration goals and other environmental objectives; and 3 (iii) the availability of technologies that could mitigate the environmental impacts of data centers, and the feasibility of implementing these 4 technologies in the State: 5 6 an assessment by the Maryland Energy Administration of the potential 7 energy impacts of the data center industry, including an evaluation of: 8 (i) the energy requirements of data centers; 9 the potential impacts of the data center industry on current and forecasted energy demand and supply in the State, including how data centers will likely 10 affect future energy infrastructure needs and costs paid by ratepayers; and 11 12 (iii) the potential impacts of the data center industry on the State's 13 ability to meet greenhouse gas emissions reduction commitments and clean energy goals: 14 and an assessment by the University of Maryland School of Business, 15 $\frac{(3)}{(2)}$ in consultation with industry experts, of the potential economic and fiscal impacts of the 16 data center industry in the State, including an evaluation of: 17 18 the likely impact of data centers on State and local revenues and (i) 19 expenditures; and 20 the jobs likely to be created through the construction and (ii) 21operation of data centers. 22 (c) (1)The Department of Legislative Services shall coordinate the 23 preparation of the analysis and synthesize the assessments by the Department of the 24Environment, the Maryland Energy Administration, and the University of Maryland School of Business into a final report. 25 26 At the request of the Department of Legislative Services, other relevant (2)27 units of State government, including the Department of Natural Resources, the 28 Department of Assessments and Taxation, the Department of Commerce, the Maryland 29 Energy Administration, and the Public Service Commission, shall provide any information necessary to complete the analysis. 30
- 31 On or before September 1, 2026, the Department of Legislative Services 32 shall submit the final report to the Governor and, in accordance with § 2–1257 of the State 33 Government Article, the General Assembly.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 34 1, 2025. It shall remain effective for a period of 2 years and, at the end of June 30, 2027, 35

this Act, with no further action required by the General Assembly, shall be abrogated and

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| no further force and effect. | |
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