

Chapter 3

(House Bill 270 of the 2025 Regular Session)

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.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
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.

(b) The analysis shall include:

(1) an assessment by the Department of the Environment of the potential impacts of the data center industry on the natural resources of the State, including an evaluation of:

(i) the potential impacts on air and water quality;

(ii) the potential impacts on the State's ability to meet its bay restoration goals and other environmental objectives; and

(iii) the availability of technologies that could mitigate the environmental impacts of data centers, and the feasibility of implementing these technologies in the State;

(2) an assessment by the Maryland Energy Administration of the potential energy impacts of the data center industry, including an evaluation of:

(i) the energy requirements of data centers;

(ii) 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 affect future energy infrastructure needs and costs paid by ratepayers; and

(iii) the potential impacts of the data center industry on the State's ability to meet greenhouse gas emissions reduction commitments and clean energy goals; and

(3) an assessment by the University of Maryland School of Business, in consultation with industry experts, of the potential economic and fiscal impacts of the data center industry in the State, including an evaluation of:

(i) the likely impact of data centers on State and local revenues and expenditures; and

(ii) the jobs likely to be created through the construction and operation of data centers.

(c) (1) The Department of Legislative Services shall coordinate the preparation of the analysis and synthesize the assessments by the Department of the Environment, the Maryland Energy Administration, and the University of Maryland School of Business into a final report.

(2) At the request of the Department of Legislative Services, other relevant units of State government, including the Department of Natural Resources, the Department of Assessments and Taxation, the Department of Commerce, and the Public Service Commission, shall provide any information necessary to complete the analysis.

(3) On or before September 1, 2026, the Department of Legislative Services shall submit the final report to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025. It shall remain effective for a period of 2 years and, at the end of June 30, 2027, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Gubernatorial Veto Override, December 16, 2025.