ASSEMBLY, No. 4945

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED MAY 7, 2026

Sponsored by:
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SYNOPSIS

Requires BPU to conduct study on environmental, infrastructural, and financial impacts of data center development in State.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 5/28/2026)

AN ACT concerning data center development and supplementing Title 48 of the Revised Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. a. As used in this section:

"Board" means the Board of Public Utilities.

"Data center" means a facility: (1) whose primary services are the storage, management, and processing of digital data; (2) that is used to house computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems, systems for monitoring and managing infrastructure performance, Internet-related equipment and services, data communications connections, environmental controls, fire protection systems, and security systems and services; and (3) a total aggregate information technology load greater than one megawatt.

"Information technology load" or "IT load" means the electrical load of computing, data storage, and networking equipment within a data center, measured at the point of power delivery to the equipment.

b. No later than twelve months after the effective date of this section, the board shall conduct a study concerning the environmental, infrastructural, and financial impacts of data center development in the State and shall prepare and submit a report on the study's findings to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). The report shall include, at a minimum:

(1) information concerning the energy consumption and water usage of data centers in the State;

(2) information concerning the effect of data center development on the electric grid;

(3) information concerning the effect of data center development on air quality and noise pollution in the State;

(4) an evaluation of land usage by data centers and proposed data center projects, including the clearing of forested lands for data center development;

(5) an evaluation of any potential environmental degradation that is caused by the development of data centers, including the production of electronic waste from data centers;

(6) an evaluation of data centers' energy demand, water consumption, physical infrastructure and its effect on local power grids, local water resources, and local infrastructure;

(7) information concerning any potential public health impacts that may be associated with data center development in the State;

(8) an evaluation of the adverse fiscal impacts associated with data center development in the State, including, but not limited to, increased utility rates;

(9) an evaluation of the energy efficiency of data centers in the State, including a review of fossil fuel usage by data centers and a review of the effectiveness of using renewable energy at data centers; and

(10) a list of recommendations for legislative action or the promulgation of additional regulations to mitigate the adverse impacts of data center development on the environment, infrastructure, and utility rates in the State.

c. In conducting the study, the board shall:

(1) solicit input from interested stakeholders; and

(2) hold at least one public hearing, at such time and place as is determined by the board.

2. This act shall take effect immediately.

STATEMENT

This bill would require the Board of Public Utilities (BPU), no later than twelve months after the bill's effective date, to conduct a study and submit a report to the Governor and the Legislature concerning the environmental, infrastructural, and financial impacts of data center development in the State. The bill outlines the requirements that the BPU would be required to include in the report, at a minimum.