ASSEMBLY, No. 5397

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED SEPTEMBER 10, 2026

Sponsored by:
Assemblywoman HEATHER SIMMONS
District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

Requires data centers to submit construction phase water usage plan to DEP.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning water usage by data centers during the construction phase, and supplementing Title 58 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:

"Application for local development approval" means the application form and all accompanying documents required for approval of a subdivision plat, site plan, planned development, conditional use, zoning variance, or direction of the issuance of a permit pursuant to the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.) or R.S.40:27-1 et seq., for any use, development, or construction.

"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) that has, or is projected to have, a peak electrical load of at least 25 megawatts. "Data center" shall not include a facility that is used primarily for internal operations by a licensed health care facility or licensed health care provider so long as the facility does not operate as a commercial data processing or colocation facility for an unaffiliated entity.

"Department" means the Department of Environmental Protection.

"Public water system" means a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, if such system has at least 15 service connections or regularly serves an average of at least 25 individuals daily at least 60 days out of the year. Such term includes: (1) any collection, treatment, storage and distribution facilities under control of the operator of such system and used primarily in connection with such system, and (2) any collection or pre-treatment storage facilities not under such control which are used primarily in connection with such system.

b. Notwithstanding the provisions of any law, rule, regulation, or ordinance to the contrary, commencing no later than 12 months after the effective date of this section, an owner or operator of a data center who submits an application for local development approval for the establishment of a data center within the State shall simultaneously prepare and submit a construction phase water usage plan to the Department of Environmental Protection and the

municipality in which the data center is to be located. The water usage plan shall contain the following information, at a minimum:

(1) basic information relating to the data center, including:

(a) the name of the data center;

(b) the owner or operator of the data center;

(c) the address of the data center; and

(d) the anticipated month and year of operational commencement; and

(2) information related to the projected water usage by the data center during the construction phase, including:

(a) the source of water for the data center construction including a municipal water supply, public water system, groundwater, surface water, and whether water from such sources is potable or reclaimed. If a data center utilizes more than one water source, the data center shall provide information regarding water usage from each source as a percentage of total water usage. If a data center utilizes a public water system, the data center shall identify the public water system and any water service agreements;

(b) the estimated total water consumption;

(c) the estimated total water withdrawal;

(d) the duration of anticipated construction activities; and

(e) the potential impacts of the data center's water usage on the local municipality and its residents, including potential impacts to local drinking water supplies and quality.

c. No later than 60 days after receipt of a construction phase water usage plan, the department may provide written comments identifying significant concerns, recommendations, or best practices about the plan to the data center. If the owner or operator of the data center chooses to incorporate the department's comments, the data center shall provide the department and local municipality with an updated copy of the plan.

d. Within 180 days of receiving a construction phase water usage plan pursuant to subsection b. of this section, the department shall publish the construction phase water usage plan, and any written comments submitted to the data center, on its Internet website.

2. This act shall take effect immediately.

STATEMENT

This bill would require the owner or operator of a data center who submits an application for local development for the establishment of a data center to simultaneously prepare and submit a construction phase water usage plan to the DEP and the municipality in which the data center is to be located. The water usage plan is required to contain basic information relating to the

data center, and information related to the projected water usage, and potential impacts on local water supply and quality by the data center during the construction phase.

In addition, this bill allows the DEP to provide written comments to the proposed data center concerning the construction phase water usage plan submitted. Upon receipt of the DEP's comments, the proposed data center may amend its construction phase water usage plan to incorporate the DEP's comments. If the proposed data center has chosen to amend its construction phase water usage plan, it is required to inform the DEP of the changes to the plan and provide the DEP and local municipality with an updated copy of the plan.

Within 180 days of receiving a construction phase water usage plan, the DEP is required to publish the construction phase water usage plan and any written comments submitted to the data center on its Internet website.