

Bill: 1st substitute HB 76 – Data Center Water Policy Amendment

Sponsor: Representative Koford

Floor Sponsor:

UASD Position: Support

This Bill addresses reporting related to water use and data centers.

Discussion: Representative Koford presented the 1st substitute, which was adopted by the Committee, and explained that the Bill solidifies a framework for managing water usage of the various data centers in the state. The Bill clarifies that a ‘large’ data center is defined as 10,000 square feet or more. The Bill also requires data centers to provide a water purchase plan 180 days before construction commences and to report projected and actual water usage annually. Representative Cutler asked that the 180-day notice be shortened, explaining that excessive delays could discourage development. The Committee discussed the accuracy of using square footage as the metric for defining a large data center, the effect of the Bill on non-disclosure agreements (“NDAs”) between cities and companies, and how the Bill would impact water rights. The Director of the Division of Water Rights stated that the majority of data centers will be buying water from a provider and will not need to purchase water rights.

The Utah Rivers Council questioned if confidentiality agreements between cities and companies should be allowed and asked for complete disclosure to be added to the Bill. The Department of Water Quality and Mormon Women for Ethical Government spoke in support of the Bill. The Director of Legislative Affairs for Eagle Mountain City spoke in support and emphasized Meta’s efforts to help the city save water. One member of the public raised concerns over the report filing process. The Committee adopted House Amendment 1, which decreased the 180-day notice to 90 days.

Yeas: 8

Nays: 0

N/V: 2

Outcome: 1st substitute of HB 76, as amended, passed out of the Committee with favorable recommendation.
