

Pennsylvania Data Center Oversight Bills

Fact Sheet



Current as of July 2026. This fact sheet reviews pending Pennsylvania legislation related to data center growth, with a focus on transparency, local government capacity, workforce standards, and protections for utility ratepayers.

Why Data Centers Are a Policy Issue in Pennsylvania

The rapid rise of hyperscale, campus-like data centers is reshaping local land use decisions and state energy planning, raising questions about grid reliability, infrastructure costs, workforce standards and community impacts. In Pennsylvania — where legacy power infrastructure, water resources, and municipal zoning authorities vary widely — lawmakers are now weighing how to manage these facilities' growing footprint.

Several bills introduced during the 2025–26 legislative session aim to respond to these pressures by increasing transparency, strengthening local planning tools, and limiting the risk that data center–related costs are shifted onto residents and small businesses.

In particular, four House bills — HB2150, HB2151, HB2061, and HB1834 — represent the most comprehensive attempt to date to establish statewide guardrails for data center development, while additional proposals address siting and permitting.

HB2150: Data Center Energy and Water Reporting Requirements¹

Sponsor: Rep. Kyle Mullins

HB2150 would require each data center operating in Pennsylvania to submit an annual report to the Department of Environmental Protection (DEP) detailing its prior-year energy and water consumption. Reports must include:

- Monthly energy use totals, broken down by energy source
- Peak-load hourly electric usage
- Monthly water consumption, including maximum day demand, by water source and use (including whether used for cooling)
- Disclosures related to energy efficiency measures, pollution protections, on-site generation, waste heat production or recovery, and projected demand for the following year

DEP, in consultation with the Pennsylvania Public Utility Commission (PUC), would publish an annual statewide summary report analyzing trends, environmental impacts, and policy recommendations. Data would be aggregated and anonymized for public release, while allowing proprietary or confidential business information to be exempt from disclosure.

Reports would be due starting July 1, 2027, and annually thereafter. Noncompliance would result in a \$10,000 per day penalty, with proceeds directed to the local low-income electric customer assistance program.

Why it matters: Supporters argue that standardized reporting would give state agencies, utilities and municipalities better data to anticipate infrastructure needs and environmental impacts before

capacity constraints or service disruptions occur.

This bill was reported as amended, passed the House on April 13, 2026 by a 133–68 vote, and was referred in the Senate to the Environmental Resources & Energy Committee on April 23, 2026.

[Track this legislation.](#)

HB2151: Model Zoning Ordinance and Local Data Assistance²

Sponsor: Rep. Kyle Donahue

HB2151 would require the Center for Local Government Services to develop a model zoning ordinance for data centers within six months of the bill's effective date. The goal is to help municipalities regulate facilities whose scale and utility demands often exceed those of industrial uses and mitigate community impacts.

At minimum, the model ordinance must address:

- Building height, size limits and setback standards as to not impede on residential zones
- Landscape buffers and visual screening for facilities near residential areas
- Documentation of water, sewage and electric service needs
- Noise and vibration limits
- Emergency response planning requirements
- Parking, site design and aesthetic considerations

Upon request, the Center would also assist municipalities in clarifying policy goals and evaluating zoning changes related to data center developments. The model ordinance must be updated annually by April 1, and the Center may access executive-agency resources, with the governor's authorization, to carry out its duties. The bill would take effect immediately upon enactment.

Why it matters: Many municipalities lack the technical expertise or staff capacity to evaluate data center proposals. A state-supported model ordinance could help local governments proactively manage land use impacts while preserving local control.

This bill was reported as amended, passed the House on April 13, 2026 by a 124–77 vote, and was referred in the Senate to the Local Government Committee on April 23, 2026.

[Track this legislation.](#)

HB2061: Changes to Data Center Incentive Eligibility³

Sponsor: Rep. Elizabeth Fiedler

HB2061 would modify Pennsylvania's computer data center equipment incentive program by conditioning certification and eligibility on compliance with prevailing wage and benefit standards. For covered data center construction or site work beginning on or after July 1, 2025, contractors and subcontractors would be required to pay at least the prevailing minimum wage and benefit rates for each craft or classification, as determined under the Pennsylvania Prevailing Wage Act. This requirement would apply regardless of whether a project would otherwise fall outside the Act's coverage limitations.

Projects that meet the prevailing wage requirement would remain eligible for the program's core benefit: an exemption from Pennsylvania sales and use tax on qualifying computer data center equipment purchased by a certified owner.

Why it matters: The bill seeks to align public tax incentives with labor standards, ensuring that

subsidized data center development supports family-sustaining jobs.

This bill was referred to the House Finance Committee on Dec. 3, 2025.

[Track this legislation.](#)

HB1834: Data Center Regulation and Support Act⁴

Sponsor: Rep. Robert Matzie

HB1834 would establish a comprehensive regulatory framework for “commercial data centers,” defined in part as facilities with a peak electric demand of 25 megawatts or greater. The bill would direct the Pennsylvania Public Utility Commission (PUC) to implement regulations addressing:

- Deposits or financial security requirements
- Contributions in aid of construction for transmission and distribution infrastructure
- Minimum contract terms and load ramping schedules
- Exit or early termination fees
- Cost tracking to verify that revenues exceed associated costs
- Emergency curtailment provisions

To protect ratepayers, the bill would prohibit utilities from recovering any costs that are directly attributable to serving a commercial data center — and that would not have been incurred but for the data center’s demand — from other customers.

HB 1834 would also:

- Establish a Data Center LIHEAP Enhancement Fund
- Require annual payments into the fund on a schedule based on a facility’s tied to peak demand
- Require that utility contracts with commercial data centers include at least 25 percent renewable energy supply, as defined in the bill

Why it matters: As data centers drive large, concentrated increases in electricity demand, the bill aims to prevent cost-shifting while directing some benefits toward low-income energy assistance.

This bill passed the House on March 24, 2026 by a 104–95 vote and was referred in the Senate to the Consumer Protection & Professional Licensure Committee on March 31, 2026.

[Track this legislation.](#)

Other Pennsylvania bills and regulations that affect data centers

SB991: Data Center Siting and Permitting Act⁵

Sponsor: Sen. Camera Bartolotta

SB991 would create an accelerated environmental permitting process for data centers in Pennsylvania, administered by the Department of Environmental Protection (DEP). The bill requires DEP to identify at least 15 preapproved sites for data centers within 90 days, including at least five sites at decommissioned or soon-to-be-decommissioned power generation facilities.

DEP must conduct advance permitting work on these sites to streamline future approvals.

Developers opting into the program would follow a two-phase process:

- **Phase 1:** Limited site preparation after submission of certified project materials and payment of a \$10,000 fee

- **Phase 2:** Full construction authorization following submission of final designs and air quality permits

DEP would retain inspection and enforcement authority throughout both phases.

Participation in the accelerated process would require payment of prevailing wages for construction jobs. The program would expire in 2040, with existing projects allowed to continue.

Why it matters: Supporters may argue that this bill could speed up data center development in Pennsylvania by reducing permitting delays. At the same time, it raises important questions about whether faster approvals could limit scrutiny of environmental and community impacts, especially if local concerns are not meaningfully addressed.

This bill was referred to the Senate Environmental Resources & Energy Committee on Sept. 5, 2025.

[Track this legislation.](#)

SB724: Data Center Fair Share Act⁶

Sponsor: Sen. Lindsey Williams

SB724 would establish new requirements for large-load customers such as data centers to ensure they bear the costs their demand places on the electric grid. The bill would prohibit utilities from passing onto other ratepayers any costs directly attributable to serving a data center that would not otherwise have been incurred. It would also establish a Data Center LIHEAP Enhancement Fund to support low-income households with energy bills and require data center developers to enter into community benefits agreements with affected communities. Unlike HB1834, which creates a broader regulatory framework for commercial data centers including contract, curtailment, disclosure, and energy requirements, SB724 is more narrowly focused on cost allocation, community benefits agreements, and fairness for impacted communities and ratepayers.

Why it matters: The bill is aimed at preventing cost-shifting, supporting energy affordability, and ensuring that communities affected by data center development receive direct benefits. It was introduced in March 2026.

This bill was referred to the Senate Consumer Protection & Professional Licensure Committee on March 31, 2026.

[Track this legislation.](#)

HB2246: Data Center Water Usage Reporting Requirements⁷

Sponsor: Rep. Joe Webster

HB2246 would amend Title 27 to add covered data centers to Pennsylvania's water resources planning framework and require water usage reporting for covered data centers. The bill would require covered data centers to register with the Department of Environmental Protection (DEP) and report information about water withdrawals, water sources, and anticipated water demand. By bringing data centers into the state's existing water planning framework, the bill would give state agencies and policymakers more information about how large-scale facilities may affect regional water resources.

Why it matters: This proposal overlaps with the transparency goals of HB2150 but places particular emphasis on water resources planning and the state's ability to track large water users as data center development expands. It would help identify where new or proposed data centers could place additional pressure on local water systems, particularly in communities that may already face

infrastructure or resource constraints.

This bill passed the House on April 27, 2026, by a 116–84 vote and was referred to the Senate Environmental Resources & Energy Committee on May 1, 2026.

[Track this legislation.](#)

HB2198: Repeal of the Computer Data Center Equipment Sales Tax Exemption⁸

Sponsor: Rep. Elizabeth Fiedler

HB2198 would repeal Pennsylvania’s Computer Data Center Equipment Incentive Program, which provides a sales and use tax exemption for qualifying computer data center equipment purchased by a certified owner. Under current law, certified data center owners and tenants may qualify for tax exemptions on equipment used in data center operations. HB2198 would eliminate that incentive program rather than modify its eligibility rules or attach additional requirements.

Why it matters: Unlike HB2061, which would keep the incentive while adding labor standards, HB2198 would eliminate the underlying tax exemption. This makes it one of the most direct proposals to reconsider whether Pennsylvania should continue subsidizing data center equipment purchases, especially as policymakers weigh the public costs associated with energy demand, water use, land use, and infrastructure needs.

This bill passed the House on June 25, 2026, by a 197–5 vote and was referred to the Senate Finance Committee on June 26, 2026.

[Track this legislation.](#)

HB2496: Municipal 180-Day Pause on Data Center Proposals⁹

Sponsor: Rep. Paul Friel

HB2496 would amend the Pennsylvania Municipalities Planning Code to allow a municipality to adopt a temporary pause on accepting or considering new land development applications for data center developments. The pause would be local, not statewide, and could not exceed 180 days. During that period, municipalities could evaluate whether their zoning ordinances, land use rules, infrastructure planning, and public review processes are adequate to address proposed data center development.

Why it matters: This proposal would give municipalities time to update zoning rules, assess infrastructure needs, and consider community impacts before additional data center applications move forward. It is especially relevant for communities facing rapid development pressure but lacking the staff capacity, technical expertise, or planning tools needed to evaluate large-scale data center proposals.

This bill passed the House on June 24, 2026, by a 201–1 vote. In the Senate, it was reported as amended by the Senate Local Government Committee on June 30, 2026, and re-referred to the Rules & Executive Nominations Committee the same day.

[Track this legislation.](#)

How Other States Are Regulating Data Centers¹⁰

As data center development accelerates nationwide, states have successfully adopted a range of policies to address utility impacts, zoning oversight, and tax incentives.

- **Georgia, Ohio, Indiana, Texas and Oregon** have recently passed laws addressing utility cost sharing and protecting ratepayers from data center-related infrastructure costs.

- **Texas** allows utilities to curtail electricity service from large commercial users, like data centers, during grid emergencies.
- **Nevada** permits large energy consumers to invest in renewable energy at fixed rates rather than paying variable peak-time prices.
- **Oregon** penalizes data centers whose energy use deviates significantly from forecasted demand.
- **Arizona and Virginia** have adopted stricter local zoning requirements for data centers, including mandatory noise studies for sound mitigation measures. Virginia has also eliminated by-right zoning approvals for data centers, requiring public hearings and discretionary approvals.

Footnotes

1. Pennsylvania General Assembly, House Bill 2150, Printer's No. 2777 (2025-2026 Regular Session), bill text (HTML), accessed January 24, 2026, <https://www.palegis.us/legislation/bills/text/HTML/2025/0/HB2150/PN2777>
2. Pennsylvania General Assembly, House Bill 2151, Printer's No. 2778 (2025-2026 Regular Session), bill text (HTML), accessed January 24, 2026, <https://www.palegis.us/legislation/bills/text/HTML/2025/0/HB2151/PN2778>
3. Pennsylvania General Assembly, House Bill 2061, Printer's No. 2645 (2025-2026 Regular Session), bill text (HTML), accessed January 24, 2026, <https://www.palegis.us/legislation/bills/text/HTML/2025/0/HB2061/PN2645>
4. Pennsylvania General Assembly, House Bill 1834, Printer's No. 2257 (2025-2026 Regular Session), bill text (PDF), accessed January 24, 2026, <https://www.palegis.us/legislation/bills/text/PDF/2025/0/HB1834/PN2257>
5. Pennsylvania General Assembly, Senate Bill No.991, (2025-2026 Regular Session). <https://www.palegis.us/legislation/bills/text/PDF/2025/0/SB0991/PN1142>
6. Pennsylvania General Assembly, Senate Bill 724, (2025-2026 Regular session) [PN1555](#)
7. Pennsylvania General Assembly, House Bill 2246, (2025-2026 Regular Session) [PN2937](#)
8. Pennsylvania General Assembly, House Bill 2198, (2025-2026 Regular Session) [PN3694](#)
9. Pennsylvania General Assembly, House Bill 2496, (2025-2026 Regular Session) [PN3727](#)
10. Columbia Riverkeeper. (2025). *Attempted and Successful Measures to Regulate Data Centers in the U.S [Review of Attempted and Successful Measures to Regulate Data Centers in the U.S]*. Columbia Riverkeeper; Columbia Riverkeeper. <https://www.columbiariverkeeper.org/wp-content/uploads/2025/09/8.2025-Data-Center-Oversight-Legislative-List.pdf>