

By the Committees on Rules; and Community Affairs; and Senators Avila, Yarborough, and Gaetz

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1 A bill to be entitled
2 An act relating to data centers; creating s. 112.231,
3 F.S.; defining terms; prohibiting an agency from
4 entering into a nondisclosure agreement or other
5 contract that restricts the agency from disclosing
6 certain information to the public; providing that an
7 agreement or contract, or a provision of an agreement
8 or contract, is void and unenforceable under certain
9 circumstances; providing civil penalties; authorizing
10 the state attorney or Attorney General to bring an
11 action to collect a fine; providing applicability;
12 creating s. 163.326, F.S.; providing legislative
13 findings; specifying that local governments maintain
14 authority to exercise power and responsibility over
15 comprehensive planning and land development
16 regulations related to large load customers;
17 prohibiting a large load customer from being
18 considered an electric substation; creating s.
19 366.043, F.S.; providing legislative findings;
20 defining terms; requiring the Florida Public Service
21 Commission to develop minimum tariff and service
22 requirements for large load customers; requiring that
23 such requirements ensure that large load customers
24 bear their costs of service and that such costs are
25 not shifted to the general body of ratepayers;
26 requiring certain measures to minimize the risk of
27 nonpayment of such costs; requiring that such minimum
28 tariff and service requirements include certain
29 provisions designed to prevent a public utility from

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30 providing electric service to a large load customer
31 that is a foreign entity; prohibiting a customer from
32 separating a certain electrical load into multiple
33 smaller connections for a specified purpose;
34 authorizing the commission to include certain measures
35 in minimum tariff and service requirements;
36 prohibiting any tariff, contractual provision, service
37 requirement, or other public utility policy from
38 preventing or hindering the curtailment or
39 interruption of electric service to a large load
40 customer for certain purposes; prohibiting a public
41 utility from knowingly providing electric service to a
42 large load customer that is a foreign entity;
43 requiring the commission to adopt rules by a specified
44 date; specifying a deadline for utilities to file a
45 tariff in compliance with the final rule; amending s.
46 373.203, F.S.; defining terms; creating s. 373.262,
47 F.S.; providing legislative intent; prohibiting the
48 governing board of a water management district or the
49 Department of Environmental Protection from issuing a
50 permit for the consumptive use of water to a large-
51 scale data center under certain circumstances;
52 requiring that such permit be issued to a large-scale
53 data center applicant if the applicant establishes
54 that the proposed use of water satisfies certain
55 requirements; requiring the governing board or the
56 department to require the use of reclaimed water for a
57 large-scale data center applicant's allocation when
58 certain requirements are met; specifying requirements

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59 for certain permit applications; prohibiting the
60 approval of permit applications without a hearing;
61 amending s. 373.239, F.S.; requiring that consumptive
62 use permit modifications proposed by a large-scale
63 data center be treated in a specified manner;
64 providing an effective date.
65

66 Be It Enacted by the Legislature of the State of Florida:
67

68 Section 1. Section 112.231, Florida Statutes, is created to
69 read:

70 112.231 Data center nondisclosure agreements.—

71 (1) As used in this section, the term:

72 (a) "Agency" means any state, county, district, authority,
73 or municipal officer, public employee, department, division,
74 board, bureau, or commission, or other separate unit of
75 government created or established by law and any other public or
76 private agency, person, partnership, corporation, or business
77 entity acting on behalf of any such agency.

78 (b) "Data center" means a facility that primarily contains
79 electronic equipment used to process, store, and transmit
80 digital information, which may be:

81 1. A free-standing structure; or

82 2. A facility within a larger structure which uses
83 environmental control equipment to maintain the proper
84 conditions for the operation of electronic equipment.

85 (2) An agency may not enter into a nondisclosure agreement
86 or other contract restricting the agency from disclosing
87 information about a potential data center development to members

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88 of the public.

89 (3) An agreement or contract, or a provision of an
90 agreement or contract, that violates this section is against
91 public policy and is void and unenforceable.

92 (4) An agency that violates this section is subject to a
93 civil fine of not more than \$1,000. The state attorney of the
94 county in which the violation occurred or the Attorney General
95 may bring an action to collect the fine.

96 (5) This section applies to agreements entered into on or
97 after July 1, 2026.

98 Section 2. Section 163.326, Florida Statutes, is created to
99 read:

100 163.326 Large load customer considerations.-

101 (1) The Legislature finds that certain land uses, including
102 facilities with substantial electric or other utility demands,
103 such as data centers and other large load customers as defined
104 in s. 366.043(2)(d), may present unique planning,
105 infrastructure, and compatibility considerations. The
106 Legislature intends that such considerations shall be addressed
107 through local comprehensive planning and land development
108 regulations adopted pursuant to this chapter, including
109 provisions related to infrastructure capacity, land use
110 compatibility, environmental impacts, and the efficient
111 provision of public facilities and services.

112 (2) Local governments shall maintain the authority to
113 exercise the powers and responsibilities for comprehensive
114 planning and land development regulation granted by law with
115 respect to large load customers. A large load customer may not
116 be considered an electric substation for the purposes of s.

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117 163.3208.

118 Section 3. Section 366.043, Florida Statutes, is created to
119 read:

120 366.043 Large load tariffs for public electric utilities.-

121 (1) The Legislature finds that the provision of safe and
122 reliable electric services, provided at fair, just, and
123 reasonable rates, is essential to the welfare of the ratepayers
124 of this state. The Legislature further finds that when one class
125 of electric service customer requires uniquely large electrical
126 loads at a single location, it imposes a disproportionate risk
127 on the other ratepayers of this state and makes it necessary for
128 the commission to develop and enforce rate structures and other
129 policies for such customers which ensure such risk is mitigated
130 as much as possible and prevent shifting the costs of serving
131 large load customers to the general body of ratepayers.

132 (2) As used in this section, the term:

133 (a) "Controlled by" means having the power to direct or
134 cause the direction of the management or policies of a company,
135 whether through ownership of securities, by contract, or
136 otherwise. A person or an entity that directly or indirectly has
137 the right to vote 25 percent or more of the voting interests of
138 the company or that is entitled to 25 percent or more of its
139 profits is presumed to control the entity.

140 (b) "Foreign country of concern" has the same meaning as in
141 s. 692.201.

142 (c) "Foreign entity" means an entity that is:

143 1. Owned or controlled by the government of a foreign
144 country of concern; or

145 2. A partnership, an association, a corporation, an

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146 organization, or other combination of persons organized under
147 the laws of or having its principal place of business in a
148 foreign country of concern, or a subsidiary of such entity.

149 (d) "Large load customer" means a customer with an
150 anticipated monthly peak load of 50 megawatts or more,
151 calculated as the highest average load over a 15-minute interval
152 at a single location. This does not include a load aggregated
153 across multiple locations owned by the same customer. However,
154 it does include all customers or other entities that have
155 entered into a colocation or similar agreement at a single
156 location that otherwise meets the anticipated monthly peak load
157 provided in this paragraph.

158 (e) "Public utility" has the same meaning as in s. 366.02,
159 except that it does not include a gas utility.

160 (3) The commission shall develop minimum tariff and service
161 requirements for large load customers pursuant to all of the
162 following:

163 (a) The minimum tariff and service requirements must
164 reasonably ensure that each large load customer bears its own
165 full cost of service and that such cost is not shifted to the
166 general body of ratepayers. Such cost of service includes, but
167 is not limited to, connection, incremental transmission,
168 incremental generation, and other infrastructure costs;
169 operations and maintenance expenses; and any other costs
170 required to serve a large load customer. The risk of nonpayment
171 of such costs must be minimized to the maximum extent
172 practicable through commercially reasonable performance and
173 financial security arrangements established with the large load
174 customer, including financial guarantees sufficient to protect

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175 the public utility and its ratepayers.

176 (b) The minimum tariff and service requirements must
177 include provisions reasonably designed to prevent a public
178 utility from providing electric service to a customer that would
179 otherwise qualify as a large load customer if that customer is a
180 foreign entity.

181 (4) A customer may not separate an electrical load at a
182 single location into multiple smaller connections to avoid being
183 classified as a large load customer.

184 (5) To effectuate the requirements of subsection (3), the
185 commission may include in such requirements utility industry-
186 accepted ratemaking and other financial tools, including, but
187 not limited to, all of the following:

188 (a) Contributions in aid of construction or other required
189 customer infrastructure investments that may be returned, in
190 whole or in part, to such customers over time.

191 (b) Demand charges, including minimum demand charges.

192 (c) Incremental generation charges.

193 (d) Financial guarantees.

194 (e) Minimum load factors.

195 (f) Take-or-pay provisions or similar provisions requiring
196 payment for contracted capacity, regardless of a large load
197 customer's actual electricity use or demand.

198 (g) Minimum period of service contract requirements,
199 including early termination fees or other fees for violation of
200 such contracts.

201 (6) Any tariff, contractual provision, service requirement,
202 or other public utility policy relating to large load customers
203 may not prevent or otherwise hinder the curtailment or

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204 interruption of electric service to a large load customer where
205 such curtailment or interruption is intended to ensure grid
206 stability, reduce the likelihood or breadth of wider service
207 outages, or ensure public safety during an emergency or other
208 exceptional circumstance.

209 (7) A public utility may not knowingly provide electric
210 service to a customer that would otherwise qualify as a large
211 load customer if that customer is a foreign entity.

212 (8) The commission shall adopt rules to implement and
213 administer this section and shall propose a rule for adoption by
214 March 1, 2027.

215 (9) Within 60 days after adoption of the final rule
216 implementing this section, each public utility shall file, for
217 commission approval, a tariff that complies with the final rule.

218 Section 4. Present subsections (3) and (4) of section
219 373.203, Florida Statutes, are redesignated as subsections (5)
220 and (6), respectively, and new subsections (3) and (4) are added
221 to that section, to read:

222 373.203 Definitions.—

223 (3) "Data center" means a facility that primarily contains
224 electronic equipment used to process, store, and transmit
225 digital information, which may be:

226 (a) A free-standing structure; or

227 (b) A facility within a larger structure which uses
228 environmental control equipment to maintain the proper
229 conditions for the operation of electronic equipment.

230 (4) "Large-scale data center" means a single location, with
231 a data center on site, that has an anticipated monthly peak load
232 of 50 megawatts or more, calculated as the highest average load

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233 over a 15-minute interval. This does not include a load
234 aggregated across multiple locations owned by the same customer.
235 However, it does include all customers or other entities that
236 have entered into a colocation or similar agreement at a single
237 location that otherwise meets the anticipated monthly peak load
238 provided in this subsection.

239 Section 5. Section 373.262, Florida Statutes, is created to
240 read:

241 373.262 Large-scale data center permitting.-

242 (1) It is the intent of the Legislature that the
243 development and operation of large-scale data centers in this
244 state be managed under a permitting framework that ensures this
245 state's water resources are used in the public interest, in a
246 manner that is not harmful to the water resources of this state,
247 and consistent with local government zoning regulations and
248 comprehensive plans.

249 (2) Consistent with other provisions of this part, the
250 governing board of a water management district or the department
251 may not issue a permit to a large-scale data center applicant
252 for an allocation of water if the proposed use of the water is
253 harmful to the water resources of the area or is prohibited by
254 the applicable local government zoning regulations and
255 comprehensive plan. A permit shall be issued to a large-scale
256 data center applicant for an allocation of water if the
257 applicant establishes that the proposed use of water:

258 (a) Is a reasonable-beneficial use as defined in s.
259 373.019;

260 (b) Will not interfere with any presently existing legal
261 use of water; and

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- 262 (c) Is consistent with the public interest.
- 263 (3) The governing board or the department shall require the
264 use of reclaimed water in lieu of all or a portion of a proposed
265 use of surface water or groundwater by a large-scale data center
266 applicant when:
- 267 (a) A suitable reclaimed water supply source is available
268 and permitted;
- 269 (b) Reclaimed water distribution or supply lines are
270 available at the property boundary in sufficient capacity and
271 quality to serve the applicant's needs;
- 272 (c) The applicant is capable of accessing the reclaimed
273 water source through distribution or supply lines;
- 274 (d) Use of reclaimed water is environmentally,
275 economically, and technically feasible; and
- 276 (e) Use of reclaimed water would not conflict with the
277 requirements contained in the applicant's surface water
278 discharge permit, if applicable.
- 279 (4) (a) In addition to the requirements of s. 373.229, all
280 permit applications made under this part requesting an
281 allocation of at least an average daily flow of 100,000 gallons
282 of water per day by a large-scale data center must contain:
- 283 1. All sources and amounts of water and losses of water
284 used for cooling, industrial and treatment processes, personal
285 or sanitary needs of employees, and landscape irrigation; and
- 286 2. A water conservation plan that, at a minimum,
287 incorporates recycling cooling water before discharge or
288 disposal, implementation of a leak detection and repair program,
289 use of water efficient fixtures, and implementation of an
290 employee awareness and education program concerning water

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291 conservation.

292 (b) Notwithstanding s. 373.229(4), the governing board or
293 the department may not approve a permit application made under
294 this part by a large-scale data center without a hearing.

295 Section 6. Subsection (2) of section 373.239, Florida
296 Statutes, is amended to read:

297 373.239 Modification and renewal of permit terms.—

298 (2) If the proposed modification involves water use of
299 100,000 gallons or more per day or is proposed by a large-scale
300 data center as defined in s. 373.203, the application shall be
301 treated under the provisions of s. 373.229 in the same manner as
302 the initial permit application. Otherwise, the governing board
303 or the department may at its discretion approve the proposed
304 modification without a hearing, provided the permittee
305 establishes that:

306 (a) A change in conditions has resulted in the water
307 allowed under the permit becoming inadequate for the permittee's
308 need, or

309 (b) The proposed modification would result in a more
310 efficient utilization of water than is possible under the
311 existing permit.

312 Section 7. This act shall take effect July 1, 2026.