

By the Committee on Community Affairs; and Senators Avila and Yarborough

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A bill to be entitled

An act relating to data centers; creating s. 112.231, F.S.; defining terms; prohibiting an agency from entering into a nondisclosure agreement or other contract that restricts the agency from disclosing certain information to the public; providing that an agreement or contract, or a provision of an agreement or contract, is void and unenforceable under certain circumstances; providing civil penalties; authorizing the state attorney or Attorney General to bring an action to collect a fine; providing applicability; creating s. 163.326, F.S.; providing legislative findings; specifying that local governments maintain authority to exercise power and responsibility over comprehensive planning and land development regulations related to large load customers; creating s. 366.043, F.S.; providing legislative findings; defining terms; requiring the Florida Public Service Commission to develop minimum tariff and service requirements for large load customers; requiring that such requirements ensure that large load customers bear their costs of service and that such costs are not shifted to the general body of ratepayers; requiring that such minimum tariff and service requirements include certain provisions designed to prevent a public utility from providing electric service to a large load customer that is a foreign entity; prohibiting a customer from separating a certain electrical load into multiple smaller

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connections for a specified purpose; authorizing the commission to include certain measures in minimum tariff and service requirements; prohibiting any tariff, contractual provision, service requirement, or other public utility policy from preventing or hindering the curtailment or interruption of electric service to a large load customer for certain purposes; prohibiting a public utility from knowingly providing electric service to a large load customer that is a foreign entity; requiring the commission to adopt rules by a specified date; specifying a deadline for utilities to file a tariff in compliance with the final rule; amending s. 373.203, F.S.; defining terms; creating s. 373.262, F.S.; providing legislative intent; prohibiting the governing board of a water management district or the Department of Environmental Protection from issuing a permit for the consumptive use of water to a large-scale data center under certain circumstances; requiring that such permit be issued to a large-scale data center applicant if the applicant establishes that the proposed use of water satisfies certain requirements; requiring the governing board or the department to require the use of reclaimed water for a large-scale data center applicant's allocation when certain requirements are met; specifying requirements for certain permit applications; prohibiting the approval of permit applications without a hearing; amending s. 373.239, F.S.; requiring that consumptive use permit

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modifications proposed by a large-scale data center be treated in a specified manner; providing an effective date.

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

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

112.231 Data center nondisclosure agreements.—

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

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

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

1. A free-standing structure; or

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

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

(3) An agreement or contract, or a provision of an agreement or contract, that violates this section is against

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public policy and is void and unenforceable.

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

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

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

163.326 Large load customer considerations.—

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

(2) Local governments shall maintain the authority to exercise the powers and responsibilities for comprehensive planning and land development regulation granted by law with respect to large load customers.

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

366.043 Large load tariffs for public electric utilities.—

(1) The Legislature finds that the provision of safe and

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

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

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

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

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

138 1. Owned or controlled by the government of a foreign
139 country of concern; or

140 2. A partnership, an association, a corporation, an
141 organization, or other combination of persons organized under
142 the laws of or having its principal place of business in a
143 foreign country of concern, or a subsidiary of such entity.

144 (d) "Large load customer" means a customer with an
145 anticipated monthly peak load of 50 megawatts or more,

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146 calculated as the highest average load over a 15-minute interval
147 at a single location. This does not include a load aggregated
148 across multiple locations owned by the same customer. However,
149 it does include all customers or other entities that have
150 entered into a colocation or similar agreement at a single
151 location that otherwise meets the anticipated monthly peak load
152 provided in this paragraph.

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

155 (3) The commission shall develop minimum tariff and service
156 requirements for large load customers pursuant to all of the
157 following:

158 (a) The minimum tariff and service requirements must
159 reasonably ensure that each large load customer bears its own
160 full cost of service and that such cost is not shifted to the
161 general body of ratepayers. Such cost of service includes, but
162 is not limited to, connection, incremental transmission,
163 incremental generation, and other infrastructure costs;
164 operations and maintenance expenses; and any other costs
165 required to serve a large load customer. The risk of nonpayment
166 of such costs may not be borne by the general body of
167 ratepayers.

168 (b) The minimum tariff and service requirements must
169 include provisions reasonably designed to prevent a public
170 utility from providing electric service to a customer that would
171 otherwise qualify as a large load customer if that customer is a
172 foreign entity.

173 (4) A customer may not separate an electrical load at a
174 single location into multiple smaller connections to avoid being

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classified as a large load customer.

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

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

(b) Demand charges, including minimum demand charges.

(c) Incremental generation charges.

(d) Financial guarantees.

(e) Minimum load factors.

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

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

(6) Any tariff, contractual provision, service requirement, or other public utility policy relating to large load customers may not prevent or otherwise hinder the curtailment or interruption of electric service to a large load customer where such curtailment or interruption is intended to ensure grid stability, reduce the likelihood or breadth of wider service outages, or ensure public safety during an emergency or other exceptional circumstance.

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

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

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

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

373.203 Definitions.—

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

(a) A free-standing structure; or

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

(4) "Large-scale data center" means a single location, with a data center on site, that has an anticipated monthly peak load of 50 megawatts or more, calculated as the highest average load over a 15-minute interval. This does not include a load aggregated across multiple locations owned by the same customer. However, it does include all customers or other entities that have entered into a colocation or similar agreement at a single location that otherwise meets the anticipated monthly peak load provided in this subsection.

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

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373.262 Large-scale data center permitting.-

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

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

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

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

(c) Is consistent with the public interest.

(3) The governing board or the department shall require the use of reclaimed water in lieu of all or a portion of a proposed use of surface water or groundwater by a large-scale data center applicant when:

(a) A suitable reclaimed water supply source is available and permitted;

(b) Reclaimed water distribution or supply lines are

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available at the property boundary in sufficient capacity and quality to serve the applicant's needs;

(c) The applicant is capable of accessing the reclaimed water source through distribution or supply lines;

(d) Use of reclaimed water is environmentally, economically, and technically feasible; and

(e) Use of reclaimed water would not conflict with the requirements contained in the applicant's surface water discharge permit, if applicable.

(4)(a) In addition to the requirements of s. 373.229, all permit applications made under this part requesting an allocation of at least an average daily flow of 100,000 gallons of water per day by a large-scale data center must contain:

1. All sources and amounts of water and losses of water used for cooling, industrial and treatment processes, personal or sanitary needs of employees, and landscape irrigation; and

2. A water conservation plan that, at a minimum, incorporates recycling cooling water before discharge or disposal, implementation of a leak detection and repair program, use of water efficient fixtures, and implementation of an employee awareness and education program concerning water conservation.

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

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

373.239 Modification and renewal of permit terms.—

(2) If the proposed modification involves water use of

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100,000 gallons or more per day or is proposed by a large-scale
data center as defined in s. 373.203, the application shall be
treated under the provisions of s. 373.229 in the same manner as
the initial permit application. Otherwise, the governing board
or the department may at its discretion approve the proposed
modification without a hearing, provided the permittee
establishes that:

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

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

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