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Office

H.B. 646
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 646's Bill Analysis](#)

Version: As Reported by House Technology and Innovation

Primary Sponsors: Reps. Click and Deeter

Local Impact Statement Procedure Required: No

Francis Bediako, Economist

Highlights

- The bill has no direct fiscal effect on local governments, as it does not impose new duties, mandates, or costs on local political subdivisions.

Detailed Analysis

The bill creates the Data Center Study Commission within the Department of Development. The Commission is charged with examining a broad range of issues related to data centers, including: environmental impacts, effects on the electrical grid, including behind-the-meter electric supply and consumer utility rates, water usage, wastewater discharge, the impact on local water supply, noise and light pollution, impacts on the local economy and farmland, value to national security and artificial intelligence development, reports of foreign propaganda intended to create opposition to data centers, and any other relevant topics it determines appropriate. The Commission must submit a report of its findings and legislative recommendations. The report must include nonbinding best practices and considerations to guide local decision-making bodies.

The bill establishes the Commission within the Department of Development, and it must consist of 13 members, with three members appointed by the Governor who separately have knowledge about data center operations, agriculture, and county government; five members appointed by the Speaker of the House who separately have knowledge of rural electric cooperatives, water and environmental impacts of data centers, and townships, along with one majority party and one minority party House member; and five members appointed by the President of the Senate who separately have knowledge of municipalities, public utilities, and economic development and tax incentives, along with one majority party and one minority party Senate member. Members serve without compensation.

According to the bill, the Commission must hold its first meeting within 45 days after the effective date. The Commission must hold a minimum of four public meetings, at least two for public testimony and at least two for invited expert testimony on the topics specified in the bill. Within six months after the effective date, the Commission must submit a report of its findings and any legislative recommendations to the Governor and the General Assembly. The Commission is terminated upon submitting its report.

Fiscal effect

The bill has no direct fiscal effect on local governments. It does not require counties, municipalities, townships, school districts, or other local political subdivisions to perform new duties, incur new costs, or change existing practices. While the Commission may consider the impact of data centers on local economies, infrastructure, and land use, and may receive testimony from local officials or residents, any such participation would be voluntary and not mandated by the bill. Accordingly, the bill does not trigger additional spending, revenue changes, or administrative obligations for local governments.