

# STATE OF NEW YORK

10852

## IN ASSEMBLY

April 8, 2026

Introduced by M. of A. KELLES -- read once and referred to the Committee on Environmental Conservation

AN ACT to amend the economic development law, the general municipal law and the environmental conservation law, in relation to enacting the "stop subsidizing data centers act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "stop subsidizing data centers act".

3 § 2. Section 187 of the economic development law is amended by adding  
4 a new subdivision (h) to read as follows:

5 (h) Notwithstanding any other provision of law, no application for  
6 economic power allocation shall be approved under this section, where  
7 such allocation would be for the operation of a data center. For the  
8 purposes of this subdivision, the term "data center" means a facility  
9 primarily housing computer systems of the kind typically associated with  
10 telecommunications and/or data storage infrastructure.

11 § 3. Subdivision 11 of section 874 of the general municipal law, as  
12 added by chapter 563 of the laws of 2015, is amended and a new subdivi-  
13 sion 13 is added to read as follows:

14 (11) (a) Each agency shall develop policies for the return of all or a  
15 part of the financial assistance provided for the project, including all  
16 or part of the amount of any tax exemptions, as specified in the policy,  
17 which [~~may~~] shall include but [~~shall~~] not be limited to material short-  
18 falls in job creation, as provided under paragraph (b) of this subdivi-  
19 sion, and may include but shall not be limited to retention projections  
20 or material violations of the terms and conditions of project agree-  
21 ments. All such returned amounts of tax exemptions shall be redistrib-  
22 uted to the appropriate affected tax jurisdiction, unless agreed to  
23 otherwise by any local taxing jurisdiction.

24 (b) An agency's policy for the return of all or part of the financial  
25 assistance provided for a project for material shortfalls in job  
26 creation, developed pursuant to paragraph (a) of this subdivision, shall  
27 require that each agreement executed by such agency shall include a

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 provision under which such return of financial assistance shall be trig-  
2 gered if the recipient fails to create and maintain a specified job  
3 level within five years of project completion. Such policy shall provide  
4 for the annual submission of a certification of compliance with such  
5 specified job level until the end of such five-year period.

6 (13) (a) Financial assistance shall not be awarded for any project in  
7 an amount exceeding five hundred thousand dollars for each full-time job  
8 anticipated to be created by such project, as indicated in the project  
9 application.

10 (b) Financial assistance shall not be awarded for any project that is,  
11 upon completion, capable of consuming more than one hundred megawatts  
12 during normal operations.

13 (c) For the purposes of this subdivision, the term "financial assist-  
14 ance" shall include, but not be limited to, sales tax exemptions, mort-  
15 gage recording tax exemptions, and real property tax exemptions.

16 § 4. Subdivision 6 of section 8-0111 of the environmental conservation  
17 law, as added by chapter 612 of the laws of 1975, is amended to read as  
18 follows:

19 6. Lead Agency. When an action is to be carried out or approved by two  
20 or more agencies, the determination of whether the action may have a  
21 significant effect on the environment shall be made by the lead agency  
22 having principal responsibility for carrying out or approving such  
23 action and such agency shall prepare, or cause to be prepared by  
24 contract or otherwise, the environmental impact statement for the action  
25 if such a statement is required by this article. In the event that there  
26 is a question as to which is the lead agency, any agency may submit the  
27 question to the commissioner and the commissioner shall designate the  
28 lead agency, giving due consideration to the capacity of such agency to  
29 fulfill adequately the requirements of this article. The department  
30 shall be the mandatory lead agency for any action capable of consuming  
31 over fifty megawatts during normal operations.

32 § 5. Section 8-0109 of the environmental conservation law is amended  
33 by adding a new subdivision 10 to read as follows:

34 10. An environmental impact statement shall be prepared for any action  
35 found to be located within ten miles of a federally recognized Indian  
36 nation's territory. Prior to the preparation of such environmental  
37 impact statement, the applicant shall consult with such Indian nation,  
38 and include any comments submitted by such Indian nation pursuant to  
39 such consultation in its environmental impact statement.

40 § 6. This act shall take effect on the one hundred eightieth day after  
41 it shall have become a law. Effective immediately, the addition, amend-  
42 ment and/or repeal of any rule or regulation necessary for the implemen-  
43 tation of this act on its effective date are authorized to be made and  
44 completed on or before such effective date.