STATE OF NEW YORK

9182

IN SENATE

February 11, 2026

Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

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:

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

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

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

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

(11) **(a)** Each agency shall develop policies for the return of all or a part of the financial assistance provided for the project, including all or part of the amount of any tax exemptions, as specified in the policy, which [~~may~~] **shall** include but [~~shall~~] not be limited to material shortfalls in job creation**, as provided under paragraph (b) of this subdivision,** and **may include but shall not be limited to** retention projections or material violations of the terms and conditions of project agreements. All such returned amounts of tax exemptions shall be redistributed to the appropriate affected tax jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

(b) An agency's policy for the return of all or part of the financial assistance provided for a project for material shortfalls in job creation, developed pursuant to paragraph (a) of this subdivision, shall

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

LBD14850-01-6

require that each agreement executed by such agency shall include a provision under which such return of financial assistance shall be triggered if the recipient fails to create and maintain a specified job level within five years of project completion. Such policy shall provide for the annual submission of a certification of compliance with such specified job level until the end of such five-year period.

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

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

(c) For the purposes of this subdivision, the term "financial assistance" shall include, but not be limited to, sales tax exemptions, mortgage recording tax exemptions, and real property tax exemptions.

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

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

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

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

§ 6. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.