

STATE OF NEW YORK

10546

IN SENATE

May 20, 2026

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

AN ACT in relation to requiring host community benefits

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

1 Section 1. Host community benefit. 1. Definitions. For the purposes of
2 this act, the following terms shall have the following meanings:

3 (a) "Data center" means all facilities, or a combination of facilities,
4 ties, under common ownership at the same site, that receive service from
5 an electric corporation, gas corporation, or municipality, as defined in
6 the public service law, or have applied or requested to receive such
7 service, and have a peak demand of twenty megawatts or more that is used
8 for:

9 (i) computing infrastructure, not including manufacturing;
10 (ii) data processing services;
11 (iii) web hosting services, not including software publishing;
12 (iv) streaming support services, not including streaming distribution;
13 and
14 (v) other related services and functions as defined in rules and regulations promulgated by the commission.

15 (b) "Host community" shall mean any town or city within which a data
16 center defined in paragraph (a) of this subdivision, or any portion
17 thereof, has been proposed for development.

18 (c) "Eligible residential technologies" means:

19 (i) cold-climate heat pumps for space heating and cooling;
20 (ii) heat pump water heaters;
21 (iii) rooftop solar photovoltaic systems; and/or
22 (iv) behind-the-meter battery storage systems.

23 (d) "Utility" means an electric distribution utility corporation regulated pursuant to section 66 of the public service law.

24 2. Each new data center, or any existing data center undergoing a
25 major expansion that will meet or exceed twenty megawatts of additional
26 load, shall, pursuant to subdivision three of this section, fund a
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EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 program to: (a) provide a discount or credit on the electric utility
2 bills of the local utility's residential customers in a host community;
3 or (b) install eligible residential technologies for such customers.

4 3. The public service commission shall, within ninety days from the
5 effective date of this subdivision, commence a proceeding to establish a
6 program under which data center owners would be required to fund a
7 program to provide a discount or credit on the electric utility bills of
8 the utility's customers in a host community, or to install eligible
9 residential technologies for such customers. Such proceeding shall
10 establish a process to notify host communities and allow such community
11 to indicate whether discounts or credits on utility bills or the instal-
12 lation of any eligible residential technologies is their preferred use
13 of program funding. Such proceeding shall further determine the amount
14 of such discount, credit, or amount of eligible residential technologies
15 to be installed based on all factors deemed appropriate by the commis-
16 sion, including the expected average electrical demand of the facility,
17 the average number of customers within the data center host community,
18 and the expected aggregate annual electric consumption within such host
19 community, and shall include prioritization of low- and moderate-income
20 households and disadvantaged communities, as defined in subdivision five
21 of section 75-0101 of the environmental conservation law, and the role
22 of utilities, if any, in implementing any aspect of such program.

23 § 2. The Long Island Power Authority shall establish a program for
24 data centers within its service territory to achieve the same objectives
25 as set forth and described in section one of this act.

26 § 3. This act shall take effect on the one hundred eightieth day after
27 it shall have become a law; provided however, subdivision three of
28 section one of this act shall take effect immediately. Effective imme-
29 diately, the addition, amendment and/or repeal of any rule or regulation
30 necessary for the implementation of this act on its effective date are
31 authorized to be made and completed on or before such effective date.