

GEORGETOWN CLIMATE CENTER

Local Ordinances for Climate Adaptation & Mitigation | Oct. 2025



Local Ordinances to Help Bring Data Centers into Alignment with Climate Goals

Potential for implementation in Maryland, New York, Connecticut, and Maine

Maryland, New York, and Connecticut are all states where the recommended ordinance has the potential to help local governments alleviate the impacts of data centers on public health and the environment. The recommended ordinance is less immediately relevant to Maine, primarily because Maine is not currently facing significant data center development,¹ though this could change in the future. Maine also has large areas of “unincorporated” lands not subject to the

¹ According to Data Center Map, a privately maintained online mapping resource, Maine is currently home to just seven data centers, whereas New York hosts 143, Connecticut 60, and Maryland 44. See Data Center Map, <https://www.datacentermap.com/> (last visited July 31, 2025).

jurisdiction of any local government, limiting the geographic applicability of such an ordinance.² We have prepared an analysis of each of the other three states.

Maryland

As of October, 2025, Maryland hosts 43 data centers,³ including two hyperscale campuses currently under development.⁴ One hyperscale campus is located within Frederick County and another recently received approval to move ahead with construction from the Prince George's County Planning Board.⁵ Maryland has state-level financial incentives to promote data center development, including a sales and use tax exemption.⁶ In 2024, Maryland enacted the Critical Infrastructure Streamlining Act, which relieves data centers, along with hospitals and other "critical infrastructure," from state permitting requirements for backup generation that otherwise apply to facilities planning to construct high capacity electricity generating stations.⁷

The Express Powers Act grants county governments in Maryland broad authority to regulate planning and zoning.⁸ That law states that county governments may "enact local laws relating to

² Me. Rev. Stat. Ann. tit. 12, § 682(1), <https://www.mainelegislature.org/legis/statutes/12/title12sec682.html> (defining unorganized and deorganized townships).

³ *Maryland Data Centers Locations*, [DataCenters.com](https://www.datacenters.com/locations/united-states/maryland), <https://www.datacenters.com/locations/united-states/maryland>.

⁴ See note 25, *supra*.

⁵ Dan Swinhoe, *Lerner's Maryland Data Center Campus Could Total 820 MW*, DCD (Oct. 29, 2024), <https://www.datacenterdynamics.com/en/news/lerners-maryland-data-center-campus-could-total-820mw/>.

⁶ Md. Code Ann., Tax-Gen. § 11-239. See also, *Data Center Maryland Sales and Use Tax Exemption Incentive Program*, Maryland Department of Commerce, <https://commerce.maryland.gov/fund/data-center-maryland-sales-and-use-tax-exemption-incentive-program> (last accessed July 2025).

⁷ S.B. 474, 2024 Gen. Assemb., Reg. Sess. (Md. 2024) (enacted as 2024 Md. Laws ch. 411). See also https://www.fredericknewspost.com/news/politics_and_government/levels_of_government/state/delegates/moore-signs-critical-digital-streamlining-act-other-bills-of-interest-to-frederick-county/article_92c032aa-2915-57a5-89b7-4c31887c9728.html (discussing the bill).

⁸ See General Assembly Of Maryland Department Of Legislative Services, *Fact Sheet: Regulation of Land Use in the State*, at 3 (January, 2025), <https://dls.maryland.gov/pubs/prod/NoPblTabPDF/FactSheetRegulationLandUse.pdf>.

zoning and planning to protect and promote public safety, health, morals, and welfare.”⁹ As a result, in Maryland, it is county governments that have the potential to benefit from the recommended zoning ordinance.

New York

New York presents both challenges and opportunities for data center development. While comprehensive and reliable data on data center development is limited, a privately owned online resource called the Data Center Map, which tracks data center development across the United States, indicates that New York currently hosts 70 operating data centers.¹⁰ The State of New York provides incentives such as sales tax exemptions and property tax abatements for qualifying data centers.¹¹ New York has not yet seen a significant wave of new data center development, but there has been notable interest from developers of new medium- and large-sized data centers in Genesee¹² and Rockland Counties,¹³ among others.

New York is a home rule state where cities, towns, and villages have broad authority to pass local laws. According to New York State’s Local Government Handbook, “the home rule powers available to New York local governments are among the most far-reaching in the nation. The extent of these powers makes the local government a full partner with the state in the shared

⁹ General Assembly Of Maryland Department Of Legislative Services, *Fact Sheet: Regulation of Land Use in the State*, at 3 (January, 2025), <https://dls.maryland.gov/pubs/prod/NoPblTabPDF/FactSheetRegulationLandUse.pdf>.

¹⁰ See Data Center Map, New York Data Centers <https://www.datacentermap.com/usa/new-york/new-york/>.

¹¹ N.Y. State Dep’t of Tax’n & Fin., Tax Bulletin ST-121.9: Internet Data Centers (Mar. 10, 2011), https://www.tax.ny.gov/pubs_and_bulls/tg_bulletins/st/internet_data_centers.htm; N.Y. Tax Law §1115(a)(37)(i).

¹² Dan Swinhoe, *Stream Proposes Large Data Center in Genesee County*, New York, DCD (Mar. 4, 2024), https://www.datacenterdynamics.com/en/news/stream-proposes-large-data-center-in-genesee-county-new-york/?utm_.

¹³ Dan Swinhoe, *DataBank launches 20MW data center in Orangeburg, New York*, New York, DCD (May 24, 2025), <https://www.datacenterdynamics.com/en/news/databank-launches-20mw-data-center-in-orangeburg-new-york/#~:text=The%20company%20this%20week%20announced.center%20in%20Orangeburg%2C%20Rockland%20County.&text=Located%20at%202000%20Corporate%20Drive,five%20on%2Dsite%20carrier%20present>.

responsibility for providing services to the people.”¹⁴ State statute also grants local governments, specifically towns, cities, and villages, full authority to pass zoning and land use planning regulations.¹⁵ County governments have limited local legislative authority that depends upon whether or not a county has adopted a county charter.¹⁶ Of New York’s 62 counties, 23 have adopted charters.¹⁷ A county that has adopted a charter may also adopt local land use laws.¹⁸

New York has an environmental permitting law that may impact the pace of data center siting in the future. The State Environmental Quality Review Act (SEQRA) – a state analogue to the National Environmental Protection Act (NEPA) – requires state, local, and regional agencies to assess the environmental impacts of certain projects before issuing permits.¹⁹ In a July 2025 lawsuit focused on Genesee County, New York, Sierra Club and the Tonawanda Seneca Nation challenged a hyperscale data center development before the New York State Supreme Court on the grounds that developers and the county failed to follow SEQRA environmental review guidelines.²⁰

Connecticut

In 2021, the Connecticut State Legislature passed a package of tax incentives to promote data center development, including exemptions from property and sales taxes for data center developers that invest at least \$200 million in data centers over 20 years and those that invest at least \$400 million over 30 years.²¹ To qualify for these tax incentives, a data center developer

¹⁴ New York Local Government Handbook, Local Government Home Rule Power, https://video.dos.ny.gov/lg/handbook/html/local_government_home_rule_power.html

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ N.Y. Dept. Env’t Conservation, *State Environmental Quality Review Act (SEQRA)*, dec.ny.gov/regulatory/permits-licenses/seqr (last accessed Aug. 2025).

²⁰ Native News Online Staff, *Tonawanda Seneca Nation and Sierra Club File Litigation Challenging Environmental Review Process of Massive Data Center*, Native News Online (Apr. 17, 2024), <https://nativenewsonline.net/environment/tonawanda-seneca-nation-and-sierra-club-file-litigation-challenging-environmental-review-process-of-massive-data-center>.

²¹ Stephen Singer, *Connecticut Data Center Law Hits Snags at Local Level*, Hartford Courant (Apr. 11, 2022), <https://www.govtech.com/analytics/connecticut-data-center-law-hits-snags-at-local-level>; An Act

must enter into a host benefit fee agreement with the municipality that hosts the data center, thereby committing to fund community priorities, before the project begins construction.²²

Despite the state's relatively friendly tax environment, to date data center development in Connecticut has primarily been limited to small or midsized developments below 20 MW in and around Stamford, Connecticut.²³ Electricity costs tend to be high in the state,²⁴ which may dampen developers' interest in building large data centers there.²⁵ State lawmakers have also raised concerns that data centers could strain the reliability of the state's energy system.²⁶ With this mix of factors, significant future data center development in Connecticut is uncertain. That could change in the future, and communities should consider acting now to establish clear zoning rules for data centers, before they find themselves faced with active development proposals.

Data center development in Connecticut falls under a mix of town and state regulation. County governments were abolished by the State legislature in the 1960s, and data center development is now regulated at the town or city level.²⁷ At the state level, the Connecticut Siting Council

Concerning Incentives for Qualified Data Centers to Locate in the State, Pub. Act No. 21-1, at 2-3 (Conn. 2021), <https://www.cga.ct.gov/2021/SUM/PDF/2021SUM00001-R01HB-06514-SUM.PDF>.

²² Connecticut Office of Legislative Research Public Summary, PA-21-1 An Act Concerning Incentives For Qualified Data Centers To Locate In The State, <https://www.cga.ct.gov/2021/SUM/PDF/2021SUM00001-R01HB-06514-SUM.PDF>.

²³ https://portal.ct.gov/-/media/csc/3_petitions-medialibrary/petitions_medialibrary/mediapetitionnos1501-1600/pe1586/decisionstaffreport/pe1586_dcltr_a.pdf.

²⁴ <https://www.datacenters.com/locations/united-states/connecticut>.

²⁵ John Moritz, *For lawmakers in CT, lowering electricity costs is complicated*, CT Mirror (Jan. 25, 2025), <https://ctmirror.org/2025/01/29/ct-electric-rates-2025-legislative-debate/>.

²⁶ *IRP Notice of Processing and Scoping*, Connecticut Department of Energy and Environmental Protection, at 3 (Feb. 26, 2025), <https://portal.ct.gov/-/media/deep/energy/irp/irp-notice-of-proceeding-and-scoping.pdf> ("Data center deployment has the potential to add to this demand significantly: a single 300 megawatt (MW) data center installation could increase Connecticut's load by roughly 10%....Meeting anticipated increases in regional winter peak demand is particularly challenging because the regional electricity system is already energy constrained during peak winter times.").

²⁷ Ken Dixon, *'Concerns me greatly': How AI could strain Connecticut's electric infrastructure*, CT Insider (Jan. 9, 2025), <https://www.ctinsider.com/politics/article/ai-exacerbate-connecticut-s-aging-electricity-20023213.php>.

²⁸ Rute Pinho, County Government in Connecticut, Connecticut Office of Legislative Research, <https://www.cga.ct.gov/2015/rpt/2015-R-0274.htm> (last accessed July 2025); Judy A. Watson, Letter Regarding County Government Abolishment (Jan.30, 1998), <https://www.cga.ct.gov/PS98/rpt%5C0lr%5Chtm/98-R-0086.htm>.

(CSC) has broad jurisdiction over the siting of large electric transmission lines, electric substations, and electric generating and storage facilities.²⁸ Backup generation exceeding 1 MW requires a separate permit issued through the CSC siting process.²⁹ If data centers require significant changes to the electric grid (e.g. new substations or generating facilities), the CSC also has siting authority over that infrastructure and the associated environmental impacts.³⁰

Maine

At the time of publication, GCC was not able to identify any current proposals for large scale data centers in Maine. GCC also has not identified any local government in Maine that has adopted an ordinance that specifically regulates data centers. Maine is currently home to only a handful of data centers, the largest of which demand 3 MW from the electric grid.³¹ A large-scale data center campus on the site of the former paper mill in Millinocket was proposed in 2021, to come online in 2022, but the plan was dropped by the developer.³² Maine's Office of the Public Advocate has noted that it is unlikely data centers will be attracted to the state due to high electricity prices.³³ Data center development may prove to be particularly limited in the northern part of the state, given that in May, 2025, the Maine State Legislature passed an emergency law limiting privately operated electric generators from selling energy to data centers in northern Maine "to ensure that local sources of electricity generation are not monopolized by data

²⁸ CSC jurisdiction Defined by, Connecticut General Statutes, Title 16, Ch. 277a., Section 16-50i.

²⁹ Defined by, Connecticut General Statutes, Title 16, Ch. 277a., Section 16-50i.

³⁰ <https://portal.ct.gov/csc/common-elements/common-elements/connecticut-siting-council---description>.

³¹ Maine Data Center Market, Baxtel, <https://baxtel.com/data-center/maine?utm>.

³² Lori Valigra, *\$300M data center at former Millinocket paper mill is canceled*, Bangor Daily News (April 9, 2025), <https://www.bangordailynews.com/2025/04/09/mainefocus/mainefocus-business/300m-data-center-former-millinocket-paper-mill-canceled/>.

³³ *Testimony Neither for Nor Against LD 912, "An Act to Address the Use of Electricity by Data Centers,"* Maine Office of the Public Advocate (April, 2025), <https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/2025-04-03%20LD%20912%20An%20Act%20to%20Address%20the%20Use%20of%20Electricity%20by%20Data%20Centers.pdf> ("While it seems extremely unlikely at this point that Big Tech would want to mine cryptocurrency or build AI data centers here given the high cost of electricity in Maine, that could potentially change in the future."). See also Public Utilities Ch.31 §3143 (2)(a) ("The cost of electricity to consumers in this State is high in comparison to costs in similar markets and impedes economic development.").

centers.”³⁴ While we cannot predict the future of data center development, there has not been significant data center development thus far in Maine and various factors such as limited fiber optic and energy infrastructure may present hurdles to data center development in the state.

Conclusions

Targeted local zoning ordinances that include emissions reduction provisions have the potential to bring data center development into alignment with local climate and clean energy goals. Many of the communities we surveyed had existing clean energy goals, commitments, and implementation plans. Additionally, many local governments are taking steps right now to ensure that data center development does not upend community land use planning that is already in place. Overlay districts that guide data center development to optimal areas have become increasingly common and have been implemented or are being considered in many of the communities we surveyed.³⁵ These overlay districts can continue to serve as a framework for advancing alignment between community-level priorities and data center development, with a focus on local clean energy and climate policy.

This paper recommends that local governments take the next step by passing local ordinances that create data center opportunity zones containing provisions that require or incentivize data centers to align with local clean energy and climate goals. We recommend that local governments pass zoning overlay ordinances that require or encourage data centers to meet minimum standards for on-site energy efficiency, rooftop solar arrays, and battery storage, as well as efficiency and emissions reporting. Local governments that establish these terms as minimum requirements to receive siting approval (or accelerated siting) in opportunity zones can also make additional financial incentives available to data centers that agree to use low-carbon technologies, such as solar or wind plus storage, geothermal energy, or small modular nuclear facilities, for all on-site energy sources. By adopting these provisions, local governments can help to limit the unintended impacts of data center development on communities and the climate, advancing the type of economic growth that is sustainable over time.

³⁴ S.P. 402, 132nd Legis., 1st Special Sess. (Me. 2025), <https://www.mainelegislature.org/legis/bills/getPDF.asp?paper=SP0402&item=3&snum=132>.

³⁵ See, e.g.,

About this Research

This memo is part of the *Local Ordinances for Climate Adaptation & Mitigation* series produced by the Georgetown Climate Center with support from the Esther A. & Joseph Klingenstein Fund.

[Learn more on the Georgetown Climate Center website.](#)

Cover image: High-capacity data center at sunset. Creative Commons License.