



To: FWEA Utility Council

From: David Childs

Re: Data Center Legislation Passes Florida Legislature; Includes CUP and Reclaimed Water Use Requirements

Date: March 16, 2026

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One of the last bills to pass the 2026 Florida Legislature was [CS/CS SB 484](#), addressing state and local regulation of data centers. Much of the bill is focused on ensuring that the typically high electricity and water demands associated with large-scale data centers do not result in increased costs for Florida ratepayers. FWEA Utility Council members should particularly be aware of sections four and five of the legislation, which if signed into law, will govern data centers' consumptive use permitting and reclaimed water use.

Section 4 of the legislation amends § 373.203, Florida Statutes to add definitions relevant to regulating data centers' water use. The term "data center" is defined as a facility primarily containing electronic equipment used to process, store, or transmit digital information. The term "large-scale data center" is defined as a single site with a projected monthly peak electrical load of  $\geq 50$  megawatts, measured as the highest average load over a 15-minute interval. The 50-MW threshold targets very large facilities (e.g., hyperscale or AI data centers) that are likely to have substantial cooling-related water demand.

Section 5 of the legislation creates Florida Statutes § 373.262, which establishes new requirements for consumptive use permits (CUPs) for large-scale data centers. These requirements are generally restatements of existing laws governing water use with some enhanced requirements. This new section of the law has four main parts:

### **1. Consumptive Use Permitting Standards**

A CUP cannot issue a water-use permit if:

- The proposed water use would harm regional water resources, or
- The project violates local zoning or comprehensive plans.

The section then goes on to provide that a CUP shall be issued if standard CUP criteria are met, i.e. the use is a reasonable-beneficial use, it does not interfere with existing legal water uses, and it is consistent with the public interest.

## **2. Reclaimed Water Mandates**

The bill requires reclaimed water use when certain conditions are met:

- A permitted reclaimed water source is available,
- Distribution infrastructure is available at the site boundary,
- The data center can access it,
- Its use is environmentally, technically, and economically feasible, and
- It does not conflict with the facility's discharge permit.

As with the CUP permitting criteria, these are generally the same standards that would apply in the absence of this legislation being enacted.

## **3. Detailed Water-Use Disclosure and Conservation Plans**

If a large-scale data center requests  $\geq 100,000$  gallons per day, its CUP application must include a breakdown of all water sources and uses, including cooling, industrial processes, employee sanitation, and irrigation. The application must also include water conservation plan that addresses cooling water recycling, lead detection / repair, water-efficient fixtures, and employee water-conservation programs.

## **4. Public Hearing Requirement for Data Center CUPs**

In a departure from standard CUP processes, the bill requires that CUP applications from large-scale data centers cannot be approved without first convening a public hearing.

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If you have any questions regarding this legislation, please do not hesitate to contact David Childs at [david@ballardpartners.com](mailto:david@ballardpartners.com).