



Committee: ECON
Committee Review: At a future date
Staff: Ludeen McCartney-Green Legislative Attorney
Purpose: To receive testimony – no vote expected

AGENDA ITEM #13
June 16, 2026
Public Hearing

SUBJECT

Expedited Bill 19-26, Buildings – Moratorium on Permits for Data Centers – Established

Lead Sponsor: Councilmember Glass

EXPECTED ATTENDEES

Members of the Public

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- To receive public testimony

DESCRIPTION/ISSUE

Expedited Bill 19-26 would:

- (1) establish a temporary moratorium on permits for a data center issued by the Department of Permitting Services; and
- (2) generally amend the laws governing buildings and permitting in the County.

SUMMARY OF KEY DISCUSSION POINTS

- N/A

This report contains:

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Sponsor’s Memorandum and Proposed Amendments	© 3
Fiscal Impact Statement	© 5
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MEMORANDUM

June 11, 2026

TO: County Council

FROM: Ludeen McCartney-Green, Legislative Attorney

SUBJECT: Expedited Bill 19-26, Buildings – Moratorium on Permits for Data Centers - Established

PURPOSE: Public Hearing - no Council votes required

Expedited Bill 19-26, Buildings – Moratorium on Permits for Data Centers – Established, sponsored by Lead Sponsor Councilmember Glass, was introduced on May 5, 2026. A public hearing is scheduled for June 16, 2026. An Economic Development (ECON) committee worksession will be scheduled at a later date.

Expedited Bill 19-26 would:

- (1) establish a temporary moratorium on permits for a data center issued by the Department of Permitting Services; and
- (2) generally amend the laws governing buildings and permitting in the County.

PURPOSE

As provided in the bill text, the purpose of the legislation is to allow the County time to study, evaluate, and adopt appropriate laws, zoning requirements, or regulations governing the permitting of data centers in the County.

Councilmember Glass provided a memorandum to further clarify the bill's intent and proposed amendments to be considered at the ECON committee worksession. See sponsor's memorandum at page © 3.

BILL SPECIFICS

Expedited Bill 19-26 would temporarily prohibit the County's Department of Permitting Services (DPS) Director from accepting, reviewing, or issuing a building or grading permit for an application classified as a data center facility. Essentially, this would establish a moratorium that immediately suspends permit approval processing for six months after the bill takes effect.

This bill would apply to an application for a data center under DPS’s purview that is: 1) filed on or after the bill’s effective date; 2) pending review; or 3) approved, but a permit has not been issued.

Expedited Bill 19-26 defines a data center as a building or group of buildings used to house computer systems, computer storage equipment, and associated infrastructure that businesses or other organizations use to organize, process, store, and disseminate large amounts of data.¹

SUMMARY OF IMPACT STATEMENTS

Fiscal Impact Statement.

The Office of Management and Budget concludes that “The proposed legislation will not affect County revenues or expenditures, as it solely establishes a moratorium.”

Economic Impact, Climate Assessment, and Racial Equity and Social Justice Impact.

The Office of Legislative Oversight (OLO) did not discuss any potential impacts of Expedited Bill 19-26, as it is currently developing a report on data centers at the County Council's request.

<u>This packet contains:</u>	<u>Circle #</u>
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¹ The definition mirrors § 11-239 of the Tax General Article of the Maryland Annotated Code.

Expedited Bill No. 19-26
Concerning: Buildings – Moratorium on
Permits for Data Centers –
Established
Revised: 6/11/2026 Draft No. 3
Introduced: May 5, 2026
Expiration: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Glass

AN EXPEDITED ACT to:

- (1) establish a temporary moratorium on permits for a data center issued by the Department of Permitting Services; and
- (2) generally amend the laws governing buildings and permitting in the County.

By adding
Montgomery County Code
Chapter 8, Buildings
Section 8-25C

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1. Section 8-25C is added as follows:**

2 **8-25C. Permits for data center – moratorium.**

3 (a) *Purpose.* The purpose of this Section is to allow time for the County to
4 study, evaluate, and adopt appropriate laws, zoning requirements, or
5 regulations regarding the permitting of data centers in the County.

6 (b) *Definition.* In this Section, a *data center* means a building or group of
7 buildings used to house computer systems, computer storage
8 equipment, and associated infrastructure that businesses or other
9 organizations use to organize, process, store, and disseminate large
10 amounts of data. A *data center* does not include a Cable
11 Communications System as defined under Chapter 59 of the County’s
12 Zoning Ordinance.

13 (c) *Moratorium – established.* The Director must not accept, review, or
14 issue a building or grading permit for an application for a data center
15 during the effective period of this Section.

16 **Sec. 2. Expedited Effective Date; Transition.** The Council declares that this
17 legislation is necessary for the immediate protection of the public interest. This Act
18 takes effect on the date on which it becomes law. The amendments in Section 1 apply
19 to a conditional use application for a data center that: (1) is filed prospectively on or
20 after the effective date of this Act; (2) is pending review but not yet approved; or (3)
21 is approved but without a permit.

22 **Sec. 3. Sunset.** This Act must expire six months after its effective date, with
23 no further force or effect of law.



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

EVAN GLASS
COUNCILMEMBER AT-LARGE

TRANSPORTATION & ENVIRONMENT COMMITTEE, CHAIR
ECONOMIC DEVELOPMENT COMMITTEE

MEMORANDUM

June 10, 2026

TO: Members of the Economic Development Committee
FROM: Evan Glass, Councilmember At-Large *Evan Glass*
RE: Amendments to Expedited Bill 19-26, Buildings - Moratorium on Permits for Data Centers - Established

I want to thank our environmental and community advocates for their commitment to a sustainable and affordable Montgomery County. The surge of data centers in our region is untenable, as the Washington, D.C. region is home to the largest concentration of data centers in the world – largely because of those in Northern Virginia. Our residents are unjustifiably bearing the cost of powering data centers through skyrocketing electricity bills and the Potomac River was recently named the most endangered river in the country due to the expanding footprint of these facilities.

Residents are deeply concerned about the burden a proposed data center in Dickerson would place on our ecosystem, utilities and community. It has been my intent that this legislative moratorium applies to the Dickerson proposal, and any other hyperscale data center under consideration. My legislation, as introduced, prohibits “data centers” from receiving permits – but given that data centers are classified as “cable communication systems,” the legislation requires an amendment to more accurately reflect the intent.

Toward that end, I propose an amendment that ensures the pause would apply retroactively to conditional use applications for data centers prior to its effective date. This amendment ensures the moratorium applies to data center facilities by aligning their definition with County Code.

These amendments would help accomplish the legislative intent of this moratorium, which is to protect our residents, our environment and our electric rate payers while we take the time needed to chart a responsible path forward.

**AMENDMENTS
BY
COUNCILMEMBER GLASS**

Expedited Bill 19-26, Buildings – Moratorium on Permits for Data Centers – Established

Beginning on page 2 of the original bill, amend as follows:

1 **8-25C. Permits for data center – moratorium.**

2 * * *

3 (b) *Definition.* In this Section, a data center means a building or group of
4 buildings used to house computer systems, computer storage equipment,
5 and associated infrastructure that businesses or other organizations use to
6 organize, process, store, and disseminate large amounts of data. [[A data
7 center does not include a Cable Communications System as defined
8 under Chapter 59 of the County’s Zoning Ordinance.]]

9 * * *

10 **Sec. 2. Expedited Effective Date; Transition.** The Council declares that this
11 legislation is necessary for the immediate protection of the public interest. This Act
12 takes effect on the date on which it becomes law. The amendments in Section 1 apply
13 to a conditional use application for a data center that: (1) is filed [[prospectively]]
14 with the Office of Zoning and Administrative Hearing (OZAH) before or after the
15 effective date of this Act; (2) is pending regulatory review before OZAH but not yet
16 approved; or (3) is approved by OZAH but [[without]] a permit has not been issued
17 by the Department of Permitting Services.



Fiscal Impact Statement

Office of Management and Budget

Bill 19-26

Moratorium on Permits for Data Centers-Established

Bill Summary

Expedited Bill 19-26 would establish a temporary moratorium on the issuance of permits for data centers by the Department of Permitting and make general amendments to the County's building and permitting laws. The purpose of the legislation, as stated in the bill, is to provide the County with sufficient time to study, evaluate, and adopt appropriate laws, zoning requirements, and regulations governing the permitting of data centers.

Fiscal Impact Summary

The proposed legislation will not affect County revenues or expenditures, as it solely establishes a moratorium.

Fiscal Year	27	28	29	30	31	32	Total
Personnel Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00	

Fiscal Impact Analysis

The bill is not expected to impact County revenues or increase County expenditures.

Staff Impact

The bill is not expected to impact staff time or duties.

Actuarial Analysis

The bill is not expected to impact retiree pension or group insurance costs.

Information Technology Impact

The bill is not expected to impact the County Information Technology (IT) or Enterprise Resource Planning (ERP) systems.

Other Information

Later actions that may impact revenue or expenditures if future spending is projected

Contributors

Ehsan Motazed, Deputy Director, Department of Permitting Services
Anita Aryeetey, Lead Fiscal and Policy Analyst, Office of Management and Budget



Economic Impact Statement

Montgomery County, Maryland

Expedited Bill 19-26, Buildings – Moratorium on Permits for Data Centers – Established

Summary

The County Council has asked the Office of Legislative Oversight (OLO) to write a report on data centers. OLO's report will include a more detailed analysis of the potential impacts of new data centers in the County. As such, OLO is not able to discuss any potential impacts of Expedited Bill 19-26 at this time.

Background and Purpose of Expedited Bill 19-26

Data centers are physical facilities that house and run large computer systems. They provide infrastructure for information technology services like storing, managing, processing, and transmitting large amounts of data.¹

Expedited Bill 19-26 would establish a six-month moratorium for the County's Department of Permitting Services (DPS) to accept, review, or issue a building or grading permit for any data center facility application.

The Bill would apply to a data center application under DPS's purview that is:

- Filed on or after the Bill's effective date;
- Pending review; or
- Approved, but without a permit issued.

Expedited Bill 19-26 was introduced by the County Council on May 5, 2026.²

Information Sources, Methodologies, and Assumptions

As required by Section 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Expedited Bill 19-26 on residents and private organizations, using the Council's priority economic indicators as the measure. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.³

Because the Council has asked OLO to write a report on data centers, OLO is not able to discuss any potential impacts of Expedited Bill 19-26 at this time.

Variables

Not applicable

¹ [Library of Congress, "Data Centers and their Energy Consumption: Frequently Asked Questions", January 23, 2026.](#)

² [Montgomery County Government, Introduction Staff Report 19-26E, Introduced May 5, 2026.](#)

³ Montgomery County Code, "[Sec. 2-81B, Economic Impact Statements.](#)"

Impacts

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Not applicable

Discussion Items

Not applicable

Caveats

Two caveats to the economic impact analysis conducted here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

Contributions

Stephen Roblin, PhD (OLO) prepared this report.

Climate Assessment

Office of Legislative Oversight

EXPEDITED BILL 19-26: BUILDINGS – MORATORIUM ON PERMITS FOR DATA CENTERS - ESTABLISHED

SUMMARY

The County Council has asked the Office of Legislative Oversight (OLO) to write a report on data centers. OLO's report will include a more detailed analysis of the potential impacts of new data centers in the County. As such, OLO will not offer an analysis of the anticipated impacts of Expedited Bill 19-26.

BACKGROUND AND PURPOSE OF EXPEDITED BILL 19-26

Data centers are physical facilities that house and run large computer systems. They provide infrastructure for information technology services like storing, managing, processing, and transmitting large amounts of data.¹

Expedited Bill 19-26 would establish a six-month moratorium for the County's Department of Permitting Services (DPS) to accept, review, or issue a building or grading permit for any data center facility application.

The Bill would apply to a data center application under DPS's purview that is:

- Filed on or after the Bill's effective date;
- Pending review; or
- Approved, but without a permit issued.

Expedited Bill 19-26 was introduced by the County Council on May 5, 2026.²

ANTICIPATED IMPACTS

The County Council has asked the Office of Legislative Oversight (OLO) to write a report on data centers. OLO's report will include a more detailed analysis of the potential impacts of new data centers in the County. As such, OLO will not offer an analysis of the anticipated impacts of Expedited Bill 19-26.

RECOMMENDED AMENDMENTS

Not applicable

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help increase the County's community climate resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

¹ [Library of Congress, "Data Centers and their Energy Consumption: Frequently Asked Questions", January 23, 2026.](#)

² [Montgomery County Government, Introduction Staff Report 19-26E, Introduced May 5, 2026.](#)

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

EXPEDITED BILL 19-26: BUILDINGS - MORATORIUM ON PERMITS FOR DATA CENTERS - ESTABLISHED

SUMMARY

The County Council has asked the Office of Legislative Oversight (OLO) to write a report on data centers. OLO's report will include a more detailed analysis of the potential impacts of new data centers in the County. As such, OLO is not able to discuss any potential impacts of Expedited Bill 19-26 at this time.

PURPOSE OF RESJ IMPACT STATEMENTS

RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is essential to achieve RESJ.¹ This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.²

PURPOSE OF EXPEDITED BILL 19-26

Data centers are physical facilities that house and run large computer systems. They provide infrastructure for information technology services like storing, managing, processing, and transmitting large amounts of data.³

Expedited Bill 19-26 would establish a six-month moratorium for the County's Department of Permitting Services (DPS) to accept, review, or issue a building or grading permit for any data center facility application.⁴

The Bill would apply to a data center application under DPS's purview that is:⁵

- Filed on or after the Bill's effective date;
- Pending review; or
- Approved, but without a permit issued.

The Council introduced Expedited Bill 19-26 on May 5, 2026.

ANTICIPATED RESJ IMPACTS

The County Council has asked OLO to write a report on data centers. OLO's report will include a more detailed analysis of the potential impacts of new data centers in the County. As such, OLO is not able to discuss any potential impacts of Expedited Bill 19-26 at this time.

RECOMMENDED AMENDMENTS

The County's RESJ Act requires OLO to consider whether to recommend amendments to bills that could reduce racial and social inequities and advance RESJ.⁶ OLO did not assess the anticipated RESJ impact of Expedited Bill 19-26. As such, OLO does not offer recommended amendments.

RESJ Impact Statement

Expedited Bill 19-26

CAVEATS

Two caveats to this RESJIS should be noted. First, predicting the impact of bills on RESJ is challenging due to data limitations, uncertainty, and other factors. Second, this RESJIS is intended to inform the Council's decision-making process rather than determine it. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

¹ Definition of racial equity and social justice adopted from M. Gamblin et al., [“Applying Racial Equity to U.S. Federal Nutrition Programs,”](#) Bread for the World and [Racial Equity Tools](#).

² Ibid.

³ [“Data Centers and Their Energy Consumption: Frequently Asked Questions,”](#) Library of Congress, May 12, 2026.

⁴ [Introduction Staff Report for Expedited Bill 19-26](#), Montgomery County Council, Introduced May 5, 2025, pg. 1.

⁵ Ibid.

⁶ [Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established](#), Montgomery County Council.