

MEMORANDUM

July 20, 2026

TO: Economic Development Committee

FROM: Ludeen McCartney-Green, Legislative Attorney

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

PURPOSE: Worksession – to receive a committee recommendation

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 was held on June 16, 2026. An Economic Development (ECON) committee worksession is scheduled for July 22, 2026.

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.

BACKGROUND

Jurisdictions with a data center moratorium

There are relatively few jurisdictions that have adopted data center moratoria due to concerns about electricity demand, water use, noise pollution, land-use compatibility, and impacts on local infrastructure.

Specifically, here in Montgomery County, the County Executive issued an Executive Order (EO) on June 12, 2026, establishing a temporary six-month administrative moratorium on new data center permits. The order was intended to pause permitting while the County Council considered zoning text amendments and legislation governing data center development.¹ The EO was issued while the Council continued to weigh competing bills: Expedited Bill 19-26 and Expedited Bill 24-26 (provided a 2-year moratorium). © 13

Other jurisdictions include Prince George's County, which adopted a two-year moratorium on new data center development while evaluating long-term land use and infrastructure policies.² Queen Anne's County adopted a one-year planning moratorium while regulations are developed. New York is the first state to enact a statewide one-year moratorium for large hyperscale data centers.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.⁴

SUMMARY OF IMPACT STATEMENTS

Fiscal Impact. The Office of Management and Budget concluded 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.

¹ <https://www.montgomerycountymd.gov/news/montgomery-county-executive-marc-elrich-signs-executive-order-temporarily-pause-data-center-permitting>

² <https://pgccouncil.us/m/newsflash/home/detail/2073>

³ <https://www.governor.ny.gov/news/first-statewide-moratorium-new-hyperscale-data-centers-launched-governor-kathy-hochul>

⁴ The definition mirrors § 11-239 of the Tax General Article of the Maryland Annotated Code.

SUMMARY OF PUBLIC HEARING

A public hearing was held on June 16, 2026, on Expedited Bill 19-26. The Council also received extensive written testimony as part of the record. Written testimony can be found [here](#). Testimony was overwhelmingly in support of a moratorium.

Support centered on several interconnected concerns. Testimony emphasized the significant environmental and public health risks posed by large-scale data centers. Witnesses cited the facility's potential to draw up to two million gallons of water per day from the Potomac River at a time when the region was experiencing drought conditions. Multiple speakers noted that the Potomac supplies approximately 75% of the drinking water for the DC metro region. Second, supporters raised serious concerns about energy consumption and climate impacts, arguing that the proposed campus could draw 300 megawatts or more of electricity, require construction of new gas-fired power plants, raise residential utility bills, and add carbon emissions equivalent to roughly 200,000 additional cars, which directly undermines the county's 2035 zero-emissions goal. Supporters emphasized that current battery technology cannot provide round-the-clock clean-energy matching, making genuine 100% clean-energy commitments technically difficult to verify.

Testimony also highlighted concerns about noise and health impacts, with speakers noting that data centers emit continuous noise and that existing county ordinances are inadequate for round-the-clock industrial operations. Additional concerns were raised about air pollution from diesel backup generators, electromagnetic fields from new substations, and health risks to nearby communities.

While supportive of Bill 19-26 in general, many argued that six months is simply not enough time to develop the necessary regulatory framework and did not evaluate where in the county data centers would be compatible with existing master and sector plans. Many speakers urged the Council to merge Bills 19-26 and 24-26 into a single two-year moratorium with specific deliverables, a diverse working group, and clear milestones. Several also expressed concern that the six-month bill exempted the Dickerson site, which they argued should be covered. Environmental justice concerns were also raised, with testimony noting that data centers are disproportionately sited near low-income and historically marginalized communities, and that many of the county's industrial zones are adjacent to historically Black enclaves.

A smaller organized group testified in opposition to Bill 19-26, arguing that a regulatory framework, not a pause, is the appropriate response to concerns about data center development.

ISSUES FOR THE COMMITTEE'S DISCUSSION

1. Definition of Data Center.

To ensure the moratorium applies to pending and future data center applications, the definition should include the current use under the zoning ordinance, which is cable communications systems. Therefore, **Councilmember Glass may offer an amendment to clarify the intent of the bill and its applicability by removing the exemption, as follows:**

Definition. In this Section, a data center means 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. [[A data center does not include a Cable Communications System as defined under Chapter 59 of the County's Zoning Ordinance.]]

Decision Point #1: Whether to remove language that excludes a data center classified as a cable communication system?

- Note: The Planning, Housing, and Parks Committee is scheduled to have a worksession on ZTA 26-01, Commercial Uses – Data Center⁵ on July 22, which may impact or modify the definition of a data center. If such occurs, Council staff would recommend that, during final action, the full Council consider an amendment to Bill 19-26 that mirrors the definition adopted under ZTA 26-01. See sponsor's letter regarding “Data Center Legislation,” © 3.

2. Transition Language.

Council staff recommends, to align with the sponsor’s intent, a clarifying amendment that ensures the moratorium applies to a conditional use application for a data center filed before or after this bill goes into effect, any applications pending review before the Office of Zoning and Administrative Hearings (OZAH), or the applicant has already received approval, but a permit has not been issued by the Department of Permitting Services. This provides a broader, overarching approach to ensure that any stage before an application for a building permit is issued would fall under this moratorium. The current language as introduced refers only to applications filed “prospectively.”

Amend lines 16-21, as follows:

Sec. 2. Expedited Effective Date; Transition. The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law. The amendments in Section 1 apply to a conditional use application for a data center that: (1) is filed [[prospectively]] with the Office of Zoning and Administrative Hearing (OZAH) before or after the effective date of this Act; (2) is pending regulatory review

⁵ZTA 26-01 was introduced on January 20, 2026, by Council President Fani-González, Council Vice President Balcombe, and Councilmember Sayles. The ZTA proposes amendments to the Montgomery County Zoning Ordinance to establish “Data Center” as a defined commercial use. The ZTA also specifies the zones in which data centers may be permitted as conditional uses, establishes minimum siting and compatibility standards, and generally amends the Zoning Ordinance to regulate permissible locations and conditions for data centers in the County. 2026 Zoning Text Amendments (ZTA’s) <https://www.montgomerycountymd.gov/council/leg/zta/index.html>

before OZAH but not yet approved; or (3) is approved by OZAH but [[without]] a permit has not been issued by the Department of Permitting Services.

Decision Point #2: Whether to accept the clarifying amendments as described above?

3. Sunset clause.

At the public hearing, the Council heard from a considerable number of speakers who voiced concerns about the six-month short-term moratorium and requested that the Council consider extending the timeframe to allow more time to develop a regulatory framework. The Committee may consider the following amendment, sponsored by Council President Fani-González, Balcombe, Glass, Friedson, Luedtke, and Katz:

Amend lines 22-23, as follows:

Sec. 3. Sunset. This Act must expire [[six]] 18 months after its effective date, with no further force or effect of law.

Decision Point #3: Whether to extend the moratorium timeframe from 6 months to 18 months?

Next Steps: Whether to recommend enactment of Expedited Bill 19-26, as amended?

<u>This packet contains:</u>	<u>Circle #</u>
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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:

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

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

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

(b) *Definition.* In this Section, a *data center* means 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. A *data center* does not include a Cable Communications System as defined under Chapter 59 of the County's Zoning Ordinance.

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

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

Sec. 3. Sunset. This Act must expire six months after its effective date, with 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:

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

* * *

(b) Definition. In this Section, a data center means 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. [[A data center does not include a Cable Communications System as defined under Chapter 59 of the County’s Zoning Ordinance.]]

* * *

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



MONTGOMERY COUNTY COUNCIL

ROCKVILLE, MARYLAND

July 15, 2026

To: County Council
From: Council President Fani-González, Council Vice President Balcombe, and
Councilmember Sayles
Re: Data Center Legislation

Following extensive discussion and public input, we have concluded that the County would benefit from additional space and time to develop comprehensive safeguards on hyperscale data center siting. While we appreciate the County Executive's recent executive order that imposes a six-month moratorium, we believe this moratorium also should also be enacted through Council legislation. We also strongly believe that some measure of regulatory certainty is necessary now so all stakeholders can clearly understand the rules of the road as we work out the comprehensive approach.

Accordingly, on July 22nd the ECON Committee will meet to discuss and make recommendations on the data center moratorium bills currently before the Council (Bills 19-26 and 24-26). If the committee gives favorable consideration to a bill, it will proceed to full Council on July 28 for a worksession and action.

Secondly, we have directed staff to develop an overriding amendment to ZTA 26-01 that accomplishes two simple goals. First, it would create and define a hyperscale data center use. Second, it would prohibit this use in every zone in the county. This ZTA would serve as a bridge between the current zoning ordinance and the future ZTA that will comprehensively address all the complex issues. The PHP Committee has scheduled a worksession on ZTA 26-01 for July 22nd, during which we plan to offer the amendment.

If you have any questions or wish to discuss further, please contact our offices and Christine Wellons from central staff.



MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Data Center Permitting Pause	Executive Order No. 109-26	Subject Suffix
Department Office of the County Executive	Department No.	Effective Date 06-12-2026

ORDER DIRECTING THE DEPARTMENT OF PERMITTING SERVICES TO TEMPORARILY PAUSE ACCEPTANCE, CONSIDERATION, AND PROCESSING OF PERMIT APPLICATIONS FOR DATA CENTERS

WHEREAS, for purposes of implementing this Executive Order, “Data Center” means a building or group of buildings primarily used to house computer or network systems, computer storage equipment, servers, and associated infrastructure to store, manage, process, and transmit digital data. “Data Center” includes a use proposed by an applicant for a Cable Communications System if the proposed use consists of a building or group of buildings primarily used to house computer or network systems, computer storage equipment, servers, and associated infrastructure to store, manage, process, and transmit digital data;

WHEREAS, the Montgomery County District Council (“the Council”) introduced Zoning Text Amendment (“ZTA”) 26-01 on January 20, 2026, to permit Data Centers by conditional use only in Industrial Zones;

WHEREAS, the Council recently conducted a Public Hearing on ZTA 26-01 and received public testimony on February 24, 2026, and is expected to consider ZTA 26-01 at a future Planning, Housing, and Parks Committee Worksession;

WHEREAS, it is in the public interest for the Council to have adequate time and opportunity to fully consider, deliberate, and address the potential impact of Data Centers, including but not limited to: existing and future local energy demands; negative impacts to the surrounding environment, including wetlands, streams, rivers, flood plains, or environmentally sensitive areas; negative impacts to parks and recreational facilities; the visual impact on surrounding properties; and appropriate measures to mitigate such impacts;

WHEREAS, the potential environmental, energy, and economic impacts of data center development in the State of Maryland are also under review by the State through an on-going multi-agency assessment as enacted by the General Assembly of Maryland with a final report due on or before September 1, 2026 (*see* 2025 Maryland Laws 1st Sp. Sess. Ch. 10 (S.B. 116));

WHEREAS, a pause on the acceptance, consideration, and processing of permit applications for Data Centers by the Department of Permitting Services (“DPS”) is necessary to afford the Council such an opportunity to complete its legislative function in considering the related zoning issues and to prevent public harm;



MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Data Center Permitting Pause	Executive Order No. 109-26	Subject Suffix
Department Office of the County Executive	Department No.	Effective Date 06-12-2026

WHEREAS, Montgomery County Charter, Article II, authorizes the County Executive to exercise the executive power of the County, including the direction of DPS; and

WHEREAS, a pause of six months is in the public interest, is reasonably necessary to achieve the stated goals above, is a reasonable duration to serve the stated goals above, and is not unduly burdensome and does not impose an economic impact on potential permit applicants.

NOW, THEREFORE, by the power vested in me as County Executive for Montgomery County, Maryland, **IT IS HEREBY**:

ORDERED that beginning on the date of this order, the Department of Permitting Services must refrain from accepting, considering, and processing any permit application related to a Data Center. This order may be extended by further Executive Order for an additional period of six (6) months. This order expires at the earlier of: (1) the date that is six (6) months from the effective date of this order; or (2) such time as the County Executive rescinds this order.

This order takes effect upon the date signed by the County Executive.

Marc Elrich
County Executive

June 12, 2026

Date

Approved as to Form and Legality
Office of the County Attorney

By:

Corey E. Talcott, Chief, Division of Zoning, Land
Use & Economic Development, OCA

Date: June 11, 2026