



**Committee:** ECON  
**Committee Review:** At a future date  
**Staff:** Livhu Ndou, Senior Legislative Attorney  
**Purpose:** To receive testimony – no vote expected

AGENDA ITEM #14  
June 16, 2026  
**Public Hearing**

## SUBJECT

Expedited Bill 24-26, Buildings – Building Permits – Data Center Moratorium

Lead Sponsor: Councilmember Jawando  
Co-Sponsor: Councilmember Mink

## EXPECTED ATTENDEES

Members of the public

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- To receive testimony from the public – no vote expected

## DESCRIPTION/ISSUE

Expedited Bill 24-26, Buildings – Building Permits – Data Center Moratorium will establish a 2-year moratorium on the issuance of building permits for data centers.

## SUMMARY OF KEY DISCUSSION POINTS

- Expedited Bill 24-26, Buildings – Building Permits – Data Center Moratorium will define a data center.
- The bill will establish a 2-year moratorium on the approval of building permits for a data center. The moratorium will apply to any building permit applications that have not been approved by the effective date of this bill.
- An Economic Development (ECON) Committee worksession will be scheduled at a later date.

### **This report contains:**

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**MEMORANDUM**

June 11, 2026

TO: County Council

FROM: Livhu Ndou, Senior Legislative Attorney

SUBJECT: Expedited Bill 24-26, Buildings – Building Permits – Data Center Moratorium

PURPOSE: Public Hearing

Expedited Bill 24-26, Buildings – Building Permits – Data Center Moratorium, Lead Sponsor Councilmember Jawando, was introduced on May 12, 2026. A public hearing will be held on June 16, 2026. The bill, as introduced, would do the following:

1. The bill will define data centers 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,” consistent with the [State law definition](#).
2. The bill will prohibit the Department of Permitting Services (DPS) from issuing a building permit for a data center. This prohibition will sunset 2 years after the effective date.
3. Since the bill is expedited, it will become effective on the date on which it becomes law. The prohibition on the issuance of building permits will apply to any building permit application that has not yet been approved as of that effective date.

An Economic Development (ECON) Committee worksession will be scheduled at a later date.

This packet contains:

Expedited Bill 24-26, as introduced	© 1
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Expedited Bill No. 24-26  
Concerning: Buildings – Building Permits  
– Data Center Moratorium  
Revised: 5/6/2026 Draft No. 1  
Introduced: May 12, 2026  
Expires: December 7, 2026  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: \_\_\_\_\_  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Councilmember Jawando

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**AN EXPEDITED ACT** to:

- (1) define data centers;
- (2) establish a temporary moratorium on the issuance of building permits for a data center;  
and
- (3) generally amend the law regarding data centers.

By adding

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

<b>Boldface</b>	<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:*



# Climate Assessment

Office of Legislative Oversight

## EXPEDITED BILL 24-26: BUILDINGS – BUILDING PERMITS – DATA CENTER MORATORIUM

### 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 24-26.

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### BACKGROUND AND PURPOSE OF EXPEDITED BILL 24-26

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.<sup>1</sup>

Expedited Bill 24-26 would establish a two-year moratorium for the County's Department of Permitting Services (DPS) to issue a building permit for any data center facility.

Expedited Bill 24-26 was introduced by the County Council on May 12, 2026.<sup>2</sup>

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### 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 24-26.

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### RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.<sup>3</sup> As there is no analysis on the anticipated impacts of the Bill, OLO does not offer recommendations or amendments on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions and community climate resilience.

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## 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.

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## 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.

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## CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

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

<sup>2</sup> [Montgomery County Government, Introduction Staff Report 24-26E, Introduced May 12, 2026.](#)

<sup>3</sup> Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022

# Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

## EXPEDITED BILL 24-26: BUILDINGS - BUILDING PERMITS - DATA CENTER MORATORIUM

### SUMMARY

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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 24-26 at this time.

### PURPOSE OF RESJ IMPACT STATEMENTS

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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.<sup>1</sup> This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.<sup>2</sup>

### PURPOSE OF EXPEDITED BILL 24-26

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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.<sup>3</sup>

Expedited Bill 24-26 would establish a two-year moratorium for the County's Department of Permitting Services (DPS) to issue a building permit for any data center facility.<sup>4</sup>

The Council introduced Expedited Bill 24-26 on May 12, 2026.

### ANTICIPATED RESJ IMPACTS

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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 24-26 at this time.

### RECOMMENDED AMENDMENTS

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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.<sup>5</sup> OLO did not assess the anticipated RESJ impact of Expedited Bill 24-26. As such, OLO does not offer recommended amendments.

# RESJ Impact Statement

## Expedited Bill 24-26

### CAVEATS

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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.

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<sup>1</sup> 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](#).

<sup>2</sup> Ibid.

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

<sup>4</sup> [Introduction Staff Report for Expedited Bill 24-26](#), Montgomery County Council, Introduced May 12, 2026.

<sup>5</sup> [Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established](#), Montgomery County Council.



# Fiscal Impact Statement

Office of Management and Budget

## Bill 24-26E

## Buildings - Building Permits - Data Center Moratorium

### Bill Summary

Expedited Bill 24-26, Buildings - Building Permits - Data Center Moratorium establishes a statutory definition of "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," aligning with the State's definition. It also enacts a two-year moratorium prohibiting the Department of Permitting Services from issuing any new building permits for data centers.

### Fiscal Impact Summary

The proposed regulation will not affect County revenues or expenditures, as it primarily clarifies the definition of data centers and establishes a two-year moratorium on the issuance of building permits for data centers.

Fiscal Year	0	0	0	0	0	0	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*

The bill does not authorize future spending.

### 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 24-26, Buildings – Building Permits – Data Center Moratorium

### 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 24-26 at this time.

### Background and Purpose of Expedited Bill 24-26

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.<sup>1</sup>

Expedited Bill 24-26 would establish a two-year moratorium for the County's Department of Permitting Services (DPS) to issue a building permit for any data center facility.

Expedited Bill 24-26 was introduced by the County Council on May 12, 2026.<sup>2</sup>

### Information Sources, Methodologies, and Assumptions

As required by Section 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Bill 24-26 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.<sup>3</sup>

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 24-26 at this time.

### Variables

Not applicable

### Impacts

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

Not applicable

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

<sup>2</sup> [Montgomery County Government, Introduction Staff Report 24-26E, Introduced May 12, 2026.](#)

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

## 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.