

TEMPORARY & EXECUTED and Note to 48:2-13**LEGISLATIVE HISTORY CHECKLIST**

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LAWS OF: 2025 **CHAPTER:** 98**NJSA:** TEMPORARY & EXECUTED and Note to 48:2-13 Requires BPU to study effects of data centers on electricity costs.**BILL NO:** A5466 (Substituted for S4318 (1R))**SPONSOR(S)** Bailey, David and others**DATE INTRODUCED:** 3/17/2025**COMMITTEE:** **ASSEMBLY:** Telecommunications & Utilities**SENATE:** --**AMENDED DURING PASSAGE:** Yes**DATE OF PASSAGE:** **ASSEMBLY:** 05/22/2025**SENATE:** 06/02/2025**DATE OF APPROVAL:** 7/8/2025**FOLLOWING ARE ATTACHED IF AVAILABLE:****FINAL TEXT OF BILL** (A5466 Aca (1R) enacted)**ADVANCE LAW** Yes**PAMPHLET LAW** Yes**A5466****INTRODUCED BILL:** (Includes sponsor(s) statement) Yes**REPRINT(S):** Yes ATU 5/5/25 1R**TECHNICAL REVIEW OF BILL:** No**COMMITTEE STATEMENT:** **ASSEMBLY:** Yes**SENATE:** No(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)**FLOOR AMENDMENT STATEMENT:** No**LEGISLATIVE FISCAL ESTIMATE:** No**S4318 (1R)****INTRODUCED BILL:** (Includes sponsor(s) statement) Yes**REPRINT(S):** Yes SEG 5/22/25 1R**TECHNICAL REVIEW OF BILL:** No

COMMITTEE STATEMENT:	ASSEMBLY:	No
	SENATE:	Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No
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LEGISLATIVE FISCAL ESTIMATE:	No
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VETO MESSAGE:	No
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GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
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LEGISLATOR STATEMENT:	Yes
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FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS:	No
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HEARINGS:	No
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NEWSPAPER ARTICLES:	Yes
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Parry, Wayne, Murphy Oks bill studying data centers, Press of Atlantic City, The (NJ) - July 10, 2025 - page 6, July 10, 2025 [https://infoweb.newsbank.com/apps/news/document-view?p=NewsBank&t=state%3ANJ%21USA - New Jersey&sort=YMD_date%3AD&hide_duplicat](https://infoweb.newsbank.com/apps/news/document-view?p=NewsBank&t=state%3ANJ%21USA-NewJersey&sort=YMD_date%3AD&hide_duplicat)

CL/MMcB

P.L. 2025, CHAPTER 98, *approved July 8, 2025*
Assembly, No. 5466 (*First Reprint*)

1 **AN ACT** requiring the Board of Public Utilities to study the effects
2 of data centers on electricity ¹**【rates】 costs**¹ in the State.
3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6
7 1. a. As used in this section:
8 "Board" means the Board of Public Utilities.
9 ¹"Data center" means a facility in the region where PJM
10 operates: (1) whose primary services are the storage, management,
11 and processing of digital data; and (2) that is used to house
12 computer and network systems, including associated components
13 such as servers, network equipment and appliances,
14 telecommunications, and data storage systems, systems for
15 monitoring and managing infrastructure performance, Internet-
16 related equipment and services, data communications connections,
17 environmental controls, fire protection systems, and security
18 systems and services.¹
19 "Electric public utility" means the same as the term is defined in
20 section 3 of P.L.1999, c.23 (C.48:3-51).
21 ¹"PJM Interconnection, L.L.C." or "PJM" shall have the same
22 meaning as provided in section 3 of P.L.1999, c.23 (C.48:3-51).¹
23 ¹**【**"Data center" means a facility: (1) whose primary services are
24 the storage, management, and processing of digital data; and (2)
25 that is used to house computer and network systems, including
26 associated components such as servers, network equipment and
27 appliances, telecommunications, and data storage systems, systems
28 for monitoring and managing infrastructure performance, Internet-
29 related equipment and services, data communications connections,
30 environmental controls, fire protection systems, and security
31 systems and services.**】**¹
32 b. No later than one year ¹**【of】 after**¹ the effective date of this
33 section, the board shall carry out a study on the effect of electricity
34 usage by data centers on electricity ¹**【rates】 costs**¹ in the State. The
35 board shall:
36 (1) determine if the current allocation of costs among different
37 customer classifications of electric public utilities in the State

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
¹Assembly ATU committee amendments adopted May 5, 2025.

1 requires 'New Jersey' customers that are not data centers to
2 unreasonably subsidize the costs of customers that are data centers;

3 (2) determine whether 'New Jersey' ratepayers incur
4 unreasonable rate increases to support new transmission,
5 distribution, or generation facilities that are needed solely or
6 primarily to serve customers that are data centers;

7 (3) estimate the total current portion of the average residential
8 electricity rate 'in New Jersey' that is attributable to the demand
9 imposed by data centers;

10 (4) estimate the portion of the average residential electricity rate
11 'in New Jersey' that will be attributable to the demand imposed by
12 data centers in the next 20 years, assuming a range of likely
13 scenarios concerning the number of data centers **'[in the region]'**;
14 and

15 (5) assess various policy alternatives, including the use of a
16 special tariff to be applied to data centers 'within the State', that
17 could be used to mitigate or avoid rate increases 'in New Jersey'
18 caused by increased electricity demand by data centers.

19 c. No later than 15 months after the effective date of this
20 section, the board shall submit to the Governor, and to the
21 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),
22 a report that presents the findings of the study.

23

24 2. This act shall take effect immediately and shall expire 30
25 days after the Board of Public Utilities submits the report required
26 pursuant to subsection c. of section 1 of this act.

27

28

29

30

31 Requires BPU to study effects of data centers on electricity
32 costs.

CHAPTER 98

AN ACT requiring the Board of Public Utilities to study the effects of data centers on electricity costs in the State.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. a. As used in this section:

"Board" means the Board of Public Utilities.

"Data center" means a facility in the region where PJM operates: (1) whose primary services are the storage, management, and processing of digital data; and (2) that is used to house computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems, systems for monitoring and managing infrastructure performance, Internet-related equipment and services, data communications connections, environmental controls, fire protection systems, and security systems and services.

"Electric public utility" means the same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

"PJM Interconnection, L.L.C." or "PJM" shall have the same meaning as provided in section 3 of P.L.1999, c.23 (C.48:3-51).

b. No later than one year after the effective date of this section, the board shall carry out a study on the effect of electricity usage by data centers on electricity costs in the State. The board shall:

(1) determine if the current allocation of costs among different customer classifications of electric public utilities in the State requires New Jersey customers that are not data centers to unreasonably subsidize the costs of customers that are data centers;

(2) determine whether New Jersey ratepayers incur unreasonable rate increases to support new transmission, distribution, or generation facilities that are needed solely or primarily to serve customers that are data centers;

(3) estimate the total current portion of the average residential electricity rate in New Jersey that is attributable to the demand imposed by data centers;

(4) estimate the portion of the average residential electricity rate in New Jersey that will be attributable to the demand imposed by data centers in the next 20 years, assuming a range of likely scenarios concerning the number of data centers; and

(5) assess various policy alternatives, including the use of a special tariff to be applied to data centers within the State, that could be used to mitigate or avoid rate increases in New Jersey caused by increased electricity demand by data centers.

c. No later than 15 months after the effective date of this section, the board shall submit to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), a report that presents the findings of the study.

2. This act shall take effect immediately and shall expire 30 days after the Board of Public Utilities submits the report required pursuant to subsection c. of section 1 of this act.

Approved July 8, 2025.

ASSEMBLY, No. 5466

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 17, 2025

Sponsored by:

Assemblyman DAVID BAILEY, JR.

District 3 (Cumberland, Gloucester and Salem)

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

SYNOPSIS

Requires BPU to study effects of data centers on electricity rates.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT requiring the Board of Public Utilities to study the effects
2 of data centers on electricity rates in the State.

3

4 BE IT ENACTED *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. a. As used in this section:

8 "Board" means the Board of Public Utilities.

9 "Electric public utility" means the same as the term is defined in
10 section 3 of P.L.1999, c.23 (C.48:3-51).

11 "Data center" means a facility: (1) whose primary services are
12 the storage, management, and processing of digital data; and (2)
13 that is used to house computer and network systems, including
14 associated components such as servers, network equipment and
15 appliances, telecommunications, and data storage systems, systems
16 for monitoring and managing infrastructure performance, Internet-
17 related equipment and services, data communications connections,
18 environmental controls, fire protection systems, and security
19 systems and services.

20 b. No later than one year of the effective date of this section, the
21 board shall carry out a study on the effect of electricity usage by
22 data centers on electricity rates in the State. The board shall:

23 (1) determine if the current allocation of costs among different
24 customer classifications of electric public utilities in the State
25 requires customers that are not data centers to unreasonably
26 subsidize the costs of customers that are data centers;

27 (2) determine whether ratepayers incur unreasonable rate
28 increases to support new transmission, distribution, or generation
29 facilities that are needed solely or primarily to serve customers that
30 are data centers;

31 (3) estimate the total current portion of the average residential
32 electricity rate that is attributable to the demand imposed by data
33 centers;

34 (4) estimate the portion of the average residential electricity rate
35 that will be attributable to the demand imposed by data centers in
36 the next 20 years, assuming a range of likely scenarios concerning
37 the number of data centers in the region; and

38 (5) assess various policy alternatives, including the use of a
39 special tariff to be applied to data centers, that could be used to
40 mitigate or avoid rate increases caused by increased electricity
41 demand by data centers.

42 c. No later than 15 months after the effective date of this
43 section, the board shall submit to the Governor, and to the
44 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),
45 a report that presents the findings of the study.

1 2. This act shall take effect immediately and shall expire 30
2 days after the Board of Public Utilities submits the report required
3 pursuant to subsection c. of section 1 of this act.

4
5
6 STATEMENT
7

8 This bill would direct the Board of Public Utilities (BPU) to
9 carry out a study, within one year after the bill's enactment, on the
10 effect of electricity usage by data centers on electricity rates in the
11 State.

12 The bill would contain certain specific items to be studied by the
13 BPU, including an estimate of the portion of the average residential
14 electricity rate that will be attributable to the demand imposed by
15 data centers in the next 20 years, assuming a range of likely
16 scenarios concerning the number of data centers in the region. The
17 bill would also require the BPU to assess various policies that could
18 be used to protect ratepayers from increased costs caused by data
19 center expansion in the region. The bill would require the BPU to
20 transmit a report to the Governor and the Legislature, within 15
21 months after the bill's enactment, which presents its findings and
22 recommendations.

[First Reprint]

ASSEMBLY, No. 5466

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED MARCH 17, 2025

Sponsored by:

Assemblyman DAVID BAILEY, JR.

District 3 (Cumberland, Gloucester and Salem)

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Senator JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Assemblymen Moen, Atkins, Karabinchak, Calabrese, Stanley,

Assemblywomen Speight, Drulis, Lopez, Donlon, Peterpaul, Bagolie,

Ramirez, Senators Timberlake and Turner

SYNOPSIS

Requires BPU to study effects of data centers on electricity costs.

CURRENT VERSION OF TEXT

As reported by the Assembly Telecommunications and Utilities Committee on May 5, 2025, with amendments.

(Sponsorship Updated As Of: 6/2/2025)

1 AN ACT requiring the Board of Public Utilities to study the effects
2 of data centers on electricity ¹**[rates]** costs¹ in the State.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. a. As used in this section:

8 "Board" means the Board of Public Utilities.

9 ¹"Data center" means a facility in the region where PJM
10 operates: (1) whose primary services are the storage, management,
11 and processing of digital data; and (2) that is used to house
12 computer and network systems, including associated components
13 such as servers, network equipment and appliances,
14 telecommunications, and data storage systems, systems for
15 monitoring and managing infrastructure performance, Internet-
16 related equipment and services, data communications connections,
17 environmental controls, fire protection systems, and security
18 systems and services.¹

19 "Electric public utility" means the same as the term is defined in
20 section 3 of P.L.1999, c.23 (C.48:3-51).

21 ¹"PJM Interconnection, L.L.C." or "PJM" shall have the same
22 meaning as provided in section 3 of P.L.1999, c.23 (C.48:3-51).¹

23 ¹**["Data center" means a facility: (1) whose primary services are**
24 **the storage, management, and processing of digital data; and (2)**
25 **that is used to house computer and network systems, including**
26 **associated components such as servers, network equipment and**
27 **appliances, telecommunications, and data storage systems, systems**
28 **for monitoring and managing infrastructure performance, Internet-**
29 **related equipment and services, data communications connections,**
30 **environmental controls, fire protection systems, and security**
31 **systems and services.]**¹

32 b. No later than one year ¹**[of]** after¹ the effective date of this
33 section, the board shall carry out a study on the effect of electricity
34 usage by data centers on electricity ¹**[rates]** costs¹ in the State. The
35 board shall:

36 (1) determine if the current allocation of costs among different
37 customer classifications of electric public utilities in the State
38 requires ¹New Jersey¹ customers that are not data centers to
39 unreasonably subsidize the costs of customers that are data centers;

40 (2) determine whether ¹New Jersey¹ ratepayers incur
41 unreasonable rate increases to support new transmission,
42 distribution, or generation facilities that are needed solely or
43 primarily to serve customers that are data centers;

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ATU committee amendments adopted May 5, 2025.

- 1 (3) estimate the total current portion of the average residential
2 electricity rate 'in New Jersey'¹ that is attributable to the demand
3 imposed by data centers;
- 4 (4) estimate the portion of the average residential electricity rate
5 'in New Jersey'¹ that will be attributable to the demand imposed by
6 data centers in the next 20 years, assuming a range of likely
7 scenarios concerning the number of data centers **'[in the region]'**¹;
8 and
- 9 (5) assess various policy alternatives, including the use of a
10 special tariff to be applied to data centers 'within the State'¹, that
11 could be used to mitigate or avoid rate increases 'in New Jersey'¹
12 caused by increased electricity demand by data centers.
- 13 c. No later than 15 months after the effective date of this
14 section, the board shall submit to the Governor, and to the
15 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),
16 a report that presents the findings of the study.
17
- 18 2. This act shall take effect immediately and shall expire 30
19 days after the Board of Public Utilities submits the report required
20 pursuant to subsection c. of section 1 of this act.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES COMMITTEE

STATEMENT TO **ASSEMBLY, No. 5466**

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 5, 2025

The Assembly Telecommunications and Utilities Committee reports favorably and with committee amendments Assembly Bill No. 5466.

As amended and reported, this bill directs the Board of Public Utilities (BPU) to carry out a study, within one year after the bill's effective date, on the effect of electricity usage by data centers on electricity costs in the State.

The bill contains certain specific items to be studied by the BPU, including an estimate of the portion of the average residential electricity rate in New Jersey that will be attributable to the demand imposed by data centers in the next 20 years, assuming a range of likely scenarios concerning the number of data centers in the region where PJM operates. The bill also requires the BPU to assess various policies that could be used to mitigate or avoid rate increases in New Jersey caused by increased electricity demand by data centers in the region where PJM operates, including the use of a special tariff to be applied to data centers within the State. The bill requires the BPU to submit a report that presents the findings of the study to the Governor and the Legislature within 15 months after the bill's effective date.

COMMITTEE AMENDMENTS:

The committee amended the bill to clarify that BPU is required to study the effect of electrical usage by data centers in the region where PJM operates on electrical costs in New Jersey. The committee also made technical changes to the bill.

SENATE, No. 4318

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 12, 2025

Sponsored by:

Senator JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Requires BPU to study effects of data centers on electricity rates.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/12/2025)

1 AN ACT requiring the Board of Public Utilities to study the effects
2 of data centers on electricity rates in the State.

3

4 BE IT ENACTED *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. a. As used in this section:

8 "Board" means the Board of Public Utilities.

9 "Electric public utility" means the same as the term is defined in
10 section 3 of P.L.1999, c.23 (C.48:3-51).

11 "Data center" means a facility: (1) whose primary services are
12 the storage, management, and processing of digital data; and (2)
13 that is used to house computer and network systems, including
14 associated components such as servers, network equipment and
15 appliances, telecommunications, and data storage systems, systems
16 for monitoring and managing infrastructure performance, Internet-
17 related equipment and services, data communications connections,
18 environmental controls, fire protection systems, and security
19 systems and services.

20 b. No later than one year of the effective date of this section, the
21 board shall carry out a study on the effect of electricity usage by
22 data centers on electricity rates in the State. The board shall:

23 (1) determine if the current allocation of costs among different
24 customer classifications of electric public utilities in the State
25 requires customers that are not data centers to unreasonably
26 subsidize the costs of customers that are data centers;

27 (2) determine whether ratepayers incur unreasonable rate
28 increases to support new transmission, distribution, or generation
29 facilities that are needed solely or primarily to serve customers that
30 are data centers;

31 (3) estimate the total current portion of the average residential
32 electricity rate that is attributable to the demand imposed by data
33 centers;

34 (4) estimate the portion of the average residential electricity rate
35 that will be attributable to the demand imposed by data centers in
36 the next 20 years, assuming a range of likely scenarios concerning
37 the number of data centers in the region; and

38 (5) assess various policy alternatives, including the use of a
39 special tariff to be applied to data centers, that could be used to
40 mitigate or avoid rate increases caused by increased electricity
41 demand by data centers.

42 c. No later than 15 months after the effective date of this
43 section, the board shall submit to the Governor, and to the
44 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),
45 a report that presents the findings of the study.

1 2. This act shall take effect immediately and shall expire 30
2 days after the Board of Public Utilities submits the report required
3 pursuant to subsection c. of section 1 of this act.

4

5

6

STATEMENT

7

8 This bill would direct the Board of Public Utilities (BPU) to
9 carry out a study, within one year after the bill's enactment, on the
10 effect of electricity usage by data centers on electricity rates in the
11 State.

12 The bill would contain certain specific items to be studied by the
13 BPU, including an estimate of the portion of the average residential
14 electricity rate that will be attributable to the demand imposed by
15 data centers in the next 20 years, assuming a range of likely
16 scenarios concerning the number of data centers in the region. The
17 bill would also require the BPU to assess various policies that could
18 be used to protect ratepayers from increased costs caused by data
19 center expansion in the region. The bill would require the BPU to
20 transmit a report to the Governor and the Legislature, within 15
21 months after the bill's enactment, which presents its findings and
22 recommendations.

[First Reprint]

SENATE, No. 4318

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 12, 2025

Sponsored by:

Senator JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Senators Timberlake and Turner

SYNOPSIS

Requires BPU to study effects of data centers on electricity costs.

CURRENT VERSION OF TEXT

As reported by the Senate Economic Growth Committee on May 22, 2025, with amendments.



(Sponsorship Updated As Of: 5/29/2025)

1 AN ACT requiring the Board of Public Utilities to study the effects
2 of data centers on electricity ¹~~["rates"] costs~~¹ in the State.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. a. As used in this section:

8 "Board" means the Board of Public Utilities.

9 ¹"Data center" means a facility in the region where PJM
10 operates: (1) whose primary services are the storage, management,
11 and processing of digital data; and (2) that is used to house
12 computer and network systems, including associated components
13 such as servers, network equipment and appliances,
14 telecommunications, and data storage systems, systems for
15 monitoring and managing infrastructure performance, Internet-
16 related equipment and services, data communications connections,
17 environmental controls, fire protection systems, and security
18 systems and services.¹

19 "Electric public utility" means the same as the term is defined in
20 section 3 of P.L.1999, c.23 (C.48:3-51).

21 ¹**["Data center" means a facility: (1) whose primary services are**
22 **the storage, management, and processing of digital data; and (2)**
23 **that is used to house computer and network systems, including**
24 **associated components such as servers, network equipment and**
25 **appliances, telecommunications, and data storage systems, systems**
26 **for monitoring and managing infrastructure performance, Internet-**
27 **related equipment and services, data communications connections,**
28 **environmental controls, fire protection systems, and security**
29 **systems and services.】**

30 "PJM Interconnection, L.L.C." or "PJM" shall have the same
31 meaning as provided in section 3 of P.L.1999, c.23 (C.48:3-51).¹

32 b. No later than one year ¹~~["of"] after~~¹ the effective date of this
33 section, the board shall carry out a study on the effect of electricity
34 usage by data centers on electricity ¹~~["rates"] costs~~¹ in the State. The
35 board shall:

36 (1) determine if the current allocation of costs among different
37 customer classifications of electric public utilities in the State
38 requires ¹New Jersey¹ customers that are not data centers to
39 unreasonably subsidize the costs of customers that are data centers;

40 (2) determine whether ¹New Jersey¹ ratepayers incur
41 unreasonable rate increases to support new transmission,
42 distribution, or generation facilities that are needed solely or
43 primarily to serve customers that are data centers;

EXPLANATION – Matter enclosed in bold-faced brackets ~~["thus"]~~ in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SEG committee amendments adopted May 22, 2025.

- 1 (3) estimate the total current portion of the average residential
2 electricity rate 'in New Jersey'¹ that is attributable to the demand
3 imposed by data centers;
- 4 (4) estimate the portion of the average residential electricity rate
5 'in New Jersey'¹ that will be attributable to the demand imposed by
6 data centers in the next 20 years, assuming a range of likely
7 scenarios concerning the number of data centers **'[in the region]'**¹;
8 and
- 9 (5) assess various policy alternatives, including the use of a
10 special tariff to be applied to data centers 'within the State'¹, that
11 could be used to mitigate or avoid rate increases 'in New Jersey'¹
12 caused by increased electricity demand by data centers.
- 13 c. No later than 15 months after the effective date of this
14 section, the board shall submit to the Governor, and to the
15 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),
16 a report that presents the findings of the study.
17
- 18 2. This act shall take effect immediately and shall expire 30
19 days after the Board of Public Utilities submits the report required
20 pursuant to subsection c. of section 1 of this act.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 4318

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 22, 2025

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 4318.

As amended and reported, this bill directs the Board of Public Utilities (BPU) to carry out a study, within one year after the bill's effective date, on the effect of electricity usage by data centers on electricity costs in the State.

The bill contains certain specific items to be studied by the BPU, including an estimate of the portion of the average residential electricity rate in New Jersey that will be attributable to the demand imposed by data centers in the next 20 years, assuming a range of likely scenarios concerning the number of data centers in the region where PJM operates. The bill also requires the BPU to assess various policies that could be used to mitigate or avoid rate increases in New Jersey caused by increased electricity demand by data centers in the region where PJM operates, including the use of a special tariff to be applied to data centers within the State. The bill requires the BPU to submit a report that presents the findings of the study to the Governor and the Legislature within 15 months after the bill's effective date.

COMMITTEE AMENDMENTS:

The committee amended the bill to clarify that the BPU is required to study the effect of electrical usage by data centers in the region where PJM operates on electrical costs in New Jersey. The committee also made technical amendments to the bill.

Governor Murphy Takes Action on Legislation

Posted on - 07/8/2025

TRENTON – Today, Governor Murphy signed the following bills into law:

S-1400/A-5448 (Singleton, Zwicker/Park, Freiman) - “Uniform Partition of Heirs Property Act”; provides alternative process for handling partition actions filed in court concerning real property with multiple owners, at least one of whom had acquired title from relative

S-1439/A-3856 (Singleton, A.M. Bucco/Sampson, McClellan, Miller) - Requires health benefits coverage for additional orthotic and prosthetic appliances under certain circumstances; requires coverage for orthotic and prosthetic appliances obtained through podiatrists

S-2886/A-4015 (Greenstein, Turner/McCoy) - Requires pharmacies to provide certain information regarding insulin manufacturer assistance programs

S-3787/A-5613 (Scutari, Ruiz/Pintor Marin, Morales) - Requires municipal tax collectors who obtain payments in lieu of taxes under “Long Term Tax Exemption Law” to transmit county portion directly to county

S-3850/A-5356 (Smith, Scutari/Karabinchak, Reynolds-Jackson) - Permits county boards of elections to extend distance within which electioneering is prohibited

S-3928/A-5322 (Ruiz, Scutari/Greenwald, Sampson) - Limits general application of certain consumer contracts

S-3961/A-5263 (Ruiz, Scutari/Haider, Morales, Karabinchak) - Requires public and certain nonpublic schools to offer no-fee option to parents for making school lunch and other payments; requires payment processing platforms used by certain schools to provide users with information on user fees

S-4162/A-5469 (Turner, Ruiz/Reynolds-Jackson, Carter, Morales) - Limits use or disclosure of certain education records

A-4113/S-2155 (Carter, Atkins/Cryan, McKeon) - Prohibits sports wagering partnerships at public institutions of higher education

A-5141/S-3813 (Peterpaul, Calabrese, Donlon/Gopal, O’Scanlon) - Establishes historic distillery license; allows consumption of licensee’s products on and off licensed premises under certain circumstances

A-5466/S-4318 (Bailey, Freiman, Reynolds-Jackson/Burzichelli, Greenstein) - Requires BPU to study effects of data centers on electricity costs

A-5736/S-4532 (Bailey, Simmons, Miller/Burzichelli, McKnight) - Updates certain notification requirements in "Energy Bill Watch" program

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Bill to Shield Ratepayers from Costs Tied to Data Demand is Now Law

Bailey, Freiman, Reynolds-Jackson legislation tasks BPU with conducting study on impact of data centers on energy costs

(TRENTON) — A bill designed to protect consumers from unfair energy costs was signed into law yesterday. Sponsored by Assemblyman **Dave Bailey, Jr.**, Assemblyman **Roy Freiman**, and Assemblywoman **Verlina Reynolds-Jackson**, Bill **A5466** will require the Board of Public Utilities (BPU) to conduct a comprehensive study on how the electricity demands of data centers are influencing utility costs across the state. With data centers rapidly expanding in New Jersey, the study will help determine whether their energy use is leading to increased costs for residential and small business ratepayers.



“Data centers consume massive amounts of electricity, and we need to make sure those costs aren’t being unfairly passed on to everyday New Jersey residents,” **said Assemblyman Bailey (D-Gloucester, Salem, Cumberland)**. “This study is a smart, responsible step to get the facts and keep our utility system fair.”

“As we welcome new industries and technologies, we also need to understand their full impact on our infrastructure and economy,” **said Assemblyman Freiman (D-Hunterdon, Mercer, Middlesex, Somerset)**. “This bill will ensure that we have the data needed to make informed decisions about protecting consumers and maintaining a fair, modern energy system.”

“This is a commonsense step to make sure our most vulnerable communities aren’t left behind in the state’s energy future,” **said Assemblywoman Reynolds-Jackson (D-Hunterdon, Mercer)**. “We need a clear picture of where the pressure points are in our utility system so we can respond equitably.”

This legislation reflects the broader commitment of the Assembly Democrats to combat the energy affordability challenges facing New Jersey families.

Assemblywomen Donlon and Peterpaul Announce 13 Bills Signed Into Law This Summer

TINTON FALLS - The Governor signed 13 of Assemblywoman Margie Donlon and Assemblywoman Luanne Peterpaul's bills into law this summer.

Either Assemblywoman Donlon or Assemblywoman Peterpaul, or both, and Senator Vin Gopal, (D-Monmouth) were the prime sponsors of four of the bills and cosponsors of the remaining nine.

"Many of these bills support small businesses and protect consumers. They reflect the concerns that Legislative District 11 residents tell us are important to them, such as utility costs, as we travel around the district talking to businesses and residents," said Assemblywoman Peterpaul.



The bills on which the Assemblywomen were primary sponsors include A5768, which requires the BPU to revise community solar program targets and directs the agency to open registration by October 1, 2025 for an additional 3,000 megawatts of community solar projects. Senator Gopal was a primary sponsor of the Senate version. Another of their bills, A5141, establishes an historic distillery license to allow the manufacturing and consumption of distilled alcoholic beverages on-and-off premises under certain circumstances by a licensee on the NJ Register of Historic Places. Senator Gopal also was a primary sponsor.

"Our sponsored bills also address healthcare concerns, which are a top priority for the LD11 office, and ensure healthcare insurance is more accessible and affordable," said Donlon, who is a physician and primary sponsor of A5810, which promotes equity in the health insurance appeal process. "This bill eliminates fees for appeals against health insurance carriers that deny, reduce, or terminate benefits."

Assemblywoman Donlon and Senator Gopal also were primary sponsors of A5199, a new law that requires eligible resident and fellow physicians employed by Rutgers University, including University Hospital, and their dependents, receive coverage in the State Health Benefits Plan (SHBP) on the first day of employment.

"This legislation corrects a situation that resulted in these healthcare professionals working in hospital environments, where they are exposed to diseases, infections and other dangers, but didn't have health coverage for a period of time," Gopal said.

The LD11 legislators also cosponsored nine other bills that became the law since June 30 of this year. These bills include:

[A5792](#) - Provides for workers' compensation coverage of certain counseling services for first responders and ensures that mental health-related communications are confidential.

[A5687](#) - Establishes the "Next New Jersey Manufacturing Program" to incentivize in-state manufacturing investments and job creation.

[A5466](#) - Requires the BPU to study the effects of data centers on electricity costs.

[A5463](#) - Requires electric public utilities to submit an annual report on voting to the BPU.

[A5447](#) - Prohibits the sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.

[S4567](#) - Appropriates \$107,999,000 from constitutionally dedicated Corporate Business Tax revenues and various Green Acres funds to the DEP to make grants to local governments for open space acquisition, park development, and planning projects.

[S4476](#) - Permits awarding of contracts for certain preschool education services by resolution of the board of education; extends the maximum length of preschool education services contracts to three years. Senator Gopal was a primary sponsor in the Senate.

[S3910](#) - Makes various changes to the provision of preschool aid and facilities requirements; establishes Universal Preschool Implementation Steering Committee; requires full-day kindergarten in all school districts.

[S3711](#) - Makes annual allocations of \$500,000 from the Clean Communities Program Fund for public outreach concerning single-use plastics reduction programs permanent.