

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7858

To require the Secretary of Energy to conduct a study on the effect of data centers on communities of color and low-income communities, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 2026

Mrs. WATSON COLEMAN (for herself, Ms. TLAIB, Ms. NORTON, Ms. LEE of Pennsylvania, Mrs. FOUSHEE, Mr. COHEN, Mr. MENENDEZ, Mr. THANEDAR, and Mrs. GRIJALVA) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To require the Secretary of Energy to conduct a study on the effect of data centers on communities of color and low-income communities, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Data Center Commu-  
5       nity Impact Act”.

6       **SEC. 2. FINDINGS.**

7       Congress finds the following:

1           (1) Data centers are a significant and growing  
2 source of energy consumption in the United States,  
3 accounting for approximately 4.4 percent of total  
4 United States electricity use in 2023, with projec-  
5 tions estimating growth to between 6.7 percent and  
6 12 percent as demand for computing power and arti-  
7 ficial intelligence increases.

8           (2) The energy usage of data centers has tri-  
9 pled over the last decade and is projected to double  
10 or triple again by 2028. Water-cooling infrastructure  
11 for data centers consumed approximately 17 billion  
12 gallons of water in 2023, a figure projected to in-  
13 crease substantially by 2028, while an estimated 211  
14 billion additional gallons of water were used to gen-  
15 erate the electricity consumed by data centers.

16           (3) Communities of color, low-income commu-  
17 nities, Indian Tribes, and other vulnerable popu-  
18 lations, such as persons with disabilities, children,  
19 and the elderly, are disproportionately burdened by  
20 environmental hazards that include exposure to pol-  
21 luted air, waterways, and landscapes.

22           (4) Communities subject to environmental in-  
23 justice have been subjected to systemic racial, social,  
24 and economic injustices and face a disproportionate  
25 burden of adverse human health impacts, a higher

1 risk of intentional, unconscious, and structural dis-  
2 crimination, and disproportionate energy burdens.

3 (5) The siting and operation of data centers  
4 have raised environmental and public health con-  
5 cerns for nearby communities, including in Memphis,  
6 Tennessee, where a large-scale facility was built near  
7 a predominantly Black neighborhood already bur-  
8 dened by existing pollution issues.

9 (6) The Federal Government has a responsi-  
10 bility to protect public health and community safety  
11 pursuant to the Clean Air Act and the Federal  
12 Water Pollution Control Act (commonly referred to  
13 as the Clean Water Act), including through the eval-  
14 uation of emerging sources of environmental and en-  
15 ergy-related impacts.

16 **SEC. 3. STUDY AND REPORT ON THE EFFECT OF DATA CEN-**  
17 **TERS ON COMMUNITIES OF COLOR AND LOW-**  
18 **INCOME COMMUNITIES.**

19 (a) IN GENERAL.—The Secretary of Energy, in co-  
20 ordination with the Administrator of the Environmental  
21 Protection Agency, the Secretary of Commerce, the Chair  
22 of the Federal Energy Regulatory Commission, and the  
23 Council on Environmental Quality, shall conduct a study  
24 on the effect of data centers on communities of color and  
25 low-income communities.

1 (b) INCLUDED INFORMATION.—The study required  
2 by subsection (a) shall include the following information:

3 (1) The amount of water consumed by data  
4 centers, including how such consumption affects  
5 local water supplies and drought-prone regions.

6 (2) The amount of energy consumed by data  
7 centers, including the amount of such energy gen-  
8 erated from fossil fuels and the effect of such con-  
9 sumption on peak load on the electric grid.

10 (3) How such data centers affect air quality, in-  
11 cluding the amount of emissions from backup diesel  
12 generators and associated infrastructure operated by  
13 data centers.

14 (4) The effect of data centers on soil and land-  
15 use practices, including land-use practices relating to  
16 agriculture and local food sources.

17 (5) The effect of data centers on the electric  
18 grid, including with respect to any increase in rates  
19 for electricity.

20 (6) How the cooling processes used by data cen-  
21 ters affect wastewater systems.

22 (7) The effects of constructing and operating  
23 data centers on the creation and displacement of  
24 jobs.

1           (8) The effects of data centers on State and  
2           local tax revenue, including with respect to tax in-  
3           centives and whether benefits flow to the community  
4           in which the data center is located.

5           (9) The effects of data centers on the value of  
6           property located in nearby residential areas.

7           (10) How data centers affect public health risks  
8           related to pollution, stress on natural resources,  
9           summer heat, and heat island effects.

10          (c) CONSULTATION.—In conducting the study re-  
11         quired by subsection (a), the Secretary of Energy shall  
12         consult with relevant local government entities and Indian  
13         Tribes.

14          (d) REPORT.—Not later than the date that is 18  
15         months after the date of enactment of this section, the  
16         Secretary of Energy shall provide to Congress a report  
17         that includes—

18                 (1) an assessment of the information included  
19                 in the study required by subsection (a);

20                 (2) a map that identifies where data centers are  
21                 located relative to communities of color and low-in-  
22                 come communities;

23                 (3) recommendations for Federal coordination  
24                 on how to mitigate potential harms of data centers;  
25                 and

1           (4) proposed guidelines or recommendations for  
2           best practices that States and local government enti-  
3           ties may adopt to mitigate potential harms of data  
4           centers.

5 **SEC. 4. DEFINITIONS.**

6           In this Act:

7           (1) **COMMUNITY OF COLOR.**—The term “com-  
8           munity of color” means a geographically distinct  
9           area in which the population of any of the following  
10          categories of individuals is higher than the average  
11          population of that category for the State in which  
12          the community is located:

13                   (A) Black.

14                   (B) African American.

15                   (C) Asian.

16                   (D) Pacific Islander.

17                   (E) Hispanic.

18                   (F) Latino.

19                   (G) Middle Eastern or North African.

20          (2) **DATA CENTER.**—The term “data center”  
21          has the meaning given such term in section 453(a)  
22          of the Energy Independence and Security Act of  
23          2007 (42 U.S.C. 17112(a)).

24          (3) **INDIAN TRIBE.**—The term “Indian Tribe”  
25          has the meaning given the term “Indian tribe” in

1 section 4 of the Indian Self-Determination and Edu-  
2 cation Assistance Act (25 U.S.C. 5304).

3 (4) LOCAL GOVERNMENTAL ENTITY.—The term  
4 “local governmental entity” means any municipal  
5 government or county government with jurisdiction  
6 over local land use decisions.

7 (5) LOW-INCOME COMMUNITY.—The term “low-  
8 income community” means any census block group  
9 in which 30 percent or more of the population are  
10 individuals with an annual household income equal  
11 to, or less than, the greater of—

12 (A) an amount equal to 80 percent of the  
13 median income of the area in which the house-  
14 hold is located, as reported by the Department  
15 of Housing and Urban Development; and

16 (B) 200 percent of the Federal poverty  
17 line.

18 (6) STATE.—The term “State” includes the  
19 District of Columbia and any territory of the United  
20 States.

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