

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 4194

By: Chapman

AS INTRODUCED

An Act relating to data centers; creating the Data Center Decommissioning Act; providing a definition of data center; establishing that owners of a data center shall be responsible for proper decommissioning; clarifying it shall not be the responsibility of the state or any political subdivision to cover costs associated with decommissioning; providing proper decommissioning requirements; requiring that decommissioning shall be completed within twelve months; permitting the Oklahoma Corporation Commission to take necessary action to complete decommissioning; requiring owners of data centers to provide financial assurance; permitting contracts between a landowner and data center to include more restrictive decommissioning requirements; granting the Corporation Commission rule-making authority; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 821 of Title 17, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Data Center Decommissioning Act".

1       SECTION 2.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 821.1 of Title 17, unless there  
3 is created a duplication in numbering, reads as follows:

4       As used in this act, the term "data center" shall mean a  
5 facility that is designed to have a load of one hundred (100)  
6 megawatts or more and whose primary purpose is the storage,  
7 management, and processing of digital data via the interconnection  
8 and operation of information technology and network  
9 telecommunications equipment, including all related facilities and  
10 infrastructure for backup electricity generation, power  
11 distribution, environmental control, cooling, and security.

12       SECTION 3.       NEW LAW       A new section of law to be codified  
13 in the Oklahoma Statutes as Section 821.2 of Title 17, unless there  
14 is created a duplication in numbering, reads as follows:

15       The owner of a data center shall be responsible, at its sole  
16 expense, for the proper decommissioning of the data center upon  
17 abandonment, permanent cessation of operations, bankruptcy,  
18 insolvency, economic infeasibility, destruction by natural disaster,  
19 or the end of the useful life of the data center or its equipment.  
20 Neither the State of Oklahoma nor any political subdivision thereof  
21 shall be responsible for any costs associated with decommissioning,  
22 remediation, site restoration, or environmental cleanup of a data  
23 center.

1       SECTION 4.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 821.3 of Title 17, unless there  
3 is created a duplication in numbering, reads as follows:

4       A. Proper decommissioning of a data center shall include:

5       1. Removal of all buildings, structures, electrical  
6 substations, backup generators, fuel storage tanks, cabling,  
7 conduit, power distribution systems, cooling equipment,  
8 telecommunications equipment, foundations, concrete pads, and all  
9 other associated facilities and infrastructure to a minimum depth of  
10 thirty (30) inches below grade;

11       2. Removal and lawful disposal of all hazardous materials,  
12 fuels, coolants, batteries, and electronic waste in compliance with  
13 state and federal law;

14       3. Grading, reseeding, and restoration of all disturbed land to  
15 substantially the same physical condition that existed prior to the  
16 construction of the data center, excluding roads, unless the  
17 landowner specifically requests in writing that roads be removed and  
18 the land restored; and

19       4. Implementation of all environmental remediation necessary to  
20 eliminate contamination or pollution caused by data center  
21 operations.

22       B. 1. Decommissioning shall be completed by the owner within  
23 twelve (12) months after abandonment, closure, destruction, or  
24 permanent cessation of operations.

2. If the owner fails to complete decommissioning within the required period, the Oklahoma Corporation Commission may take any action necessary to complete decommissioning, and the owner shall remain fully liable for all costs incurred.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 821.4 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. Prior to commencing construction of any new data center in the State of Oklahoma, the owner of a data center shall provide financial assurance in a form acceptable to the Oklahoma Corporation Commission, which may include:

1. Surety bond;
2. Irrevocable letter of credit;
3. Cash escrow; or
4. Other form approved by the Corporation Commission.

B. The financial assurance shall be in an amount sufficient to cover the full cost of decommissioning, environmental remediation, and site restoration.

C. Financial assurance shall be maintained for the life of the data center and shall not be canceled, reduced, or allowed to lapse without prior approval of the Commission.

D. Financial assurance required by this section shall:

1. Be noncancelable and nonrevocable in the event of bankruptcy or insolvency;

1        2. Be payable directly to the State of Oklahoma for the sole  
2 purpose of completing decommissioning and remediation; and

3        3. Not be subject to claims of the owner's creditors or  
4 bankruptcy estate.

5        SECTION 6.        NEW LAW        A new section of law to be codified  
6 in the Oklahoma Statutes as Section 821.5 of Title 17, unless there  
7 is created a duplication in numbering, reads as follows:

8        A lease, development agreement, or other contract between a  
9 landowner and a data center owner may include decommissioning,  
10 bonding, or remediation provisions that are more restrictive than  
11 those required by this act.

12        SECTION 7.        NEW LAW        A new section of law to be codified  
13 in the Oklahoma Statutes as Section 821.6 of Title 17, unless there  
14 is created a duplication in numbering, reads as follows:

15        The Oklahoma Corporation Commission shall have rule-making  
16 authority to carry out this act.

17        SECTION 8. This act shall become effective November 1, 2026.

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