

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HB3724
Version:	POLPCS1
Request Number:	16160
Author:	Rep. Shaw
Date:	2/10/2026
Impact:	Under Review

Research Analysis

The proposed policy committee substitute 1 for HB 3724 provides definitions for the following terms:

- Agricultural land;
- Contract capacity;
- Electric utility;
- Foreign principal; and
- High-demand facility.

This measure forbids high-demand facilities from receiving any taxpayer-funded subsidy including:

- State or local tax credits;
- Rebates, refunds, or abatements;
- Grants or forgivable loans;
- Tax increment financing;
- Sales, use, ad valorem, or income tax exemptions; and
- Any incentive funded in whole or in part by public funds.

This measure prohibits public infrastructure investments made primarily to serve a high-demand facility. Counties, municipalities, or other political subdivisions may prohibit by ordinance or resolution the construction, siting, expansion, or operation of high-demand facilities within its jurisdiction. Actions taken by political subdivisions shall not preempt state authority.

High demand facilities shall fully fund all electric infrastructure upgrades. No costs associated with serving a high-demand facility shall be allocated or recovered from other retail ratepayers. High-demand facilities shall pay monthly for:

- Actual metered energy usage; or
- Not less than eighty percent of contract capacity, unless contracted.

High-demand facilities must complete a water impact assessment prior to approval of any water services contract. These facilities shall utilize water recycling, reuse, or closed-loop cooling system to the maximum extent practicable.

This measure forbids the construction of high-demand facilities on land classified as agricultural

Fiscal Analysis

The proposed policy committee substitute to HB 3724 imposes specific regulations on high-demand facilities, specifically new data centers. The measure requires the owner of a data center to provide financial assurance documentation to the Oklahoma Corporation Commission (OCC) as well as requires the OCC to enforce the electric utility and ratepayer protections the measure establishes. The OCC is currently reviewing this measure for fiscal impact and this statement will be updated accordingly.

Prepared By: Jay St Clair, House Fiscal Staff

Other Considerations

None.