1 **Data Center Non Disclosure Amendments**

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Nate Blouin

House Sponsor:

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3 **LONG TITLE**

4 **General Description:**

5   This bill prohibits certain non-disclosure agreements between prospective data centers and

6 state and local governments.

7 **Highlighted Provisions:**

8   This bill:

9   ‣ defines terms;

10   ‣ prohibits state agencies, cities, towns, and counties from entering into non-disclosure

11 agreements with prospective data centers;

12   ‣ provides that prohibited non-disclosure agreements are void and unenforceable;

13   ‣ requires severability of void provisions from other contract terms; and

14   ‣ requires public disclosure of prohibited non-disclosure agreements.

15 **Money Appropriated in this Bill:**

16   None

17 **Other Special Clauses:**

18   None

19 **Utah Code Sections Affected:**

20 ENACTS:

21   **10-8-95**, Utah Code Annotated 1953

22   **17-60-509**, Utah Code Annotated 1953

23   **63G-2-109**, Utah Code Annotated 1953

24

25 *Be it enacted by the Legislature of the state of Utah:*

26   Section 1. Section **10-8-95** is enacted to read:

27   **10-8-95 . Non-disclosure agreements with prospective data centers -- Prohibitions**

28 **-- Public disclosure.**

29   (1) As used in this section:

30   (a) "Agent" means an individual or entity acting on behalf of a municipality.

31   (b) "Data center" means a facility that:

32   (i) is designed or used to house computer servers and associated components,

33   including data storage devices, networking equipment, and telecommunications

34   infrastructure; and

35   (ii) has a connected electrical load capacity of 20 megawatts or greater.

36   (c) "Non-disclosure agreement" means a contract, agreement, or understanding, whether

37   written or oral, that contains any provision, clause, or language that:

38   (i) provides that the contract, agreement, or understanding, or any of the contract's,

39   agreement's, or understanding's terms, is confidential; or

40   (ii) prohibits a municipality or the municipality's agent from disclosing, discussing,

41   describing, or commenting upon information related to a prospective data center.

42   (d) "Prospective data center" means a proposed data center that:

43   (i) has not yet received all necessary approvals, permits, or authorizations from the

44   municipality to commence construction or operation; or

45   (ii) is in the process of negotiating with or seeking approvals from the municipality.

46 (2) A municipality or an agent of a municipality may not enter into a non-disclosure

47   agreement with a prospective data center on or after the effective date of this section.

48 (3)(a) A non-disclosure agreement that violates Subsection (2) is void and unenforceable.

49   (b) If a contract contains a provision that is void and unenforceable under Subsection

50   (3)(a):

51   (i) the provision shall be severed from the other provisions of the contract to the

52   extent that the provision is void and unenforceable; and

53   (ii) the remaining provisions of the contract remain enforceable.

54 (4) A municipality shall publicly disclose a contract or agreement that violates Subsection

55   (2) by:

56   (a) posting the contract or agreement on the municipality's website within 30 days after

57   the day on which:

58   (i) the municipality enters into the contract or agreement; or

59   (ii) a court determines that the contract or agreement violates this section; and

60   (b) maintaining the posted contract or agreement on the municipality's website for at

61   least five years after the day on which the contract or agreement is posted.

62 (5) A resident of a municipality may bring an action in district court to:

63   (a) obtain a declaratory judgment that a non-disclosure agreement violates this section

64   and is void;

65   (b) enjoin the enforcement of a non-disclosure agreement that violates this section; or

66   (c) compel a municipality to comply with the public disclosure requirement in

67   Subsection (4).

68   Section 2. Section **17-60-509** is enacted to read:

69   **17-60-509 . Non-disclosure agreements with prospective data centers --**

70   **Prohibitions -- Public disclosure.**

71   (1) As used in this section:

72   (a) "Agent" means an individual or entity acting on behalf of a county.

73   (b) "Data center" means a facility that:

74   (i) is designed or used to house computer servers and associated components,

75   including data storage devices, networking equipment, and telecommunications

76   infrastructure; and

77   (ii) has a connected electrical load capacity of 20 megawatts or greater.

78   (c) "Non-disclosure agreement" means a contract, agreement, or understanding, whether

79   written or oral, that contains any provision, clause, or language that:

80   (i) provides that the contract, agreement, or understanding, or any of the contract's,

81   agreement's, or understanding's terms, is confidential; or

82   (ii) prohibits a county or the county's agent from disclosing, discussing, describing, or

83   commenting upon information related to a prospective data center.

84   (d) "Prospective data center" means a proposed data center that:

85   (i) has not yet received all necessary approvals, permits, or authorizations from the

86   county to commence construction or operation; or

87   (ii) is in the process of negotiating with or seeking approvals from the county.

88   (2) A county or an agent of a county may not enter into a non-disclosure agreement with a

89   prospective data center on or after the effective date of this section.

90   (3)(a) A non-disclosure agreement that violates Subsection (2) is void and unenforceable.

91   (b) If a contract contains a provision that is void and unenforceable under Subsection

92   (3)(a):

93   (i) the provision shall be severed from the other provisions of the contract to the

94   extent that the provision is void and unenforceable; and

95   (ii) the remaining provisions of the contract remain enforceable.

96   (4) A county shall publicly disclose a contract or agreement that violates Subsection (2) by:

97   (a) posting the contract or agreement on the county's website within 30 days after the

98   day on which:

99   (i) the county enters into the contract or agreement; or

100   (ii) a court determines that the contract or agreement violates this section; and

101   (b) maintaining the posted contract or agreement on the county's website for at least five

102   years after the day on which the contract or agreement is posted.

103   (5) A resident of a county may bring an action in district court to:

104   (a) obtain a declaratory judgment that a non-disclosure agreement violates this section

105   and is void;

106   (b) enjoin the enforcement of a non-disclosure agreement that violates this section; or

107   (c) compel a county to comply with the public disclosure requirement in Subsection (4).

108   Section 3. Section **63G-2-109** is enacted to read:

109   **63G-2-109 . Non-disclosure agreements with prospective data centers prohibited.**

110   (1) As used in this section:

111   (a) "Agent" means an individual or entity acting on behalf of a state agency.

112   (b) "Data center" means a facility that:

113   (i) is designed or used to house computer servers and associated components,

114   including data storage devices, networking equipment, and telecommunications

115   infrastructure; and

116   (ii) has a connected electrical load capacity of 20 megawatts or greater.

117   (c) "Non-disclosure agreement" means a contract, agreement, or understanding, whether

118   written or oral, that contains any provision, clause, or language that:

119   (i) provides that the contract, agreement, or understanding, or any of the contract's,

120   agreement's, or understanding's terms, is confidential; or

121   (ii) prohibits a state agency or the state agency's agent from disclosing, discussing,

122   describing, or commenting upon information related to a prospective data center.

123   (d) "Prospective data center" means a proposed data center that:

124   (i) has not yet received all necessary approvals, permits, or authorizations from the

125   state agency to commence construction or operation; or

126   (ii) is in the process of negotiating with or seeking approvals from the state agency.

127   (2)(a) A state agency or an agent of a state agency may not enter into a non-disclosure

128   agreement with a prospective data center.

129   (b) Subsection (2)(a) applies to non-disclosure agreements entered into on or after the

130   effective date of this section.

131   (3)(a) A non-disclosure agreement that violates Subsection (2) is void and unenforceable.

132   (b) If a contract contains a provision that is void and unenforceable under Subsection

133   (3)(a), that provision shall be severed from the other provisions of the contract to the

134   extent that the provision is void and unenforceable.

135   (c) The fact that a provision is void and unenforceable under Subsection (3)(a) does not

136   affect the enforceability of the other provisions of the contract.

137   (4) A state agency shall publicly disclose any contract or agreement that violates Subsection

138   (2) by:

139   (a) posting the contract or agreement on the state agency's website within 30 days after

140   the day on which:

141   (i) the state agency enters into the contract or agreement; or

142   (ii) a court determines that the contract or agreement violates this section; and

143   (b) maintaining the posted contract or agreement on the state agency's website for at

144   least five years after the day on which the contract or agreement is posted.

145   (5) A resident of this state may bring an action in district court to:

146   (a) obtain a declaratory judgment that a non-disclosure agreement violates this section

147   and is void;

148   (b) enjoin the enforcement of a non-disclosure agreement that violates this section; or

149   (c) compel a state agency to comply with the public disclosure requirement in

150   Subsection (4).

151   Section 4. **Effective Date.**

152   This bill takes effect on May 6, 2026.