ASSEMBLY SCIENCE, INNOVATION AND TECHNOLOGY COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 2774 and 5224

STATE OF NEW JERSEY

DATED: NOVEMBER 16, 2026

The Assembly Science, Innovation and Technology Committee reports favorably an Assembly Committee Substitute for Assembly Bill Nos. 2774 and 5224.

As substituted and reported, this bill expressly prohibits applicants for the development of a large-scale data center, as defined in the bill, from entering into non-disclosure agreements, as defined in the bill, with a government entity or official to conceal use of public resources. The bill provides that these non-disclosure agreements are against public policy and unenforceable. The bill specifies that a developer may use a non-disclosure agreement during the preliminary site plan approval process only to protect confidential or proprietary information that, if wrongfully divulged, would provide a competitor with an unfair advantage.

The bill also requires applicants to make certain disclosures to the public, including disclosing certain information in a press release, engaging with local media and social media that serve the area, posting physical signage concerning the large-scale data center at the proposed development site, providing information materials concerning large-scale data center development in English, Spanish, and other commonly-spoken languages in the area, and sending direct mail to properties within five miles of the large-scale data center development site.

An approving authority or municipal agency is not to approve a minor site plan, minor subdivision, site plan, or subdivision, or grant any other approval required by an approving authority, municipal agency, or enforcing agency, if the applicant violates a provision of this bill.

The provisions of this bill apply only to the development of large-scale data centers. Provisions of the "Senator Byron M. Baer Open Public Meetings Act," P.L.1975, c.231 (C.10:4-6 et seq.), or any other law, that prohibit agreements, including non-disclosure agreements, that have the purpose or effect of concealing the details, or preventing public review, for the development of any structure other than a large-scale data center, are to remain in effect.

As reported by the committee, the committee substitute for Assembly Bill Nos. 2774 and 5224 is identical to Senate Bill No. 4304, which was amended and reported by the committee on this date.