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Data Center Restrictions Signed into South Dakota Law after Push for Incentives Failed.

After lawmakers rejected incentives for large data centers, Gov. Larry Rhoden signed a bill that puts new limits on them.

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After lawmakers rejected proposals to incentivize the construction of large data centers in South Dakota, the governor signed a bill into law Tuesday that will place new limits on the industry.

The law applies to data centers with a peak electrical demand of 10 megawatts or greater. It will require data center companies to ensure their water use does not overburden local resources and to pay for the electrical infrastructure costs attributable to them. It also prohibits the state from overriding local ordinances limiting, prohibiting or otherwise regulating data centers.

Another bill Rhoden signed into law Tuesday allows the state Public Utilities Commission to assess data center companies the costs of regulatory reviews related to their projects.

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Route Fifty

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