Data Center Accountability Legislation (Information current as of October 2026)

Executive Summary

Between 2026 and 2030, new data center construction is forecast to require at least $3 trillion, part of the largest investment 'supercycle' in modern history.[1] These investments are expected to bring nearly 100 gigawatts of new data center capacity, nearly doubling current global capacity in just a few short years.[2] These projects have significant impacts on state economies and require massive amounts of land, water, and power. The percentage of U.S. electricity used by data centers is expected to grow from 4.7 percent in 2024 to 11.8 percent by 2030.[3] Between 2025 and 2030, the land used by data centers is anticipated to increase from 809 million square feet to 2.5 billion square feet, and to use as much as 1 million metric tons of cement by 2028 (enough to pave the highway between Los Angeles and San Francisco).[4]

As one of the largest infrastructure buildouts in America's history, state lawmakers are counting on the jobs, economic diversification, and tax revenue these projects are expected to bring. However, the rapid growth of data center construction has been met just as swiftly by mounting public opposition to new projects, as communities feel the acceleration is occurring without clear, coordinated, and explicit planning and oversight. Data centers emerged as an urgent policy issue in 2026, spurred by debates over energy affordability, environmental risks, anxiety about artificial intelligence (AI) development, and concerns about how to hold AI companies accountable for rising power costs and impacts on the local electricity grid.[5]

The pace of growth has raised urgent questions for lawmakers and utilities about how to effectively regulate the industry without hampering the much-needed economic development benefits. Public pressure has led to nearly 160 data center projects being paused or canceled since 2024.[6] As of September 2026, 16 states had passed or were considering some form of construction moratorium or delay.[7] Some state legislatures and governors have begun to propose regulatory frameworks, most notably in Virginia, where Governor Abigail Spanberger's Data Center Accountability Framework establishes new standards and requirements for data center developers and operators.[8]

While Virginia's new plan offers one of the more comprehensive policy frameworks yet, other governors are following suit, as are state legislatures.

Research Methods

Speaker **Jon Burns**, GA | *Chair*
Speaker **Brian Evans,** AK | *Chair Elect*
Speaker Pro Tempore **David Meade**, KY | *Immediate Past Chair*
Cindy Kadlec, MO | *General Counsel, Senate Majority Caucus and Chair, Legislative Service Agency Directors Group*
Ralph Hudson, AK | *Director of Labor, Department of Labor and Licensing and Chair, Staff Alliance for Intergovernmental Leadership Committee*
Lindsey Gray | *Regional Director, The Council of State Governments Southern Office*
Representative **Kendra Moore**, AK | *Chair, Agriculture & Rural Development Committee*
Delegate **Gary Howell**, WV | *Chair, Economic Development, Transportation & Cultural Affairs Committee*
Senator **Raumesh Akbari**, TN | *Chair, Education Committee*
Representative **Christopher Warwick**, MO | *Chair, Energy & Environment Committee*
Representative **Daniel Pae**, OK | *Chair, Fiscal Affairs & Government Operations Committee*
Senator **Brice Wiggins**, MS | *Chair, Human Services & Public Safety Committee*

Review of gubernatorial executive orders, state legislative handbooks, rules, and procedures, as well as review of state statutes using Quorum.

Findings and Analysis

Rather than addressing each policy issue individually, the framework provides a holistic policy approach. The plan outlines five key requirements for data centers: increasing transparency, strengthening environmental protections, lowering energy costs, promoting clean energy, and focusing on local workers. Currently, the plan does not include a development moratorium but does ban nondisclosure agreements between data centers and executive branch agencies, departments, state boards and commissions, and prohibits these agencies from requiring such agreements for data center projects.[9] The plan also aims to remove data centers from Virginia's fast-track permitting process to allow for more thorough project reviews.[10] The framework will require the Commonwealth's Chief Energy Officer to develop implementation plans using standardized, tiered scoring systems to evaluate data center facilities for energy and infrastructure impacts, water and land use, noise pollution, workforce development, clean-energy and resilience investments, sourcing of local sustainable construction materials, and an overview of local community benefits. Furthermore, the framework will establish a task force to address ongoing concerns and mitigate the risks posed by the rapid development of AI, including workforce displacement, data privacy, and cybersecurity.[11]

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EXECUTIVE ORDERS

Table 1. Data Center Accountability Executive Orders

State	Executive Order	Date	Summary
Kentucky	EO 2026-494	6-Aug-26	Requires data center companies to 1) Ensure no detrimental impact on ratepayers or the environment 2) Pay full and fair share of state and local taxes 3) Build a meaningful relationship with the Community
Louisiana	JML26-058	25-Jun-26	Directs development of ratepayer and community protection criteria for state economic development certifications of data center and large load investments.
Maryland	EO01.01.2026.16	23-Sep-26	Establishes a framework and task force for review of large data center projects focused on ratepayer and grid protection, economic benefit for the state, public participation, environmental protection, and transparency and accountability in data center development.

Massachusetts	EO 658	8-Sep-26	Establishes principles and expectations for the development of data centers with peak electricity demand exceeding 25 megawatts, including environmental protection requirements, the submission and approval of a community benefits agreement, evaluation of project efficacy and legitimacy of power use. The framework prohibits the use of non-disclosure agreements for all permitting-related agencies reviewing data center projects.
Pennsylvania	EO2026-05	18-Aug-26	Establishes strict guardrails for data center development, makes data center development transparent (including the prohibition of NDAs and a publicly accessible map with current permitting information about all proposed data centers), protects residential power customers and small businesses, and creates new regulations for environmental protection.
Utah	EO2026-03	29-May-26	Established a framework focused on protecting the Great Salt Lake and other water resources, protecting air quality, promoting economic and job growth, mitigating wildlife impacts, protecting utility ratepayers, ensuring opportunities to expand energy generation and transmission capacity, promoting pro-human AI development, and providing transparent, meaningful, and thorough opportunities for public comment.
Virginia	EO22	18-Sep-26	Establishes five essential pillars that data center developers and operators must meet: 1) Engage transparently with communities 2) Protect the environment 3) Improve affordability 4) Advance clean energy and grid reliability 5) Deliver value to residents by creating quality, sustainable jobs, supporting workforce training, local procurement, infrastructure improvements, and long-term community growth.

Source: Offices for the governors of Kentucky, Louisiana, Maryland, Massachusetts, Pennsylvania, Utah, and Virginia; data visualization performed by the author.[12,13,14,15,16,17,18]

Recent Legislation

Table 2. Recent data center accountability legislation

State	Bill	Status	Notes
Alabama	SB270 (2026)	Effective	Establishes specific guidelines for the Public Service Commission when reviewing and approving retail electric service contracts between utilities and large load data center customers. The bill requires that such contracts ensure the recovery of incremental costs and promote positive benefits for other retail or residential electric customers.
Florida	SB484 (2026)	Effective	Establishes a comprehensive regulatory framework for the development, operation, and utility service of large-scale data centers in Florida.
Missouri	HB 3390 (2026)	Introduced	Establishes comprehensive regulations governing the siting, construction, operation, and resource use of hyperscale data centers in the state.
North Carolina	HB 1063 (2026)	Introduced	Establishes comprehensive regulations for large-scale data centers in North Carolina to address concerns about their significant demands on electricity and water infrastructure and the potential for cost shifting to residential and small-business ratepayers.

South Carolina	H 4583 (2026)	Introduced	This legislation would require a data center to operate with complete energy independence; prohibit data centers from receiving direct or indirect public funding incentives, grants, tax abatements, subsidies, utility rate reductions, or infrastructure improvements provided primarily for the benefit of the facility; require data centers to employ closed-loop or liquid cooling system resulting in net zero water withdrawal; imposes strict liability conditions on data centers; establishes minimum workforce requirements; mandates each data center operator submit an annual report to the Governor and legislature.
Utah	HB76 (2026)	Effective	Establishes new water use reporting requirements for large data centers in Utah. Before a municipal or county land-use authority approves a data center facility, it must notify the Division of Water Rights, the Division of Water Quality, and the relevant water supplier. Beginning January 1, 2027, operators of large data centers must communicate with their water provider and submit a detailed report to the Division of Water Rights at least 180 days before construction begins. This report must include projected annual water use, water sources, discharge details, and plans for water reuse or replacement. After operations commence, data center operators are required to submit annual updates by March 1, detailing actual versus projected water use, efforts to reduce consumption, and environmental protection measures. The Division of Water Rights is tasked with aggregating and anonymizing this data for public disclosure by July 1 each year, while protecting proprietary information as required by law.

Source: State Legislation, accessed via Quorum; data visualization by the author.[19]

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[4] Giacomo Tognini, Inside The Trillions Being Spent On The AI Data Center Buildout, *Forbes*, October 2, 2026. https://www.forbes.com/sites/giacomotognini/2026/10/02/inside-the-trillions-being-spent-on-the-ai-data-center-buildout/
[5] Benjamin Storrow, The data center slowdown is here, *Politico*, October 13, 2026. https://www.politico.com/newsletters/politico-surge/2026/10/13/the-data-center-slowdown-is-here-01116414
[6] Ibid.
[7] Which States Are Banning Data Centers?, *National Conference of State Legislatures*, updated September 15, 2026, accessed October 12, 2026. https://www.ncsl.org/fiscal/which-states-are-banning-data-centers
[8] Governor Abigal Spanberger, Virginia Executive Order 22, Virginia's Data Center Accountability Framework, September 16, 2026. https://www.governor.virginia.gov/media/governorvirginiagov/governor-of-virginia/pdf/Data-Center-Accountability-Framework.pdf
[9] Ibid.
[10] Ibid.
[11] Ibid.
[12] Governor Andy Beshear, Kentucky Executive Order 2026-494, August 6, 2026. https://governor.ky.gov/attachments/20260806_Executive-Order_2026-494_Related-to-Data-Centers.pdf

[13] Governor Jeff Landry, Louisiana Executive Order JML 26-058, Louisiana Ratepayer and Community Protection Initiative Criteria for LED Certifications for Data Center and Large-Load Investments, June 25, 2026. https://gov.louisiana.gov/assets/2026-Executive-Orders/JML-Executive-Order-25-058.pdf

[14] Governor Wes Moore, Maryland Executive Order 01.01.2026.16, Responsible Data Center Development in Maryland: Protecting Ratepayers, Empowering Communities, and Ensuring Transparency and Accountability, September 23, 2026. https://regs.maryland.gov/us/md/exec/comar/01.01.2026.16

[15] Governor Maura Healey, Massachusetts Executive Order 658: Establishing Requirements for Responsible Data Center Development and Operations in Massachusetts to Protect and Support Ratepayers, Communities, and the Environment, September 8, 2026. https://www.mass.gov/executive-orders/no-658-establishing-requirements-for-responsible-data-center-development-and-operations-in-massachusetts-to-protect-and-support-ratepayers-communities-and-the-environment

[16] Governor Josh Shapiro, Pennsylvania Executive Order 2026-05, Protecting Pennsylvania Consumers from Data Center Impacts, August 18, 2026. https://www.pa.gov/content/dam/copapwp-pagov/en/governor/documents/eo2026_05_protecting%20pennsylvania%20consumers%20from%20data%20center%20impacts_final_executed.pdf

[17] Governor Spencer Cox, Utah Executive Order 2026-03, Establishing a Higher Bar for Data Center Development in Utah, May 29, 2026. https://governor.utah.gov/wp-content/uploads/2026.05.29-EO-Higher-Bar-for-Data-Center-Development-1.pdf

[18] Governor Abigal Spanberger, Virginia Executive Order 22, Virginia's Data Center Accountability Framework, September 16, 2026. https://www.governor.virginia.gov/media/governorvirginiagov/governor-of-virginia/pdf/Data-Center-Accountability-Framework.pdf

[19] https://www.quorum.us/sheet/184812/