

# The Data Center Storm

Understanding the Big Tech Buildout  
and Community Resistance

Alli Finn, AI Now Institute

March 2026

# AI Now Institute

- Founded in 2017, we diagnose and produce research on AI
- Fully independent organization (no money from corporate donors)
- Our work
  - Advances research that charts a long-term strategy for the field
  - Identifies and capitalizes on actionable policy windows
  - Supports action on the ground, in partnership with a broad coalition of allies



Hugh Kenny, The Piedmont Environmental Council



**The question is not: “Are AI tools like ChatGPT good or bad?” It’s: “Is the AI industry’s consolidation of power good for society?”**

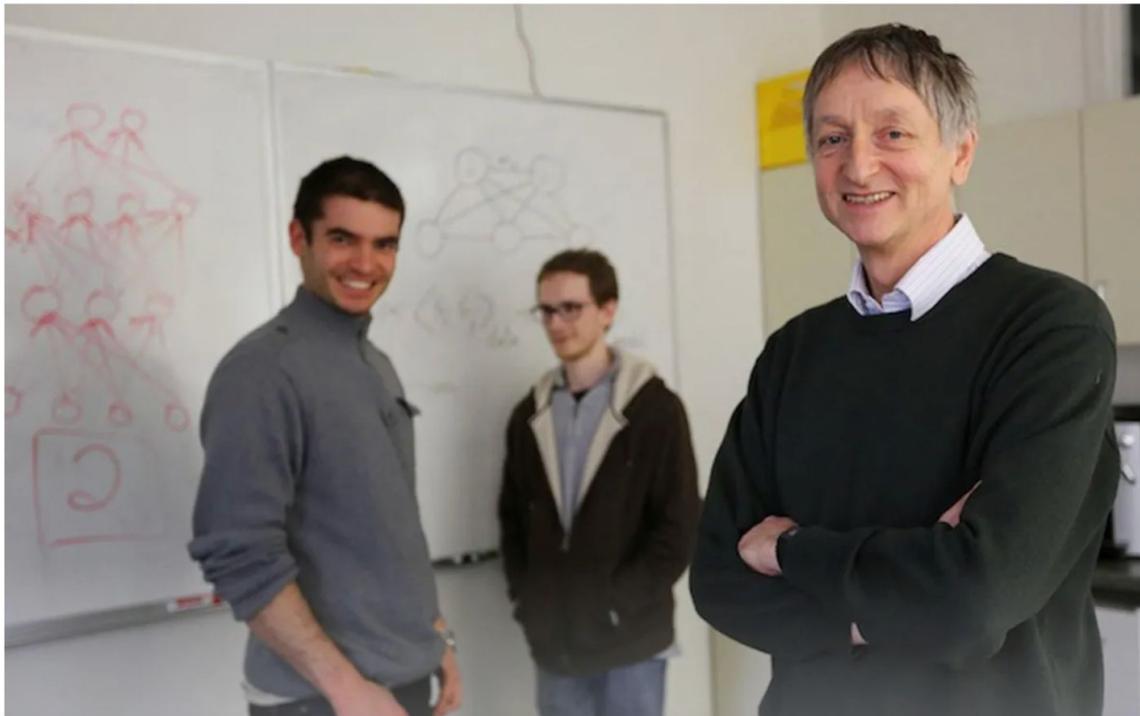
# Understanding Big Tech x Big AI

**1**

**AI = hyper  
consolidation of  
Big Tech power**

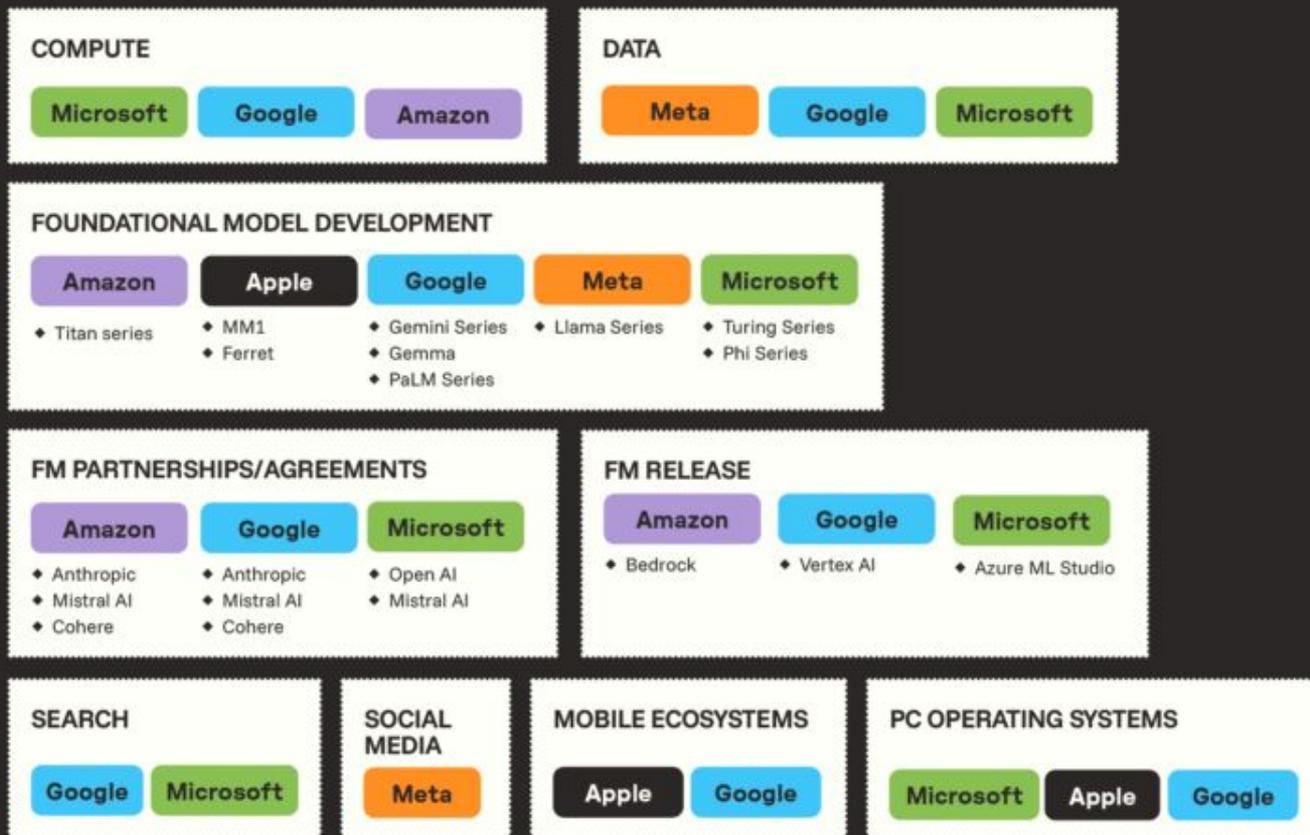
# Google Hires Brains that Helped Supercharge Machine Learning

Google has hired the man who showed how to make computers learn much like the human brain.



The  
AlexNet  
“moment”  
(2012)

# Big Tech Dominates AI Value Chain



# Ground Truths

**1**

AI = hyper  
consolidation of  
Big Tech power

**2**

**The current AI  
market is  
precarious.**

Technology

## An \$800 Billion Revenue Shortfall Threatens AI Future, Bain Says

MIT report: 95% of generative AI pilots at companies are failing

# The AI Bubble Might Be About to Burst, Experts Warn

ADVERTISING

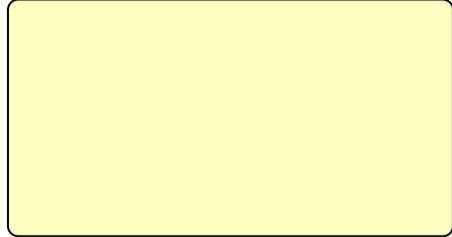
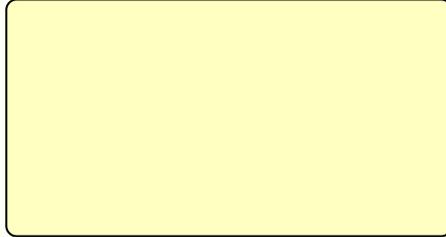
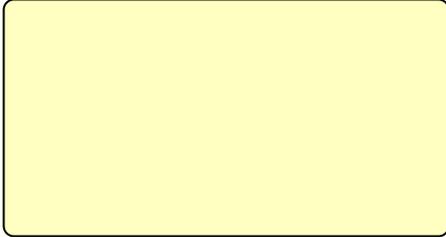
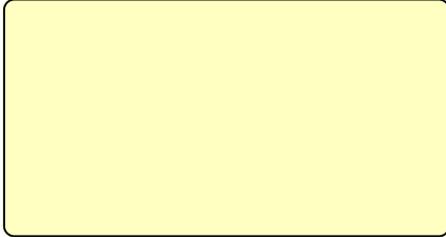
Get ready for more ads in Google's AI search answers

By [Lara O'Reilly](#) [+ Follow](#)

Exclusive

## OpenAI's Ads Push Starts Taking Shape

# The Government Bailout Is Underway Already



# The Government Bailout Is Underway Already

**Deregulate**

BUSINESS

**Trump vows retaliation against countries with digital rules targeting US tech**

**Trump's AI plan: Pull back restraints on tech**

# The Government Bailout Is Underway Already

**Deregulate**

**Buy**

**US Department of Defense awards contracts to Google, Musk's xAI**

**Introducing OpenAI  
for Government**

# The Government Bailout Is Underway Already

**Deregulate**

**Buy**

**Build**

**Energy announces first 4 AI data center sites on federal lands**

 Department of Energy (.gov)

**Data Centers: Exploring the Opportunity for Tribes**

# The Government Bailout Is Underway Already

**Deregulate**

**Buy**

**Build**

**Create Foreign  
Markets**

## **'Like a sales mission:" White House continues its push to embed American AI worldwide**

Michael Kratsios, director of the White House's Office of Science and Technology Policy, explained the administration's goals and progress in a Tuesday interview with Scripps News.

# Ground Truths

**1**

AI = hyper  
consolidation of  
Big Tech power

**2**

The current AI  
market is  
precarious.

**3**

**Market power <-->  
political power**

ANALYSIS

# Amidst Boom, Data Center Lobby Expands Its Influence, Spending, and Tactics

JUSTIN HENDRIX / SEP 12, 2025

## Lyon Township residents blindsided by AI data center approval near homes

California company's 172-acre Project Flex approved without public input, residents say

## Data Centers Devour Electricity. Private Equity Is Buying Utilities to Cash In.

The seizure of public utilities for the sake of profit may lead to a disaster for consumers — and the planet.

By Derek Seidman, TRUTHOUT  
November 11, 2025



Hugh Kenny, The Piedmont Environmental Council

**This trajectory is NOT inevitable.**

# Understanding the Impacts

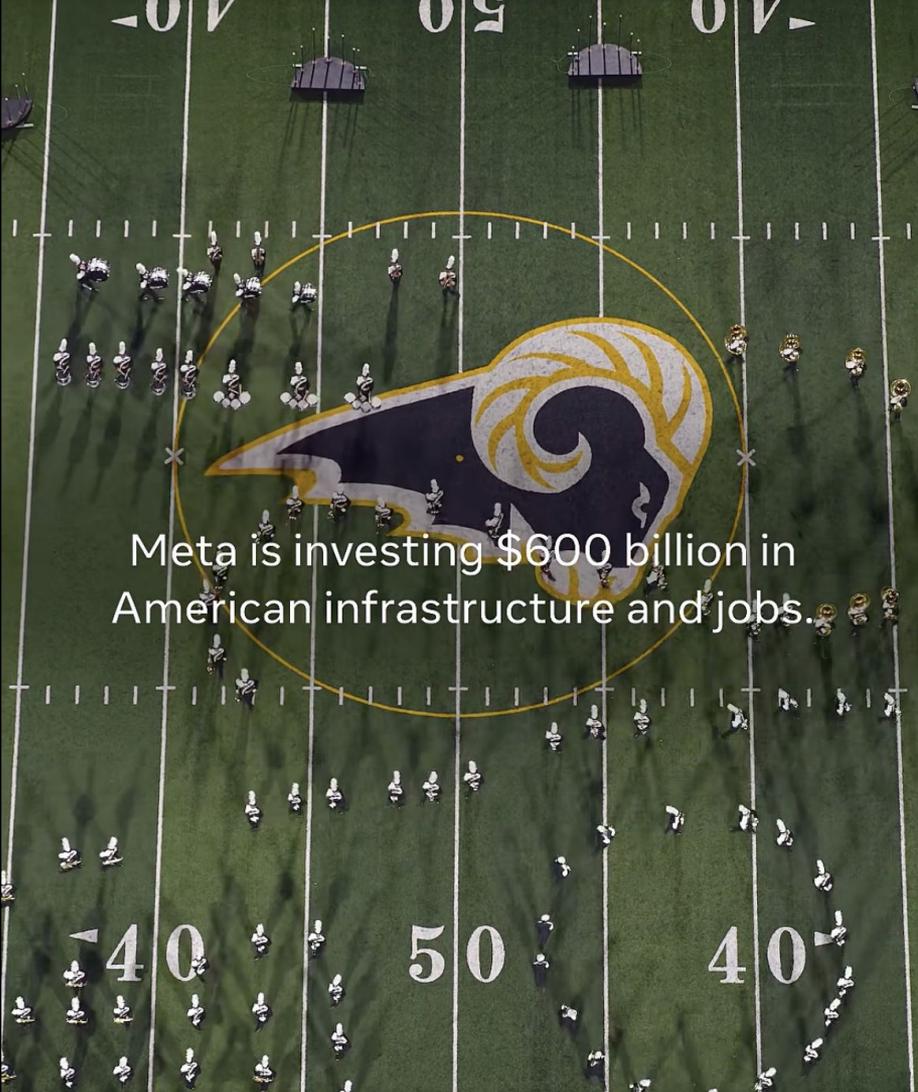


# The problem of data centers

- Bad economic deal for communities
  - Tax breaks pull millions of dollars from communities
  - Minimum full-time, permanent jobs
- Threaten scarce natural resources
- Threaten public health
- Destabilize energy grids and pass costs to everyday people
- Introduce structural risk into infrastructure and finance markets

# Harms: The Myth of Economic Development

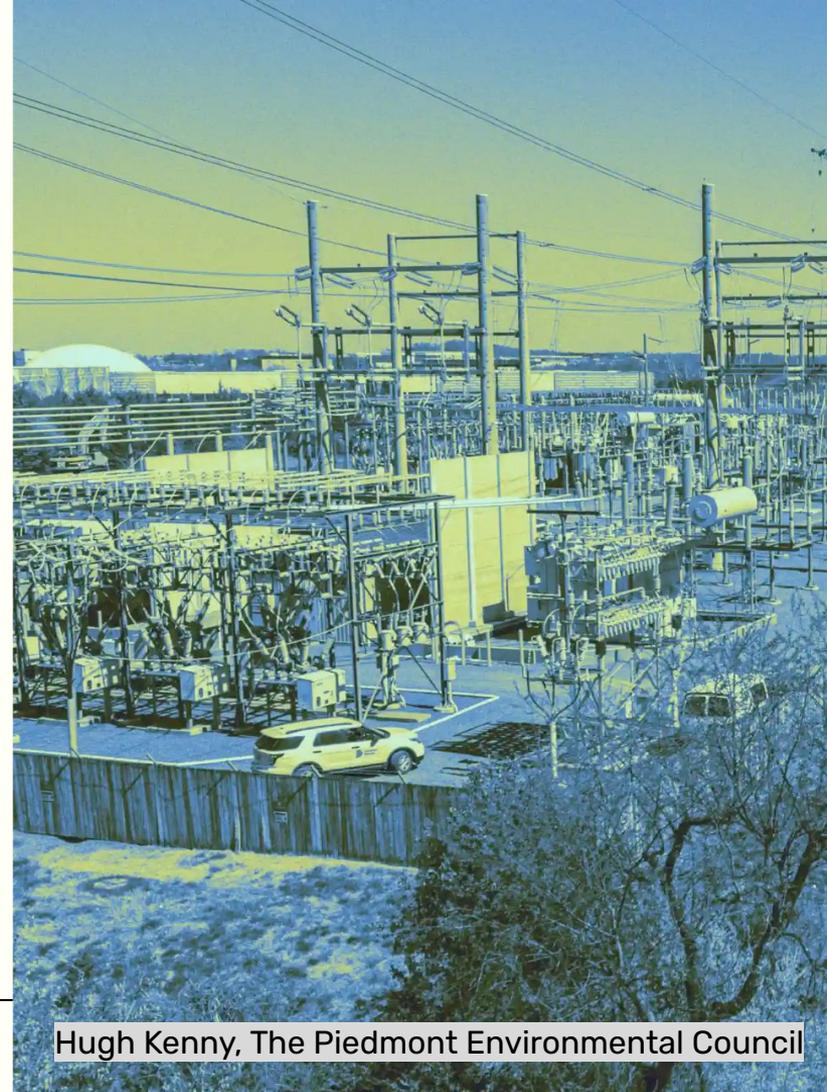
- Billions lost in tax breaks
- Few permanent jobs created
- Tax revenues → entrenching dependence of local economies further on fossil fuel industry



Meta is investing \$600 billion in American infrastructure and jobs.

# Harms: Our Economy & Markets

- Concentrated tech market, stock market
- Everyday people exposed to risk
- Concentrated energy markets
- Grid instability
- Exacerbating affordability crisis



# Harms: Federal Abuses of Power

- Moratorium on states passing AI legislation
- Executive actions to usurp state and local permitting and zoning laws

# Harms: Health, Climate, Resources

- Threaten scarce natural resources (water, air, land) - Tribal sovereignty
- Threaten public health (air quality, water)
- Keeping coal and gas plants online



# Landscape of Data Center Resistance



GONE  
FEEDY  
BLINS

WATER  
POSITIVE  
MY  
ASS

STOP  
PROJECT  
BLUE

NO AIA @PROJECT  
BLUE

VOTES 4  
AMAZON  
Tech 4  
ICE

ROB RO

OP  
JECT  
UE

LARD  
BACK  
NO  
PROJECT

NOT  
ONE  
WATA

DON'T BE  
A  
CORPORATE  
SEALOUT?  
VOTE NO ON  
PROJECT  
BLUE.

A VOTE FOR AMAZON  
IS A VOTE FOR ICE  
UN VOTO PARA AMAZON  
ES UN VOTO PARA ICE  
[www.noamazonvotes.com](http://www.noamazonvotes.com)



ARTIFICIAL INTELLIGENCE

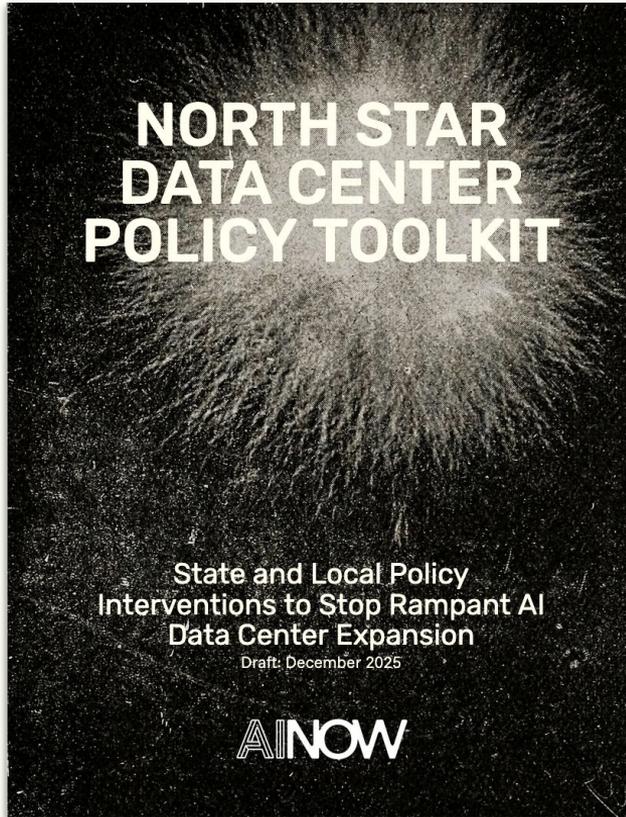
## The sleeper issue that could play a huge role in Virginia and New Jersey – and the midterms

Data centers are spreading across the country and contributing to rising electricity bills. It's becoming a political issue as lawmakers are still workshopping their response.

POLITICS

Huge AI data centers are turning local elections into fights over the future of energy





## Table of Contents

Acknowledgements	3
Endorsements	4
Introduction	5
The Problem of Data Centers	8
Key Considerations for Policymaking on Data Centers	17
<b>Local Interventions</b>	<b>20</b>
Prohibit or Restrict Data Center Development	21
Enact a Temporary Pause on New Data Center Developments (Moratoriums)	22
Reject Data Centers That Do Not Fit Within Locality's Goals	23
Establish Conditional Use Permitting for Data Centers	25
Pass Zoning Ordinances and Municipal Code Amendments	33
Institute Strong Noise-Mitigation Measures	39
Protect Water Resources	41
Regulate and Limit Energy Use	46
Repeal or Limit Tax Incentives and Subsidies	49
Implement Air Pollution and Community Health Measures	52
Establish Local Fair Labor Requirements	54
Considerations for Community Benefits Agreements	56
Protect Constituents from AI Harms	58
<b>State and Regional Interventions</b>	<b>61</b>
Enact a Statewide or Regional Moratorium on Data Center Development	62
Establish Statewide Oversight and Transparency Mechanisms	63
Repeal or Limit Tax Incentives and Subsidies	66
Oppose State "Special Economic Zones"	68
Establish Strong Ratepayer Protections	69
Promote Grid Stability and Accelerate Renewable Energy Infrastructure	75
Limit Corporate Influence over Processes and Institutions Involved in Data Center Development	79
Establish State Fair Labor Requirements	81
Protect Constituents from AI Harms	83
<b>Additional Resources</b>	<b>85</b>

<https://bit.ly/data-center-policy-toolkit>

# Local Policy Interventions

- Prohibit or Restrict Data Center Development
- Enact a Temporary Pause on New Data Center Development (Moratoriums)
- Reject Data Centers That Do Not With Within Locality's Goals
- Establish Conditional Use Permitting for Data Centers
- Pass Zoning Ordinances and Municipal Code Amendments
- Institute Strong Noise Mitigation Measures
- Protect Water Resources
- Regulate and Limit Energy Use
- Repeal or Limit Tax Incentives and Subsidies
- Implement Air Pollution and Community Health Measures
- Establish Local Fair Labor Requirements
- Considerations for Community Benefits Agreements\*
- Protect Constituents from AI Harms

# State and Regional Policy Interventions

- Enact a Statewide or Regional Moratorium on Data Center Development
- Establish Statewide Oversight and Transparency Mechanisms
- Repeal or Limit Tax Incentives and Subsidies
- Oppose State “Special Economic Zones”
- Establish Strong Ratepayer Protections
- Promote Grid Stability and Accelerate Renewable Energy Infrastructure
- Limit Corporate Influence over Processes and Institutions Involved in Data Center Development
- Establish State Fair Labor Requirements
- Protect Constituents from AI Harms

## Resources

- [North Star Data Center Policy Toolkit](#) (AI Now)
- [Site Fight Guide](#) (Data Center Working Group)
- [Data Center Working Group Interest Form / 1:1 support](#)
- [Brief: Problem of Data Centers](#)

## Upcoming workshops

- Policy toolkit training series (April-May)

**Get in touch:** [datacenters@ainowinstitute.org](mailto:datacenters@ainowinstitute.org)

