



Siting and Land Use—State and Community Engagement

by Laura Morton

Across the United States in 2025 and into 2026, community opposition to new data centers, particularly those tied to the AI infrastructure boom, has expanded well beyond traditional tech regions, with grassroots resistance taking hold from Georgia and Texas to Arizona, Wisconsin, Michigan, California, and beyond. Residents in Georgia counties have pushed for temporary pauses on new approvals to evaluate local impacts, while grassroots campaigns in Arizona cities helped city councils unanimously reject major AI data center proposals amid water, energy, and quality-of-life concerns. In Texas, cities are witnessing tense public debates over proposed data center campuses as neighbors cite water usage, noise, and environmental impacts in heated council meetings. Elsewhere, community groups have successfully halted construction and spurred temporary moratoriums after mobilizing large petitions and public pressures—part of a broader pattern of local resistance blocking or delaying billions in proposed projects nationwide.

In response to rising public and legislative scrutiny, a growing number of state and local governments also have introduced moratoriums or proposed temporary halts on data center development in 2025-2026 to buy time for studies, permitting reforms, and new regulatory frameworks. Moratoriums are typically framed as temporary “study periods”—ranging from 45 days to one year—intended to allow planning commissions to draft or revise ordinances addressing setbacks, noise from backup generators, substation placement, transmission upgrades, traffic during construction, and cost allocation for grid improvements.

Legislators in states such as Georgia have proposed statewide moratorium bills slated to pause approvals until officials can set policies for regulating facilities across energy, water, and land use. New York lawmakers introduced a three-year moratorium bill that would require environmental and social impact assessments before new data centers can be approved. In Vermont, lawmakers have introduced legislation that would impose a statewide moratorium on AI data centers through 2030, while regulators study impacts on utilities and ratepayers. In Maryland, proposed legislation would prohibit new data center construction statewide pending further evaluation of energy, land use, and environmental considerations. Additional moratorium proposals are advancing in Oklahoma, where a multiyear pause has been filed to study long-term effects, and in Virginia, where a temporary halt in approvals is under consideration as part of a broader package of data center-related legislative efforts.

A significant number of local governments have enacted temporary moratoriums or development pauses on new data centers, particularly in Michigan, but also in Georgia, Kansas, Wisconsin, Indiana, North Carolina, California, and Idaho, largely in response to the rapid scale and pace of hyperscale and AI-driven facility proposals. In some cases, local officials have adopted moratoriums. For example, Chatham County, North Carolina, and Meade County, Kentucky, adopted yearlong pauses to reassess zoning and infrastructure capacity, and Monterey Park, California, enacted a 45-day interim moratorium to study land-use impacts. In Kootenai County, Idaho, commissioners enacted an emergency moratorium to address gaps in zoning and permitting, and multiple Michigan townships did likewise to update local ordinances.

In states like Michigan and Kansas, clusters of multiple township-level moratoriums—including actions in Sedgwick County, Kansas, and Marion County, Kansas—reflect localized reactions to specific proposed projects that triggered community pushback over land-use compatibility and perceived disproportionate impacts on rural communities.

Elsewhere, such as in parts of Wisconsin, Georgia, Indiana, North Carolina, Idaho, and California, local pauses have similarly been justified as necessary to evaluate long-term infrastructure strain, environmental review requirements, water availability, and whether large-scale data centers align with local economic development priorities. In short, these





temporary moratoriums are not outright bans but regulatory “time-outs” aimed at recalibrating land-use frameworks to address the unique scale, utility intensity, and community impacts of modern data center development.

In other jurisdictions, proposed moratoriums were rejected or not adopted. For instance, in Hood County, Texas, commissioners twice declined to impose a pause on data center applications after legal concerns about authority were raised, and in parts of Maryland, local debates around zoning and utility impacts have occurred without formal moratorium ordinances to date. In South Carolina, several counties have discussed pauses, but no county-level moratorium has yet been widely reported. Proposed state legislation would preemptively pause permits if enacted.

This wave of moratorium initiatives reflects an emerging trend in which policymakers at multiple levels seek to balance economic development with concerns over infrastructure strain, environmental impacts, and community priorities. Developers should anticipate heightened scrutiny, potential mid-process regulatory changes, and increased entitlement risk. The key to success is early engagement, transparency, open and broad communication, partnership, and solutions that fit communities.

