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Rising pushback to data centers targets eminent domain, resource drain

By Zack Colman and Bethany Irvine | **01/20/2026 05:00 AM EST**

Communities across the country are sharpening their strategies to block the construction of massive data centers for artificial intelligence — and turning to tactics they've used against other major infrastructure projects in the past.

Opponents of the data centers — which President Donald Trump has said are crucial for the U.S. to win the AI race against China — have framed the issue as a fight by localities against big tech companies that threaten to suck up water and energy supplies while blighting the landscape with the huge buildings.

Tech companies like Meta, Google and Amazon and other hyperscalers that develop data centers are planning to build hundreds of giant new projects in the coming years — even as the rising backlash is forcing some planned developments to pull the plug.

BOLD Alliance, the group that spearheaded the resistance to the Keystone XL oil pipeline more than a decade ago, is drafting model legislation and ordinances on everything from restricting the use of eminent domain to requiring disclosures for anticipated energy consumption and imposing safeguards on data centers' water usage, said Jane Kleeb, the group's director.

That effort was requested by both Democratic and Republican elected officials, who she said worry that companies will try to seize constituents' land for expansive data center projects and to erect the electricity infrastructure needed to power those facilities.

"This is definitely the next chapter for data centers," she said of the fight over land rights. "We're having to build out the next 100 years of energy infrastructure — add to that the fastness that data centers are putting that pressure on."

Kleeb said BOLD has created "easement action teams" across 10 states to aid landowners when corporate developers come knocking. Since many property owners cannot afford lengthy battles to protect their land, BOLD set up financial pools landowners can pay into for collective legal representation.

BOLD's efforts are backed by both Democratic and Republican voters, Kleeb said, and its strategy is to support communities in achieving their goals rather than outright block development. Many towns may welcome data centers if companies agree to provide local jobs or devote resources to workforce training and economic development, she said.

The backlash against the data centers is particularly focused in states that have seen the fastest development. In College Station, Texas, residents vehemently rejected the sale of 200 acres of city-owned land in September for a future data center.

College Station Mayor John Nichols said residents were against even the mere idea of a center on city property.

"People said 'We don't want to even hear you talking about it,'" Nichols said, adding that while the city would've ensured residents' electricity and water resources wouldn't be compromised before approving a formal building, even the concept turned people off.

"It's kind of a larger environmental question for water and electricity that our citizens felt, you know?" Nichols said. "They said 'We don't want to be part of causing other people problems either.'"

Texas has seen a spike in requests for power grid connections for major electricity users in the past year, driven largely by data center developers. A study co-authored in July by Ramanan Krishnamoorti, vice president of energy and innovation at the University of Houston, estimated the state's grid could see a shortfall of much as 40 gigawatts by 2035. That's equivalent to the output of 40 nuclear reactors.

In the near term, though, Krishnamoorti said the impact will be on Texans' pocketbooks.

"You're going to get an increased price of your electricity," he said. "Your electricity is likely to be less reliable because of this, and you're probably going to increase the price on natural gas."

In San Antonio, city council member Ric Galvan is pushing to examine the exponential growth of data centers in the industry-heavy city, where residents are complaining the promised jobs aren't materializing.

"At what point does it become that we're subsidizing these large entities versus them supporting the economy and the community that they're in?" he said.

Some organizers said that reflexive rejection of the new construction is morphing into opposition to electricity infrastructure projects that they fear could attract new data centers. That could delay the fairly routine negotiations with landowners for much-needed upgrades like expanding transmission lines to help utilities meet rising power demand and stabilize prices.

The NAACP, which recently published a playbook for communities to resist data centers, is working with communities in Mississippi that want more transparency from a proposed data center project.

Those communities have begun fighting a separate transmission project near Jackson because they are “wary” that it might eventually supply bulk power to a data center, said Abre’ Conner, NAACP’s director for the Center of Environmental and Climate Justice.

Utilities have long relied on eminent domain — the process of taking private land — to build transmission lines. Those power grid projects have become necessary to meet soaring power demand that is spiking power rates. AI’s immense energy needs are a factor in many, but not all, cases.

Xcel is resorting to the method for its Power Pathway project in Colorado, as is PSEG for its Piedmont Reliability Project to build a 70-mile transmission line through Maryland to serve new load from data centers. A pair of transmission projects in Michigan have sparked similar worries — state Rep. Jennifer Wortz, a Republican, introduced legislation ensuring residents could protest utilities that use eminent domain.

Wortz said her constituents oppose data centers for familiar reasons: Anger that deep-pocketed, out-of-state corporations would saddle locals with steeper power bills, drain their water supplies and change the landscape “by taking good, productive farm land and covering it.”

“I don't think anybody is necessarily opposed to data centers if they're put in places that need more jobs,” said Wortz, whose constituents have retained lawyers out of concern a transmission developer will use eminent domain to take their property. She said places like Detroit, Flint and Saginaw — all of which are far from her district near the Indiana border — are more suitable sites for data centers.

“There's this just question in rural America as to why are we being the ones paying the price for the high demand of electricity that, by and large, happens in cities?,” she said. “And when it then carries over to data centers, I think that's where everybody has said, ‘Enough is enough.’”

Those types of incidents are new flashpoints that stall the transition to cleaner energy, said Christopher Barnard, president of conservative climate group American Conservation Coalition.

He said energy companies should negotiate with landowners and homeowners “to the extent possible.”

But Barnard also worried outside groups claiming to represent communities or bad actors seeking to halt renewables would thwart electric grid upgrades through misinformation or legal tactics. In those instances, he said eminent domain is a tool to ensure the greater public good is served. The nation’s greenhouse gas emissions remain stubbornly high, and power prices will continue increasing unless developers can add more energy supply to meet rising demand.

“It's foolish to be purist about some of this,” he said. “It's actually quite conservative to also say that there are things of national interest that sometimes should be pursued, and hopefully we can pursue that in the way that creates the most amount of winners.”

Part of the backlash stems from communities struggling to get details throughout the opaque development process, said Greg LeRoy, executive director at Good Jobs First, a watchdog group. Beyond that, he said many do not see how they benefit: Local governments often cut deals to abate property taxes and 36 states exempt construction activities from sales and use taxes, blunting revenues for public services.

“The rush is on,” he said during a panel at an NAACP event in Washington. “Data centers are getting a pass.”

This uncertainty has seeped into communities like Amarillo, Texas, where some residents felt betrayed after the city council approved a water supply deal for a large-scale data center campus.

“They sold 2.5 million gallons of water per day — at the very end of an eight-hour meeting, when everyone with jobs had to leave,” said Madison Boyle, Amarillo resident and organizer with the Panhandle Action Coalition group.

"[These companies], they're not native to the panhandle, and then they take everything from our hands and give us nothing in return. It's very difficult to grapple with.”