WEST VIRGINIA CODE: §5B-2-21A

§5B-2-21a. Data Centers.

(a) Findings and purpose. — The Legislature hereby finds and declares the following:

(1) Data centers represent a significant and growing sector of the economy, generating substantial economic activity, including jobs, infrastructure investments, and technological innovation.

(2) Data centers are critical national infrastructure that require abundant, low-cost energy to protect sensitive data, operate high-level computation assets, and ensure the resilience of the digital economy.

(3) The People's Republic of China is positioning itself to be the global leader of data centers and is investing in technology to encourage the flow of data toward China instead of toward the United States.

(4) It is in the United States' national security interests to limit the flow of data to China and to protect the flow of data and maximize computational power inside the United States. The President has declared that it is the policy of the United States "to sustain and enhance America's global AI dominance in order to promote human flourishing, economic competitiveness and national security." Removing Barriers to American Leadership in Artificial Intelligence, Executive Order 14179 (Jan 23, 2025).

(5) As of early 2025, the highest concentration of high-level computational power and data centers in the world is located in Loudoun County, Virginia. This severe concentration of data centers in one location is a national security vulnerability because it invites the potential for cyberattacks and espionage against the Nation's critical data infrastructure.

(6) Data centers have historically obtained their electricity from the electric grid. Some data center developers now seek or require the use of microgrids to provide their primary and backup power.

(7) West Virginia is strategically positioned as the best location in the United States to place data centers due to: (A) its close proximity to Washington, D.C., and the federal government; (B) its close proximity to the majority of the Nation's population; (C) its low tax rates; (D) it having the least restrictive regulatory environment in the Nation; (E) its supply of abundant energy and natural resources to power the data centers; (F) its supply of resources, such as coal mine methane blended with natural gas, to assist data centers locating in West Virginia to meet their energy needs and environmental goals; and (G) its skilled and loyal workforce that has some of the lowest turnover rates in the Nation.

As such, the state has a significant interest in encouraging the development and expansion

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of data centers, which can serve as drivers of broader economic growth. The Legislature finds that these externalities transcend local borders, including environmental concerns, energy consumption, and regional economic growth. Additionally, the provisions in this section align with the Legislature's goal of fostering a competitive, forward-thinking economy that benefits all residents.

(b) Program established. — The High Impact Data Center Program is hereby created and is to be administered as a program within the Division of Economic Development to encourage the continued development, construction, operation, maintenance, and expansion in West Virginia of high impact data centers. In order to effectuate the purposes of this section, the Division of Economic Development, or any agency, division, or subdivision thereof, may promulgate legislative rules, including emergency rules, in accordance with §29A-3-1 *et seq*. of this code.

(c) Notification. — Any data center shall compare its current or planned operations against the definition of "high impact data center" established in §11-6N-2 of this code and provide notification to the Division of Economic Development when the data center becomes aware that it will satisfy or has satisfied that definition. The notification will include information addressing the elements of that definition, including known or expected power consumption of the data center. This notification shall be made (1) within 30 days after the data center determines that it meets these requirements, or (2) when the data center reasonably anticipates that it will, at some future date, meet these requirements, in which case the data center may provide that anticipated future date in its notification.

(d) Certification. — The Secretary of the Department of Commerce shall identify and certify high impact data centers in this state upon a finding that a data center satisfies the requirements for the definition of "high impact data center" set forth in §11-6N-2 of this code. The Secretary shall issue confirmation of certification to a high impact data center within 14 days following receipt of the notification from the data center required by this section.

(e) Recordkeeping. — Any information provided by a data center pursuant to this section that is identified by the data center as confidential business information shall be exempt from the Freedom of Information Act. The Secretary shall take reasonable and appropriate steps to protect this information. Notwithstanding the foregoing, the Secretary shall maintain a complete list of all certified high impact data centers and all relevant information that can be made available to the Governor and Legislature, removing specifically identifying information to ensure confidentiality of any such information as identified by any high impact data center.

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