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Construction of Data Centers as a Pawn in U.S. Mid-Term Election Debates

Shoichi Itoh*

Senior Fellow, Energy Security Unit
The Institute of Energy Economics, Japan

The midterm elections are coming around the corner on November 3. Although the Republican Party got a “triple red,” winning the presidential election and securing majorities in both houses of Congress two years ago, it is trailing in various districts. Reportedly, the Democrats are likely to regain a majority in the House of Representatives (435 seats). Furthermore, regarding the Senate (where 35 of the 100 seats are up for election, including by-elections), the Democratic Party is now mounting a strong challenge, betraying the initially prevalent forecast that it was at a disadvantage because there are more seats up for election in states where the Republican Party has traditionally held strongholds. The Republican Party is facing an uphill battle in five of the [seven battleground states](#)—Iowa, Alaska, Ohio, Kansas, and Texas—where it traditionally has a strong base of support.

According to a public [opinion poll](#) (released on October 5) conducted jointly by Reuters and Ipsos, President Donald Trump’s approval rating has fallen to a record low of 32%. Among Republicans alone, his approval rating remains high at 73 percent, and in particular, about 80 percent support the current administration’s immigration policies. However, amid a worsening surge in prices for gasoline, electricity, housing, and food—driven by the adverse effects of tariff policies and the Iran War—the percentage of Republicans who disapprove of the current administration’s [handling of the cost of living](#) has exceeded the percentage who approve of them since this September.

During this election campaign, construction of data centers has come into [sharp focus](#). Debates are intensifying over the soaring electricity rates caused by the rapid increase in power demand from data centers, environmental concerns such as land use and water resources, and the impact on employment. In July 2026, New York Governor Kathy Hochul signed an executive order—the [first moratorium](#) of its kind in the United States—on the construction of new large-scale data centers, suspending the issuance of environmental assessments for up to one year.

* This text expresses the author’s personal opinions and does not in any regard represent the views held by any organizations with which the author is affiliated.

In late September, President Trump signed an [executive order](#) directing government agencies to use the term “SI” (Super Intelligence) instead of “AI” (Artificial Intelligence), and [endorsed](#) the aggressive expansion of data center construction. However, the Republican Party does not have consensus on this issue. According to a [Washington Post](#) study, the number of Republican lawmakers and governors—both incumbents and candidates—who took a critical stance toward data center construction increased as the midterm elections drew near. However, this trend emerged about a year later among Republicans than among Democrats. Meanwhile, the Democrats’ positions are by no means uniform.

On September 16, the House of Representatives [passed](#) the “Ratepayer Protection Act”—a bill that requires state public utility regulators to consider whether large electricity consumers, including data centers, should bear the additional costs of electricity infrastructure as a measure to address rising electricity rates caused by the expansion of data centers—with overwhelming bipartisan support. However, on the 30th of that month, the Senate [voted down](#) a procedural move to advance the bill for reasons including its insufficient enforcement power over the states. Senator Jon Husted (R-Ohio), who was up for reelection, introduced the bill. However, the Democratic Party, which was supporting his opponent, former Senator Sherrod Brown, did not back it. Ultimately, the bill itself did not come to a vote. During the Ohio Senate election campaign, Mr. Brown has criticized Mr. Husted for his eagerness to build data centers during his previous term as lieutenant governor.

Along with the upcoming midterm elections, gubernatorial elections will be held in 36 states across the country. Illinois Governor J. B. [Pritzker](#) and Pennsylvania Governor Josh [Shapiro](#)—both Democrats—reversed their previous positions of actively supporting the attraction of data centers; the former directed state authorities in June to impose a [moratorium](#) on tax incentives, while the latter signed an [executive order](#) in August tightening regulations on data center construction.

In Michigan, under Democratic Governor Gretchen Whitmer—known as one of the leading critics of President Trump—[tax incentives](#) to attract data centers had been in place; however, in July, the [Michigan Affordable and Responsible Growth Action Plan](#) was announced, requiring operators to bear the full cost of data center construction and operation, as well as to strengthen the power grid. Amid the state’s gubernatorial election, where candidates cannot serve more than two terms, Democratic candidate Jocelyn [Benson](#), the state’s secretary of state, has indicated the possibility of a moratorium on the construction of data centers. Republican candidate John [James](#),

a U.S. representative from the state, does not support statewide regulations. However, both candidates have left the door open to other possibilities.

On September 21, Greg [Abbott](#), the Republican governor of Texas—one of the party’s strongholds—ordered the Texas Commission on Environmental Quality to suspend issuing new permits for data center construction until an audit of the state’s power grid is completed, amid an intensifying close race against Democratic candidate Gina Hinojosa, a Texas House of Representatives member. Regarding the U.S. Senate race in Texas, Republican candidate Ken Paxton, the state’s attorney general, is facing an [uphill battle](#) against Democratic candidate James Talarico, a state representative.

Although it is still too early to predict the outcome of the upcoming midterm elections, particularly in the Senate, the debate over expanding data centers is likely to continue in the lead-up to the 2028 presidential election. Currently, both the Republican and Democratic parties are seeking to capitalize on the growing backlash against this issue in American society as part of their election strategies. As a result, candidates are stepping up their criticism of their opponents’ past words and actions. However, the debate following the midterm elections will likely become more chaotic within each political party and state against the backdrop of three factors. First, support for expanding data centers cannot necessarily be categorized by political parties. Second, each state has different electricity infrastructure and environmental constraints, especially regarding water resources. Third, the economic impacts, such as the effects on tax revenue and employment, vary widely from state to state.

Despite the growing concerns regarding the use of AI and the level of its regulations, its more widespread adoption is, in and of itself, an inevitable trend of the times. AI development is now an indispensable element, not only for economic growth, but also for national security, and the Trump administration has emphasized the importance of maintaining international supremacy as the United States faces fierce competition from China. Growing wariness toward China is gaining [bipartisan](#) momentum among Washington’s policy community. In this regard, it is difficult to contemplate changes, particularly regarding AI, even considering the results of the midterm and 2028 presidential elections.

Although the results of the midterm elections may lead to changes in policies and momentum regarding data center expansion in specific states, strengthening the resilience of the electricity infrastructure, including renovating and expanding power grids, remains an urgent challenge for the United States and will continue to be a cornerstone of [U.S.-Japan energy cooperation](#).