

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4854

By Delegate Dillon

[Introduced January 28, 2026; referred to the

Committee on Government Organization then

Finance]

1 A BILL to amend and reenact §5B-2-21a of the Code of West Virginia, 1931, as amended, relating
2 to data centers; and prohibiting the state or any political subdivision from providing
3 subsidization.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2. DEPARTMENT OF ECONOMIC DEVELOPMENT.

§5B-2-21a. Data Centers.

1 (a) Findings and purpose. — The Legislature hereby finds and declares the following:
2 (1) Data centers represent a significant and growing sector of the economy, generating
3 substantial economic activity, including jobs, infrastructure investments, and technological
4 innovation.

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

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

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

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

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

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

32 As such, the state has a significant interest in encouraging the development and
33 expansion of data centers, which can serve as drivers of broader economic growth. The
34 Legislature finds that these externalities transcend local borders, including environmental
35 concerns, energy consumption, and regional economic growth. Additionally, the provisions in this
36 section align with the Legislature's goal of fostering a competitive, forward-thinking economy that
37 benefits all residents.

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

44 (c) Notification. — Any data center shall compare its current or planned operations against
45 the definition of "high impact data center" established in §11-6N-2 of this code and provide
46 notification to the Division of Economic Development when the data center becomes aware that it

47 will satisfy or has satisfied that definition. The notification will include information addressing the
48 elements of that definition, including known or expected power consumption of the data center.
49 This notification shall be made (1) within 30 days after the data center determines that it meets
50 these requirements, or (2) when the data center reasonably anticipates that it will, at some future
51 date, meet these requirements, in which case the data center may provide that anticipated future
52 date in its notification.

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

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

65 (f) **Subsidies.** — The State of West Virginia and any political subdivision of West Virginia is
66 prohibited from subsidizing any data center located in West Virginia.

NOTE: The purpose of this bill is to prohibit the state or any political subdivision from
subsidizing any data center in West Virginia.

Strike-throughs indicate language that would be stricken from a heading or the present law
and underscoring indicates new language that would be added.