

# Data Centers and AI Infrastructure A Recipe for Community Harm



**Communities have the right to full transparency regarding any project proposed in their region and meaningful opportunities to shape, influence, or decline that development. This includes the ability of communities to determine when a project does not serve the public interest and say no.**

**What Are Data Centers for AI?** An Artificial Intelligence (AI) data center is a specialized data center designed to run AI and machine learning systems, using high-performance chips and advanced cooling to handle massive computing workloads. These facilities depend on size but are especially energy- and water-intensive because they train and operate large AI models at scale.

**What You Need to Know:** The rapid buildout of AI data centers impacts us all. It is imposing hidden environmental, economic, and cultural costs across communities and states even if they are not located directly in your neighborhood. The impact is exacerbated and often hits Indigenous peoples and Tribal Nations, Black, Latinx, Asian Pacific Islander, and poor and rural white communities the hardest, very often without transparency, consent, or adequate legal safeguards.

## Key Impacts on Families & Communities

### 1. Increased Utility Costs & Questionable Public Subsidies

- Data Centers massive electricity demand drives higher household utility rates, resulting in [a projected 70% increase](#) in electric bills by 2029.



### Why This Matters: They Put the Cost on You

- Projects are being fast-tracked with limited oversight under the banner of economic development, “innovation” and “national competitiveness.”
- Communities across political lines are experiencing higher utility costs, water stress, and land-use conflicts.
- Civil rights obligations, environmental laws, and federal trust responsibilities are being weakened or bypassed altogether.
- If the AI market contracts, the public may be left with stranded, polluting infrastructure and long-term clean-up costs.
- If the AI market contracts, the economy may be negatively affected at the expense of taxpayers.

- Infrastructure upgrades required for data center expansion are publicly funded, with ratepayers footing the bill, while profits remain private.
- Tax abatements and subsidies given to data centers to attract them divert resources from schools, housing, and healthcare.
- Families spanning geographies and the political spectrum end up subsidizing billion-dollar corporations.

## 2. Increased Water & Environmental Harm

- Data centers [consume millions of gallons of water annually](#), often in drought-prone regions.
- Thermal and chemical discharge threatens rivers, aquifers, and ecosystems, putting everyday access to water supplies at risk.
- Affordable access to clean and safe water is jeopardized as water used in data center cooling is lost forever through evaporation and can not be recycled or travel back to its source.
- Indigenous spiritual, cultural, and subsistence relationships to water are threatened.
- “The world has moved beyond a water crisis and into a state of global water bankruptcy,” according to a 2026 report by the [United Nations](#). Continuing to sacrifice water knowingly is a civil rights and public health issue.

## 3. Secrecy, NDAs & Lack of Transparency Abound

- Many [communities report non-disclosure agreements \(NDAs\)](#) being enacted by big business, preventing meaningful public input and transparency.
- Communities and local officials often lack access to credible information on the full environmental and fiscal impacts of data centers.
- Oversight is undermined before projects are even approved. No transparency means no informed consent.

## 4. Tribal Consultation is Undermined

- Projects move forward without Free, Prior, and Informed Consent (FPIC) by Tribal Nations.
- Sacred sites, burial grounds, and cultural landscapes are [placed at risk](#).
- Federal government-to-government obligations are sidelined, resulting in a failure of the federal trust responsibility.

## 5. Gaps in Federal Protections

- Endangered Species Act and Historic Preservation Act [reviews are rushed or fragmented](#).
- The cumulative impacts (or effects of past harms on communities) are rarely assessed or considered when determining new data center construction and infrastructure.

- [State preemption](#) (overriding states’ powers to regulate) leaves communities with fewer protections.
- Permanent damage is approved through temporary loopholes.

## 6. Reliance on New Fossil Fuel Build-out & Mineral Resources Accelerates Climate Change

- In many places, [data centers are driving the buildout of new fossil fuel infrastructure](#), like power plants and pipelines, to produce the additional energy needed to run them.
- [Data centers rely on rare earth and critical minerals](#) for servers, chips, and cooling systems, leading to more [mining](#) near or on Tribal lands and in rural communities, which threaten sacred sites, water sources, and community health.
- [U.S. policy is accelerating domestic mining and international mineral agreements](#) to secure minerals for AI and data center expansion. This results in an increase in our greenhouse gas emissions at a time when we must drastically cut them.
- Mineral extraction, processing, and disposal create cumulative harms that lock in high-impact extraction models across the globe, sacrificing the safety and public health of people at home and abroad.

## The Long-Term Risk: When the AI Bubble Bursts

- Communities are left with abandoned or obsolete infrastructure that often leaves a toxic trail and/or poses a public health danger.
- Cleanup and remediation costs fall on the taxpayers, not the corporations who created the mess.
- Promised economic benefits disappear once tax incentives expire and the economic, health, and social costs are put on you. Many communities have seen this pattern before with warehouses, factories, and fossil fuel sites.

