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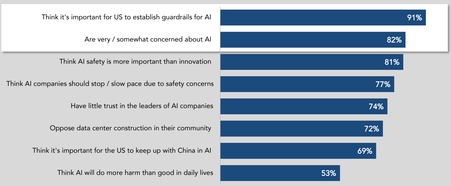
AI Emerging as More Prominent Issue Ahead of US Midterm Elections

As we approach the US midterm elections on November 3rd, artificial intelligence has become a more prominent issue with voters given: (1) data center energy costs; (2) physical footprint and land use; (3) labor market displacement concerns; and (4) limited regulatory frameworks. According to a recent Quinnipiac University poll, more than 80% of Americans have expressed significant concerns with AI and believe the government is not doing enough on regulation.

Percentage of respondents who agree with each statement:

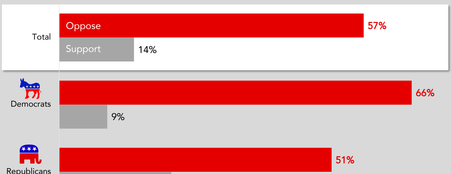


Source: (1) Quinnipiac University. Poll of 1,202 adults conducted from September 24-27, 2026, throughout the contiguous US.

Data Centers are a Bipartisan Issue

A recent Reuters / Ipsos poll found that 77% of Americans are concerned about data centers raising electricity costs. Two-thirds of Democrats and half of Republicans said they would oppose a data center in their community.

Reuters / Ipsos poll: Would you support or oppose a data center being built in your community?

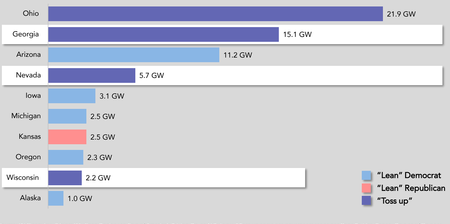


Source: (1) Reuters/Ipsos poll conducted on June 3-8, 2026. Sample of 4,531 general population adults aged 18 and older.

Governors Hold More Leverage in Data Center Buildout

Although federal regulators oversee broader energy market and environmental standards, state officials control zoning, land use and utility rates for data centers. With rising electricity costs topping the public agenda, governors face growing pressure to slow the rapid pace of the buildout.

Planned data center capacity in states with a close race for governor

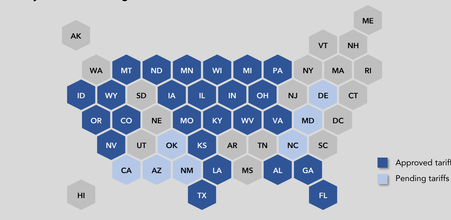


Source: (1) Cleanview, "Voters Will Soon Decide the Fate of America's Trillion-Dollar AI Buildout." Toss-up and close governor races as per Cook Political Report. Data as of October 27, 2026.

Data Center Power Regulation

According to Bloomberg Government, 15 states have enacted legislation to protect residential ratepayers from data center expansion costs, while 25 states have approved at least one large load tariff (specialized rate structure designed by utilities) for hyperscaler energy consumers.

State by state status on large load tariffs

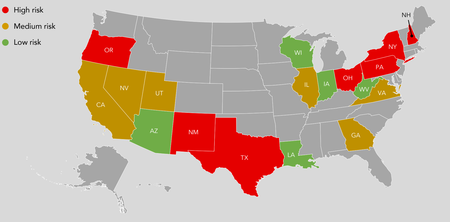


Source: (1) Bloomberg Government, "Congress Pushes Industry, States on Data Center Costs: Explained". Edison Electric Institute. Includes states that have approved at least one large load tariff as of September. In utility regulation, a tariff refers to a legally binding rate schedule, terms of service and cost-allocation framework, rather than an import tax.

States at Risk of Data Center Regulatory Action

According to Henrietta Treyz at Veda Partners, the regulatory outlook has declined across several data center markets. 87% of the total planned US data center capacity tracked by Veda is at medium to high regulatory risk.

Status of states at risk of data center regulatory action



Source: DataCenterBans, Veda Partners (Henrietta Treyz), "Data Center State Regulation Tracker – September 23 Update". Data as of September 30, 2026.

AI & Technology Implications

Democratic "Sweep" Dem Senate / Dem House	Divided Control GOP Senate / Dem House
Investigations: Investigation and subpoenas of AI CEOs, Big Tech CEOs, Elon Musk and government contracts, AI deepfakes, surveillance pricing, the use of AI in defense and the Iran War	**Fragmented agenda:** Some bipartisan overlap, but efforts in the House to regulate AI will be blocked by the Senate; comprehensive AI legislations remains difficult
Data centers and affordability: Investigations and subpoenas of hyperscalers, data centers' energy costs, and financing practices, as well as measures aimed at forcing data centers to bear a greater share of energy costs; moratorium possible, but not all Dems on board	**AI & cybersecurity:** Bipartisan support for enhancing monitoring of AI-related financial stability risks and developing NIST security standards of AI agents
AI accountability: Increased oversight of AI deployment through transparency, consumer protection, copyright, and workforce-focused policies	**Strategic competition with China:** Advancing policies to strengthen domestic technology leadership, reducing reliance on foreign technology supply chains
AI select committee: Establishing a committee to centralize all policymaking in Congress on AI	**AI safety for children:** Some bipartisan support for introducing safeguards in AI chatbots for minors, introducing parental controls, and safeguards for non-consensual deepfakes

Source: (1) MUFG US Government Affairs (Roger Hollingsworth).

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"Macro stability isn't everything, but without it, you have nothing."