

PROPERTY RIGHTS

19. DATA CENTERS (2026)

WHERE AS in 2026, South Dakota passed SB 135 otherwise known as “Data Center Bill of Rights”

WHEREAS, the “Data Center Bill of Rights” aims to protect residents from increased utility costs and water shortages linked to data centers, while clarifying state authority to regulate them.

WHEREAS, the bill adds new sections to Title 49 of the South Dakota Code, creating a dedicated chapter for data center regulation South Dakota Legislature:

WHEREAS, the definition of a “data center” is a centralized repository for electronic data and information with a peak demand of 10 megawatts or greater South Dakota Legislature.

WHEREAS, in electrical terms, providers must set separate terms for data centers, requiring reimbursement for all costs fairly attributed to them, including costs if they leave the system or reduce load South Dakota Legislature.

WHEREAS, the state cannot preempt local governments from adopting ordinances limiting, prohibiting, or regulating data center construction or operation in South Dakota.

WHEREAS, operators must notify local water providers of projected water consumption before building. Each provider must determine compatibility with local supply and issue a written determination. The Board of Water Management must issue a public statement if all providers approve South Dakota Legislature.

WHEREAS, even with approval, data centers cannot exceed consumption water limits set by the board after allocating to residential and essential services South Dakota Legislature.

WHEREAS, SB 125 prohibits the state from granting sales tax exemptions for data centers but allows local tax breaks such as Tax Increment Financing (TIF) districts and the Governor’s Future Fund.

WHEREAS, the “Data Center Bill of Rights protects communities from utility cost spikes, strain on the water systems as well as it preserves local control over development decisions while encouraging business development that contributes to local financial gain.

THEREFORE BE IT RESOLVED, The South Dakota Stockgrowers Association DOES NOT support the conversion of agricultural land for Data Centers and

THEREFORE BE IT RESOLVED, The South Dakota Stockgrowers Association supports local and state government to uphold and protect the private property rights, the use of natural resources (water and electricity) along with not allowing tax dollars, Tax Increment Financing (TIF) Districts and/or the Governor’s Future Fund, to be used to promote big business while it interferes with our agricultural way of life through implementation of State Law otherwise known as “Data Center Bill of Rights.”