



July 13, 2026

The Honorable Kathy Hochul
Governor of New York State
New York State Capitol Building
Albany, NY 12224

Dear Governor Hochul:

Upstate United writes in opposition to any moratorium on the construction or development of data centers in New York State.

Earlier this year, you reaffirmed your commitment to "secure New York's place at the forefront of the artificial intelligence transformation," observing that "whoever is at the forefront of artificial intelligence will dominate the next chapter of human history." We agree with that vision. But achieving it requires the computing infrastructure that makes it possible. Data centers are the essential backbone of the modern economy, supporting financial services, cloud computing, university research, advanced manufacturing, and the continued growth of artificial intelligence. A moratorium on data centers is fundamentally inconsistent with New York's stated objective of becoming a national leader in artificial intelligence.

A statewide moratorium would also send precisely the wrong signal to companies considering major investments in New York. It would create regulatory uncertainty for businesses making long-term capital decisions and reinforce concerns that New York's policy environment is becoming increasingly unpredictable. Such uncertainty extends well beyond data centers. It would directly impact manufacturers, suppliers and construction firms involved in the building of data centers as well as New York businesses that produce components used in data centers, and the research institutions and universities that increasingly depend upon advanced computing infrastructure. It is difficult to encourage private investment in the infrastructure necessary to support an AI economy while simultaneously considering a prohibition on one of its most essential components.

Many of the arguments raised against data centers are the same arguments that could be made against high-tech manufacturing, including semiconductor fabrication and other energy-intensive industries. If these concerns become the basis for statewide moratoria, New York risks signaling that it is unwilling to accommodate the very industries policymakers have identified as critical to the state's economic future.

Recent competitiveness analyses by the Citizens Budget Commission demonstrate that New York, particularly its Upstate regions, continues to lag many competing states in key measures of economic growth and job creation. This underscores why this is exactly the wrong time to adopt policies that discourage private investment and introduce additional uncertainty for major economic development projects.

Rather than impose a one-size-fits-all statewide mandate, the state should allow local communities to determine their own economic future. Municipalities already possess the necessary zoning, land use, and environmental review authority to evaluate proposed projects and weigh their benefits and impacts based on local conditions. A statewide moratorium would unnecessarily override local decision-making and deny communities the opportunity to pursue responsible economic development.

A moratorium would not simply affect future data center development. It would jeopardize thousands of existing and potential construction jobs, skilled trades, supply chain businesses, and the permanent high-paying jobs associated with these facilities. More broadly, it would send a chilling message to companies considering New York for future expansion and undermine the state's efforts to attract the industries that will define the next generation of economic growth.

For these reasons, we respectfully urge you to reject any legislation establishing a moratorium on data center development and to refrain from issuing any executive action that would inhibit responsible investment in this sector.

New York cannot aspire to "secure its place at the forefront of the artificial intelligence transformation" while signaling that it is unwilling to accommodate the infrastructure upon which that leadership depends. Rejecting a moratorium would reinforce New York's commitment to innovation, regulatory certainty, local decision-making, and high-quality private-sector jobs.

Respectfully,

Justin Wilcox
Executive Director
Upstate United