

# Governor Shapiro Proposes 2026–27 Budget That Includes Standards for Data Center Development

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On February 3, 2026, Governor Shapiro announced a 2026–27 budget proposal that includes the Governor’s Responsible Infrastructure Development (GRID) standards for data center development in Pennsylvania. [Press Release](#), Commw. of Pa., “Governor Shapiro Unveils 2026–27 Budget Proposal to Keep Doing What’s Working in Pennsylvania: Cutting Costs, Growing the Economy, Strengthening Public Safety, Funding Education, and Getting Stuff Done for Pennsylvanians” (Feb. 3, 2026). According to the press release, the GRID standards are intended to balance Pennsylvania’s unique position to be a leader in the data center development and AI-related infrastructure space, with the concerns many stakeholders share about potential impacts on communities, utility bills, and the environment. *Id.* The Shapiro administration says that for these reasons, the GRID standards are built on the following four core principles applicable to developers seeking permitting advantages and state incentives:

- **Protecting Energy and Water Resources:** Developers must either provide their own power generation or fully fund any new generation required for their projects. This is designed to mitigate cost increases to existing ratepayers, including residential and commercial customers. In addition, developers must comply with environmental requirements, specifically water conservation and sustainable resource use.
- **Transparency and Community Engagement:** Developers must meet heightened disclosure obligations and engage directly and transparently with stakeholder communities. This principle responds to Pennsylvanians’ concerns over limited visibility into prior projects and aims to ensure early and ongoing public involvement.
- **Delivering Local Jobs and Community Benefits:** Developers must prioritize hiring and training local labor and enter into community benefit agreements. These agreements are intended to support local infrastructure, services, and economic development in the host community.
- **Responsible Growth with Accountability:** To receive full support from the state, projects must meet the GRID standards. Benefits include streamlined permitting and access to available incentives.

The GRID standards reflect the Shapiro administration’s effort to balance economic development with consumer protection and community investment. The standards signal a shift toward more formalized expectations around infrastructure development, cost allocation, permitting decisions, and stakeholder engagement.

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