

TEXAS FARMLAND PROTECTION AND DATA CENTER RESPONSIBILITY ACT

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Texas Power. Texas Water. Texas Soil. Texas Rules.

Protect Our Fertile Farmland. Stop the Rural Land Grab. Make Them Pay Their Own Way.

Already written. Ready Day 1.

One bill. Seven historic wins:

1. Applies to **large data centers, crypto mining farms, utility-scale solar farms, battery storage facilities, and lithium/critical mineral extraction operations** — no more unchecked development on prime Texas land.
2. Forces these facilities to build and pay for their own power, water, roads, and transmission — no cost-shifting to families or taxpayers.
3. Steers them into **Agriculture Freedom Zones** on marginal or non-prime land — with major tax incentives — instead of paving over fertile Texas farmland.
4. Gives counties real authority over massive projects in unincorporated areas, including review, moratoriums, and denial to protect agriculture and rural life.
5. Mandates self-sufficient water solutions — prioritizing treated produced water, atmospheric generation, and recycled sources — to protect aquifers, farms, and Texas families.
6. Ties to national security — restricts adversarial foreign ownership and components.
7. Generates accountability fees for the **Freedom Fund** to deliver property tax relief — no new taxes on Texans.

Pew Research Center data highlighted by Commissioner Sid Miller on NewsNation (2026): 67% of planned data centers (and similar large energy users) are targeting rural Texas, while only 13% of operating ones are currently rural. This rural land grab must stop. Prime farmland is for growing food and feeding Texans — not server farms, mining rigs, solar arrays, battery fields, or mineral extraction sites.

This Act ends the unchecked expansion on our best soil.

This isn't anti-growth. It's responsible, Texas-first growth. Large energy-intensive facilities, including data centers, are welcome in Texas— we must win the AI race, but we will do it responsibly with strong guardrails, no blank checks. These facilities are welcome if they locate in designated Freedom Zones on marginal land, pay their own way, prioritize treated produced

water and self-sufficient solutions, protect our water/energy/soil for families and farms first, and respect rural communities. No more corporate welfare turning Texas breadbasket land into industrial zones.

Section 1: Purpose and Legislative Findings

The people of Texas declare: **Large-scale data centers, cryptocurrency mining operations, utility-scale solar farms, battery energy storage systems, and lithium/critical mineral extraction** operations provide economic benefits but must not destroy prime agricultural land, strain water and power resources, or burden taxpayers. Recent data shows massive planned rural targeting, threatening our food security and rural way of life. Commissioner Sid Miller has rightly highlighted these risks and called for Agriculture Freedom Zones along with a pause on unchecked hyperscale data center development until long-term impacts are fully assessed. Texas's abundant produced water from oil & gas can be a resource for lithium extraction and industrial cooling when properly treated. Current law leaves counties powerless. This Act adds critical guardrails to an unchecked market while supporting America's AI race. This Act requires full infrastructure self-responsibility, creates strong incentives for smarter siting, enhances local control, and prioritizes Texas sovereignty and agricultural security. It builds directly on Commissioner Sid Miller's Agriculture Freedom Zones proposal and Senate Bill 6 (2025). As Governor, immediate executive actions will include a targeted temporary pause on new permitting for projects on Prime Agricultural Land pending AFZ mapping and a push to reform and condition the existing state sales tax exemption for data centers.

Section 2: Definitions

- **“Large Energy-Intensive Facility”** = any data center, cryptocurrency mining operation (crypto farm), utility-scale solar farm, battery energy storage system (BESS), lithium or critical mineral extraction/refining operation, or similar project exceeding **75 MW** (or material expansion adding 75 MW or more) **or disturbing more than 50 acres**, including co-located combinations of these uses.
- **“Prime Agricultural Land”** = land classified as prime farmland or unique farmland by USDA or Texas Department of Agriculture soil surveys, or locally designated high-productivity soils.
- **“Agriculture Freedom Zones (AFZs)”** = state-designated areas on marginal, brownfield, arid, non-prime, or lower-productivity land with existing or planned infrastructure capacity. The Texas Department of Agriculture shall establish clear designation criteria (soil class, drought vulnerability, proximity to transmission/water) and a transparent application/map process within 180 days of enactment.
- **“Infrastructure”** = dedicated transmission lines, substations, water systems (including sourcing, treatment, and wastewater), wastewater disposal, and road upgrades.
- **“Produced Water”** = wastewater generated from oil and gas operations, which may be treated for beneficial reuse consistent with Railroad Commission and TCEQ rules.

Section 3: Agriculture Freedom Zones and Tax Incentives

- The Texas Department of Agriculture, in coordination with the Comptroller, shall designate Agriculture Freedom Zones statewide, prioritizing marginal or non-prime lands. Zones shall be mapped and published publicly within 180 days.
- Large Energy-Intensive Facilities locating in approved AFZs receive targeted incentives: accelerated depreciation, deferred capital gains treatment, enhanced property tax abatements (conditioned on full compliance with self-funding and water rules), and priority permitting.

- Projects on Prime Agricultural Land are ineligible for any state tax incentives, abatements, or expedited permitting, or sales tax exemptions. Strong preference and incentives shall steer development away from fertile farmland.
- The existing state sales tax exemption for data center equipment and electricity shall be reformed and conditioned exclusively on AFZ compliance, full self-funding, and no use of Prime Agricultural Land.
- This section builds directly on Commissioner Sid Miller’s Agriculture Freedom Zones proposal (covering data centers, crypto, solar, battery storage, and lithium/critical minerals) to protect Texas food security.

Section 4: Infrastructure Self-Funding Mandate

All Large Energy-Intensive Facilities must fully fund, construct, and maintain their own dedicated power transmission, substations, water systems, and road upgrades at **100% cost**. Upfront financial assurance via irrevocable letters of credit, performance bonds, or escrow (in amounts set by **PUC/TxDOT**) is required before permitting. No cost-shifting to **ERCOT residential ratepayers or counties**. This strengthens and expands Senate Bill 6 (2025) interconnection and cost-allocation rules.

Section 5: Water Accountability and Self-Sufficiency

- Mandate closed-loop/alternative cooling (where technically feasible) and prioritization of atmospheric water generation, treated produced water, recycled water, or reclaimed sources before any freshwater use.
- Strongly encourage beneficial reuse of treated oil & gas produced water for lithium extraction, industrial cooling, and other non-potable needs to reduce freshwater demand (building on ongoing Permian and East Texas projects).
- Full metering of all water sources and uses, annual public reporting to TCEQ, drought contingency plans, and demonstration of **no net negative impact** on local aquifers or neighboring agricultural operations. Aquifer protection overlays apply near sensitive formations (e.g., **Ogallala, Carrizo-Wilcox**).
- Projects must prove self-sufficiency during drought periods or face permit suspension.
 - Large Energy-Intensive Facilities are prohibited from large-scale rainwater capture that materially reduces water availability for local farms, families, or aquifers. Any rainwater collection must be limited and require TCEQ approval demonstrating no adverse impact on surrounding properties.

Section 6: Enhanced County Authority

- Grants counties explicit land-use review, 1–2 year moratorium authority (renewable with cause), and denial powers in unincorporated areas for projects over threshold.
- Criteria include: public safety, noise/traffic, agricultural land protection, infrastructure capacity, rural character, and cumulative regional impact. Mandatory public hearings and applicant-funded independent impact studies (paid directly to third-party experts chosen by county).
- Appeals go to district court with deference to county findings on local facts.

Section 7: National Security and Foreign Ownership

- Integrates with the **Texas Sovereignty & Influence Shield Act**.
- Restricts adversarial (Chinese, Russian, Iranian, etc.) ownership (>10% interest) or substantial components in critical energy and mineral infrastructure. Full disclosure,

Texas Attorney General review, and divestiture options required. CFIUS-style state-level scrutiny applies.

Section 8: Transparency, Fees, and *Freedom Fund*

- Mandatory community benefit agreements (optional but incentivized) and public disclosures of projected water/power use, economic impact, and decommissioning plans.
- Compliance and application fees directed to the *Freedom Fund* for property tax relief to Texas homeowners and rural infrastructure improvements.
- Limits or phases out tax incentives for non-AFZ or non-compliant projects. Ends corporate welfare for projects that burden Texans.

Section 9: Enforcement and Penalties

- Administered jointly by PUC (lead on energy), TCEQ (water), Texas Department of Agriculture (land/AFZs), Railroad Commission (produced water/minerals), and counties, with Attorney General support and interagency MOUs to ensure coordination.
- Facilities must comply with strict air emissions standards for backup generators and cooling systems, including setback requirements from residential areas and prime farmland, continuous monitoring, and public reporting to TCEQ.
- Penalties: permit revocation, civil fines up to \$50,000 per day, corrective orders, and bond forfeiture. Private right of action for affected landowners with reasonable standing limits and attorney fee shifting to deter frivolous litigation. Severability clause applies.

Effective Date and Timeline

Filed Day 1 of administration. Applies to all new projects and material expansions seeking permits after enactment. Existing projects grandfathered but subject to full self-funding and water rules upon expansion. Revenue-positive for Texas families from the start. Upon taking office, the Governor will direct agencies to implement an immediate targeted pause on permitting for Large Energy-Intensive Facilities on Prime Agricultural Land while AFZs are mapped.

Farmer-First | Farmland-Protected | Data Centers Pay Their Way | Taxpayer-Protected | Water-Secure | Texas Sovereignty-First

“Cultivating A Better Texas”

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“Reclaim 1836: Cultivating a Stronger, Freer Texas — Protecting Our Soil, Water, and Power for Future Generations.”

Sources: Commissioner Sid Miller’s Agriculture Freedom Zones proposal and May 2026 calls for pause on hyperscale data centers, Pew Research Center data (via NewsNation), Element3/Select Water lithium-from-produced-water projects, Hill County actions, SB 6 (2025), TCEQ/ERCOT/RRC data, rural stakeholder input, existing Hyde platform.