



# State Economic Development Executives Network (SEDE)

Helping State Economic Development Leaders Thrive

## Executive Summary: SEDE Network Meeting

May 12, 2025 | AC Hotel, Washington, DC

### Meeting Overview

The State Economic Development Executives Network (SEDE) convened in Washington, D.C., to discuss pressing issues facing state economic development leaders. Mike Graney, Acting Executive Director of the West Virginia Department of Economic Development, chaired the meeting. Topics discussed included federal policy shifts, funding uncertainty, energy infrastructure, and workforce development. Participants also heard presentations on successful workforce models from Colorado and Kentucky.

### Current Issues Across States

State leaders shared a broad set of challenges, including federal funding cuts, rising costs in housing and childcare, and increasing pressure on energy systems. Many states are navigating leadership transitions while simultaneously attempting to maintain momentum on large-scale economic development efforts. Trade policy and tariffs continue to affect planning for export industries and international investment. The broader economic environment has caused delays in company investment decisions, as businesses wait for clearer direction on federal programs and economic signals.

### Federal Policy Landscape

#### Presenter: Leslee Gilbert, Van Scoyoc Associates

Leslee Gilbert offered insight into the administration's current approach, which centers on executive authority, deregulation, and an emphasis on domestic production. Significant proposed cuts to NIH, NSF, and EDA are part of a longer-term strategy to shift financial risk and program delivery to states and private entities.

States were encouraged to highlight job creation and industry partnerships when engaging federal officials, particularly as the administration looks for measurable outcomes. Labor shortages and structural workforce issues were identified as critical barriers to national goals around reshoring and industrial expansion.

### Workforce Strategies

**Colorado** presented a statewide workforce strategy focused on performance-based funding, employer-driven planning, and early career exposure for high school students. Over \$100 million in funding has supported 20,000 individuals through targeted training programs.



## State Economic Development Executives Network (SEDE)

Helping State Economic Development Leaders Thrive

**Kentucky** shared its KY FAME program, which combines classroom instruction with paid, on-the-job training in advanced manufacturing. The initiative is employer-led and free for students, but scaling and diversity remain key challenges.

Other states shared efforts to promote vocational careers through outreach, apprenticeship expansion, and employer incentives, while also noting the importance of maintaining investments in higher education and innovation.

Following the workforce discussion, states discussed the rapid growth in data centers, resulting in strained energy capacity and permitting systems. Many states are leveraging tax incentives and regulatory reforms to accommodate these projects, though long-term energy solutions like hydrogen and SMRs are still in early planning stages. There is growing interest in placing data centers in urban areas to generate tax revenue and improve employment opportunities for underemployed residents.

### **SEDE Priorities and Next Steps**

Administrative topics included discussion of SEDE accomplishments, plans for a salary survey and state economic development expenditures database, SEDE funding, and coordination on MEP program continuity. Concerns were raised about federal constraints limiting outreach to younger students in defense-related workforce efforts. SEDE leadership reaffirmed its commitment to a nonpartisan, confidential format and invited participation in future meetings and planning efforts.

Materials presented to attendees are available on the SEDE website to SEDE members.