



State Economic Development Executives Network (SEDE)

Helping State Economic Development Leaders Thrive

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Meeting Summary

May 12, 2025 – AC Hotel, Washington, DC

National Harbor II Meeting Room, 12:00 PM – 4:30 PM

Welcome and State Introductions

Mike Graney, SEDE Network Co-Chair and Acting Executive Director, West Virginia Department of Economic Development, kicked off the State Economic Development Executives (SEDE) Network Summer Meeting by welcoming attendees and noting that the meeting brings together leaders to collaborate on key economic development issues.

The following states/territories were represented during the meeting:

- Mike Graney (WV)
- Ellen McNair (AL)
- Hugh McDonald/Clint O’Neal (AR)
- Eve Lieberman (CO)
- Daniel O’Keefe (CT)
- Kurt Foreman (DE)
- Kristina Slattery (KY)
- Rachel Shields (LA)
- Yvonne Hao/Ashley Stolba (MA)
- Subash Alias (MO)
- K.C. Belitz (NE)
- Tom Burns (NV)
- Rob Black (NM)
- Hope Knight (NY)
- Mary Elizabeth Wilson/Christopher Chung (NC)
- Rich Garman (ND)
- Sophorn Cheang (OR)
- Rick Siger (PA)
- Sebastián Negrón Reichard (PR)
- Liz Tanner (RI)
- Ashely Teasdel (SC)
- Erin Farr/Lance Soffe (UT)
- Brett Long/Lindsay Kurrle (VT)
- Grace Yoo (WA)
- Sam Ridders (WI)

Representatives from five other states – Alaska, Arizona, Minnesota, Missouri, and Oklahoma were unable to come due to legislative sessions.

The meeting began with brief introductions from state economic development leaders, each sharing an overview of the major issues their state is currently facing. Across the board, attendees expressed significant concerns about federal funding cuts, particularly to NIH and other research agencies, as well as the uncertainty caused by tariffs and changing trade policies. Several also mentioned challenges in communicating the value of economic



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development programs within their state governments, especially amid leadership changes or budget shortfalls.

Key themes included:

- Ongoing or anticipated reductions in federal funding, especially in life sciences, energy, and infrastructure.
- Affordability pressures in housing, healthcare, and childcare, often linked to broader workforce challenges.
- Energy access and planning, with many states experiencing either surpluses that need infrastructure or demand outpacing availability.
- Challenges posed by the current international trade environment, especially tariffs and concerns around imports and exports.
- New initiatives underway, such as strategic economic development plans, efforts to attract data centers, and public-private housing developments.

Many states noted that the policy and economic uncertainty is affecting business investment decisions. In particular, leaders cited a slowdown in project approvals and hesitancy from companies waiting for clearer signals on federal policies.

Federal Policy Update

Presenter: Leslee Gilbert, Vice President, Van Scoyoc Associates

Leslee Gilbert provided a detailed overview of the shifting federal policy landscape under the current administration. She described the political environment as a "populist moment," where executive authority is being used aggressively to bypass legislative processes. There is a strong push toward deregulation, energy dominance (particularly fossil and nuclear), and administrative efficiency.

Major levers being used include:

- Executive orders
- Tariffs
- Personnel management (hiring/firing)
- Potential use of impoundment to withhold congressionally appropriated funds



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Gilbert noted that while some programs are technically not impounded until the end of the fiscal year, the delay in spending creates similar effects. She highlighted growing pressure from Congress to require formal rescission processes, particularly as the administration appears poised to hold back funds in certain program areas.

On the budget front, three overlapping processes are now in play:

- **FY 2025:** Agencies are operating on "spend plans" that largely continue FY 2024 levels. A rescission package is expected to target unobligated foreign aid and media-related funds.
- **FY 2026:** A proposed "skinny budget" calls for steep cuts to NIH, NSF, and even elimination of the Economic Development Administration (EDA), though Congress is unlikely to adopt these wholesale.
- **FY 2025-2029 Reconciliation:** Bipartisanship is not required, and only a narrow vote margin in both houses is needed. Reconciliation could include sweeping changes to entitlement program eligibility and federal revenue structures.

Gilbert emphasized that the current strategy of the administration is not necessarily to cancel programs outright, but to transfer program and policy responsibility to states or private actors. This includes areas like student loans, food assistance, and business development. CHIPS Act subsidies remain in play, but internal disagreements exist over how best to incentivize domestic semiconductor production.

She advised that states focus on:

- Amplifying private-sector voices when seeking support from federal officials
- Demonstrating measurable job growth and business impact from development programs, and
- Positioning state projects in terms of reshoring, national security, or technological leadership.



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Discussion Highlights:

- Attendees questioned how foreign trade zones are affected by recent executive order language and how to make manufacturing feasible under new tariff rules. Leslee suggested leaders talk to the administration about efforts to reshore jobs and emphasize defense related manufacturing projects.
- Concerns were raised about how labor shortages could hinder efforts to onshore manufacturing, especially when younger workers are disinterested in traditional trades and immigration policy remains restrictive.
- The possibility of shifting federal funding to states via block grants was discussed, with mixed views on feasibility and implications.

Leslee invited attendees to contact her at lgilbert@vsadc.com if they had any questions. Her presentation slides are available on the SEDE website.

Addressing Workforce Challenges

First Presenter: Eve Lieberman, Executive Director, Colorado Office of Economic Development and International Trade

Eve presented an overview of its workforce strategy, anchored by the [Opportunity Now](#) program and a network of regional talent summits. The state has distributed over \$100 million across 89 partner organizations to serve 20,000 residents through training programs, performance-based funding, and equipment acquisition tax credits.

Core elements of the strategy include:

- Industry-led regional summits to identify tactical workforce needs
- Grants and tax incentives for employers and training providers
- Promotion of career pathways starting in high school, with credentials and job experience, and
- Alignment of educational programs with high-demand sectors, such as construction, advanced manufacturing, and healthcare.

Attendees shared related efforts in their states. One popular initiative, "Be Pro Be Proud," brings mobile career labs to high schools and correctional facilities, directly engaging students and families in discussions about technical career paths. Several states have



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adopted or plan to adopt versions of this model. Others host "Draft Days" where students are matched with employers for interviews and job offers.

Concerns were raised about balancing this push toward technical credentials with continued investment in higher education and research. One leader emphasized the need to maintain long-term support for innovation ecosystems, particularly public universities that serve as drivers of economic growth. Presentation slides are available on the SEDE website.

Second Presenter: Kristina Slattery, Commissioner, Kentucky Department for Business and Community Development

The Kentucky presented their approach to workforce training, centered around the [KY FAME](#) program. Originally initiated with support from a major manufacturing employer, KY FAME offers students a two-year associate degree that combines classroom instruction with three days per week of paid, on-the-job training.

Program structure and outcomes include:

- Employer-governed regional chapters that partner with local technical colleges
- Free tuition and income from work-based training, resulting in low or no student debt
- Graduates in high demand, often progressing into higher education or well-paid roles in industry

While highly successful in terms of student outcomes, the program is facing challenges around scalability, diversity, and financial sustainability. The equipment and staffing needs of technical colleges, combined with uneven participation across chapters, have made standardization difficult.

Kristina noted that there are no direct state incentives tied to the program and there are examples of adjacent models in other states, including employer-only initiatives that omit the college partnership component

Other Topics

Following the workforce presentations and discussion, the conversation turned to the rapid growth of data centers and the implications for energy infrastructure. Many states are using sales and use tax exemptions, property tax incentives, and microgrid legislation to attract and support data center investments. Cold climates, available land, and power surpluses are key selling points, but several leaders emphasized the growing strain on energy grids.



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Other points raised:

- Interest in siting data centers in disinvested urban areas to increase property tax base
- Considerations around zoning laws and local opposition
- Discussion of future energy strategies, including:
 - Carbon sequestration and hydrogen production
 - Small Modular Reactors (SMRs) and nuclear energy regulatory reform
 - Aligning power agreements with sustainability goals

One attendee noted that while SMRs are appealing, the timeline to build them remains long. Tech companies are pressing for cleaner energy sources to meet their own goals, putting additional pressure on state infrastructure planning.

SEDE Planning

The final portion of the meeting addressed SEDE's internal planning and priorities. Leaders shared updates on a range of administrative topics:

- CREC's Statement of Work and 2024-25 Accomplishments including:
 - Strategic plans for each state are available on the SEDE website [here](#)
 - Monthly SEDE Bulletins, webinars, technical assistance, blogs, member Q&A
 - Two in-person meetings each year
- Two new projects are under review:
 - Salary survey for state economic development agency staff
 - Redesigned state economic development expenditures database
- With Pew funding no longer available, SEDE has turned to other sources of funding:
 - 25 states have contributed to SEDE with annual investments based on population size; statements will be distributed to allow for year-end funds to be used
 - Sponsors are being explored with an emphasis on maintaining the meeting's closed-door, candid format



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- Overview of SEDE expenditures with an emphasis on investment and expense transparency
- Participants expressed interest in MEP (Manufacturing Extension Partnership) program continuity, with some concern about funds only being available through September 2025
- Opportunity identified in engaging younger students in defense industry workforce efforts, though current DoD rules restrict programs to postsecondary audiences

Attendees were invited to express interest in joining the SEDE Steering Committee or hosting the fall/winter meeting. Positive feedback was shared about co-locating the meeting with the SelectUSA summit.

Adjourn

The meeting concluded with thanks to attendees for their participation and engagement. Follow-up communications were promised regarding next steps on workforce programs, MEP funding, and future meetings. Attendees were reminded about the invitation to attend the IEDC Board meeting happy hour reception.