



# State Economic Development Executives Network (SEDE)

Helping State Economic Development Leaders Thrive

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### Executive Summary

*October 14–15, 2025 - Empire State Development (ESD), New York City*

*655 Third Avenue – 4th Floor*

### Meeting Overview

The State Economic Development Executives Network (SEDE) brought together leaders from 17 states to discuss trends, challenges, and innovations shaping economic development. The meeting emphasized collaboration, knowledge sharing, and practical strategies to respond to rapidly changing economic and policy landscapes.

Energy emerged as a decisive factor for project siting, particularly for manufacturing and data centers. While nuclear power, including small modular reactors, offers long-term potential, deployment faces regulatory, supply, and public perception hurdles. States are navigating local opposition, environmental concerns, and rural engagement to maximize community and economic benefits.

Workforce development continues to be a central concern. States shared innovative approaches, including Missouri's SkillBridge program for transitioning service members and Kansas' "Love, Kansas" campaign to attract former residents. Leaders highlighted uneven labor participation, the importance of rural engagement and wraparound services, and the growing trend of employers prioritizing skills over degrees. Automation and AI further complicate workforce planning, requiring both regulatory attention and new training models.

Trade policy and federal uncertainty remain significant challenges. Tariffs are affecting investment decisions, particularly in manufacturing and semiconductor projects, while shifting federal programs such as STEP create uncertainty. SEDE participants emphasized the value of sharing best practices, coordinating advocacy, and carefully targeting foreign investment.

States are reevaluating economic development incentives to focus on outcomes and ROI rather than project counts. Regional cooperation is seen as a way to reduce destructive competition, and Opportunity Zones produced mixed results, with targeted communities benefiting most. Technology adoption, digital government initiatives, and AI are emerging priorities, with states exploring both operational efficiency and regulatory safeguards.

Other recurring themes included housing affordability, childcare, and rural infrastructure, with states expressing interest in sharing successful funding models and strategies for equitable growth.



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## Key Takeaways

- Energy cost and availability are now critical in site selection; data centers and manufacturing are particularly affected.
- Workforce programs targeting veterans, former residents, and skills development show measurable results.
- Tariffs and federal policy uncertainty are driving states to adopt proactive advocacy and knowledge-sharing strategies.
- Incentives are being reevaluated to emphasize wage growth, ROI, and problem-solving, rather than volume.
- Emerging technologies and AI are reshaping economic development planning, requiring both innovation and regulation.
- Rural development, housing, and childcare remain ongoing challenges needing collaborative solutions.

The meeting concluded with tours of the Moynihan Train Hall and Brooklyn Navy Yard's NewLab incubator, showcasing infrastructure transformation and advanced technology startups. SEDE plans to continue knowledge sharing, advocacy for federal programs, and collaboration on workforce, energy, and incentive strategies. The next SEDE meeting is scheduled for May 2026 alongside SelectUSA.