



State Economic Development Executives Network (SEDE) Meeting Notes Summary

October 14–15, 2025 - Empire State Development (ESD), New York City
655 Third Avenue – 4th Floor

Tuesday, October 14th

Welcome and Introductions

The SEDE Chair, Sandra Watson, President and CEO of Arizona Commerce Authority, opened the meeting by welcoming 20 attendees representing 18 states, with several others expressing interest but unable to attend. The following states were represented during the meeting:

- Sandra Watson (AZ)
- Jennifer Emerson (AR)
- Laura Rodriguez (CO)
- Daniel O'Keefe (CT)
- Joshua Jefferson (KS)
- Kristina Slattery (KY)
- Eric Paley (MA)
- Maureen Terry (ME)
- Kevin McKinnon (MN)
- Michelle Hataway (MO)
- Denise Desatnick (NC)
- Thomas Burns (NV)
- Hope Knight (NY)
- Rick Siger (PA)
- Stefan Pryor (RI)
- Jason El Koubi, Michael Moran, and Juan Pablo Segura (VA)
- Lindsay Kurrle (VT)
- Sarah Clifthorne (WA)

Representatives from several other states were unable to attend due to travel and scheduling challenges. These states included Delaware, Indiana, Louisiana, Mississippi, North Dakota, New Mexico, Oklahoma, Oregon, South Carolina, and Wisconsin.

Appreciation was expressed to Empire State Development and its leadership for hosting the event and organizing the dinner, offsite tour, and Broadway outing. Attendees reflected on SEDE's ten-year anniversary and the importance of sustained collaboration among state economic development leaders.

Attendee Introductions and State Issues

Each participant provided a brief introduction and described one key takeaway they hoped to bring home. Common themes across states included:

- Energy availability and affordability, especially the impact of nuclear, natural gas, and renewable sources on competitiveness.



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- Workforce challenges, including retention, skills alignment, and participation rates.
- Data center development and how to balance growth with local opposition and infrastructure needs.
- Federal uncertainty, particularly regarding funding programs and policy shifts.
- Housing affordability, land availability, and balancing environmental goals with development needs.
- Automation and AI, raising questions about incentives tied to job creation and legacy workforce replacement.
- Rural development and the need to address inequities between metropolitan and rural communities.

Several states discussed declining federal funds for workforce programs and WIOA, and the ripple effects on state services. Others shared concerns about tax credit reductions and budget tightening.

A state leader noted that energy is now the first thing companies ask about when considering investment sites. Another asked how others were managing investments from foreign governments – are other states targeting specific nations?

Across the board, participants agreed that the pace of change—both technological and political—has outstripped traditional economic development models. Some observed that younger generations are prioritizing remote work and lifestyle factors over salary, reshaping labor markets.

Break and Networking

Participants took a brief networking break with refreshments provided by Empire State Development.

Hot Topics Discussion

The discussion revisited common themes from introductions and registration forms, with particular attention to the impact of tariffs:

- Several attendees emphasized federal policy volatility, with rapid policy shifts complicating long-term state planning.



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- Many states reported that tariffs and trade policy were creating severe uncertainty. Businesses were reluctant to speak publicly, fearing backlash. Some used chambers of commerce or nonprofits to advocate on their behalf.
- A few states had conducted anonymous interviews with companies to understand tariff impacts. Roughly 80 percent described tariffs as harmful—raising costs, forcing cuts to R&D, and delaying investment. Benefits were rare and largely unrealized.
- Some leaders mentioned uncertainty under current federal leadership, predicting that tariff instability would continue even under future administrations.
- Tariffs on global supply chains were cited as a key issue even for U.S.-based manufacturing projects. For example, U.S. semiconductor investments faced penalties when sourcing components abroad.

Participants agreed that SEDE could help by collecting and sharing best practices for managing tariff impacts.

Other topics included:

- A few states discussed efforts to retrain workers for new manufacturing projects involving foreign firms, using apprenticeship models to build domestic expertise.
- Rural development and the need to better support under-resourced communities.
- Childcare as an economic development tool, with states experimenting with employer partnerships.
- Site development and how states manage or finance large-scale industrial projects.

Energy – Meeting Tomorrow’s Needs Today

Presenters:

[Jason El Koubi](#), President and CEO at the Virginia Economic Development Partnership

[Juan Pablo Segura](#), Secretary of Commerce and Trade for the Commonwealth of Virginia

[Rick Siger](#), Secretary, PA Department of Community & Economic Development

State leaders from Virginia and Pennsylvania discussed how surging power demand—driven by data centers, advanced manufacturing, and AI-related industries—has turned energy supply and cost into core economic development issues.

- Virginia noted that nearly all site consultants now view energy availability as a top challenge, with cost close behind. Energy policy, while politically divisive, is increasingly central to state competitiveness and project feasibility.



- On data centers, Virginia and Pennsylvania shared that local opposition remains strong, but counties hosting centers often experience major tax benefits that help lower local tax rates. Pennsylvania emphasized the public sector's role in communicating these benefits while addressing community and environmental concerns, ensuring transparency and consistency in permitting processes.
- Discussion turned to nuclear power—particularly small modular reactors (SMRs)—as a long-term solution for large-scale clean energy needs. Virginia's representative said the state aims to be among the first to deploy SMRs by the early 2030s, focusing on fast-tracking rather than financing projects. They also noted renewed private investment and federal collaboration in the nuclear industry. The Pennsylvania representative expressed skepticism about timelines, cautioning that current SMR technology cannot yet support the power needs of major facilities, though nuclear remains the only carbon-free option capable of meeting future industrial demand.
- On fuel and siting challenges, Virginia highlighted the limits of domestic uranium supply, noting reliance on imports from Russia and South Africa, and legal restrictions on mining within the state. Partnerships between major energy companies are exploring domestic refining options. Participants observed that rural areas may be more open to hosting nuclear facilities, while agriculture-heavy states remain cautious.
- **Broader themes:** included widespread grid congestion, oversubscribed power generation, and delays in energy project approvals that threaten business growth. Leaders emphasized the need for education campaigns to address misinformation about energy-intensive industries and called for collaboration across states to balance near-term energy shortages with long-term sustainability goals.

Discussion closed with agreement that misinformation around energy and data centers is widespread and must be proactively addressed. A few states mentioned joining national coalitions to educate the public and correct false narratives.

Adjournment and Evening Activities

The day concluded with thanks to the host state and reminders about the evening tour and dinner.

Participants traveled to Moynihan Train Hall for a guided tour by ESD staff, learning about the \$1.6 billion transformation of the historic James A. Farley Post Office into a modern transit hub. Dinner followed at a nearby restaurant offering Greek cuisine and an opportunity for informal networking.



Wednesday, October 15th

Coffee and Review of Day 1

The morning began with coffee, bagels, and a recap of the previous day's discussions.

Participants discussed next steps for tariffs and SBA's STEP funding (State Trade Expansion Program).

- Many states had been instructed to spend down their current STEP funds without expectation of renewal.
- Attendees agreed to work with SIDO and CREC to organize a roundtable on the implications and advocate for continued funding.
- Ken Poole noted that SEDE's involvement would bring credibility beyond traditional trade groups.

The group also discussed Opportunity Zones and how to make them more effective. Some states found little measurable impact, while others saw targeted success in "tipping point" communities rather than deeply distressed areas. (Note: A recent webinar on Opportunity Zones by the Economic Innovation Group can be found [here](#) and the Q&A emerging from the webinar is attached).

Workforce Innovations – New Approaches

Presenters:

[Joshua D. Jefferson, Deputy Secretary of Business Development, KS Dept. of Commerce](#)

[Michelle Hataway, Director, MO Dept. of Economic Development](#)

Two states presented on innovative workforce programs.

- Missouri shared details of a SkillBridge partnership with the Department of Defense, allowing service members to train with civilian employers before leaving military service. The program grew from five to 80 certified employers, addressing both veteran retention and state talent shortages.
- Missouri also presented its Missouri One Start program:
 - Created in 2019 and funded through state training awards.
 - Has served over 1,600 companies and trained more than 250,000 workers.
 - Provides recruitment and relocation support, including microsites for companies and relocation reimbursements of \$1,500 per out-of-state hire.



- Includes recruitment campaigns for large employers and partnerships with other state agencies to reach potential workers through public assistance programs.
- Kansas described its “Love, Kansas” campaign that re-engages former residents through personalized outreach. Over 250 families have returned, with 100 more in the pipeline. Dedicated staff track and nurture these contacts through newsletters and direct communication.

Participants discussed how to scale such programs, maintain employer engagement, and incorporate marketing technology without losing personalization.

Summary of Meeting Themes

The group reflected on key takeaways and potential follow-up areas:

Workforce

- Labor participation remains uneven. Some states face shortages, while others report high participation but elevated unemployment.
- Rural workforce engagement and wraparound services were seen as critical for inclusive growth.
- Several participants noted that employers are now dropping degree requirements and focusing more on skills and trainability.

AI and Digital

- AI regulation and liability were discussed at length. One state has adopted legislation based on European models, placing discrimination liability on developers of high-risk systems.
- Some expressed interest in using AI to improve government efficiency, though legal restrictions prevent automated decision-making.
- Digital government initiatives and use of tools like ChatGPT and CoPilot are emerging, with some states already granting licenses to white-collar workers.
- Regulatory reform continues in several states, with some reporting large-scale reductions in total regulations through structured review programs.

Site Selection and Incentives



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- Many questioned which incentives are truly catalytic and which simply reward projects that would have happened anyway.
- States shared varied approaches—some limiting incentive caps, others tying awards to wage growth rather than job counts.
- Several attendees raised concerns about site selector influence and discussed ways to shift conversations from “what programs do you offer” to “what problem are you trying to solve.”
- A few suggested that regional cooperation between states could improve leverage and reduce destructive competition.

Additional topics included:

- Research funding cuts affecting universities and competitiveness in advanced industries.
- A suggestion to create a working group with UEDA (University Economic Development Association) to identify federal programs at risk and potential joint advocacy.
- Ongoing issues of childcare, housing affordability, and rural services, with an interest in sharing successful funding models.
- Calls for SEDE to continue exploring AI, quantum computing, and future workforce implications.

Working Groups:

The group recommended that SEDE develop a series of working groups to focus on key topics of concern. The following were suggested by attendees:

- State incentives ROI – how do we evaluate our incentives and can we begin to remove those that are not helpful?
- State-level jobs numbers revisions – methodology questions
- University and R&D in conjunction with representatives from University Economic Development Association (UEDA) (Note: CREC manages UEDA and will connect with UEDA leadership.)

Network Business Meeting

Ken Poole led the business meeting with updates on SEDE operations and projects.

- New Vice Chair and new members were confirmed.



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- Finances, investor updates, and project status were reviewed, including updates to the incentive database and state expenditure research project.
- Ongoing webinars and monthly bulletins were noted, with recent topics including rural development.
- The next SEDE meeting will coincide with 2026 SelectUSA event with a meeting on the afternoon of Monday, May 3, starting at 1PM.

Lunch, Tour, and Broadway Event

After a networking lunch, participants traveled to the Brooklyn Navy Yard to tour NewLab, an advanced technology incubator. The visit included presentations by two startups:

- Diode Computers, developing AI-assisted custom circuit boards.
- Avol, a logistics startup specializing in time-critical deliveries of medical products.

The meeting concluded with an optional group attendance at the Broadway show *Maybe Happy Ending* at the Belasco Theatre.