State Economic Development Executives Network (SEDE)
Executive Summary of Fall 2026 Meeting

October 15–16, 2026
Colorado Office of Economic Development and International Trade (OEDIT)

Meeting Overview

The State Economic Development Executives Network (SEDE) brought together leaders from 18 state economic development organizations in Denver to discuss the trends, challenges, and strategies shaping state economic development. The meeting emphasized candid peer exchange on public trust, data center policy, political transitions, and how state economic development organizations are structured and funded.

Political and organizational change formed the backdrop for much of the conversation. With 36 states in gubernatorial election cycles or preparing for new administrations, leaders discussed agency restructuring, movement between public, quasi-public, and public-private models, and staff turnover and morale. Lessons shared included preparing non-political transition materials and building early relationships with incoming leadership.

Growing public and legislative skepticism of economic development was a central theme. Leaders observed that traditional measures such as jobs created, capital investment, and return on investment do not resonate as well with the public while stories about people and communities do. States shared approaches including industry-led prosperity councils, entrepreneur storytelling campaigns aimed at legislators, plain-language branding, stronger external affairs functions, and bipartisan relationship building. Participants also cautioned that not every community wants to grow, and that framing growth around opportunity and mobility can help bridge divides.

Data centers and artificial intelligence (AI) generated extensive discussion. Leaders described how quickly data centers have shifted from a sought-after investment to a political flashpoint, driven by concerns about utility rates, water use, noise, broader sentiment against large companies, and backlash against AI itself. Responses shared by states included community investment frameworks to guide local governments negotiating with developers, guidance discouraging non-disclosure agreements that undermine community engagement, new utility rate classes, and stronger zoning and regulatory frameworks. Participants also considered the future of data center technology, the capacity of state agencies to vet project claims, and whether states can collaborate on responsible AI regulation or a national framework.

Other recurring themes included industrial land and site readiness, with most states reporting a weaker position than five to ten years ago; workforce needs in AI, semiconductors, and construction; housing, childcare, water, and energy constraints; tariffs and federal funding reductions; constrained budgets; and scaling small business support, including AI adoption.

Key Takeaways

- Political transitions and restructuring are reshaping many state agencies; continuity depends on documented processes, empowered career staff, and early engagement with incoming leadership.
- Public trust in economic development can be improved, and stories of human impact are more persuasive than traditional metrics.
- Data centers have become the physical face of public concern about AI; greater transparency, and clear regulatory structures are emerging responses.
- States see value in sharing AI and data center policy approaches and in building shared analytical capacity to evaluate fast-moving technologies.
- States are exploring complementary organizational models, such as affiliated foundations, nonprofits, CEO roundtables, and public-private partnerships, to supplement public resources and support continuity.
- Staff morale has generally improved over the past several years, though capacity, funding, and turnover remain concerns.

The meeting concluded with an optional tour of Maybell Quantum Industries, a quantum infrastructure company. As next steps, SEDE will expand its research on state economic development organizational structures, including quasi-public and affiliated nonprofit models and their trade-offs, along with creating a repository of state AI regulations and data center policies.

The next SEDE meeting is scheduled for spring 2027 alongside SelectUSA (May 2–5, 2027), with the date and time to be confirmed by the Steering Committee.