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

October 15–16, 2026

Colorado Office of Economic Development and International Trade (OEDIT)

Thursday, October 15th

Welcome and Introductions

SEDE Vice-Chair Clint O'Neal, Executive Director of the Arkansas Economic Development Commission, opened the meeting on behalf of SEDE Chair Sandra Watson, President and CEO of the Arizona Commerce Authority. Along with the formal sessions described below, the meeting had numerous opportunities for networking and informal conversations between state leaders.

Appreciation was expressed to Eve Lieberman and the entire OEDIT team for hosting the meeting and providing the meeting space, lunches, snacks, and small Colorado tokens. Eve welcomed attendees to Colorado and shared two videos and comments about Colorado.

Although more than 30 states indicated interest in the meeting, several state leaders had scheduling conflicts and were unable to attend. Ultimately, 18 attendees representing 17 states participated in the meeting with the following leaders attending the meeting:

- Erika McKay (AL)
- Clint O'Neal (AR)
- Eve Lieberman (CO)
- Eric Paley (MA)
- Quentin Messer, Jr. (MI)
- Kevin McKinnon (MN)
- Subash Alias (MO)
- Christopher Chung (NC)
- Kenny Flowers (NC)
- Rob Black (NM)
- Hope Knight (NY)
- Dorian Stonebarger (NV)
- Sophorn Cheang (OR)
- Rick Siger (PA)
- Stefan Pryor (RI)
- Stephen Hartka (VA)
- Sarah Clifthorne (WA)
- Sam Rikkers (WI)



Attendee Introductions and State Issues

Each participant provided a brief introduction and described key issues facing their state. Common themes across states included:

- **Political and organizational change:** Many states are in gubernatorial election cycles or preparing for new administrations. Some are considering organizational restructuring including potential new public-private models. Staff turnover, small rural teams, and morale during transitions were noted as concerns. Some attendees noted a policy misalignment between state agencies and local city priorities.
- **AI and data centers:** States are weighing AI's economic and workforce impacts, emerging state legislation, and the need for a national standard. Data centers have been transformational for some areas but there are concerns about power and water usage resulting in public opposition and local requests for state guidance. Attendees noted the importance of AI and cautioned against too much throttling of the technology and to incorporate best practices among states.
- **Land and infrastructure:** Many leaders noted that land availability is limiting growth in some states, alongside such other constraints as housing, transportation, water, and energy.
- **Workforce Trends.** States reported that worker demand is growing in many industries including semiconductor fab facilities and construction. Many attendees noted growing and deepening partnerships with higher education due in part to the need for the limited number of workers to have the right skills and education. Many noted that immigration restrictions are affecting health care and agriculture.
- **Fiscal pressure:** Several attendees noted budget deficits, backfilling of federal dollars, constrained agency funding, and new taxes on high earners and second homes.
- **Trade, federal policy, and national security:** Attendee concerns noted include tariffs, cuts to federal research funding, clawbacks of federal funds, Chinese investment, and shifting trade flows with Canada that could allow China to benefit. States are screening investment tied to countries of concern and showing growing interest in defense, quantum, and fusion. Leaders wondered if the current federal policy thrusts would be rolled back in two years.
- **Capital resources**. Some attendees noted the use of pension funds to improve the investment pool of funds for assisting businesses. Others noted that v/c needs to be better distributed throughout the nation to reflect the geographic diversity of innovation. A sovereign wealth fund in one state has been an important source of v/c funding.
- **Defining economic development:** Leaders noted that "economic development" has become so broad that it sometimes can "mean everything and nothing." In addition, jobs and ROI metrics fail to resonate with the public so leaders are finding that story telling is

becoming important to share the success of programs. Some states noted branding challenges with a few highlighting new messaging has have improved positioning.

- **NIMBYism.** Attendees noted an increasing trend of "Not in my backyard" with some impacts driving uneven growth throughout a state.

Participants noted that the first year of an administration's second term (the "5th year") is often the most productive window for policy development. For states with new governors, succession planning for agency leadership is a growing issue. Participants asked what "big policy swings" states are taking today, observing that elected officials are rarely rewarded for taking big chances anymore, and that often a clearer vision, purpose, and metrics may be needed as the field continues to evolve.

Other misc. issues mentioned include hosting such events as the World Cup, preserving industrial sites for defense manufacturing projects, seeking new federal innovation awards, and expanding childcare and education investments. One leader asked peers who have recently developed statewide strategic plans or competitiveness councils to share lessons, and invited colleagues to recommend reading that helps leaders think outside the box. (The SEDE website includes SLEDS – the State and Local Economic Development Strategies database.)

Hot Topics Discussion

The Vice-Chair facilitated a series of quick polls on issues raised during introductions.

Industrial Sites and Land Control

- When asked whether they are in a better or worse position with industrial sites than five to ten years ago, four states said better and a clear majority said worse.
- A few states own industrial land directly and have found that control is valuable. Others are prohibited from owning land but rely on local authorities that can. Most states have a site development program.
- Participants raised the tension between large site aggregation and rural communities.

Staff Morale

- When asked whether staff morale is better or worse than three years ago, nine states said better. Participants noted that political timing and changes in senior leadership strongly influence morale; morale is generally better than last year, though there is still room for improvement.

From Skepticism to Support:
Building Trust in Economic Development

Dorian Stonebarger, Deputy Director, Nevada Governor's Office of Economic Development
Sophorn Cheang, Director, Business Oregon

Sophorn and Dorian shared thoughts on their experiences in building trust in economic development. The session explored how to regain and maintain confidence among the public, legislators, and stakeholders

- Oregon shared that its governor created a Prosperity Council and it released a prosperity agenda focused on GDP growth, business growth, and permitting. The agency paused its statewide strategy to await the council and is now translating the recommendations into strategy ahead of a legislative session that begins in January. A key lesson was to identify early who needs to be engaged and to move from transactional interactions toward long-term partnerships with legislators, businesses, and small businesses.
- Nevada has shifted its messaging to highlight visible community benefits, such as company-branded training centers that residents can see. Plain language branding helped explain the circular economy and critical minerals work to the public. A weekly social media series spotlighting entrepreneurs, including how they worked with universities or received state venture capital through SSBCI, was designed with legislators as the target audience. It drew a strong response, and more entrepreneurs began asking to share their stories.
- With divided legislatures, engagement must be bipartisan, and "old-fashioned" as in-person relationship building remains an effective approach. States shared the sizes of their legislatures, which can range from 63 members to more than 400 with all agreeing that the size affects and shapes how agencies engage.
- Supporting small businesses at scale remains difficult with approaches shared including permit reform and a customer-service focus in government, scaled Main Street programs paired with small business grants, microgrants for historically disadvantaged businesses, community navigators, funding local infrastructure, and funding a nonprofit partner. Small businesses commonly report that available programs do not fit their needs and that what they want most is capital. Scale is also politically difficult, since elected officials favor announcements with of large expansions with large job creation numbers.
- Participants discussed AI and noted the increasing challenge of the issue on many levels. Many universities are not yet preparing students or businesses for AI, creating an opportunity to integrate small business support with university programs. NSF AI-readiness funding was intended to include states as partners, and attendees were encouraged to learn more about it if they were not involved in the application.

- One leader cautioned against assuming that every community wants to grow; those advising new governors should test that assumption. Framing growth as necessary for economic opportunity and mobility can help.
- On metrics, participants observed that labor force participation, unemployment, capital investment, and supply chain figures do not win hearts and minds; stories do. What resonates is narrowing gaps and lifting those at the bottom, and economic development matters only to the extent that people benefit. Economic development, once local, is becoming nationalized, and diversification into areas such as defense and international partnerships can draw strong public opinion.

Participants agreed that further discussion on public skepticism and on metrics that resonate would be valuable.

Data Center Policy:
Balancing Growth, Energy, and Community Priorities

Hope Knight, President and CEO, Empire State Development
Sam Rikkers, Deputy Secretary and COO, Wisconsin Economic Development Corporation

Hope and Sam shared experiences with data center policy before opening the discussion to the group.

- New York described a data center community investment framework established by executive order in July. The framework gives local governments guidance for negotiating terms with developers in areas such as public infrastructure, housing, workforce development, childcare, and broadband, and addresses long-term impacts. It also advises against non-disclosure agreements, which undermine community engagement. The order took effect immediately, though projects with permits in place could proceed, and the state expects to seek additional legislative support. Hope's slide are attached.
- Wisconsin described having few hyperscale projects and a tax exemption with no sunset and no environmental or labor protections. When a major project with land in place emerged, opposition came quickly, and finding and advancing a new site has proven very difficult. The experience raised the question of what economic developers' role should be on an issue that has turned so quickly. Sam's slides are attached.

Sources of Public Opposition

- Rising utility rates are a primary driver. Other concerns include water use and limited understanding of closed-loop cooling systems, noise, general sentiment against large companies, and backlash against AI. Closed-loop requirements have not necessarily changed opinions, and water use is a particular concern for tribal nations.

- Participants noted that technology companies are often not effective communicators about their own projects, and that concerns about capital concentration and replacement of human labor feed the debate.
- The politicization of technology over recent years has brought exaggeration and misinformation; data centers have become the physical manifestation of the AI issue. States that have a long history with data centers experienced these issues in phases, while others are facing them all at once. Responses included new utility rate classes, improved zoning, and a robust regulatory framework that signals long-term commitment to the industry.
- Quantum computing is expected to augment rather than replace current AI infrastructure, potentially enabling more efficient and less energy-intensive training as part of the future compute stack. Data centers will still be needed.

AI Policy and Shared Capacity

- Participants asked how economic development agencies can be staffed to perform rigorous "but-for" analysis and evaluate job projections given the pace of technological change. It was suggested that SEDE engage an expert as a shared resource for member states. CREC noted that it is working with The Ohio State University and the University of Michigan to monitor where AI talent shows up in the workforce.
- Participants discussed whether states could collaborate on responsible AI regulation. One state's frontier AI legislation, expected to pass imminently, includes catastrophic incident reporting by frontier developers, auditing, and independent evaluation of testing protocols.
- Participants asked whether there ought to be a national framework and whether economic developers can be part of the solution, given their interest in innovation. Others noted that economic development agencies do not own this issue, which spans energy, ethics, and other disciplines that government is not structured to address. Suggestions included sharing best practices on transparency and having SEDE house a database of state AI regulations and data center policies.

Day 1 Wrap-Up and Adjournment

The Vice-Chair summarized the day's discussion, and participants identified topics for Friday: the general state of the profession, including criticism of NDAs, challenging media relations, and transition planning for new administrations. The day concluded with networking and dinner at Tamayo in Denver.



Friday, October 16th

The morning began with breakfast and a recap from Day 1. Day 2 was a flexible discussion, based on topics of interest that arose during the first day.

Transition Planning: Preparing for a New Administration

The discussion focused on how leaders keep teams focused on what they can control during a transition, what prior transitions have taught them, and lessons for leaders who arrive after an administration change.

Preparing for a Transition

- Rumors of privatization or staff cuts are difficult to soften. Agencies in some states are required to prepare transition notebooks, and some approach them with more nuance than others. Pre-existing relationships with incoming leaders make a difference. Leaders also noted that if you're not on the train, you're on the tracks.

- After a long period of single-party control, a change in party could bring a clean sweep, but even same-party transitions can require staff to reapply for their jobs. New administrations want to be different even when they share a party, so continuity should not be assumed.
- Deal flow has generally continued through transitions because frontline staff are closer to deals than leadership; the unknown is a bigger concern than losing deals. Agencies should demonstrate their connections to the broader economic development ecosystem and a willingness to shift priorities, rather than just describing their assets.

Protecting Continuity and Staff

- Public-private models help preserve continuity during transitions, though the trade-off is a less close relationship with a new administration.
- Unclassified staff are most at risk. One leader has moved key high performers into classified positions, while some roles, such as trade director, remain inherently political.
- One agency prepares non-political transition memos and has shifted day-to-day transactional decisions from political appointees to career senior staff who set the criteria. Keeping processes depoliticized helps protect staff. Strong benefits, such as six weeks of parental leave, bereavement leave, and remote work, have improved retention and are harder for new leadership to remove in a quasi-public organization.

Lessons Learned

- Administrations rarely match expectations, so leaders should focus on advancing the field and remain flexible to changing priorities.
- Leaders should communicate more transparently with their executive teams.
- Leadership should prepare staff and middle managers for their role in a political transition, recognizing that public policy is not always politics, and remind senior leaders to build up middle managers in support of the long-term plan.

Advice for Leaders Arriving After a Transition

- Arriving with an economic development background and the ability to hire one's own team can ease the transition. Buy-in matters regardless of when a leader arrives.
- Traveling across the state to build stakeholder relationships and strengthening internal collaboration can improve external work.
- Several participants urged acting on staff decisions quickly and decisively when the path is clear, doing what is right for the agency even when it is difficult. Others cautioned that new leaders would hear others' assessments of staff before knowing them personally. Setting clear performance expectations with good intent, rather than making abrupt terminations, helps build trust.

Summary of Discussion Themes:
State EDO Organizational Structures

The group discussed the range of state economic development organizational models: fully public agencies funded through the state budget and federal programs, sometimes with a private fundraising arm; quasi-public structures with state employees and greater flexibility; public-private partnerships; and more private models. Discussion focused on how affiliated nonprofits and foundations supplement agency work.

- One public-private organization is funded roughly 75 percent public and 25 percent private, and its board has encouraged greater visibility in the state capitol. An affiliated foundation leads fundraising, and the state agency contracts with the foundation, which in turn contracts with the partnership. State funding comes from a fee on tax credits, and agricultural commodity check-off dollars support attraction in the food and beverage industry.
- Several states have governor-created nonprofits that fund events and may not outlast the governor. However, one such nonprofit has been sustained by successive governors and is designated in statute, focusing on site selection support and international travel. That state offered to share its enabling legislation.
- One agency without a foundation asks for support directly through public-private programs and is considering creating a separate entity. Others noted that avoiding any appearance of conflict of interest is a key consideration; ethics and disclosure rules vary.
- One state has two affiliates. A long-standing honorary organization, now a 501(c)(3) managed by agency staff, raises private funds for international travel and gatherings that public dollars cannot cover; it is bipartisan and explicit that private funding spares taxpayers the cost. A newer 501(c)(4) CEO roundtable of the state's largest employers pays dues, can lobby, and provides valuable advisory input. Government can act as convener to create such an organization and then set it free. Participants asked whether this approach could work in politically divided states.
- CREC noted that the SEDE website includes organizational structure information, that each state's history dictates its structure, and that complementary models designed to support agencies have not been tracked closely. Participants requested an analysis of the benefits and trade-offs of different models, including working with partner organizations that are not fully aligned with the agency. CREC is will share an analysis related to this topic, and plans to follow-up with states on the organizational structures.

SEDE Network Business Meeting

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

- Appreciation was expressed for states' support. Three additional states have made investment contributions since meeting packets were prepared; CREC will contact states that have not yet contributed and to those that are not yet active participants.
- Financial statements are on track. A statement of work developed with the Steering Committee outlines SEDE's activities in education, support, and outreach. Recent accomplishments include work on the electro-industrial economy and data centers, blogs, and a shortened monthly newsletter.
- The SEDE website has a refreshed appearance and includes contact information for state leaders, an updated state incentives database, and SLEDS, a resource on state and economic development district strategic plans that will be updated. Organizational structure information will be expanded to include quasi-public models. These resources can be found in the Member Area.

CREC Project Updates

- CREC is working with the Department of War on the defense industrial base, including support for Manufacturing Innovation Institutes (MIIs) and a dashboard identifying concentrations of activity in new technology areas. CREC has developed state intelligence briefs with information on the state's defense ecosystem and assets.
- With NSF, CREC is building forward-looking data on where AI-trained researchers are and the skills companies seek, working with The Ohio State University and the University of Michigan and piloting in Ohio, Arkansas, and New Jersey. An RFI has been issued for additional states to collaborate using UI records, university data, and state EDO data. CREC will follow up with states to be involved.
- States were encouraged to involve their research staff in C2ER. Recent CREC incentive and program design projects include Nebraska, Vermont, and Oregon.

Next Meeting and Hosting

- The spring 2027 meeting will be held alongside SelectUSA (May 2–5, 2027). Participants discussed meeting Sunday afternoon (for example, 2:00–5:00 p.m.), working around a Sunday reception, or meeting Monday. The Steering Committee will discuss.
- States interested in hosting the fall 2027 meeting should contact Bob, Sandra, or Clint.

Next Steps

- CREC will distribute this meeting summary to attendees and post an executive summary on the SEDE website.
- CREC will distribute past research on state EDO organizational structures, including quasi-public models and affiliated nonprofits and foundations.

- CREC will improve how state organizational information is presented on the SEDE website.
- SEDE will develop a repository of state AI regulations and data center policies, including best practices on transparency.
- The Steering Committee will confirm the spring 2027 meeting date, fill expected Steering Committee openings, and identify a host for the fall 2027 meeting.

Lunch and Optional Tour

After a networking lunch, participants had the option to tour Maybell Quantum Industries, a leading quantum infrastructure company building the cryogenic technologies needed by the quantum industry.