

# Hot Political Issues and Trends in Economic Development

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Development

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# Ray Charles – “*Georgia On My Mind*”



# **FY 2025 Georgia Economic Development Results**

- **423 new and expanding facility projects**
- **\$26.3 billion in investment**
- **23,200 new private-sector jobs**

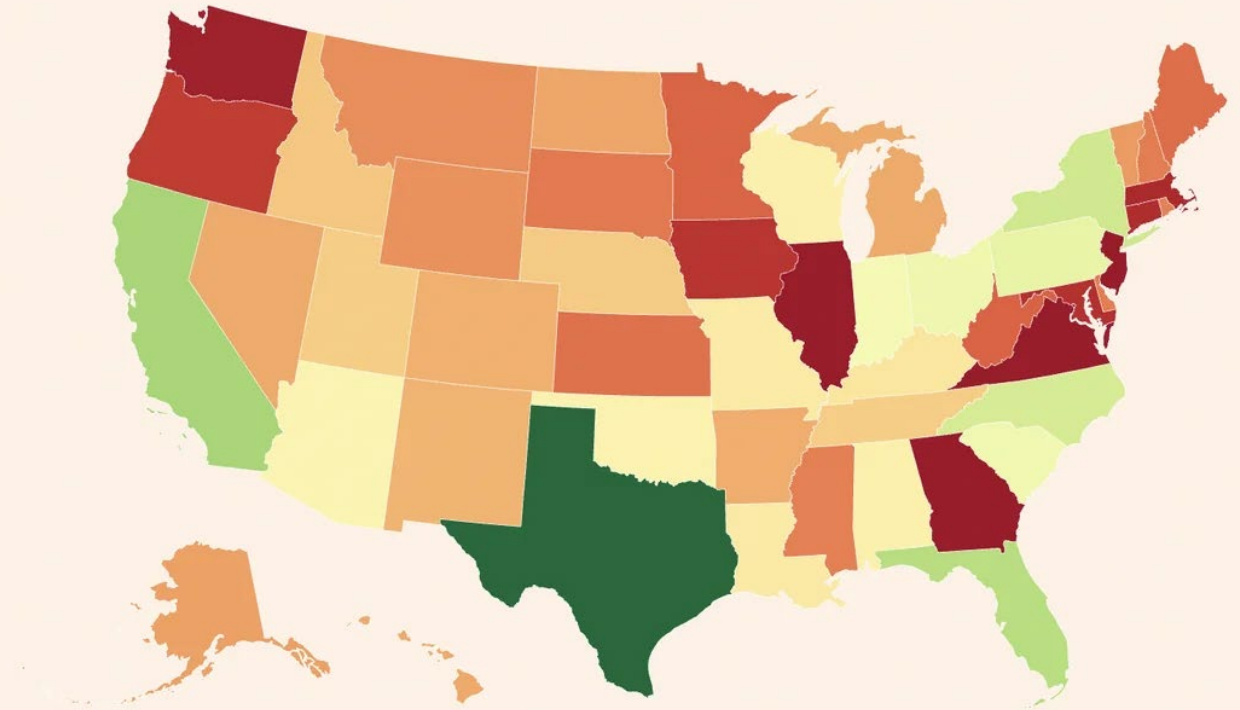
# *Financial Times*, September 7, 2025

- Zandi's calculations find that the agriculture, manufacturing, and construction sectors are in recession, which is hitting rural and industrial states. These are goods-producing sectors most likely to be affected by Trump's tariffs and trade partners' retaliatory measures.
- "Healthcare, technology and real estate are expanding, while financial services, retail and hospitality are treading water," he adds.

A third of US states could already be in recession

Moody's Analytics' coincident economic indicator for each state, weighted by share of US GDP, September 2025

Recession  Expansion





# *Financial Times*, September 7, 2025

Relatedly, the AI boom has provided an uplift to particular states and industries.

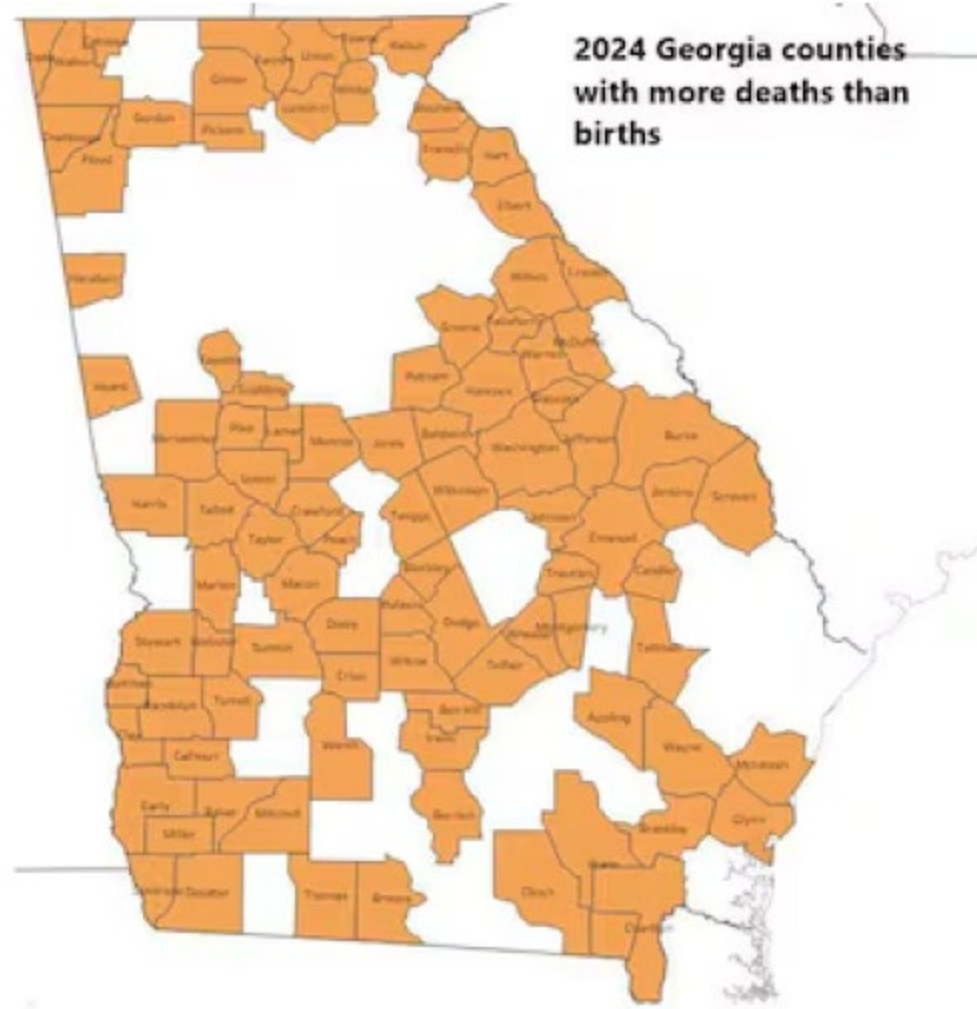
“AI is primarily a bigger-city office technology. Most of its superstar and star hubs are in California’s coastal cities, Texas’ business cities and the Boston to Washington corridor,” says Mark Muro, senior fellow at the Brookings Institution. “Data centre construction is also booming across the US, but this leads more to a short-term surge in building activity.”

Pantheon Macroeconomics estimates that **US GDP would have grown at a mere 0.6 per cent annualised rate in the first half were it not for AI-related spending**, or half the actual rate.

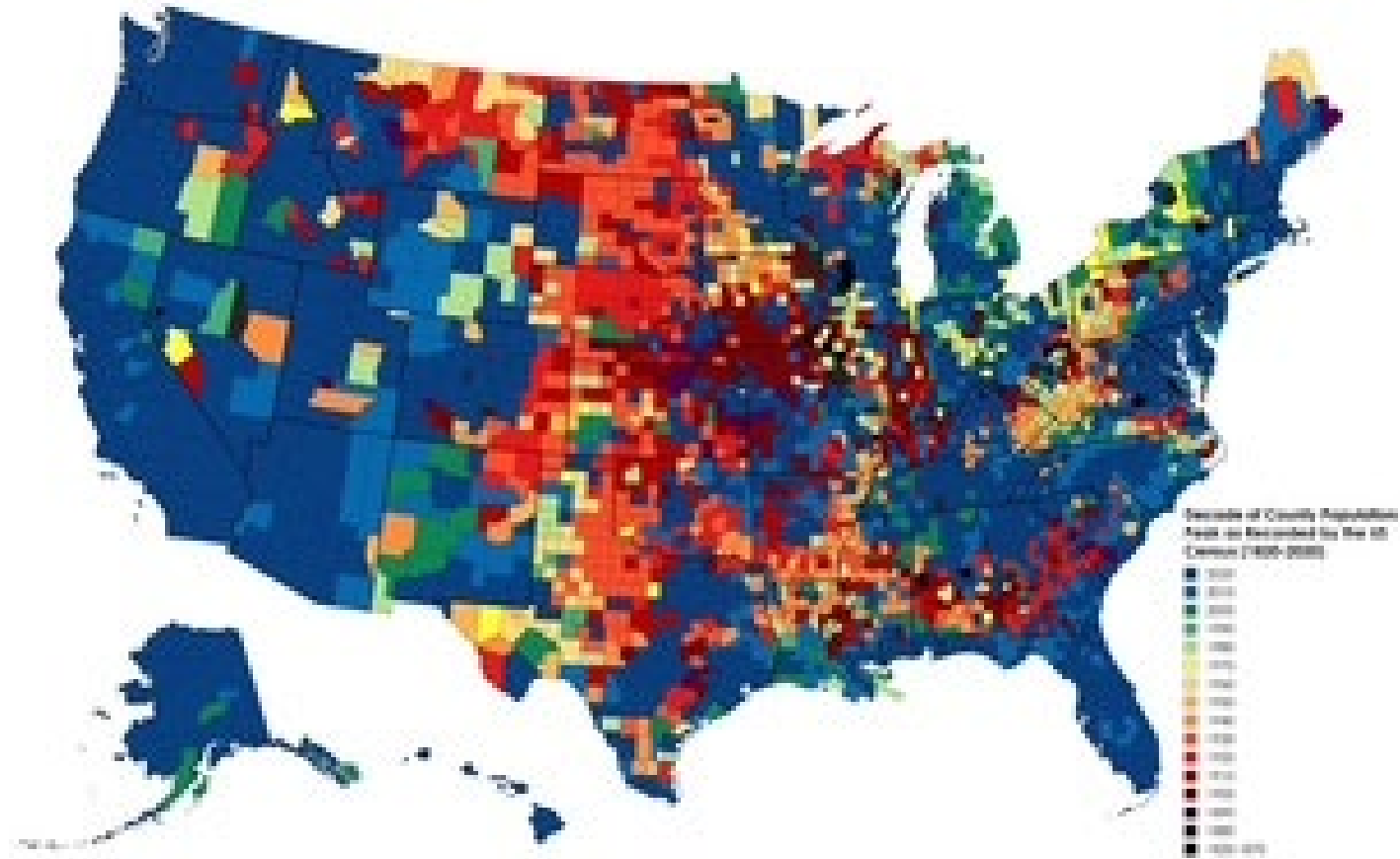
Beyond the surge in AI-related spending, private investment elsewhere in the US economy has started to shrink this year under the weight of higher interest rates and uncertainty.

**Total private fixed investment rose by about 3 per cent year on year in the second quarter, but it would have fallen by around 1.5 per cent if AI-related components were excluded**, says Pantheon in a recent research note. The annual rate of data centre construction has grown over Trump’s second term — but residential, manufacturing and other commercial building work have declined.

# *Atlanta Journal-Constitution, August 28, 2025*



# When did US Counties Reach Peak Population?



2025 Long-Term Population Projections

Urban/Rural

Rural

Region

(All)

County

(All)

Sex

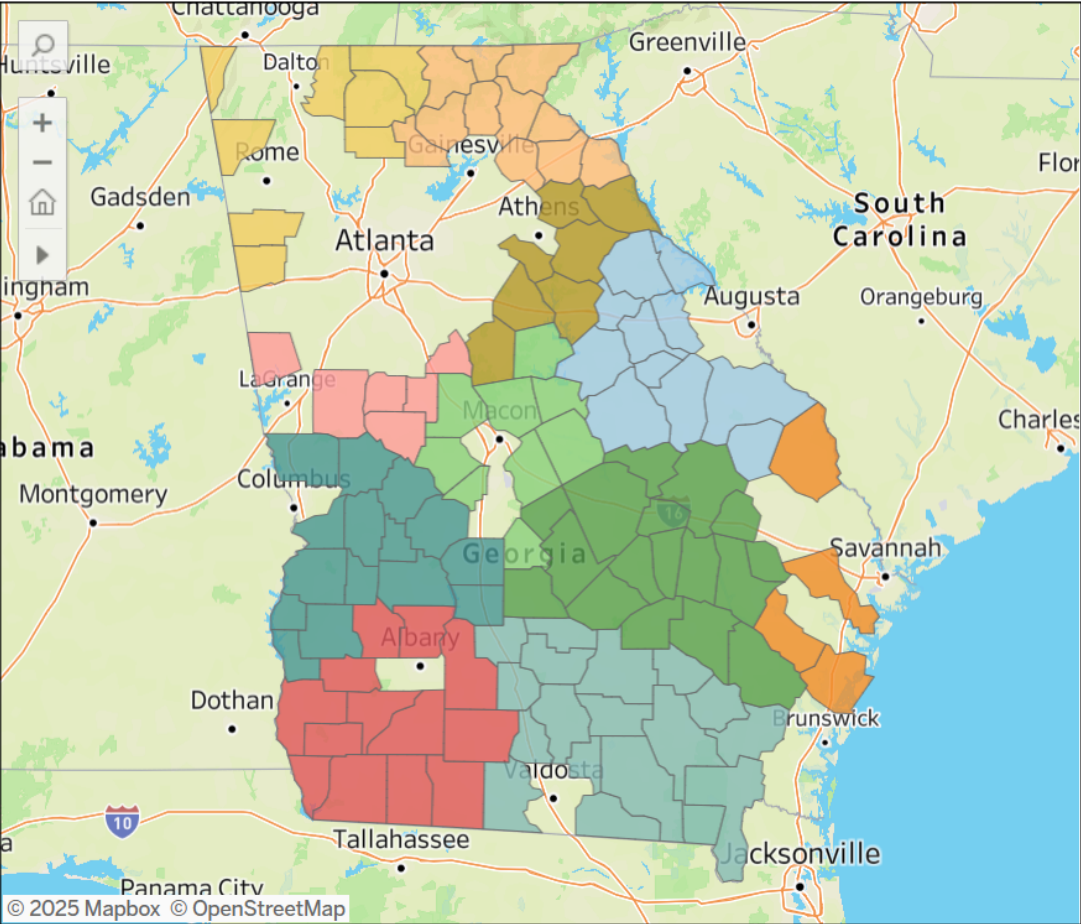
(All)

Age Group

(Multiple values)

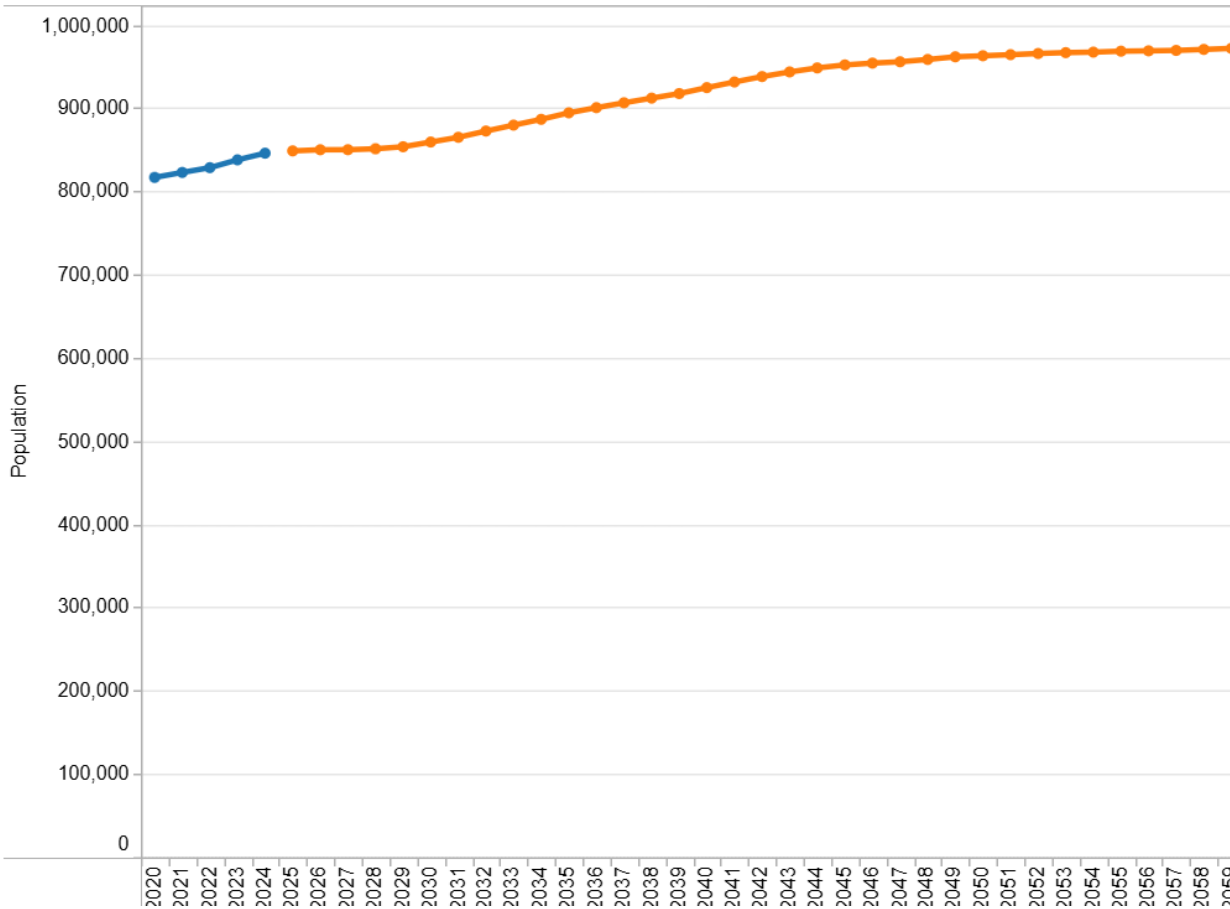
Race/Ethnicity

(All)



Regions

Historical and Projected Population, 2020-2060





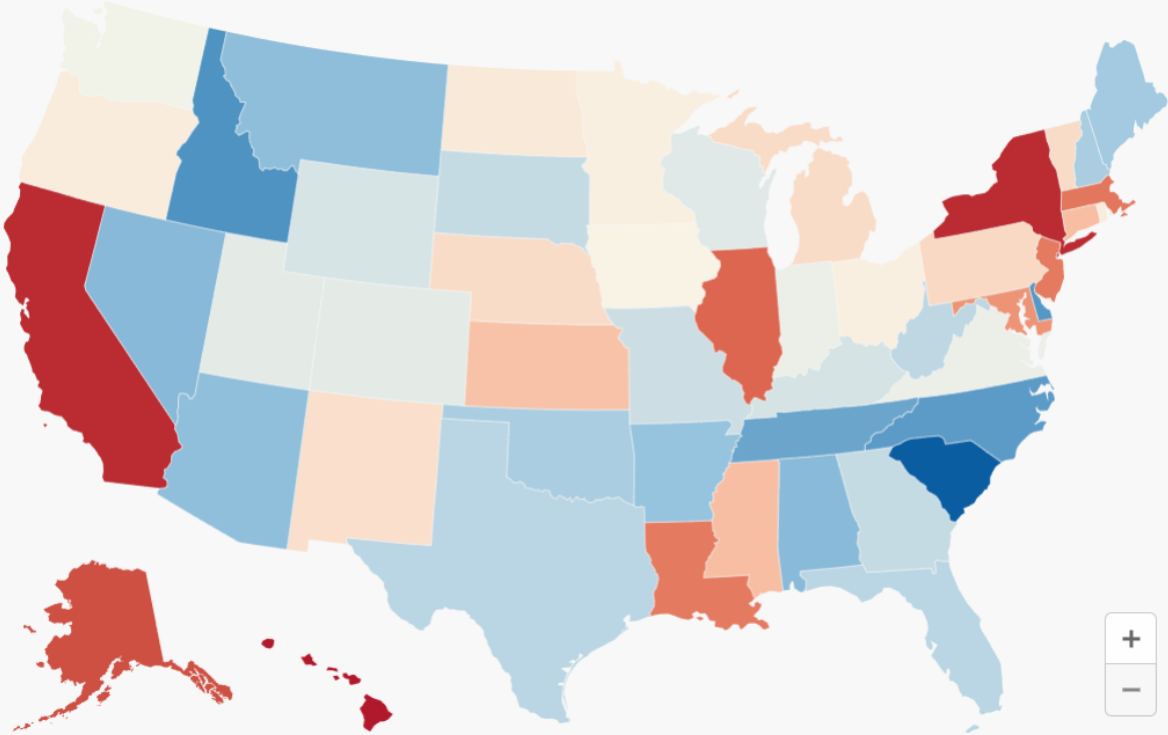
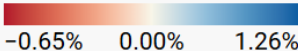
# The B-52s – “Roam”

*Roam if you want to  
Roam around the world  
Roam if you want to  
Without wings, without wheels  
Roam if you want to  
Roam around the world  
Roam if you want to  
Without anything but the love we  
feel*

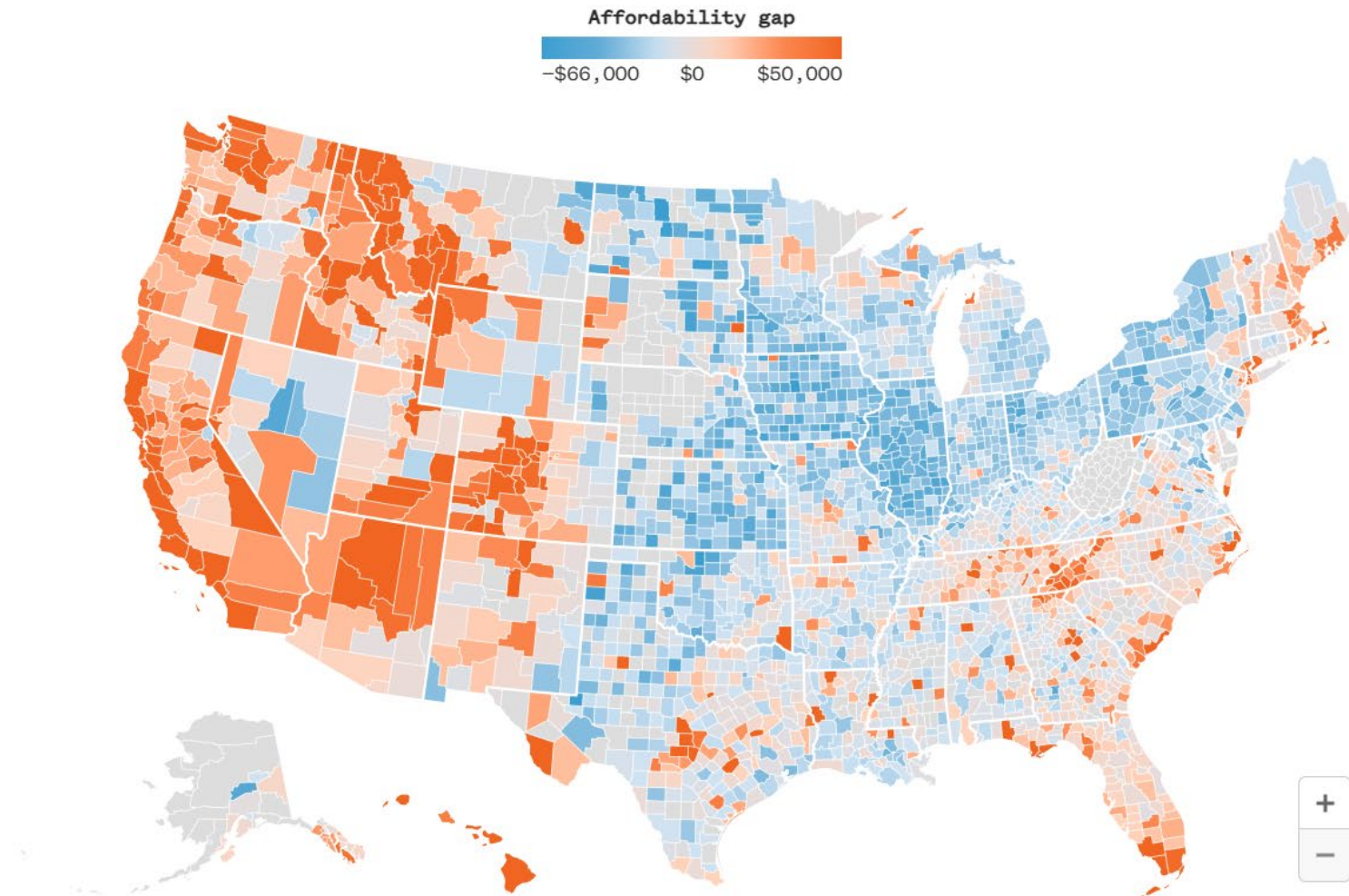


# State Population Changes Attributable to Interstate Migration (FY 2024)

State Net Population Changes from Interstate Migration, from Most Inbound to Most Outbound, FY 2024



On this map, population changes are rounded to the hundredths place, but ranks are based on unrounded Census figures. D.C.'s rank does not affect states' ranks, but indicates where it would have ranked if included.  
Source: U.S. Census Bureau.



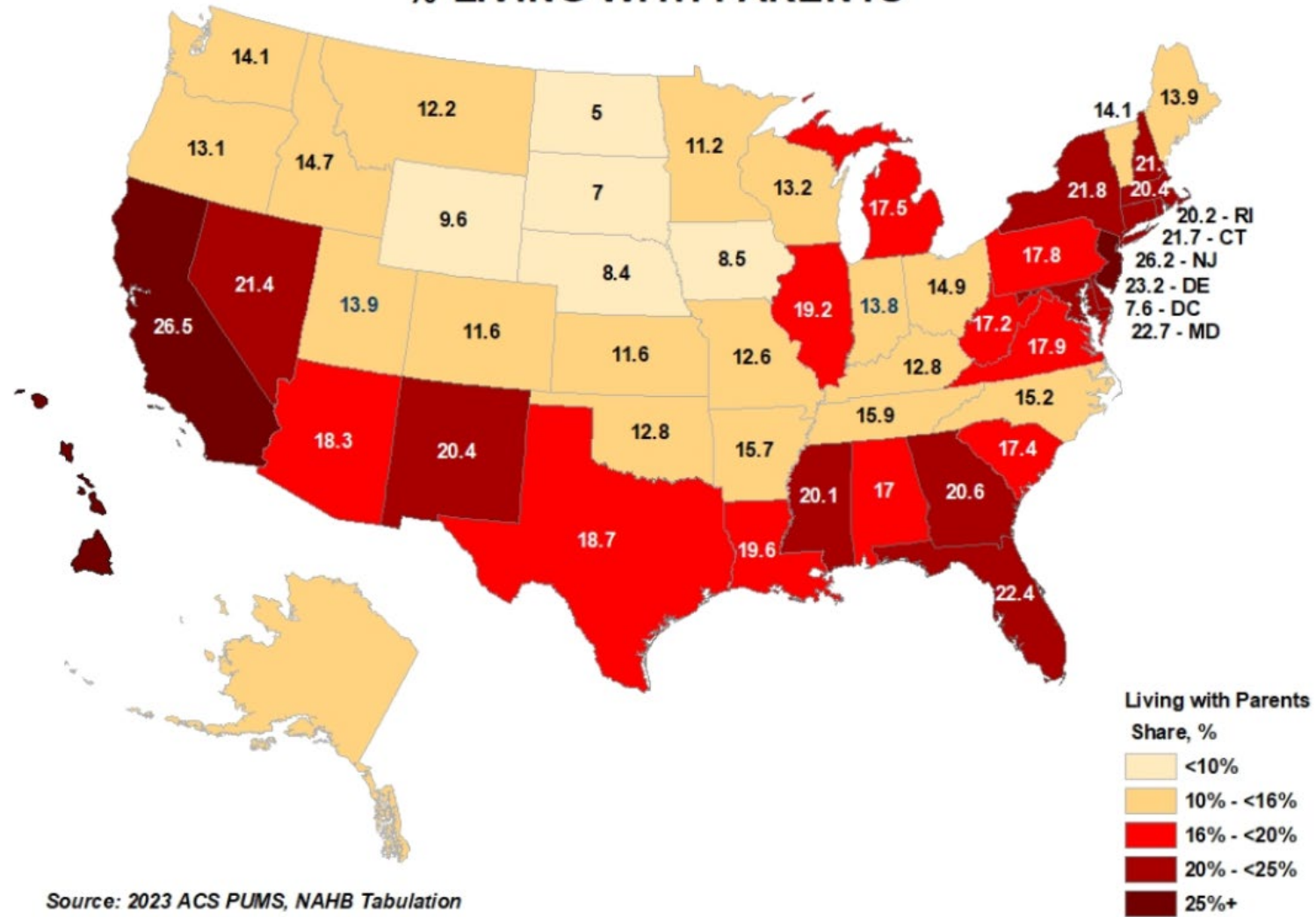
**Notes:** Home affordability is defined as a monthly mortgage payment that is no more than 30% of the household's monthly income, assuming a 20% downpayment on a 30-year mortgage.

**Source:** NBC News analysis of [FRED](#), [Redfin](#) data

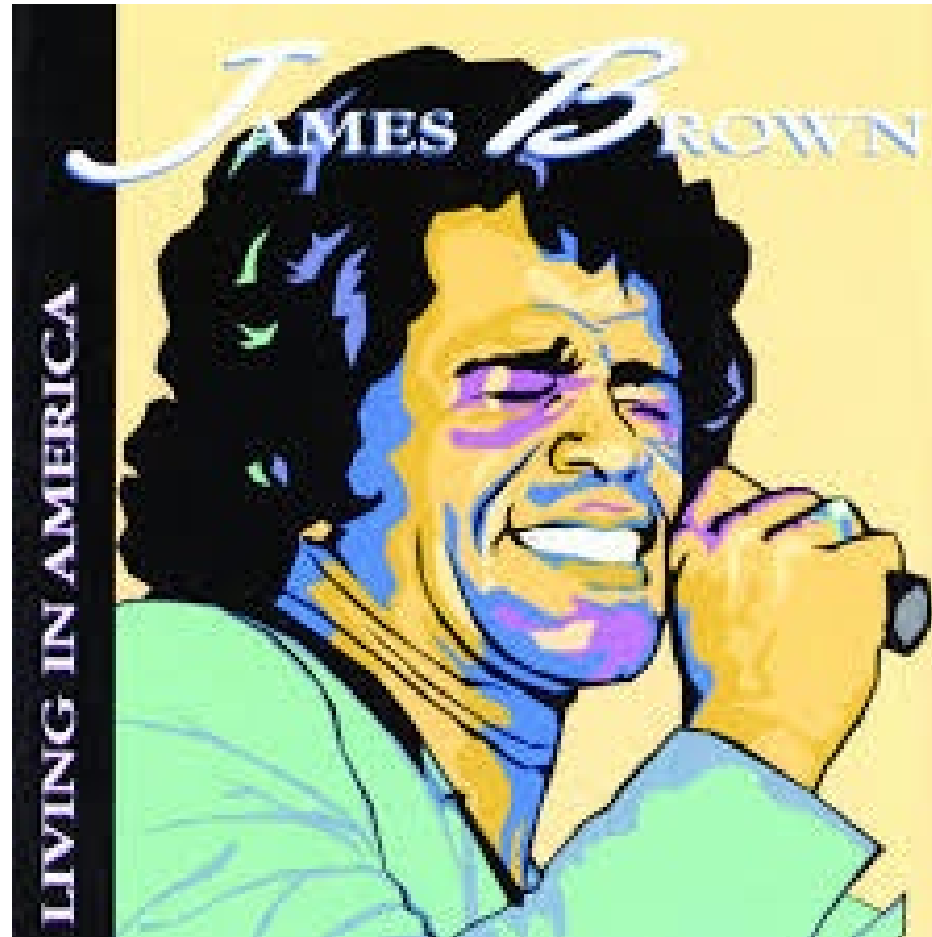
Graphic: Joe Murphy / NBC News



## YOUNG ADULTS AGES 25-34: % LIVING WITH PARENTS



# James Brown – “*Living in America*”





# Tariffs



## Tariffs – Winning EDO strategies

- Educate yourself on how foreign trade zones could blunt some of the impacts
- Facilitate finding domestic suppliers/vendors for your local businesses
- Host a seminar on navigating the tariff situation
- Increase your focus on attracting FDI
- Maximize state and other incentives for use of ports

# Taxes



# Taxes – Pro-Growth Provisions

- Immediate expensing of capital investment, even for real property through 2029
- Increase R&D deductions
- Enhanced deductibility of corporate debt
- Maintains tax treatment of economic development incentives (Section 118)
- Opportunity Zone enhancements (with special emphasis on rural America)
- Renewable energy credits – a mixed bag
  - Nuclear and geothermal safe
  - Solar, hydrogen, and wind phase out (may accelerate projects in the pipeline)



# Taxes – Winning EDO Strategies

- Partner with law firm/accounting firm on seminar for local businesses on OB BB implications
- Explore complementary tax policies at the state and local level
- Align site investments/marketing with OB BB priorities
- Monitor state tax conformity in 2026 state legislative sessions



# Executive Orders



# Executive Orders

- Executive Order 14264 –  
Maintaining Acceptable Water  
Pressure in Showerheads

“I like to take a nice shower to take care of my beautiful hair,” President Donald Trump said upon signing the order. “I stand under the shower for 15 minutes until it gets wet. It comes out drip, drip, drip. It’s ridiculous.”



# Executive Orders

- Executive Order 14225 – Immediate Expansion of American Timber Production – streamline process to open access to timber on federal lands
- Executive Order 14213 – Establishing the American Energy Dominance Council
- Executive Order 14192 – Unleashing Prosperity Through Deregulation
- Executive Order 14179 – Removing Barriers to American Leadership in Artificial Intelligence

# Executive Orders

- Executive Order 14278 – Preparing Americans for High-Paying Skilled Trade Jobs of the Future – expand apprenticeships and streamline/align federal workforce training programs
- Executive Order 14269 – Restoring America's Maritime Dominance – invest in maritime industrial base and block Chinese shipping
- Executive Order 14255 – Establishing the United States Investment Accelerator – orders federal agencies to speed permits for economic development projects valued at over \$1 billion

# Executive Orders

- Executive Order 14307 – Unleashing American Drone Dominance – promote domestic UAV and eVTOL production and reduce regulatory barriers
- Executive Order 14304 – Leading the World in Supersonic Flight – regulatory reform and increased R&D investment
- Executive Order 14302 – Reinvigorating the Nuclear Industrial Base – regulatory reform, workforce investment, and accelerate plant construction
- Executive Order 14285 – Unleashing America's Offshore Minerals and Resources – permit streamlining, mapping



# Executive Orders – Winning EDO Strategies

- Seek alignment between your target industries and EO priorities
- Work with your state EDO to get federal partners to advocate for you having a seat at the table as the EO is implemented
- Convene a local working group to provide ideas on regulatory reform, workforce training, and other suggestions to guide the EO implementation team
- Outreach to industry associations to make them aware of your interest in EO implementation

# Gladys Knight and the Pips – “*Midnight Train to Georgia*”



# Infrastructure is KING

- Companies want to move quickly and don't have time to wait for utilities, roads, power to be delivered to sites
- Economic growth of the past 5 years, particularly e-commerce, renewables, and data centers, have strained the ability of communities and private developers to keep up with delivering new sites
- Infrastructure construction costs continue to rise faster than inflation
- Supply chain constraints continue to plague new development
- Construction labor is constrained because of immigration policy



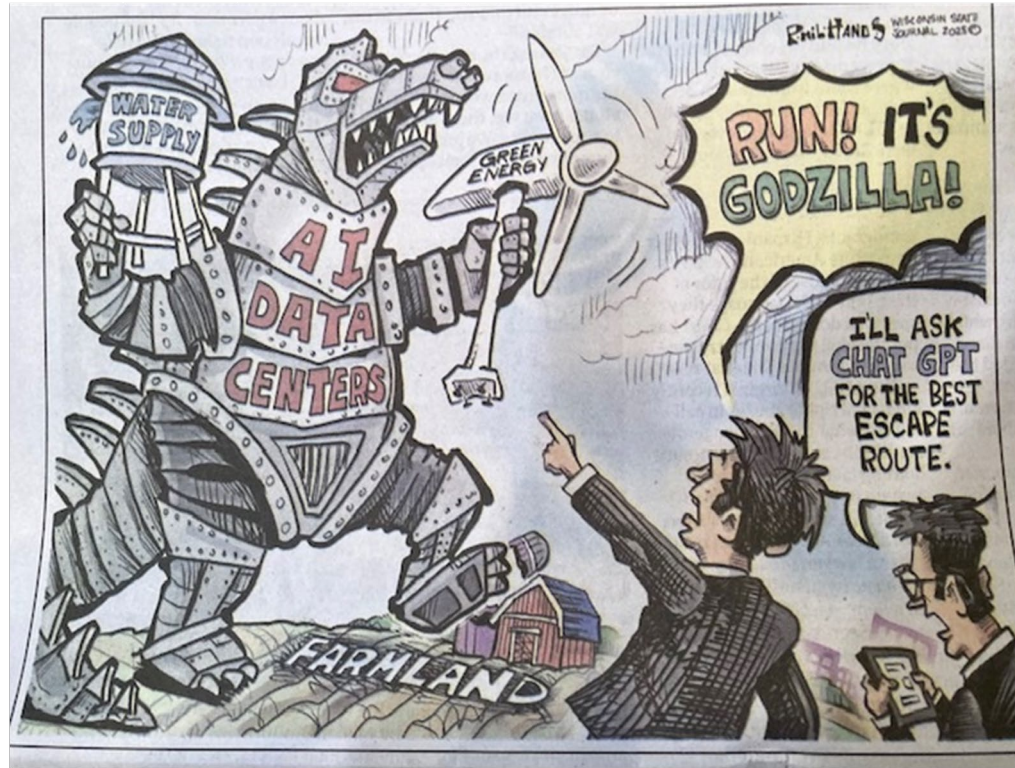
# Infrastructure – Winning EDO Strategies

- Identify future utility corridors and secure ROW now
- Federal grants STILL exist, so develop and implement a pursuit strategy
- Facilitate workforce partnerships to grow construction labor force
- Look for opportunities to streamline permitting processes
- Assess stranded infrastructure assets at closed facilities for repurposing

# REM – “*It’s the End of the World as We Know It*”











# The Allman Brothers – “Whipping Post”

*I've been run down  
I've been lied to  
And I don't know why  
I let that mean woman make me a fool  
She took all my money  
Wrecked my new car  
Now she's with one of my good time buddies  
They're drinkin' in some crosstown bar*

*Sometimes I feel  
Sometimes I feel  
Like I've been tied  
To the whipping post  
Tied to the whipping post  
Tied to the whipping post  
Good Lord, I feel like I'm dyin'*



# How an EDO Succeeds In this Environment

- Educate, educate, educate
- Retention, retention, retention
- Solutions, not Sales
- Planners and Public Works are NOT your enemies
- Cultivate alternative voices
- Tell your story because no one else will
- Sometimes, it's the little things that count the most

# Questions or Comments?