



NEWS RELEASE

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Commerce Launches Automotive Accelerator Program to Boost Industry Growth

[OKLAHOMA CITY] – The Oklahoma Department of Commerce (Commerce) announced the launch of the Oklahoma Automotive Accelerator program. One of Commerce’s primary goals is to continue to diversify the economy to help mitigate industry-related crises. With this plan, Commerce will place an increased emphasis on recruiting automotive parts manufacturers to the state.

“Oklahoma earned incredibly valuable national and global exposure as a finalist for Tesla’s new facility,” said Governor Kevin Stitt. “This is the perfect time to capitalize on the benefits our state offers to automotive companies and continue to grow this sector of our economy. The auto industry has been an area of focus since the beginning of my administration and I am confident the Commerce team will use this new program to bring great results for all 4 million Oklahomans.”

The program will also work to target companies that will need operations in the region to supply Tesla’s new Austin facility.

“For a year prior to the Tesla project, Commerce has been working to gather data and study trends which highlight an industry-wide shift westward from the southeast U.S. due to increasing wage pressures,” said Jennifer Springer, Commerce Director of Business Development. “Additionally, the new changes regarding trade with Mexico and Canada will push automotive parts companies to reshore many operations.”

The COVID-19 pandemic has also led many companies to shorten supply chains and seek domestic solutions as opposed to global trade routes.

The Oklahoma Automotive Accelerator Program has three core components:

- **Utilize the Oklahoma Quick Action Closing Fund** to accelerate growth of the automotive industry and its supply chain development in the state.

- **Market the Automotive Engineer Workforce Tax Credit.** The Automotive Workforce Engineer Tax Credit is modelled after the Aerospace Engineer Tax Credits which has been instrumental in helping attract investments to the state by aerospace companies such as Boeing, ASCO Industries, Ferra Aerospace, Lufthansa Technik, Mitsubishi, Kratos Defense, Rolls Royce Engines, Northrop Grumman, Pratt & Whitney, American Airlines, Frontier Electronics and others. Passed in 2019, the tax credit remains relatively unknown in the industry and with site selectors. Commerce will use the tax credit as one of its key selling points in marketing the industry in the state.
- **Expedited Permitting.** Commerce will work with state and federal agencies and local partners to expedite permitting requirements to shorten time to market for automotive companies starting operations in the state.

Commerce is scheduling virtual meetings with local economic development organizations and relevant partners to discuss the plan and how it can be utilized to bring automotive jobs and investment to the state.

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