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Governor Stitt Announces Oklahoma Innovation Expansion Program

OKLAHOMA CITY – Today Governor Kevin Stitt announced the upcoming launch of the Oklahoma Innovation Expansion Program (OIEP), which will make \$10 million in funding available to qualifying manufacturers across the state. Based on the success of the Oklahoma Bounce Back Assistance Program in 2020, OIEP was developed to support high-impact new capital investment across a broad range of industries to help diversify the state’s economy, lead to new product development or increase capacity at Oklahoma’s existing companies. In addition to encouraging new capital investment, these awards will support existing jobs and the creation of new jobs. The program will be administered by the Oklahoma Department of Commerce (Commerce) and the Oklahoma Development Finance Authority (ODFA).

“To become a Top Ten state, we need to support the continued growth and success of our existing businesses,” said Governor Kevin Stitt. “The Oklahoma Innovation Expansion Program will lead to more jobs, a more diverse economy and continue to show the nation that Oklahoma is open for business.”

The original Bounce Back Program was launched in April of last year as part of Commerce’s COVID-19 pandemic response efforts to stimulate economic growth and combat the negative effects the pandemic had on the state’s economy. The program assisted 87 companies with \$8.7 million in awards, and capital investment for approved projects exceeded \$40 million. One example of the utilization of Bounce Back is Durant company Roll Offs USA, which produces waste management containers. The company used the funding from the Bounce Back Program to purchase equipment which allowed them to start making in-house some parts that were previously imported from China. With the launch of OIEP, the state is hoping to expand this type of opportunity to more manufacturers.

“These funds will make a real difference to Oklahoma manufacturers and the workers they employ,” said Dave Rowland, president of the Oklahoma Manufacturing Alliance. “Supporting our existing businesses is vital as we look to adapt and grow industry during very challenging times. Our new supply chain database tool—Connex Oklahoma—will work hand-in-hand with OIEP to help identify production gaps and increase business opportunities.”

The OIEP program makes monthly cash payment awards in the form of payroll tax rebates to help companies grow and boost business expansion investments in Oklahoma. The new project must either be an innovative project, a project that shortens or strengthens the supply chain for the product being manufactured, or it must be a project designed to target new markets. In order to be eligible, a company must have a minimum annual payroll of \$625,000 with a minimum capital investment of \$50,000. The award maximum for OIEP is \$150,000, however manufacturers with projects that exceed that amount should contact Commerce as they may be eligible for other programs. When reviewing the applications, Commerce will take into consideration: amount of capital investment from the company; the ratio of private sector dollars leveraged from OIEP awards; number of existing jobs, number of projected new jobs, and the average wages paid to employees. Projects must provide a net positive benefit for the state.

“After the Bounce Back Program, we recognized the opportunity to provide assistance to companies outside of the COVID-19 pandemic,” said Scott Mueller, Oklahoma Secretary of Commerce and Workforce Development. “Oklahoma’s manufacturing sector has seen impressive growth over the past few years. This program allows us to support that growth by helping businesses expand their operations and product lines, and the state and our fellow Oklahomans benefit by seeing increased investment and the creation of new jobs.”

The application period for OIEP begins Tuesday, April 27 and will close Monday, May 3 at 12:00 p.m. The full program details and requirements are posted on the Commerce website at okcommerce.gov/OIEP. After submitted applications are reviewed, Commerce staff will reach out to eligible companies.

OIEP utilizes funds set aside by the Oklahoma Economic Development Pooled Finance Act (62 OS 891.1 et seq) and therefore companies must meet eligibility requirements outlined in the statute. A complete list of the program rules and eligibility are available on the Commerce website.

Participating businesses will be required to provide quarterly reports verifying employment levels and expenditures, as well as submit verification of purchase and installation of machinery and equipment.

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