OKLAHOMA COMPETES

THE STATE CHAMBER

STATE CHAMBER RESEARCH FOUNDATION

UNIQUE POSITIONING OF THE STATE CHAMBER AND STATE CHAMBER RESEARCH FOUNDATION

Oklahoma is entering a period of significant political transition with changes anticipated in multiple statewide offices including the Governor in 2026, Speaker of the House and the President Pro Tempore of the Senate in 2028, cabinet secretaries and agency heads. These transitions present both opportunities and risks. Without a steady and consistent voice, critical policy initiatives—particularly those advancing education and workforce development—could lose momentum. Sustaining focus on the strategic progress achieved over the past decade is essential to Oklahoma's continued advancement.

The State Chamber of Oklahoma and the State Chamber Research Foundation (SCRF) are uniquely positioned to serve as that consistent voice. With established statewide relationships and a strong policy infrastructure, these organizations can ensure continuity in advocacy and data-driven leadership throughout this period of change. Building on its statewide presence, the SCRF will strengthen its regional coalitions to continually evaluate, refine and advance both regional and statewide strategies that prepare Oklahoma for success in a modern, globally competitive economy.

A key component of this effort will be the use of longitudinal data sets to measure Oklahoma's performance over time. This approach allows for real-time analysis of metrics, enabling policymakers and stakeholders to make timely adjustments to strategies and policies as conditions evolve.

Best practices from other states such as North Carolina, Missouri, Indiana and Utah demonstrate how a sustained, data-informed focus by state chambers and their research foundations can drive measurable improvements in competitiveness rankings. Oklahoma is now at a similar inflection point to where those states were fifteen years ago—poised for transformation if guided by consistent leadership and evidence-based strategy.

Without a comprehensive, long-term plan and a unified voice to champion it, Oklahoma risks remaining among the lowest-performing states in education, workforce and healthcare outcomes. The time to act is now to ensure the state's progress is both strategic and sustained through upcoming transitions in leadership.

LOOKING BACK: OK2030 AND ITS ACHIEVEMENTS

OK2030

MOVING OKLAHOMA FORWARD

In 2017, The State Chamber and its Research Foundation launched the OK2030 Plan, a strategic initiative aimed at making Oklahoma more business-friendly. OK2030 modernized the foundation of our business environment and helped Oklahoma gain ground in national competitiveness rankings. The initiative delivered meaningful policy wins that improved the state's fiscal stability, regulatory predictability, and cost of doing business.

Through the initial efforts of OK2030 and the ongoing advocacy of The State Chamber, Oklahoma has achieved several major policy successes:

- **MODERNIZED TAX CODE:** Oklahoma has significantly improved its standing in the Tax Foundation's State Tax Competitiveness Index, rising from 39th to 19th nationally.
- **ECONOMIC DEVELOPMENT TOOLS:** Preserved the Governor's Quick Action Closing Fund, enabling Oklahoma to effectively compete with surrounding states to attract new businesses.
- **WORKFORCE DEVELOPMENT:** Advocated for the creation of the Oklahoma Workforce Commission in 2023 to coordinate a statewide workforce strategy, targeting funding to areas of need and strengthen the workforce pipeline for the future. Streamlined licensing and reduced barriers to entry for workers, improving labor force mobility.
- **EXPANDED EDUCATIONAL OPTIONS:** Promoted access to quality education through the creation of a statewide public charter school authorizer, and expanded open transfer policies.
- **BUDGET STABILIZATION:** Established several mechanisms to help during economic downturns and dips in revenue.
- **IMPROVED HEALTH CARE ACCESS:** Joined the Interstate Medical Licensure compact, granted nurses full practice authority, and transitioned to managed care for new Medicaid population.

The efforts of OK2030 helped create Oklahoma's **affordable and pro-business climate** by providing a strong foundation. But to become a top-tier competitor, Oklahoma must modernize education and workforce training, grow innovation ecosystems, align infrastructure and grow advanced industries. Without sustained, collaborative action, Oklahoma risks being outpaced by faster-moving states.

THE NEXT PLAY: A FOCUS ON COMPETITIVENESS

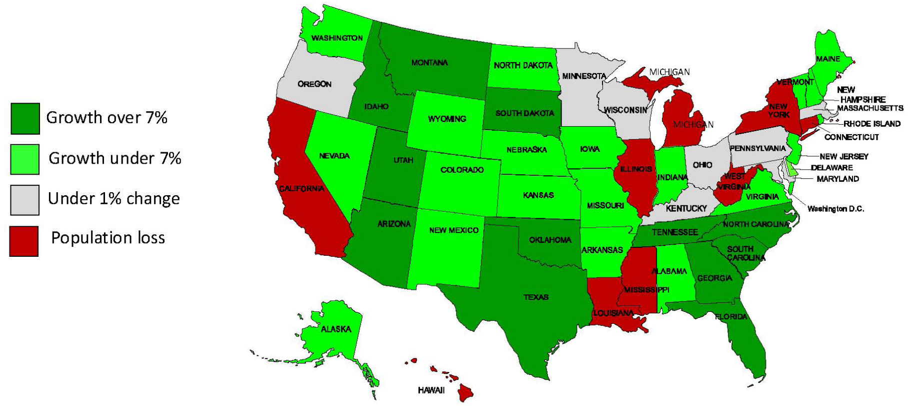
Why competitiveness? Because Oklahoma is competing against its fellow states for talent and business. States compete on affordability, productivity and innovation through the four fundamentals of competitiveness.

AFFORDABILITY: The cost of living and doing business in Oklahoma.

OK2030 set Oklahoma up to be an affordable state and the data shows we excel at low costs of living, low taxes, low costs of doing business, and low costs of electricity. But we struggle with productivity and innovation. **And states can no longer win based on being cheap alone**.

Tax Foundation Business Tax Ranking 2026: 19th
CNBC Lowest Cost of Doing Business 2025: 1st
Average Electricity Prices in 2024: 7th

Projected Population Change 2024–2034 Ages 25-64



Because of Oklahoma's affordability, people are moving here. The projected population growth for working ages for the next decade is 7.8%; we've also seen above national average population growth over the last five years at 3.3%. Notably, most new and projected residents are within working and young-working age groups—critical to sustaining economic growth.

The state also continues to invest in high-quality infrastructure, supported by the $9 billion **Eight-Year Construction Work Plan**, which funds projects to improve interchanges, expand rural highways, rehabilitate bridges and pave critical roadways. Enhancing the use of the **Supporting Industrial Transformation & Economic Success (SITES)** and **Progressing Rural Economic Prosperity Fund (PREP)** programs will further increase Oklahoma's attractiveness for manufacturing and industrial investment.

PRODUCTIVITY: Enhancing the efficiency and impact of Oklahoma's workforce.

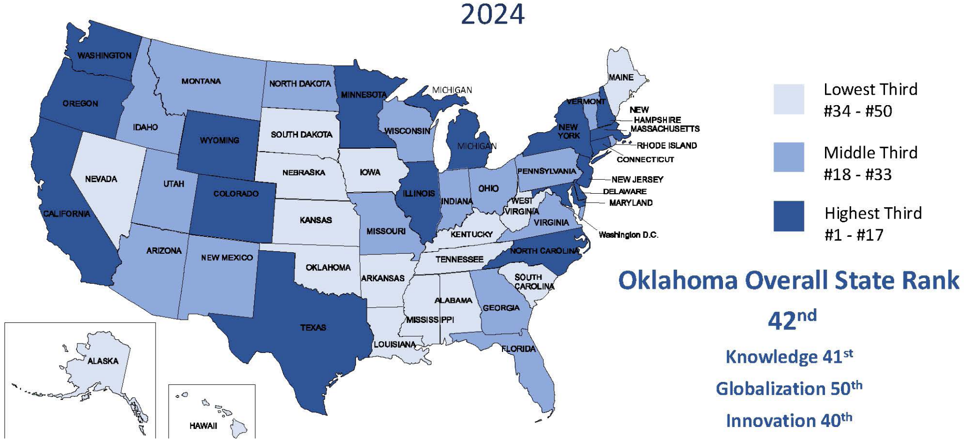
Oklahoma isn't using the strengths it possesses well, contributing to a lower-than-average gross domestic product growth. **Over the past decade, Oklahoma's GDP grew by 14%, ranking Oklahoma last in the region and 43rd nationally**. Economic analyses have described this period as a *"Lost Decade,"* as Oklahoma's per capita **GDP** stagnated while other states experienced substantial gains.

The sluggish GDP can be attributed to several factors. **We are 47th in health care outcomes**, affordability, and access, according to America's Health Rankings. Unhealthy workers lead to lower productivity and increased health costs.

Oklahoma's literacy outcomes are poor. **Our 2024 National Assessment of Educational Progress results put our third-grade readers at 49th in proficiency**. When students cannot read past third grade, they continue to fall behind and have a higher likelihood of not graduating high school, becoming incarcerated, or being overly dependent on social benefit programs. These poor outcomes put Oklahoma further behind.

INNOVATION: The spark driving the productivity engine.

Information Technology and Innovation Foundation Innovation Rankings 2024



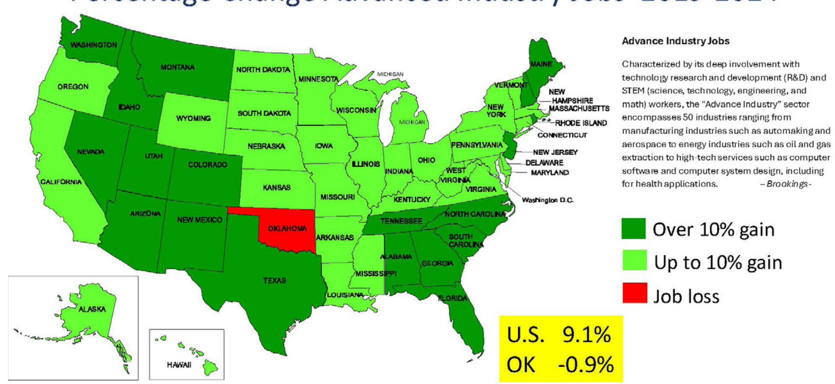
States that are winning talent and growing businesses are the ones creating new ideas, new companies and new industries. But **Oklahoma ranks 42nd in Information Technology and Innovation Foundation's Innovation Rankings**, which ranks states based on technology adoption, global investment and knowledge creation. **Oklahoma's patenting rate is 2.39 per 10,000 workers, putting Oklahoma in the bottom dozen of states**. Oklahoma's research and development investments also fall behind most of the nation.

It is no surprise, then, that Oklahoma has lagged in both job growth and high wage occupations. **Oklahoma's overall job growth over the past decade was 6.5%, ranking 34th nationally** and second-to-last among neighboring states. Rural regions, in particular, experienced notable job losses.

A key area of concern is the decline in advanced industry employment—a sector critical to innovation and high-wage job creation. From 2019 to 2024, **Oklahoma was the only state in the nation to experience a decline in advanced industry jobs (down 1.1%), while the U.S. average increased by 8.8%**.

> Oklahoma isn't losing because we lack resources—we're losing because we haven't put them to work.

Percentage Change Advanced Industry Jobs 2019-2024



OKLAHOMA COMPETES

It's time for a new approach to policy: one that puts the four fundamentals of competitiveness to work for Oklahoma, and one that guides The State Chamber and State Chamber Research Foundation to develop consistent, principled, and strategic policy with data-driven, measurable outcomes focused on competitiveness. It's time for **Oklahoma Competes**.

To be a top-tier competitor in affordability, productivity and innovation, Oklahoma Competes includes:

- **Multi-Year Economic Analysis and Strategy Development:** A statewide initiative to evaluate economic trends, analyze data, and promote regional and statewide solutions for sustained growth.
- **Comprehensive Communications Campaign:** A multi-year effort to increase public awareness, promote engagement, and communicate measurable progress.
- **Statewide Coalition Building:** Coordinated activities across all regions to foster collaboration and implement best-practice strategies aimed at improving economic outcomes.
- **Talent Pipeline Development:** A sustained effort to connect students and jobseekers with PK–12 and postsecondary institutions, employers, and industry leaders—strengthening pathways between education and the workforce.
- **Metrics and Longitudinal Data Tracking:** A biannual longitudinal data report will track key performance metrics to show trend data that will allow for policymakers to determine the effectiveness of programs advocated for in Oklahoma Competes.

Oklahoma Competes is the policy lineup built to put Oklahoma in the lead, strengthening the state's competitiveness across the four fundamentals: **Economic Climate, Education & Workforce, Infrastructure, and Innovation & Entrepreneurship**.

FUNDAMENTALS OF COMPETITIVENESS

Economic Climate: Oklahoma's economic climate should provide the best place in the nation to start, develop, and operate a business. Therefore, taxes, regulations, and governance should be balanced in order to create a competitive, productive, and innovative marketplace. The State Chamber advocates for a legal and regulatory environment that encourages investment, protects property rights, and ensures objective, consistent dispute resolution—solidifying Oklahoma's reputation as a pro-business state.

Education & Workforce Development: Oklahoma's economy is driven by people. Our economy relies on a skilled, healthy, and stable workforce to move Oklahoma forward. The State must ensure the available workforce is future-ready and dynamic so that businesses can continue to grow and Oklahomans can continue to prosper.

A well-educated workforce and a robust pipeline of skilled workers are essential for driving innovation, attracting investment, and promoting economic growth. A strong education system is essential for preparing individuals for the workforce and providing them with the skills and knowledge they need to succeed in a competitive global economy. States that strategically invest in their education systems and provide their residents with access to quality education can help to ensure their workforce is well-equipped to meet the demands of a rapidly changing job market.

In the coming decade, the demand for a skilled workforce, especially in STEM fields, will be needed to be competitive in the global market. Oklahoma Competes will develop strategies to empower business leaders to work with PK-12 schools, CareerTech and Higher Education to develop a skilled workforce to meet the demand needed in the emerging economy while concurrently creating apprenticeships and internship opportunities, especially in high-demand careers.

Infrastructure: Modern competitiveness depends on reliable, connected, and forward-looking infrastructure. Oklahoma must strengthen the systems that move people, goods, data, and energy efficiently across the state and beyond. Investing in transportation networks, broadband expansion, resilient energy systems, and modern water infrastructure will support business growth and improve quality of life. By upgrading and integrating these foundational assets, Oklahoma can enhance productivity, attract new industries, and ensure every region is positioned to compete in a modern economy.

Innovation & Entrepreneurship: Technology and connectedness are transforming every industry, redefining how value is created and where growth happens. Oklahoma must build the capacity to innovate, attract investment, and scale new ideas. Strengthening our performance in research and development, business formation, patent activity, and advanced industry growth will ensure Oklahoma doesn't just adapt to change—but leads it.

Through the **four fundamentals of competitiveness**, data, and business input, we will continue to create and push forward consistent, principled and strategic policy.

FUNDAMENTALS OF COMPETITIVENESS

ECONOMIC CLIMATE

OBJECTIVE: PRESERVE AND PROMOTE OKLAHOMA'S LOW-COST, PRO-BUSINESS ADVANTAGES

KEY PERFORMANCE INDICATORS:

- Rank in the top 10 of the Tax Foundation's Business Tax Climate Index (currently 19th)
- Rank in the top half of states for business friendliness (CNBC currently ranks Oklahoma 37th)
- Increase real GDP per capita to meet or exceed the national average (currently ranked 43rd)
- Increase income per capita to meet or exceed national average (current ranking 41st at just over $60,000)

STRATEGIES:

1. **Maintain a Competitive Tax Structure**
2. **Streamline Regulations**
3. **Preserve and build on the past two decades of legal reform advocacy success by The State Chamber**
4. **Identify and Address Economic Development Barriers**

OKLAHOMA COMPETES

FUNDAMENTALS OF COMPETITIVENESS

EDUCATION & WORKFORCE DEVELOPMENT

OBJECTIVE: IMPROVE SKILLS AND EDUCATIONAL OUTCOMES

KEY PERFORMANCE INDICATORS:

- Raise 3rd-grade reading proficiency to 100%
- Double the total number of apprenticeships in Oklahoma and triple the number of manufacturing apprenticeships
- Maintain higher than U.S. Average labor force participation rate (currently 63.1% v. US 62.3%)

STRATEGIES:

1. Fully Implement the Strong Readers Act (formerly the Reading Sufficiency Act)
2. Evaluate and Strengthen Early Childhood Education
3. Expand Experiential Learning Opportunities
4. Align Workforce Systems with Future Business Needs
5. Pilot Innovative Higher Education Funding Models
6. Prepare Students for Advanced Technology Use
7. Ensure Access to Affordable Health Care

OKLAHOMA COMPETES

FUNDAMENTALS OF COMPETITIVENESS

INFRASTRUCTURE

OBJECTIVE: DEVELOP THE INFRASTRUCTURE NEEDED FOR GROWTH

KEY PERFORMANCE INDICATORS:

- Increase the number of ready sites for advanced industry
- Maintain median home costs below the national average (as a share of median income)
- Maintain energy costs below the national average
- Decrease the percentage of structurally deficient bridges to lower than 5% (currently 7.5%)
- Rank in the top half of states in U.S. News Best States for infrastructure (currently 29)

STRATEGIES:

1. **Enhance State Site Development Programs**
2. **Ensure Reliable Energy Supply**
3. **Strengthen Water and Wastewater Infrastructure**
4. **Maintain and Modernize Physical Infrastructure**
5. **Expand Housing Availability**
6. **Maintain And Increase The Number Of Homes And Businesses With Affordable High-Speed Internet**

OKLAHOMA COMPETES

FUNDAMENTALS OF COMPETITIVENESS

INNOVATION & ENTREPRENEURSHIP

OBJECTIVE: PRIORITIZE THE ATTRACTION AND GROWTH OF BETTER JOBS

KEY PERFORMANCE INDICATORS:

- Grow Oklahoma's advanced industry jobs to the national growth average
- Increase the share of new business formations that become employer businesses to match the national average (currently 6.5% in Oklahoma vs. 9.1% nationally).
- Increase research and development (R&D) activity in the state by 20%
- Boost Oklahoma's rate of innovation by doubling patent intensity to meet the surrounding states' average (currently 2.39).

STRATEGIES:

1. Evaluate and Strengthen Incentive Programs
2. Develop Targeted Incentives for Key Industries
3. Strengthen Proven Incentives for Innovation
4. Foster a Business Climate for Technology Adoption
5. Advance Entrepreneurship and Investment

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