

oklahoma's 

**EDGE**

economic development generating excellence



# EXECUTIVE SUMMARY

## ACTION PLAN 2004

# Economic Development Generating Excellence Action Plan 2004

A comprehensive plan that identifies key initiatives that would significantly improve Oklahoma's economy and quality of life – its “competitive edge” – the Economic Development Generating Excellence (EDGE) plan is based on the work of 23 teams of statewide experts from both the private and public sectors that has been integrated with contributions from more than 2,400 Oklahomans participating through public forums and online discussions.

## **The EDGE plan is:**

An **assimilation of ideas** that are familiar and ones that are fresh and new.

A **set of priorities** for policy makers and citizens to consider and implement.

A **combination of short-term and long-term actions** to refocus economic development efforts.

A **truly bipartisan product** that many citizens emphasized should not be used as a divisive tool by elected officials.

A **work in progress** because some of the recommendations should benefit from deeper analysis, public debate and refinement.

## **The EDGE plan is not:**

A comprehensive, “soup-to-nuts” plan for everything that should or can be done for economic development.

Based on broad or deep research, but rather is an effort to capture a “grassroots” spirit shared by Oklahomans who expressed opinions and offered excellent ideas.

The end of public discussion on such an important topic, because the EDGE proposals should be seen as a vitally important first step on a long journey to ensure economic opportunities in Oklahoma rise to meet the character of the state's productive workers.

## **Recommendations fit into three categories:**

**Research and Education** – the building blocks to progress in today's information-based, global economy.

**Health and Quality of Life** – essential to enhance the health and lifestyle for Oklahoma's citizens and for attracting others to the state.

**Keeping and Creating Jobs** – the most fundamental element of creating economic prosperity.

These recommendations represent the culmination of an action-planning process begun by Governor Brad Henry, who created an inclusive, bipartisan environment in which risk taking was encouraged and bold thinking expected. These proposals are presented with the understanding that the real work of implementation is just beginning. The thousands of Oklahomans who participated in the recommendation process have a large stake in the positive outcome of EDGE and may be called upon to ensure its success.

## CREATE THE RESEARCH CAPITAL OF THE PLAINS

- Create an EDGE Endowment of \$1 billion to support research and the transfer of innovation and technology to the private sector.
- This strategic investment will transform Oklahoma into the “Research Capital of the Plains.”
- Research results will be directed toward innovation that will strengthen current Oklahoma businesses and create businesses that are likely to remain in the state.

The EDGE Endowment will transform Oklahoma into the “Research Capital of the Plains.” Investments from the \$1 billion endowment will fund all the key actions that will allow Oklahoma to become a center of powerful research that will support a vigorous economy—this is the single most important action that Oklahoma can take to thrust itself into a business leadership position. When fully funded, an endowment of \$1 billion could generate \$35 million to \$40 million per year.

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## DRAMATICALLY UPDATE OKLAHOMA'S PUBLIC EDUCATION SYSTEM

- Take those actions necessary to update Oklahoma's public education system so that students have the highest probability of succeeding in the technology-driven, knowledge-based global economy.
- The Governor should immediately appoint and charter a group of citizens and educational leaders to accomplish this work to be completed by December 31, 2004.

For Oklahoma's public education system to graduate successful students in today's technology-driven, knowledge-based global economy, the state must increase its investment in its schools, colleges and universities. But increased investment alone is not sufficient—if Oklahoma is to become an economic leader, it must dramatically update its public education system offer curricula designed to ensure that graduating students are prepared to be successful in the ever-changing global economy, beginning college students will take fewer remedial classes, more students will graduate from high school and college, public funds will be spent so as to maximize student learning, and the citizens of Oklahoma will have access to clear measures of accountability for the state's primary, secondary and post-secondary schools.

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## REVERSE OUR STATE'S HEALTH TRENDS – NOW

- Take a comprehensive approach for improving the health of Oklahomans by coordinating prevention and care.
- The Legislature should increase the tobacco tax by at least 50 cents per pack and use the money to help pay for a comprehensive cancer center and a strong statewide trauma system.
- In addition, the increased revenue should be used (1) to leverage additional federal Medicaid matching funds for premium assistance for qualified families to enable them and their employers to purchase basic health care coverage and (2) as a rate adjustment incentive to doctors who provide care for these persons.
- The Legislature should design programs and provide tax incentives to businesses for establishing or continuing wellness programs that reduce health costs and boost employee productivity.

Personal health—from wellness, to access, to care—is integral to the economic well-being of a community. Oklahoma has a number of significant challenges including alarming rates of obesity, tobacco usage, type II diabetes and high numbers of medically uninsured. If our state is to be economically successful, all Oklahomans—whether they live in urban or rural areas—must be healthy. To achieve this goal, the state must take a comprehensive and coordinated approach toward preventing poor health and providing health care when it is needed.

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## IMMEDIATELY REFORM AND IMPROVE OUR BUSINESS CLIMATE

Throughout the EDGE process, Oklahomans recommended more than 350 actions that could be taken to improve the economic conditions in the state. The following areas are of the highest priority and must be addressed if Oklahoma is to keep jobs in the state and create more jobs.

- Tort Reform
- Workers' Compensation
- Regional Economic Development Partnerships
- Oklahoma's Military Bases
- Oklahoma's Industry Clusters
- Oklahoma Center for the Advancement of Science and Technology
- Regulatory Policy
- International Trade
- Weather Industry
- Endowed Chairs Program
- Tax Policy
- Quality of Life Initiatives

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## BUDGET CONSIDERATIONS

Implementing these recommendations will require very significant resources and investments. The proposed tobacco tax, for example, will pay the cost of the health care initiatives but will not generate sufficient revenue to finance other EDGE proposals. Over time, the anticipated economic growth should provide more wealth to Oklahoma citizens, businesses and state government, but the initial investments must be made before these benefits can be realized.

State political leaders of both parties have the ultimate expertise and responsibility to identify the appropriate mechanisms to fund the entire agenda. Throughout the EDGE process, thousands of Oklahomans urged that their state leaders take action. These same citizens recommended hundreds of novel and innovative actions. They will expect the leadership of the state to be equally creative as it identifies the needed money to implement the EDGE recommendations.

Oklahoma has an exciting and colorful history, made largely by leaders who acted to advance the state under the circumstances of the time. EDGE represents one of those key moments in the story of Oklahoma, and an exciting new chapter lies before us.

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## BACKGROUND

In the summer of 2003, Governor Brad Henry teamed the Commerce Department and the State System of Higher Education to combine the innovative technical strength of our colleges and universities with the practical experience of economic development professionals. The goal: *to develop an integrated, innovative and focused action plan to provide Oklahoma a new competitive edge in the global economy.*

Oklahoma's EDGE has built on current and previous work undertaken by state leaders to energize economic development efforts at the local, regional and statewide levels. The project was guided by a governor-appointed Steering Committee and 23 teams of statewide experts from both the public and private sectors, which provided leadership and strategic recommendations for directing Oklahoma's economic future.

Regional public forums were held on November 4, 2003, at 29 locations across the state. Nearly 2,400 business, education and community leaders met to share their reactions to the initial proposals. In addition, more than 12,200 visitor sessions have been recorded at [www.okedge.org](http://www.okedge.org), where individuals have participated in online discussions or submitted comments via e-mail. The opinions expressed throughout the process have been considered in preparing these recommendations.

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## FIND OUT MORE

The complete EDGE Action Plan is available online at [www.okedge.org](http://www.okedge.org) or by calling Ben Hardcastle at 405.225.9100.

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## LEADERSHIP

Governor Brad Henry

Kathy Taylor, Secretary of Commerce and Tourism, Department of Commerce

Paul G. Risser, Chancellor, Oklahoma State Regents for Higher Education

Mr. Dave Lopez, Economic Advisor, Governor's Office

Mr. Ken Levit, President, OU-Tulsa

Mr. Mike Bailey, Assistant Chief, Choctaw Nation of Oklahoma

Ms. Wanda Bass, Chairman, First National Bank and Trust Co.

Mr. Gene Batchelder  
Senior VP, Services, Conoco/Phillips

Mr. Bill Burgess, Chairman, Telos-Oklahoma

Mr. Joe Cappy, Chairman, Dollar Thrifty Automotive Group

Mr. Jim Everest, Everest Brothers

Mr. Bill Frankfurt, President, Frankfurt, Short, Bruza Associates

Mr. Robert Lorton, Chairman and CEO, World Publishing Company - Tulsa World

Ms. Paula Marshall-Chapman, President and CEO, Bama Companies, Inc.

Dr. Donnie Nero, President, Connors State College

Mr. Larry Nichols, Chairman, President and CEO, Devon Energy Corp.

Mr. Marc Nuttle, Attorney

Mr. Gene Rainbolt, Chairman, BancFirst

Mr. Francis Rooney, CEO, Manhattan Construction

Mr. Bill Talley, Chairman, RAM Companies

Mr. Stanton Young Sr., President, Stanton L. Young Companies