# Transportation Electrification and State Economic Development Agencies



As more Americans switch to electric vehicles (EVs) and hundreds of billions of dollars are distributed through the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA), state agencies will play a continued role in the successful transition to electric transportation. This guide details immediate actions that state economic development agencies or similarly focused organizations can take to prepare for the shift to EVs, bringing value to their state and constituents.

#### State offices of economic development (known

by different names across the states) provide strategies for attracting business, growing the workforce, and providing business assistance programs. These activities are designed to lead to overall economic growth, innovation, and entrepreneurship in a given state but each state may have different priorities. To support transportation electrification, economic development agencies can play an instrumental role by engaging in the following activities:



## **Minimum Actions to Take Now**

- Encourage businesses to apply for federal EV funding programs and provide business assistance programs to assist with funding applications where possible.\*
- Prepare for the EV transition by understanding market trends, EV data and pace of adoption, and global patterns that will influence the EV market.
- Highlight EV investments in the state and EV job opportunities.

## **Recommendations for Accelerated Adoption**

- Match federal funding available for EV and EV charging station adoption with statebased funding programs.
- Attract manufacturing (auto OEMs, supply chain, batteries, battery recycling facilities) with state-specific tax credits and incentives.
- Partner with the state department of education on EV-related workforce training programs to ensure a trained workforce ready to meet increasing EV demands.
- Coordinate with counties and cities on a roadmap for economic growth opportunities.\*\* Coordinate closely with OEMs and battery manufacturers on the roadmap as well.

<sup>\*</sup>See the compendium of federal funding available to businesses.

<sup>\*\*</sup> A great example of a roadmap is the California Zero-Emission Vehicle Market Development Strategy.

#### Case Study: Nevada's Governor's Office of Economic Development

The **Nevada Governor's Office of Economic Development** (GOED) is laying the groundwork for widespread EV adoption across the state. By locking in access to minerals, enabling a robust manufacturing base, and investing in education programs to ensure the longevity of the EV market, GOED has set Nevada up for success. Below are four important steps in this process:

- Focus on continued access to materials: As a state rich in minerals, Nevada's GOED worked with OEMs based in the state and local governments through the **Nevada Battery Coalition** to ensure reliable access to the materials that go into EV batteries. This coalition is working to prepare the market to incorporate all aspects of lithium battery production, from the initial manufacturing to the recycling of used batteries. With a focus on environmentally friendly manufacturing and testing, the coalition also works on principles to ensure lithium batteries are safe and perform well in order to enable widespread EV adoption.
- Reconfigure the current workforce: GOED has focused on reshaping the current workforce into an EV workforce. The department collaborated with Western Nevada College and <u>Redwood Materials</u> to develop and pilot a training program on battery disassembly. GOED is supporting the <u>skilled training</u> <u>program</u> financially. In addition, GOED has worked closely with the <u>Governor's</u> <u>Office of Workforce Innovation</u> (GOWINN) and Western Nevada College to create a manufacturing technician program specifically for EVs.
- Enable critical businesses to succeed: GOED also worked closely with companies in the state to ensure they will succeed. One example is Redwood Materials, a business essential to the Nevada Battery Coalition. Since Redwood Materials can fully recycle the materials from a used EV, including the battery, Nevada set itself up to be one of the only states that can keep precious battery minerals in a "lithium loop" from extraction to recycling.
- Next steps: GOED is working to establish a larger "lithium loop" in the state, ensuring reliable and robust access to the minerals needed in EVs. GOED is building partnerships with OEMs and supply chain businesses to bring more battery production to Nevada.

#### About the Electrification Coalition

The Electrification Coalition is a nonpartisan, nonprofit organization that advances policies and actions to facilitate widespread deployment and adoption of electric vehicles in order to reduce the economic, public health and national security risks caused by America's dependence on oil. For more information, visit **electrificationcoalition.org**.