



Tariff Response Initiatives

Select initiatives implemented by U.S. states, federal government and one Canadian province.

Colorado: Executive Order to Combat Tariffs

- Goal: Develop strategies to reduce the negative impact of tariff policy on Colorado's economy, particularly in key sectors such as aerospace, agriculture, and health care.
- Industry focus: Aerospace, agriculture, health care, housing construction, and other vulnerable sectors.
- Incentive amount: Not applicable (policy and planning initiative).
- How it works: A task force was established and given 100 days to develop recommendations for adapting state services to mitigate tariff effects. A report from the Governor's Office of State Planning and Budgeting will estimate economic impacts by geography and sector.
- Relevance: Strategic assessment and planning to prepare Colorado's economy for shifts caused by tariffs.

Connecticut: Strategic Supply Chain Initiative

- Goal: Help companies increase production capacity, accelerate onshoring activities, and attract out-of-state and international supply chain operations.
- Industry focus: Manufacturing, semiconductors, insurtech/fintech, biomedical instruments, life sciences, clean energy, and IT.
- Incentive amount: Grants from \$500,000 to \$5,000,000, with matching funds required; awarded case by case.
- How it works: Funds may be used for equipment purchases, automation technology, infrastructure improvements, product/process innovation, capital investments, and establishing new operations.
- Relevance: Encourages companies impacted by tariffs to onshore supply chains and strengthen domestic manufacturing resilience.

Illinois: Executive Order and Agency Study

- Goal: Evaluate the scope and impact of federal tariffs on Illinois' key economic sectors and workforce.
- Industry focus: Food production, public health, infrastructure, and emergency preparedness supplies.
- Incentive amount: Not applicable (analysis and evaluation effort).
- How it works: State agencies, led by DCEO and IDES, will analyze industry vulnerabilities, workforce disruptions, and business challenges related to tariffs and trade disruptions.
- Relevance: Builds understanding of tariff effects to inform future economic and workforce development policies.



Massachusetts: Tariff Response and Business Operations Support Initiative

- Goal: Aid businesses impacted by tariffs and help them adapt to evolving trade conditions.
- Industry focus: Manufacturing and advanced manufacturing sectors.
- Incentive amount: Not specified (technical assistance and coordination support).
- How it works: The initiative connects businesses to alternative supply chains, gathers survey data on tariff effects, and tailors support through the Massachusetts Collaborative and Advanced Manufacturing Center.
- Relevance: Enhances resilience of Massachusetts manufacturers facing international trade challenges.

New York: Tariff Impact Report

- Goal: Assess and publicly report the impact of federal tariff policies on New York State.
- Industry focus: All sectors affected by U.S. and retaliatory tariffs.
- Incentive amount: Not applicable (reporting and information initiative).
- How it works: Empire State Development coordinates data collection and reporting across state agencies and authorities, with ongoing assessment of tariff effects.
- Relevance: Establishes an evidence base to inform state policy and advocacy related to federal tariff impacts.

Washington: Tariff Information and Resource Guide

- Goal: Provide information and resources to businesses affected by tariffs and support their trade adaptation strategies.
- Industry focus: Exporters and manufacturers affected by international tariffs.
- Incentive amount: Not applicable (resource and support initiative).
- How it works: A centralized website compiles tariff rate information, training opportunities, and export support resources from state, federal, and local organizations, including regional economic development boards.
- Relevance: Increases business access to trade assistance and knowledge resources to navigate tariff challenges.

U.S. Department of Commerce: Auto Tariff Offset Process

- Goal: Support U.S. auto assembly and reduce reliance on foreign auto production.
- Industry focus: Automobile manufacturing and assembly.
- Incentive amount: 3.75% aggregate MSRP offset (April 2025–April 2026) and 2.5% aggregate MSRP offset (May 2026–April 2027) for eligible U.S.-assembled vehicles.
- How it works: Manufacturers with final assembly in the U.S. may apply for an import adjustment offset to reduce the 25% tariff on imported auto parts.
- Relevance: Directly offsets tariff costs to strengthen U.S.-based automotive production capacity.



Prince Edward Island: Tariff Working Capital Assistance Program

- Goal: Assist businesses impacted by export tariffs to maintain operations, preserve jobs, and invest in alternative supply chain strategies.
- Industry focus: Manufacturers, processors, producers, and distributors affected by export tariffs.
- Incentive amount: Up to \$500,000 over six years at 4% interest; principal payments deferred for 12 months.
- How it works: Businesses must demonstrate direct impact from export tariff increases using financial or trade documentation.
- Relevance: Provides financial stability and flexibility to businesses adapting to tariff-related challenges.

Sources: State websites and Delaware Prosperity Partnership.