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Commerce Honors Representative McDugle for Work on Incentive Legislation

OKEMAH, OKLA. – The Oklahoma Department of Commerce (Commerce) honored Representative Kevin McDugle for his work to support economic development and community growth. During the 2021 legislative session, McDugle, alongside Senator Michael Bergstrom, authored SB71, the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act—commonly referred to as the Leverage Act.

“Quality of life and quality of infrastructure are two factors that companies assess when they are considering where they will deploy their capital,” said Brent Kisling, Commerce Executive Director. “There is not a one-size-fits-all approach to economic development, and the Leverage Act allows communities to implement their vision of economic development by partnering with the state. Communities that invest in themselves may leverage local resources with state resources to enhance quality of life in the community or to improve infrastructure that can sustain economic development. Sustainable economic development allows existing companies to thrive, promotes entrepreneurship, and creates a vibrant economy that encourages our younger populations to stay and grow their families in their hometowns.”

The Leverage Act provides funding for local units of government to match local tax revenue dedicated to support a project located in an enterprise zone, or in support of a major tourism destination project deemed likely to significantly benefit a contiguous or nearby enterprise zone tract.

“One of our overarching goals for the 2021 session was to modernize many of the state’s incentives,” said Kisling. “Our incentive programs offer a great benefit to companies and our economic development efforts, but we are committed to ensuring that they bring positive benefits to our state. Thanks to Representative McDugle, we were able to streamline the rules for the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act and ensure that it’s effective for both our state and the companies that utilize it.”



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Under SB71, Commerce will establish rules to require successful Leverage Act applicants to report information to Commerce. The data shall be utilized to assess the employment, capital investment and changes in assessed value of the project. The legislation also requires the Oklahoma Tax Commission to include Commerce’s report and analysis in the report to the Legislature regarding the utilization of Leverage Act. The legislation was signed by Governor Kevin Stitt and becomes effective November 1, 2021.

The Leverage Act incentive has been used for numerous projects in the state—most notably, the Dell campus in Oklahoma City, the Skirvin Hilton Hotel and Oklahoma City’s Omni Hotel and Convention Center.

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