



Oklahoma Rural Jobs Act 3rd Anniversary Summary



OKLAHOMA
Commerce

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Rural Jobs Act 3rd Anniversary Summary

Introduction

The Oklahoma Rural Jobs Act is codified at Title 68 of the Oklahoma Statutes. Rural Funds participating in the program are required to submit reports to the Oklahoma Department of Commerce pursuant to Section 3936 of Title 68. This Act was passed in 2022 and allows eligible rural funds to receive tax credits for investing in, or providing financing to, eligible businesses in rural areas of the State. The tax credits can be used against the taxes listed below

- Section 2355, 2355.1P-4, or 2370 of Title 68 of the Oklahoma Statutes
- Section 624 or 628 of Title 36 of the Oklahoma Statutes

These rural funds were established by existing lending institutions and related organizations who have the expertise necessary to evaluate investment opportunities. The investments described in this report represent private capital deployed by participating rural funds. The State of Oklahoma does not directly invest in these projects but provides tax credits as an incentive for rural economic development. Investments should create jobs and capital investment, factors that must be estimated during the submission process and reported on during the length of the investment. Investments should also be capable of repaying their debts which will enable the rural funds to continue investing in a revolving fashion.

Requirements

An Eligible Business under the Rural Jobs Act is defined (Section 3931 (6-7)) as one that

1. Has fewer than 250 employees and
2. Has its principal business operations in the state
 - a. Further defined as 60% of employment or payroll

A Rural Fund under the Rural Jobs Act is required to

3. Meet and maintain annual investment thresholds (Section 3934 (C.1))
 - a. 60% of capital investment authority by the second anniversary of the credit allowance date
 - b. 100% of capital investment authority by the third anniversary of the credit allowance date
4. Maintain 70% of funds in Rural Areas (section 3934 (C.2))
 - a. Defined as a municipality under 7,000 or a county under 75,000 people (section 3931 (10))
 - i. As measured by the 2020 decennial census
 - b. Per Section 3934 (C.4), investments located in counties of less than 30,000 people receive a multiplier of 1.25 to assist in meeting the thresholds
 - i. Less than 13,000 receive a multiplier of 1.5
5. Submit a report to the Department of Commerce each year containing the information outlined in and on the schedule described in Section 3936 (A-B)

Rural funds

In December 2022, applications were open for the rural funds. Five rural funds (listed on next page) were authorized to raise \$20 million each in private funds in return for allocations of future state premium tax credits. Per Section 3931 (9), rural funds may not invest more than the greater of \$6.5 million in credits or 20% of their remaining total to a single, “Qualified investment.” Rural funds are responsible for submitting annual reports on their investments and to make investments within the statutorily required timeframes. 60% must be invested within two years and 100% within three years in Oklahoma. 70% or more of funds must be invested in qualifying rural areas.

Table 1. Approved rural funds

Fund Name	Funding Entity
Enhanced Capital Oklahoma Rural Fund, LLC	Enhanced Capital Group, LLC
Midwest Community Development Fund XV, L.L.C.	Advantage Capital Community Development Fund, L.L.C.
Oklahoma Rural Investment Fund, L.L.C.	Affordable Equity Partners
Oklahoma Rural Jobs Subsidiary Fund, LLC	Oklahoma Rural Jobs Investment Company, LLC
Stonehenge Oklahoma Rural Fund I, LLC	Stonehenge Oklahoma Rural Fund Holdings, LLC

As of this date, March 6th, 2026, the third anniversary of the credit allowance date has passed, and all five annual reports have been received. Based on the information submitted in the annual reports required under Section 3936 of Title 68, all five rural funds appear to be compliant with the statutory investment thresholds as of the third anniversary of the credit allowance date. The following sections of the report summarize what was contained within those reports with some numbers only presented in aggregate to preserve confidentiality. Rural Funds participating in the Oklahoma Rural Jobs Act submit detailed annual reports to the Oklahoma Department of Commerce pursuant to Section 3936 of Title 68. These reports may contain confidential financial or proprietary information. For this reason, the Department publishes an aggregate summary report rather than the individual reports submitted by each rural fund.

Investments

Rural funds have invested and reported on 29 distinct investments which have successfully applied for funding from them under the Oklahoma Rural Jobs Act. These investments include expansion projects, the purchase and saving of companies, and other means of expanding rural economies. Over \$99 million in total has been awarded. 23 investments are in qualifying rural areas, wholly or primarily. Most are debt-financed but equity-based has also occurred. See the table below for additional information on investments approved so far.

Table 2. Overview of investments

Business	Location	Rural Qualifying	Rural Fund	Investment	Multiplier	Debt or Equity
Access Optics, Inc.	Broken Arrow	No	Oklahoma Rural Jobs Subsidiary Fund, LLC	\$1,999,999	1.0	Equity
Alliance Air Parts	Oklahoma City	No	Stonehenge Oklahoma Rural Fund I, LLC	\$6,000,000	1.0	Debt
Arborstone Self Storage Afton, LLC	Afton	Yes	Stonehenge Oklahoma Rural Fund I, LLC	\$250,000	1.0	Debt
Arborstone Self Storage Eufaula II, LLC	Eufaula	Yes	Stonehenge Oklahoma Rural Fund I, LLC	\$1,100,000	1.25	Debt
Arborstone Self Storage Monkey Island, LLC	Afton	Yes	Stonehenge Oklahoma Rural Fund I, LLC	\$675,000	1.0	Debt
Arborstone Self Storage Mounds, LLC	Mounds	Yes	Stonehenge Oklahoma Rural Fund I, LLC	\$1,300,000	1.0	Debt
Arborstone Self Storage Okmulgee, LLC	Okmulgee	Yes	Stonehenge Oklahoma Rural Fund I, LLC	\$1,100,000	1.0	Debt
Bison Metals Technologies, LLC	Shawnee	Yes	Oklahoma Rural Investment Fund, L.L.C.	\$3,812,424	1.0	Debt
Boston Avenue Partners, LLC	Tulsa	No	Enhanced Capital Oklahoma Rural Fund, LLC	\$1,000,000	1.0	Debt
Contango IT Oklahoma, LLC	Tulsa	No	Enhanced Capital Oklahoma Rural Fund, LLC	\$3,750,000	1.0	Debt
Dirtworks Company, LLC	Madill	Yes	Oklahoma Rural Investment Fund, L.L.C.	\$6,500,000	1.25	Debt
Duncan Machine Products, Inc.	Duncan	Yes	Midwest Community Development Fund XV, L.L.C.	\$5,150,000	1.0	Debt

Business	Location	Rural Qualifying	Rural Fund	Investment	Multiplier	Debt or Equity
EHC Ardmore LLC	Ardmore	Yes	Oklahoma Rural Investment Fund, L.L.C.	\$4,000,000	1.0	Debt
Gas Turbine Applications, Inc.	Calera	Yes	Oklahoma Rural Jobs Subsidiary Fund, LLC	\$2,000,000	1.0	Debt
Hawks Ranch Trucking, LLC and KVC Logistics Holdings, LLC	Adair	Yes	Enhanced Capital Oklahoma Rural Fund, LLC	\$3,500,000	1.0	Debt
Malone's CNC Machining	Grove	Yes	Midwest Community Development Fund XV, L.L.C.	\$5,000,002	1.0	Debt
Medefy Health, Inc	Tulsa	No	Midwest Community Development Fund XV, L.L.C.	\$5,999,999	1.0	Equity
MJ&H Fabrication, Inc.	Ponca City	Yes	Enhanced Capital Oklahoma Rural Fund, LLC	\$3,000,000	1.0	Debt
Patriot Ready-Mix LLC	Yukon	No	Enhanced Capital Oklahoma Rural Fund, LLC	\$1,500,000	1.0	Debt
Platform Fuel Distribution Holdings, LLC	Clayton	Yes	Oklahoma Rural Jobs Subsidiary Fund, LLC	\$4,000,000	1.5	Debt
Prairie Creek Farms LLC	Kellyville	Yes	Enhanced Capital Oklahoma Rural Fund, LLC	\$2,990,000	1.0	Debt
RDS Operating, LLC	Edmond	Yes	Stonehenge Oklahoma Rural Fund I, LLC	\$4,500,000	1.0	Debt
SG Echo, LLC	Durant	Yes	Enhanced Capital Oklahoma Rural Fund, LLC	\$4,000,000	1.0	Debt
Souter Limestone and Minerals, LLC	Gore	Yes	Oklahoma Rural Jobs Subsidiary Fund, LLC	\$4,000,000	1.0	Debt
SurRoca Redi-Mix, LLC	Tulsa	Yes	Oklahoma Rural Investment Fund, L.L.C.	\$6,500,000	1.0	Debt

Business	Location	Rural Qualifying	Rural Fund	Investment	Multiplier	Debt or Equity
Talala Feed Company, LLC	Talala	Yes	Stonehenge Oklahoma Rural Fund I, LLC	\$4,250,000	1.0	Debt
Talon Tools, LLC	Tulsa	Yes	Enhanced Capital Oklahoma Rural Fund, LLC	\$700,000	1.0	Debt
Tillman Waste Solutions, Inc.	Frederick	Yes	Midwest Community Development Fund XV, L.L.C.	\$3,000,000	1.5	Debt
United Dynamics, Inc.	Shawnee	Yes	Oklahoma Rural Jobs Subsidiary Fund, LLC	\$6,500,000	1.0	Debt
<i>Total</i>		<i>23/29</i>		<i>\$99,677,424</i>		

Assessment

The Rural Jobs Act has been in effect for almost four years and actively investing in the state for three. So far, 29 investments have been made with funding equaling almost \$100M. Approximately 80% of this investment activity has been in qualifying rural areas. Net job creation measured in full-time equivalents has equaled 171 with a net payroll increase of over \$15M. Annual revenues at these companies have increased by over \$125M. See Table 3 for more details.

Table 3. Investment Overview

Total Investment	Rural Investment	Total Businesses Invested In	Net Job Creation	Net Payroll Increase	Net Increase in Annual Sales
\$99,677,424	\$79,427,426	29	171	\$15,186,210	\$125,207,294

Additionally, there are other benefits separate from those above. On net, 171 full-time equivalent, permanent positions have been created. In addition to these jobs, 20 temporary or contract employees have positions paying an average salary of \$45,162. These jobs likely would not exist if not for the accompanying expansions. As can be seen in Table 2, four investments were made in counties small enough to receive a multiplier for their investment. \$7.6M was invested in counties between 13,000 and 30,000 per statutory definitions and an additional \$7M in counties less than 13,000. These sparsely populated communities do not typically receive the investment figures associated with larger recruitment or expansion projects and so the funding injections are a major benefit to these communities.

Conclusion

The Rural Jobs Act was passed to incentivize rural development through existing lending entities. Tax credits are promised to the lenders’ rural funding entities and are a lever for encouraging investment in

rural communities. Five rural funds were accepted into the program and have made 29 qualified investments to date for almost \$100M, almost \$80M of which is going to investments in statutorily defined rural areas. Benefits have included an increase of over 170 FTEs on net and over \$125M in net new annual sales. Commerce has not had to engage in any recapture activity thus far and has found all five rural funds cooperative.

Sources

Economic impact figures presented in this report are derived from the annual reports. The information found in this report or used to calculate what is found in this report came from the sources listed below:

- Anniversary annual reports from Rural Funds
- Oklahoma Department of Commerce files
 - Project files
 - Oklahoma Rural Jobs Act rules
- Oklahoma Rural Jobs Act legislation