

# New State Models Emerging for Fostering Entrepreneurship

March 26, 2024



NATIONAL  
**GOVERNORS**  
ASSOCIATION

# Today's Agenda

- Welcome & Introductions
- National Landscape
- Pennsylvania Case Study
- Nevada Case Study
- Q&A





**RIGHT TO START**

# Economic prosperity through stronger policies for entrepreneurs

*Connecting grassroots to grasstops to increase  
entrepreneurial opportunity for all*

[righttostart.org](http://righttostart.org)



# entrepreneurial opportunity grows prosperity for all

- More homegrown jobs
- Greater productivity
- Lower inequality
- Higher incomes
- More community wealth
- Less poverty



For every 1% increase in the entrepreneurship rate in a state, the poverty rate decreases by 2%.

- "The Impact of Entrepreneurship on Poverty"

# T h e C h a l l e n g e

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*Voices of everyday  
entrepreneurs are left out of  
America's policymaking*

# O u r V i s i o n

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A world where **everyone** can realize their fundamental right to entrepreneurial opportunity.

# O u r M i s s i o n

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We drive **civic change to eliminate barriers** for everyone's Right to Start.



**RIGHT TO START**

# OUR APPROACH

*Lifting voices of entrepreneurs from grassroots to grasstops*



## 1. Change communities

Mobilize citizens to take actions that expand entrepreneurial opportunity.



## 2. Change minds

Elevate the importance of entrepreneurial opportunity through media and storytelling.



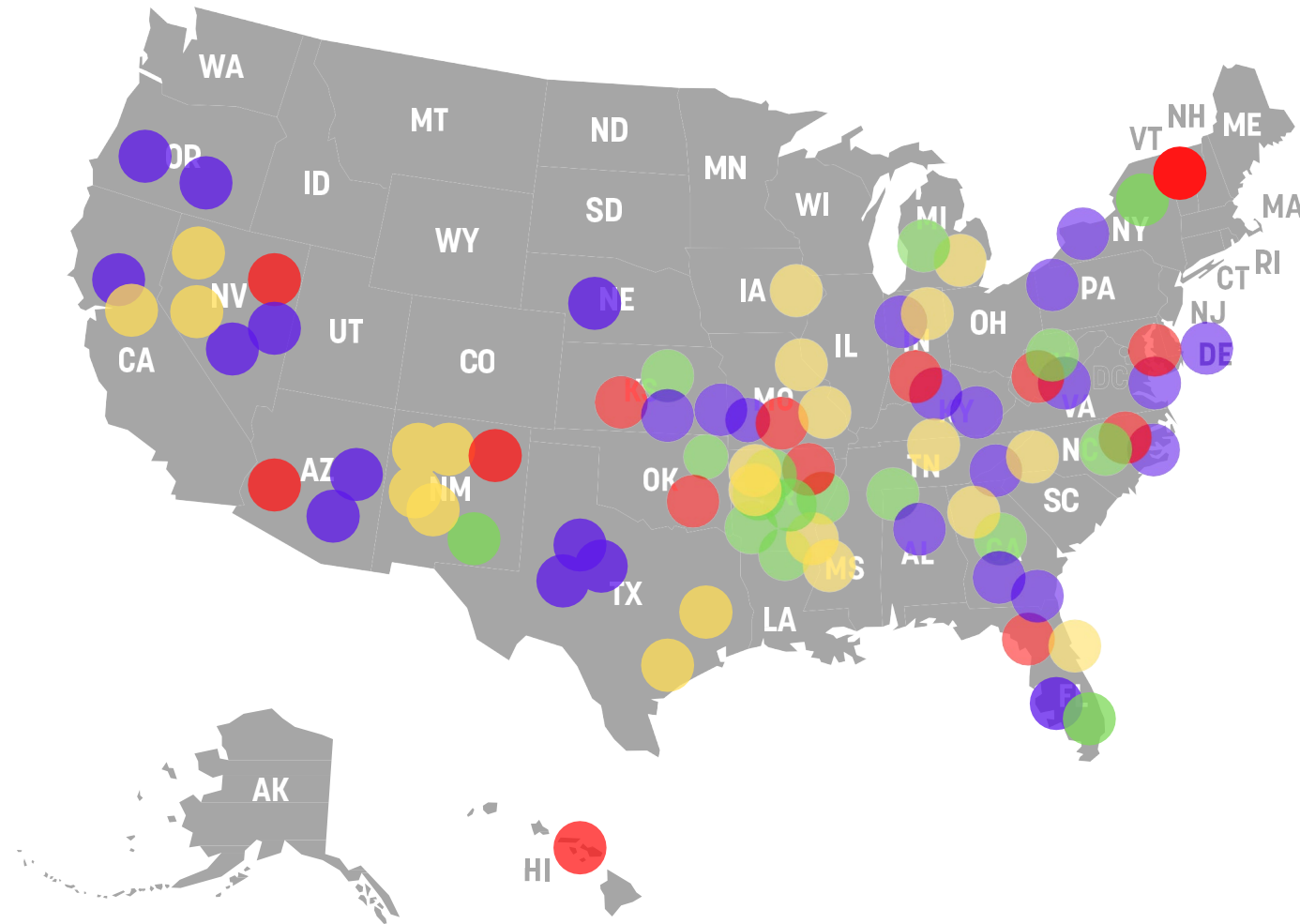
## 3. Change policies

Advocate for entrepreneurs with policymakers and civic leaders at all levels.





**RIGHT TO START**

# building THE nationwide movement

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**MARCH 2024**  
Our footprint spans  
28 states and D.C.

-  Ambassadors (civic influencers)
-  Advocates (grassroots organizers)
-  Local stories published
-  Right to Start Acts introduced

**RIGHT TO START**

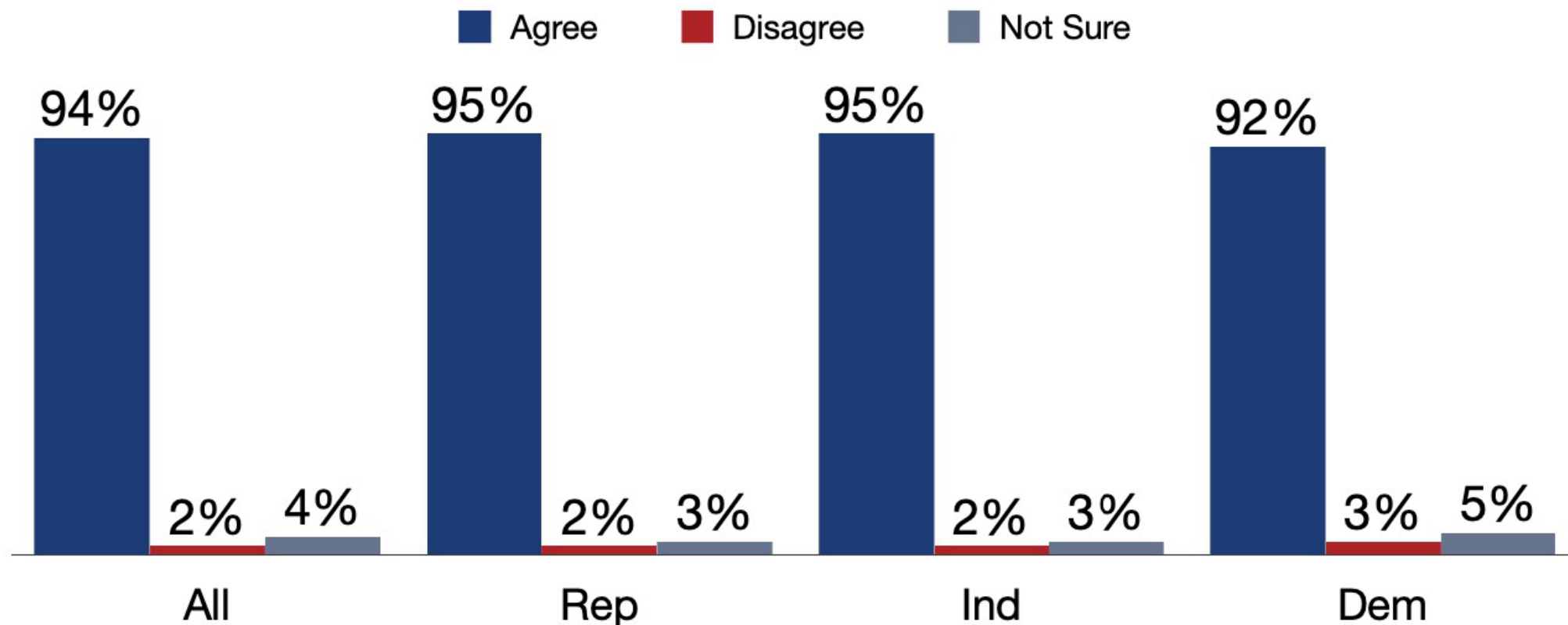


W H Y  
E N T R E P R E N E U R S  
M A T T E R

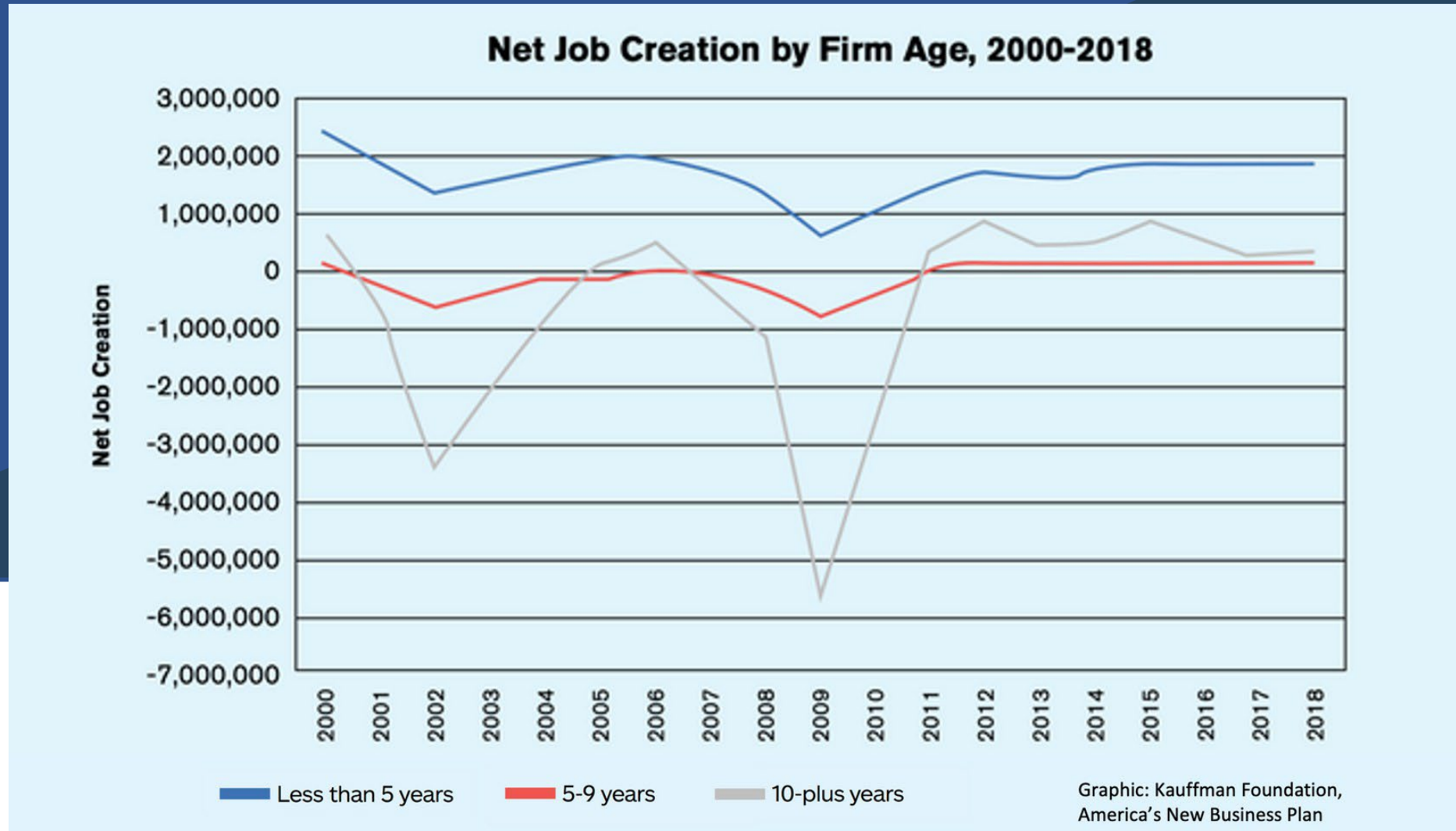
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# Americans almost unanimously agree that citizens should have a fair opportunity to start and grow their own business.

*Do you agree or disagree with the following statement: It is important to America's future that citizens have a fair opportunity to start and grow their own business?*



# New businesses create almost all net job growth. But only 18% of voters know.



Now, the **bad news...**

**81%** of entrepreneurs say government favors big businesses over them.

**69%** of entrepreneurs say government doesn't care about them.

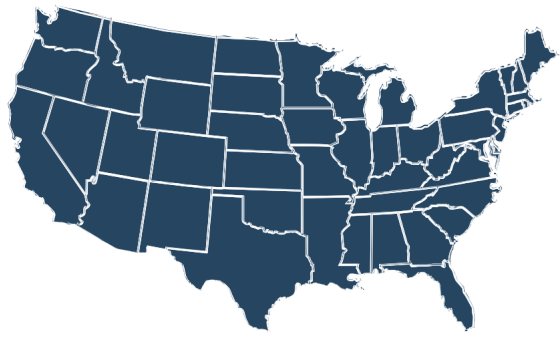
**41%** of Americans would start their dream business in 6 months if they could.  
**Only 2% do.**

# 15+ million

Americans **didn't start a new business** in part because of government fees and/or red tape. In fact, half of all people who considered starting a business **didn't ...**

- 76% Insufficient capital
- 53% Couldn't afford govt fees
- 49% Confusing govt requirements/forms
- 48% Fear of losing healthcare
- 34% Couldn't get right training/info
- 32% Govt services were poor
- 30% Govt approvals too slow
- 15% Held back by noncompete

**But we can  
break those barriers.**



Our support of policymakers and civic leaders has led to bipartisan policy changes.

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Working with Speaker of NV Assembly

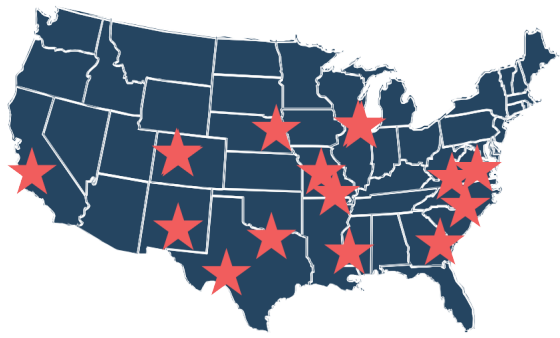


Testifying in KS Legislature



Driving civic action in Arkansas





# We work with communities at the grassroots to advocate for entrepreneurs.

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**KEWAAN DRAYTON**  
Advocate  
Savannah, Georgia



**VANIA RAMOS PONCE**  
Advocate  
Raleigh, North Carolina



**ARIANA SHIVES**  
Advocate  
Charleston, West Virginia



**ZULMARY CRUZ**  
Advocate  
Buffalo, New York



**DAYMARA BAKER**  
Senior Advocate  
Fayetteville, Arkansas



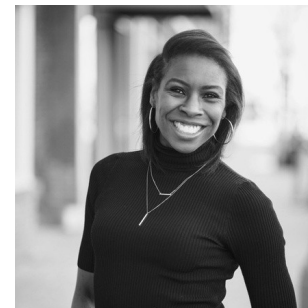
**SHAY HOLLOWAY**  
Advocate  
Springdale, Arkansas



**MICHELLE PEDRO**  
Advocate  
Springdale, Arkansas



**IRMA CHAVEZ**  
Advocate  
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Farmington, Arkansas

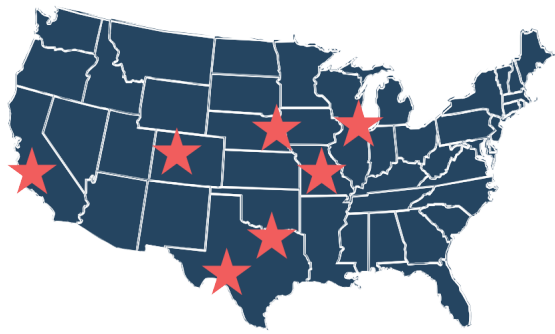


We drive citizen education and engagement to encourage policy change.

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We organize meetups, public events, petition drives, summits, and other citizen awareness and activation activities.

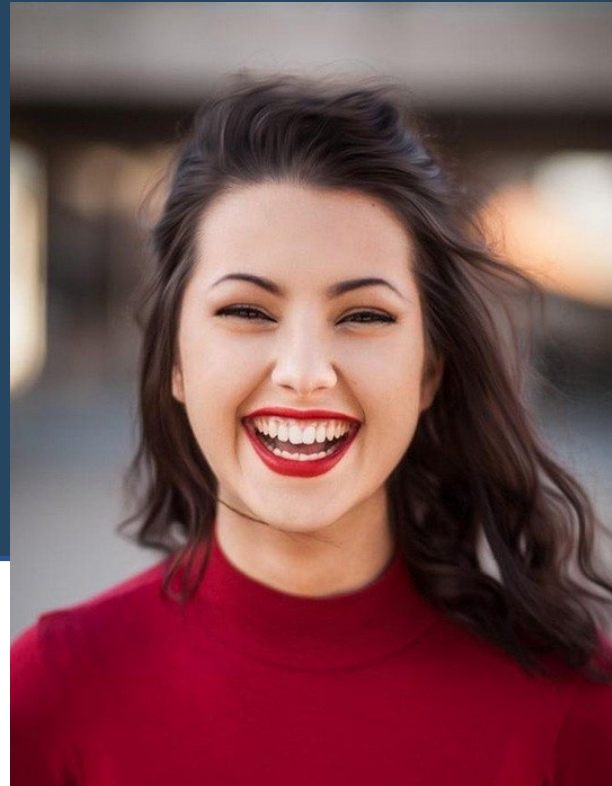
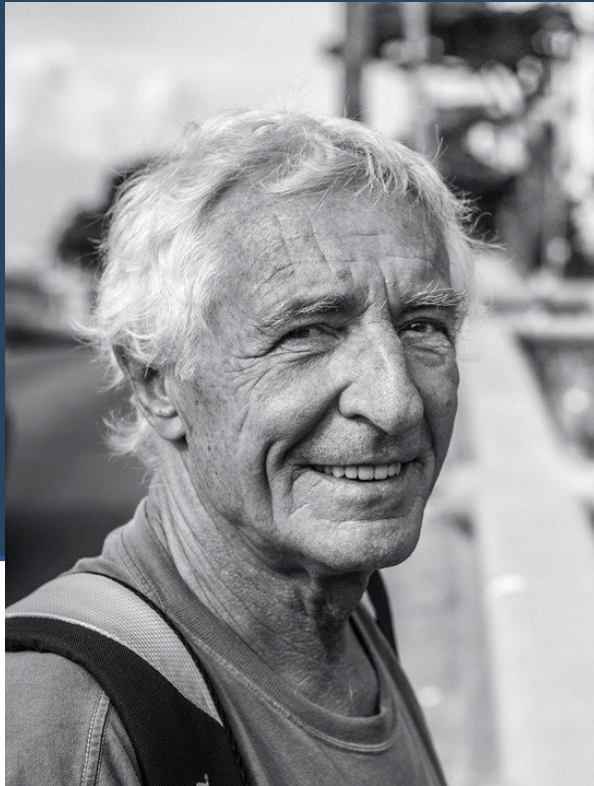


We lift the voices of entrepreneurs through local, state, and national media.



Right to Start was covered in 85 stories in 2023 across 16 states and D.C.

Can we create a world with **zero barriers**  
between people and **their dreams**?



# Thank You!

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**RIGHT TO START**

# New State Models Emerging for Fostering Entrepreneurship

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National Governors Association (NGA)  
Tuesday, March 26th, 2024

[righttostart.org](https://righttostart.org)



# Hello



**Jason Grill**

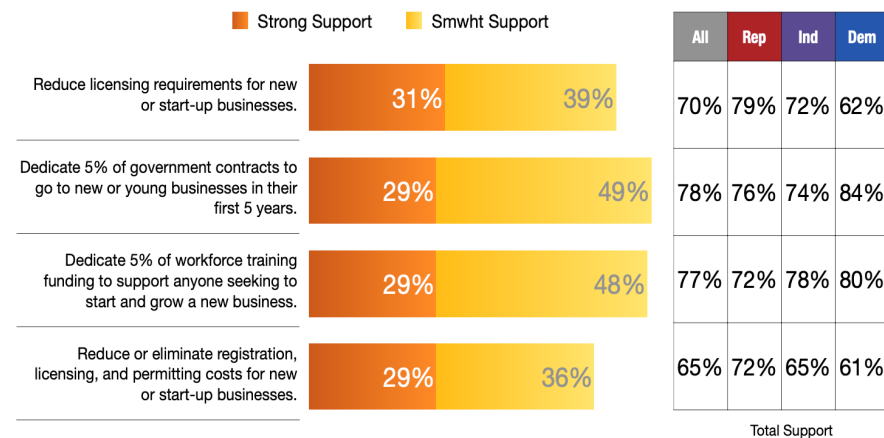
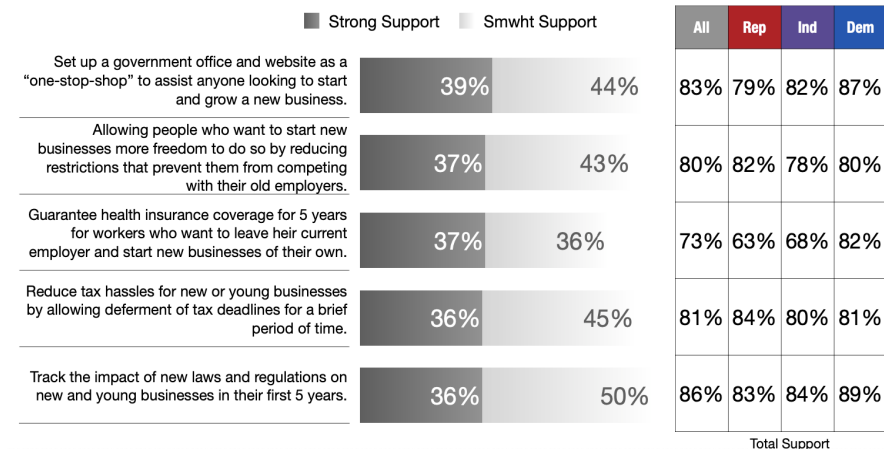
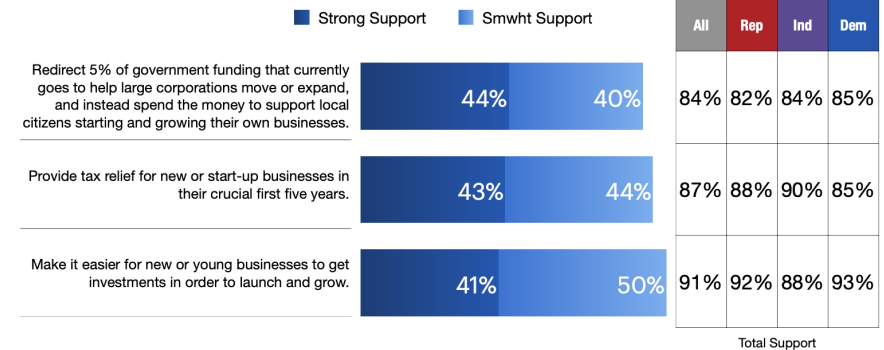
**Chief Government Affairs Officer**

*Former State Representative  
(Missouri), Entrepreneur &  
Business Owner*

# Americans favor pro-entrepreneur policies

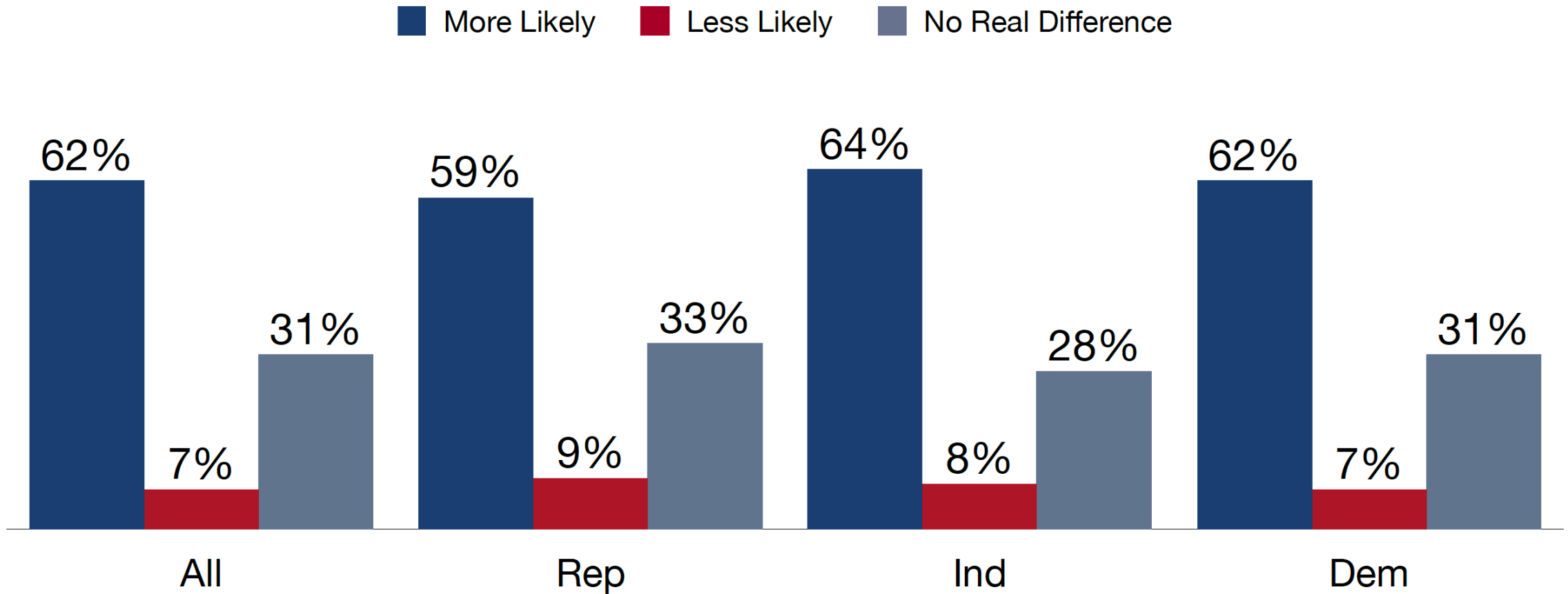
- Economic Development
- Tax Relief
- Capital Access
- Red Tape Reform
- Noncompete Reform
- Healthcare Mobility
- Reducing Tax Hassles
- Reducing Regulatory Burdens
- Licensing Reform
- Permitting Reform
- Procurement Reform
- Workforce Development

[www.righttostart.org/poll](http://www.righttostart.org/poll)





***All three partisan groups would be more likely to support a policymaker who emphasized making it easier to start and grow a new business.***



# Right to Start civic and policymaker engagement efforts have led to bipartisan policy changes on the state level.



Meeting with Speaker of NV Assembly



Testifying in KS Legislature



Driving civic action in Arkansas



## What does a typical Right to Start Act do?

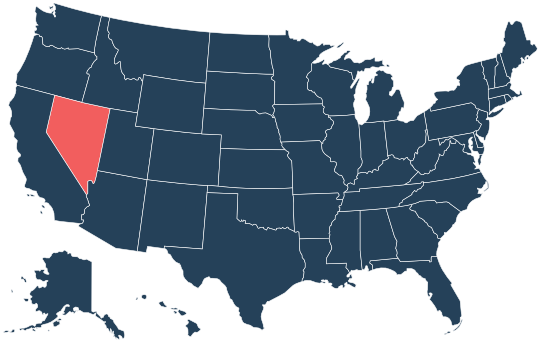
### Establish an **Office of Entrepreneurship** to support pro-entrepreneur policymaking and engagement in your state

- Dedicated liasion for entrepreneurs
- Coordinate policies affecting entrepreneurs
- Cut red tape
- Streamline government processes
- Expand access to government contracts
- Track data on entrepreneurship / contracts
- Annual State of Entrepreneurship report



The Council  
of State  
Governments

Approved as **“Shared State Legislation”**  
by the **Council of State Governments**  
(CSG)



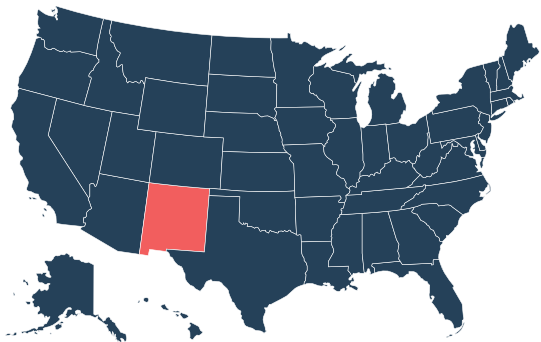
## Impact: Nevada enacted the **first Right to Start Act** in the country, signed by the Governor in 2023.

In 2023, Nevada Governor Joe Lombardo signed [AB 77](#) (“The Right to Start Act”) to create a statewide Office of Entrepreneurship. It passed with broad, bipartisan support. Introduced originally by the Speaker of the Assembly, Steve Yeager (a Democrat), and signed into law by Gov. Lombardo (a Republican).

This is the first bill of its kind nationwide. It seeks to coordinate entrepreneurship policymaking, streamline the process of starting a business, make government contracts more accessible, and track data and metrics better.



Approved as  
Shared State Legislation

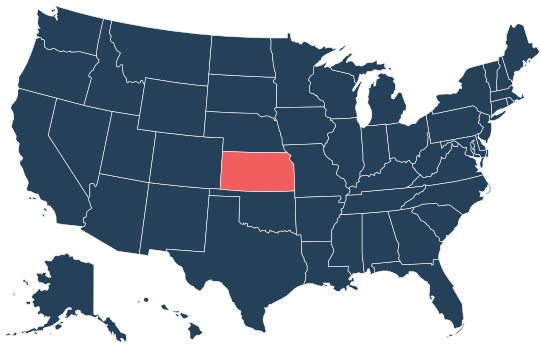


## Impact: New Mexico created an Office of Entrepreneurship inspired by Right to Start legislation.

New Mexico's Economic Development Department announced the creation of an **Office of Entrepreneurship** to grow its capacity to work with entrepreneurs, and new and young businesses.

**This action was inspired by both houses of the state legislature passing Right to Start legislation.**





# Impact: Kansas created a Director Entrepreneurship position in the Department of Commerce after holding an all-day hearing inspired by the Right to Start Act in Kansas.

Inspired by the Kansas Right to Start Act, the Kansas State House Committee on Commerce, Labor and Economic Development hosted an **all-day hearing on entrepreneurship in the state.**

This led to the creation of the Director of Small Business and Entrepreneurship position in Kansas Department of Commerce.



we're you know making entrepreneurship Economic Development connected

# Right to Start – [www.righttostart.org](http://www.righttostart.org)



## Our policy recommendations:

- 1 5% to Start**

Dedicate a small percentage of current funding to new entrepreneurs & young businesses, and track the impact:

  - **5%** of Government Contracts
  - **5%** of Workforce Development
  - **5%** of Economic Development
- 2 Office of Entrepreneurship**

Designate official liaison(s) for entrepreneurs and their issues
- 3 Zero Barriers to Start**

Reduce or eliminate registration costs and fees for new businesses
- 4 Reduce Licensing Issues**

Reduce or eliminate occupational licensing burdens and permits for businesses, including home-based ones
- 5 Early Tax Hassles**

Reduce tax hassles by allowing businesses to defer state income tax deadlines and/or skip filing income taxes for a year if net income is below \$5,000
- 6 Tax Relief**

Provide relief for young businesses in their crucial first 5 years
- 7 Noncompete Reform**

Unleash entrepreneurs who want to create new jobs by freeing them from unfair bans and noncompete restrictions
- 8 Entrepreneur Impact Statement**

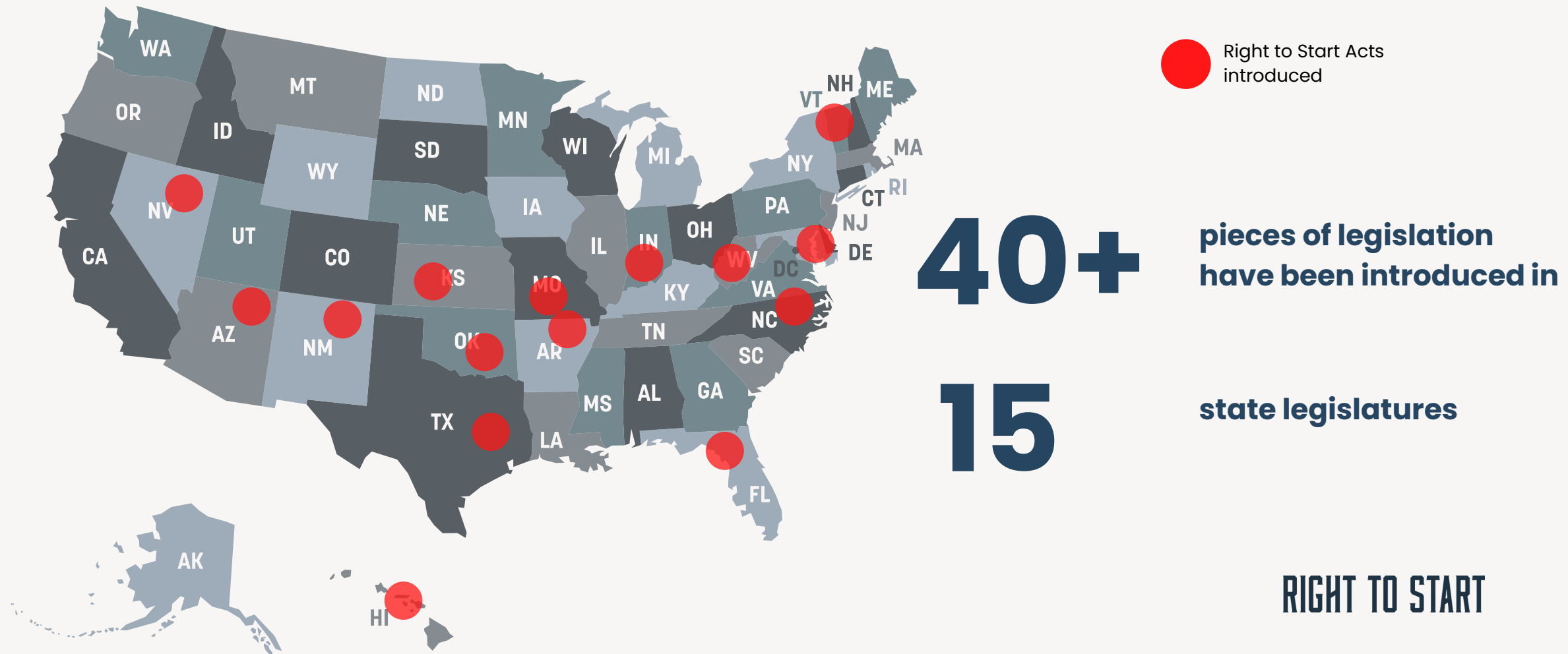
Clarify the impact of new legislation, laws, and regulations on young businesses starting and growing in their critical first 5 years
- 9 Small Business Borrower's Bill of Rights**

Transparent disclosure of online loan terms. Reform confession of judgment laws
- 10 Healthcare Mobility**

Provide portable healthcare benefits for workers in transition who want to start new businesses



# Right to Start Acts have been introduced and are moving across the nation.





We are making an **impact**...



# Thank You!

**Jason Grill, Chief Government Affairs Officer**

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# Pennsylvania's Approach



NATIONAL  
**GOVERNORS**  
ASSOCIATION

# INNOVATION BASED ECONOMIC DEVELOPMENT

Karsten Heise, Senior Director Strategic Programs & Innovation



# GOED

NEVADA GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

## OFFICE OF ENTREPRENEURSHIP

Kyeema Peart, Director

03.26.2024

# NEVADA'S OFFICE OF ENTREPRENEURSHIP: Context

- Governor Lombardo's **3 Year Plan – Policy Matrix:**
  - “...Nevada recognized for its innovative and business-friendly economic environment...”
  - “...Encouraging small business growth....Reducing barriers to entry...”
- GOED in its 2023 published **CEDS:**
  - Nevada's “Electric, Innovative, and Connected Future”
- Office of Entrepreneurship embedded within GOED, and specifically within its **Innovation Based Economic Development (IBED) Division**
- **Director** – Office of Entrepreneurship: background in innovation research & commercialization, and technology strategies



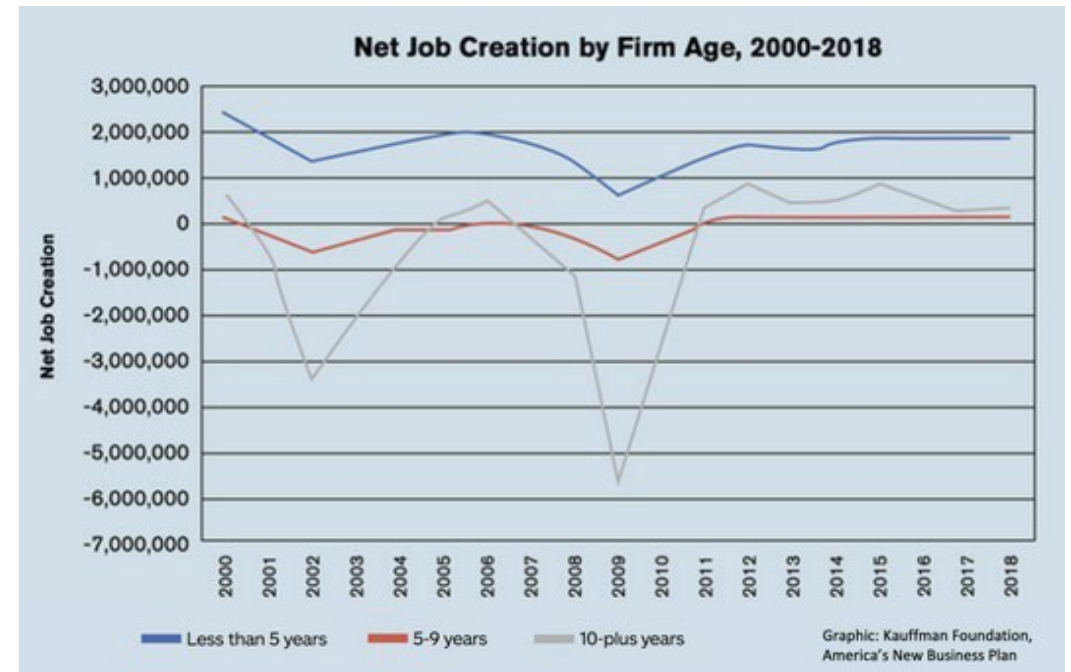
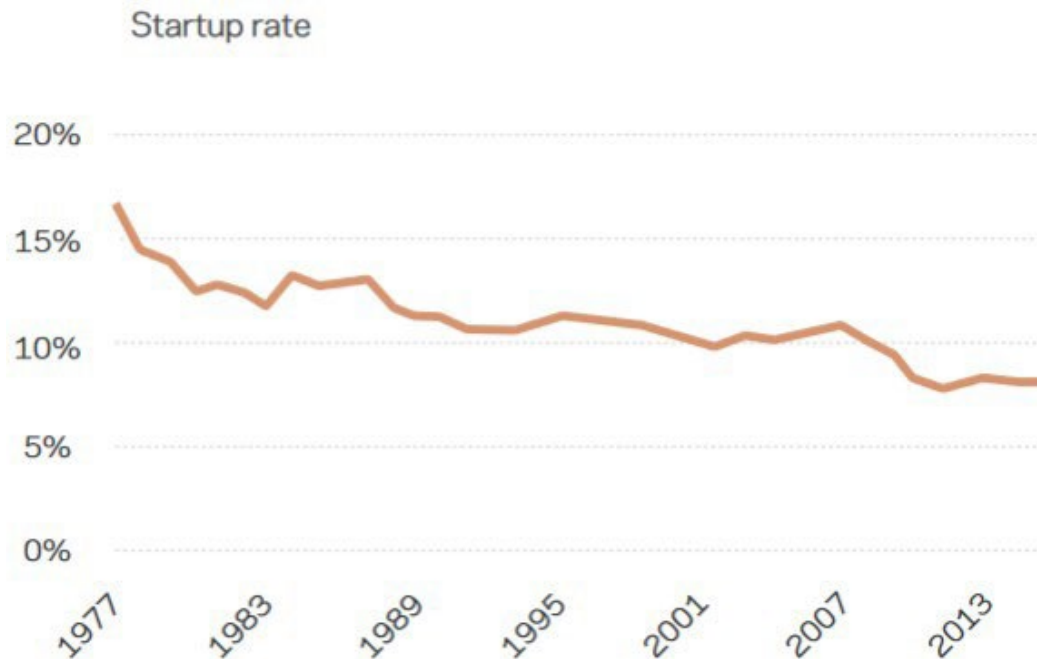
**Realizing Nevada's Electric, Innovative, and Connected Future**  
5-Year Comprehensive Economic Development Strategy

# NEVADA'S OPPORTUNITY

The U.S. has both an opportunity and an obligation to drive entrepreneurial success forward:

- There are no countries with high levels of entrepreneurship and low levels of economic growth (Arabi & Abdalla, 2020).
- Entrepreneurship has been on the decline in the US since the 1970s (Fikri et al, 2017).

And young businesses create almost all net new jobs (Haltiwanger et al, 2010).



# ECONOMIC DEVELOPMENT: The Missing Piece

**Existing and relocating businesses** have been well served by GOED:

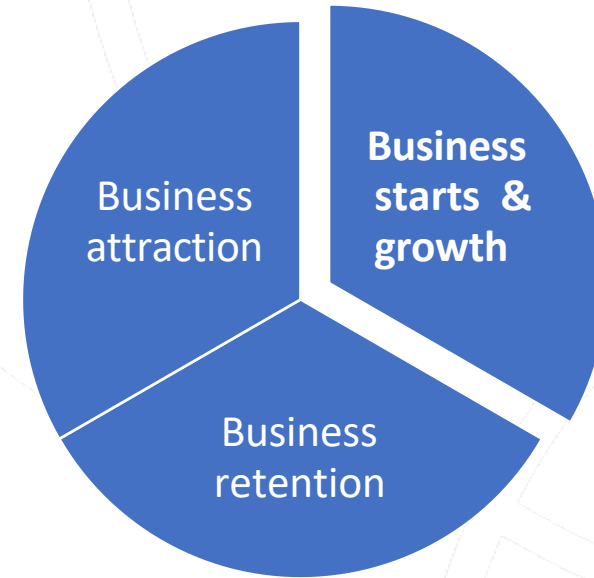
- APEX government contracting
- ESB small business certification
- IBED innovation based economic development
- WINN workforce training
- CDBG small cities development
- Main Street programming

Supported by other state offices:

- OSBA small business problem solving
- SOS SilverFlume business licensing
- DETR workforce development

**Small business starts and growth** have evolved strongly and warrant a dedicated effort:

- ensure economic diversification & lasting jobs *for all Nevadans*
- foundation for higher lifetime earning
- improved poverty outcomes
- realized entrepreneurial dreams



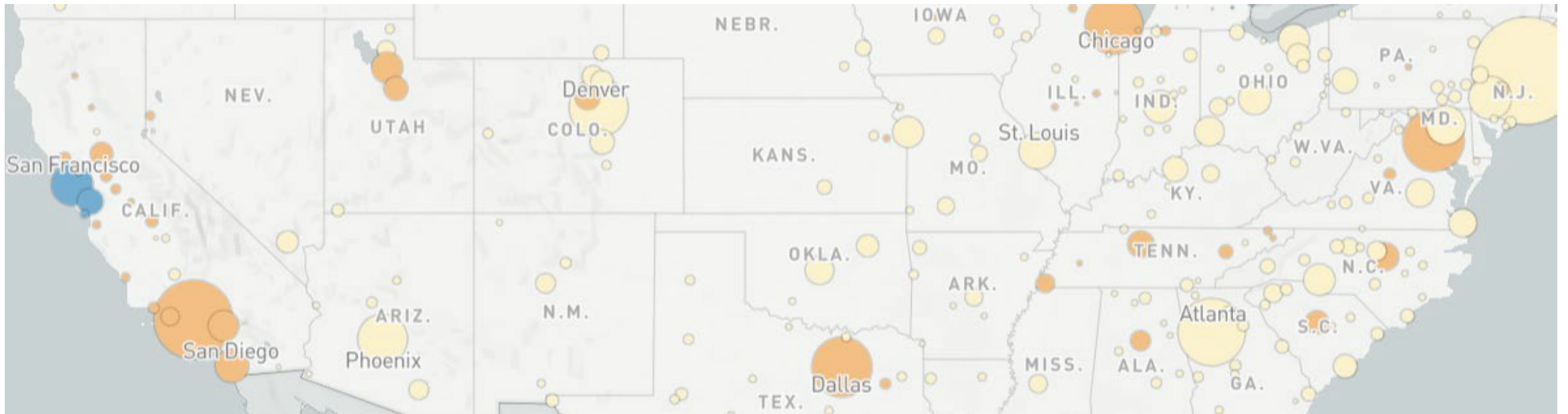
# NEVADA: Next Steps

Nevada has worked hard to diversify beyond our traditional industries of leisure, hospitality and mining to an **electric, innovative, and connected future**.

We will partner with national business licensing experts to complete a statewide **regulatory review**.

We will work with national database leaders to isolate and gather indicators for an up-to-date **entrepreneurship dashboard**:

*New business registrations since 1988 (MIT Cartography Project)*  
<https://infowetrust.com/project/startupcartography>

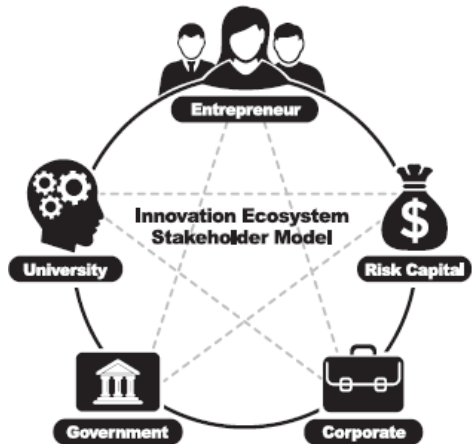




# OE: Statewide Community Engagement

**AB77** created the Office of Entrepreneurship (OE):

- *Vision* Every Nevadan has a fundamental right to start and realize their entrepreneurial dreams.
- *Mission* Expand entrepreneurial opportunity and economic growth in Nevada through streamlining processes and reducing or eliminating barriers to starting and growing a business.



(MIT's Laboratory for Innovation Science & Policy, 2019)

## 1. COMMUNITY CONSULTATION

- Statewide rural
- North/South urban

## 2. DATA ASSESSMENT

- Indicators
- Pilot dashboard

## 3. COMMUNITY DEEP DIVE

- African American
- Hispanic
- Veteran
- Women
- Tribal
- Immigrant
- Seniors

# OE: Community Consultation

Coordinated with:

- 20+ rural Main Street communities
- 2 urban Startup Weeks in Reno-Sparks, Las Vegas-Henderson
- 8 statewide Regional Development Authorities

Conducted 7 statewide community consultations with national expert collaborators.

Identified common issues to address at the community level for growing and sustaining new businesses:



URBAN



RURAL

INITIAL FEEDBACK	EMPHASIS
MORE support from elected officials, senior champions and community	Urban & Rural
LESS onerous government portals, licensing and fees	Urban & Rural
MORE trackable information, education, and resource sharing	Urban & Rural
MORE infrastructure and community supports	Rural
MORE accessible small business grants and financing	Urban & Rural

# OE: Community Consultation (cont'd)

Revisit regional priorities: strategically support community SMART goals using available resources

- Remote rural
- Urban rural
- Reno-Sparks
- Las Vegas-Henderson

Region	Issue	Goals	Emergent Priorities
<b>RURAL (statewide)</b>	<i>For example:</i> Rural stakeholders need to have resources delivered to their needs, using existing capabilities but curated for their direct benefit	<b>Targeted entrepreneurship engagement</b>	<ul style="list-style-type: none"> <li>• Statewide tool to track activity</li> <li>• Regional meetups, with involvement of elected officials</li> <li>• Resource hub of existing assets and programs</li> <li>• Small business grant program</li> </ul>
<b>RENO-SPARKS (north)</b>	<i>For example:</i> New and young businesses struggle to navigate market opportunities through costly red tape, to reach customers and secure the broadest revenue base	<b>Reduce regulations for microbusinesses, decrease licensing fees for small businesses</b>	<ul style="list-style-type: none"> <li>• State-county integration of business licensing (eg, Clark, Washoe)</li> <li>• Integrate licensing with referral to resource directory</li> </ul>
<b>LAS VEGAS-HENDERSON (south)</b>	<i>For example:</i> Improve relevant business-ready curriculum to equip entrepreneurs and startups to form lasting businesses	<b>Increase entrepreneurial education and culture</b>	<ul style="list-style-type: none"> <li>• Improve credential transfer process</li> <li>• Reinvigorate trades training</li> <li>• Include intentional experiential learning placements (internships, etc.)</li> <li>• Align terminology, resources, and training</li> </ul>

# OE: Community Consultation (cont'd)

Developing a SMART Goal:



Provide statewide coordination of:

- entrepreneurship support
- entrepreneurial training
- access to resources
- data capture

Strengthening Innovation Based Economic

Development (IBED):

- risk capital and financing for startups and small businesses
- applied research and lab to market commercialization
- tech-based strategic initiatives

What is Strategy?

“A strategy is a way of describing **how** you are going to get things done. It is **less specific** than an action plan (which tells the who-what-when); instead, it tries to broadly answer the question, ‘**How do we get there from here?**’ Do we want to take the train? Fly? Walk?”

<b>Specific</b>	<ul style="list-style-type: none"> <li>• What do you want to achieve?</li> <li>• Where will you focus your efforts?</li> </ul>
<b>Measurable</b>	<ul style="list-style-type: none"> <li>• How do you plan to measure progress toward the goal?</li> <li>• What is the end result and milestones along the way?</li> </ul>
<b>Attainable</b>	<ul style="list-style-type: none"> <li>• Do you have the resources to achieve the goal?</li> <li>• What factors might prevent achieving these goals?</li> </ul>
<b>Relevant</b>	<ul style="list-style-type: none"> <li>• Is this important for your region to pursue?</li> <li>• Does this that matter or bring benefit to the region?</li> </ul>
<b>Time Framed</b>	<ul style="list-style-type: none"> <li>• When do you want to achieve your goal?</li> <li>• What is the target date for accomplishing the goal?</li> </ul>

# Questions

[www.goed.nv.gov](http://www.goed.nv.gov)

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[kpeart@goed.nv.gov](mailto:kpeart@goed.nv.gov)

# Thank you!

For questions or comments, please contact the below:

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