

Empowering the Black Community through Entrepreneurship

... The Role for States

Remarks by
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What states can do to foster entrepreneurship? #1



States can offer Self-Employment Assistance through their Unemployment Insurance program.

How many states currently fund Self Employment Assistance (SEA)?



Delaware
New York
Oregon
Rhode Island

Source: U.S. Department of Labor, Employment and Training Administration, at <http://www.workforcesecurity.doleta.gov/unemploy/self.asp>, accessed 9/12/13

What states can do to foster entrepreneurship? #2



States can support the establishment, growth and development of microenterprises and of state microenterprise associations (SMAs).

How many states support microenterprises and SMAs?



- Many states (34) have laws that codify the establishment of or provide funding for microenterprises.
- Only three states fund microenterprise associations (SMAs):

Nebraska

Oregon

Washington

What states can do to foster entrepreneurship? #3



States can use federal block grants to foster the development of microenterprises, small businesses and employee-owned businesses.

How many states use federal block grants to support business development?



Many states (32) use funds from one or more of the federal block grants they receive to support microenterprise or other types of business development.

Source: CFED 2013 Scorecard

What are selected states* doing to foster entrepreneurship?



	AL	CA	FL	IL	LA	MS	OK	TX
SEA Authorized					X	X		
SEA Funded								
State microenterprise law		X			X	X		X
State microenterprise funding								
State has SMA	X	X			X	X		
State funds its SMA								
Federal block grants to state are allocated for microenterprises		X	X	X	X			X
Federal block grants to state are allocated for small businesses		X	X	X	X	X	X	X

* States whose asset-building coalitions receive funding from the Ford Foundation's Building Economic Security Over a Lifetime (BESOL) Initiative

Conclusions



- Although states could become a potent force for entrepreneurship development, state-level support to date has been mixed.
- With encouragement from their constituents, state legislators could and should act on behalf of the want-to-be entrepreneurs within their jurisdictions.