



StateNotes

Economic/Workforce Development

Education Commission of the States • 700 Broadway, Suite 1200 • Denver, CO 80203-3460 • 303.299.3600 • Fax: 303.296.8332 • www.ecs.org

Entrepreneurial Education Laws in the States

By Kyle Zinth
February 2007

Introduction

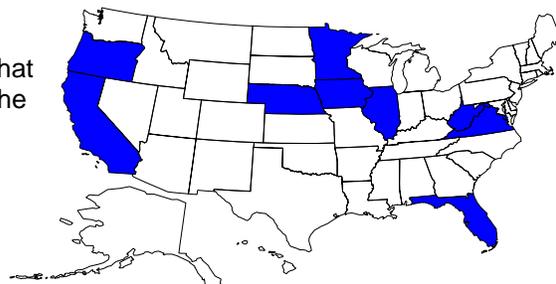
One of the great historical drivers of this nation's economic success is the entrepreneurial spirit of its people. The 21st century will require more citizens to have an entrepreneurial approach to employment, as a rapidly evolving economy necessitates frequent career changes, forcing workers to identify and seize upon opportunities in order to be successful. Further, states that enjoy workforces with strong entrepreneurial skills are likely to be centers of innovation in an evolving economy favoring those able to quickly adapt to and exploit new opportunities.

States have sought to harness and nurture entrepreneurship in many ways, including in their public school and higher education systems. One tool states have used is enacting legislation addressing entrepreneurship, and this document examines such legislation in **18 states**.

Legislation Addressing Entrepreneurship at the K-12 Level (9 states)

Highlights:

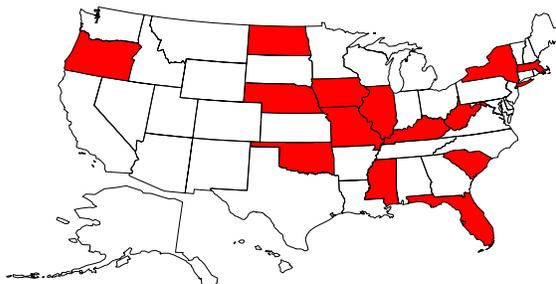
- **California, Florida, Iowa and Virginia** require that the concept of entrepreneurship be included in the K-12 curriculum
- **Minnesota and Virginia** have created entrepreneurship programs specifically targeted towards K-12 students.¹



Legislation Addressing Entrepreneurship at the Postsecondary Level (14 states)

Highlights:

- **Iowa, Kentucky and Oregon** have policies that encourage or enable the entrepreneurial commercialization of research from state universities
- **Florida and New York** provide for the use of postsecondary institutions as incubator facilities for high-technology entrepreneurial ventures
- **Kentucky, Mississippi and Oklahoma** have sought to use entrepreneurship to spur economic growth in rural areas.



¹ Virginia's legislation is set to expire in July of 2007 "if no gifts, donations, grants, bequests, or other funds effectuating the purposes of this act are received by such date."

Other Policies of Note

- **Illinois'** [Institute for Entrepreneurship Education](#) was created to foster growth and development of entrepreneurship education, address deficiencies in the preparation of entrepreneurship education teachers, increase the quality and quantity of entrepreneurship education programs, improve instructional materials, and prepare personnel to serve as leaders and consultants in the field of entrepreneurship education and economic development.
- **Connecticut** has authorized a program aimed at providing entrepreneurial and independent-living training and equipment to children or adults who are blind or visually impaired. (The U.S. territory of **Guam** operates a similar program.)

Listed policies originate in each state's statutory collection. Links are provided for the reader's convenience. However, recent amendments may not be reflected. Additions and corrections are welcome.

Summary Table

States	K-12	Postsecondary Entrepreneurship	Entrepreneurial Education Center	Public /Private Cooperation	Opportunities for Handicapped Individuals
California	X				
Connecticut					X
Florida	X	X		X	
Illinois	X	X	X	X	
Iowa	X	X		X	
Kentucky		X		X	
Massachusetts		X			
Minnesota	X			X	
Mississippi		X		X	
Missouri		X		X	
Nebraska	X	X		X	
New York		X		X	
North Dakota		X		X	
Oklahoma		X	X	X	
Oregon	X	X		X	
South Carolina		X		X	
Virginia	X			X	
West Virginia	X	X		X	

State Profiles

California

[CAL. EDUC. CODE § 51210](#) + [CAL. EDUC. CODE § 51220](#)

Social science instruction for students in 1st-12th grades includes an examination of the development of the American economic system, including the role of the entrepreneur and labor.

[CAL. EDUC. CODE § 60040](#)

When adopting instructional materials, governing boards must include instructional materials which accurately portray the cultural and racial diversity of U.S. society, including the role and contributions of the entrepreneur and labor in the total development of California and the United States.

Connecticut

[CONN. GEN. STAT. § 10-303](#)

Authorizes the board of education and services for the blind to maintain a non-lapsing account and accrue interest for state and local vending machine income to be used in part to provide entrepreneurial and independent-living training and equipment to children or adults who are blind or visually impaired.

Florida

[FLA. STAT. ANN. § 1004.226](#)

Florida's 2006 *21st Century Technology, Research and Scholarship Enhancement Act* was enacted partially to facilitate value-added job creation through continuous improvement in university research, as well as entrepreneurship and capital development programs. The act is intended to establish the state as a leading state for entrepreneurship and innovation.

[Fla. Stat. Ann. § 1004.79](#)

Community colleges are authorized to provide incubator facilities to eligible small businesses. Facilities enable small businesses to share common space, equipment and support personnel. Additionally, incubator facilities provide access to professional consultants for advice related to the technical and business aspects of conducting a commercial enterprise.

Community colleges providing an incubator facility must provide mechanisms to assist with the acquisition of technical, management and entrepreneurial expertise to resident and other local small businesses.

[FLA. STAT. ANN. § 1006.31](#)

When recommending instructional materials for use in the schools, each committee may include only instructional materials that accurately portray the role and contributions of the entrepreneur and labor in the total development of Florida and the United States.

Illinois

[ILL. REV. STAT. CH. 110, § 675/20-115](#)

Illinois' [Institute for Entrepreneurship Education](#) was created to foster the growth and development of entrepreneurship education in the state. The Institute is intended to address deficiencies in the preparation of entrepreneurship education teachers, increase the quality and quantity of entrepreneurship education programs, improve instructional materials and prepare personnel to serve as leaders and consultants in the field of entrepreneurship education and economic development.

The Institute:

- Promotes entrepreneurship as a career option
- Promotes and supports the development of innovative entrepreneurship education materials and delivery systems
- Promotes business and education partnerships
- Promotes collaboration and involvement in entrepreneurship education programs
- Encourages and supports in-service and pre-service teacher education programs within various educational systems, and develops and distribute relevant materials.

The institute will provide a framework for the public and private sectors to work together toward entrepreneurship education goals. The goals are to be achieved by bringing together programs that have an impact on entrepreneurship education to achieve coordination among agencies and greater efficiency in the expenditure of funds. The Institute has an appointed board composed of 15 members representing education, commerce and industry, government and labor. The majority of voting members must be from the private sector.

Iowa

[IOWA CODE § 256.11](#)

The minimum program to be offered and taught 9th-12th grades includes three sequential units in at least four of six identified vocational service areas. Among other requirements, each unit must include instruction in a minimum set of competencies established by the department of education that relates to

self-employment and entrepreneurial skills. ([IOWA CODE § 258.4](#) directs the director of the department of education to establish this minimum set of competencies.)

[IOWA CODE § 258.16](#)

Regional vocational planning boards are required to determine the occupational needs of students based on labor-market, entrepreneurial and self-employment opportunities and demand within the region, the state, the nation and in other countries.

[IOWA CODE § 262B.3](#)

The board of regents must work with the department of economic development, other state agencies and the private sector in order to facilitate the commercialization of research. In implementing this policy, the board of regents is authorized to engage in activities that include:

- Implementing rural entrepreneurial and regional development assistance programs
- Encouraging biosciences entrepreneurship by faculty
- Encouraging biosciences entrepreneurship by faculty using faculty research and entrepreneurship grants.

[IOWA CODE § 280.20](#)

It is the intent of the general assembly to encourage the development of programs for vocational education in agriculture technology which are structured on a 12-month basis and which include provision for 12-month extended contracts to permit entrepreneurial agricultural experience.

Kentucky

[KY. REV. STAT. ANN. § 164.6011](#) through [KY. REV. STAT. ANN. § 164.6041](#)

The Kentucky Innovation Act declares "the general welfare and material well-being of the citizens of the Commonwealth depend on immediate action to develop a strong, entrepreneurial economy, characterized by knowledge, innovation and speed and that it is in the best interest of the Commonwealth to promote research, innovation and high technology enterprises that utilize the higher-order skills of an educated workforce." The Act establishes a state innovation commission, whose duties include promoting the cooperation of public and private entities.

The Act also authorizes the [science and technology organization](#) – an independent, nonprofit organization with a statewide mission and a history of managing complicated programs in the areas of entrepreneurial innovation, science and technology advancement – to award funds to the:

- [Research and Development Voucher Fund](#) to enable small or medium-size Kentucky-based companies to undertake research and development work in partnership with universities in the Commonwealth
- [Rural Innovation Fund](#) to enable small, rural Kentucky-based firms to undertake research, development and entrepreneurial innovation work in partnership with state postsecondary institutions
- [Commercialization Fund](#) to provide development funds for promising technologies developed through the research and development work undertaken at the universities in the Commonwealth.

Massachusetts

[MASS. GEN. LAWS CH. 15A § 7](#)

Authorizes the board of trustees of a state or community college to submit to the board of higher education a five-year plan embracing an entrepreneurial model in order to achieve higher levels of excellence.

[MASS. GEN. LAWS CH. 75A § 1A](#)

Authorizes the chancellors of institutions and with the potential to expand their mission, profile and orientation to a more regional or national focus to develop in consultation with the board of trustees of the university a five-year plan embracing an entrepreneurial model which leverages that potential in order to achieve higher levels of excellence.

Minnesota

[MINN. STAT. § 124D.35](#)

Directs the commissioner of education to establish a youth entrepreneurship education program, the purpose of which is to improve the academic and entrepreneurial skills of students and aid in their transition from school to business creation.

The program is designed to strengthen local economies by creating jobs that enable citizens to remain in their communities and to foster cooperation among educators, economic development professionals, business leaders and representatives of labor.

Assistance will be available to new or existing student- or school-operated businesses that have an educational purpose, and provide service or products for customers or clients who do not attend or work at the sponsoring school. The commissioner is authorized to require local matching funds for assistance up to the maximum grant amount of \$20,000.

[MINN. STAT. § 124D.49](#)

Authorizes the establishment of local education and employment transitions partnerships. The goals of partnerships include improving the coordination and effectiveness of local vocational and job training programs, including youth entrepreneur training programs. Partnerships are eligible for grants distributed by the governor's workforce development council according to [MINN. STAT. § 124D.46](#).

Mississippi

[MISS. CODE ANN. § 37-101-25](#)

Directs the Mississippi small farm development center (established under the management and control of the board of trustees of state institutions of higher learning pursuant to [MISS. CODE ANN. § 37-101-23](#)) to develop a plan to foster and encourage the development of small enterprises which process cash crops, timber or food and fiber products produced in the state.

The plan must include:

- Means to identify small entrepreneurs who are in the business of processing, or are interested in starting a business to process, cash crops, timber or food and fiber products
- Means to encourage participation by such small entrepreneurs in available business management and technical assistance programs
- Any appropriate financial assistance to assist such small entrepreneurs in financing their business, such as interest-free state loans similar to existing department of economic and community development programs administered out of the emerging crops fund.

Missouri

[MO. REV. STAT. § 173.264](#)

Established as a pilot, the International Economic Development Exchange Program is meant to encourage international exchanges at industrial and commercial business enterprises for students enrolled in institutions of higher education.

One component of the program includes the development of methods for fostering international trade through exchange programs and through business and entrepreneurial training programs. The program may include the provision of scholarships and other financial assistance in cooperation with the federal government, public and private institutions of higher education and businesses, to enable students and business people from eligible countries to study and attend training programs in the United States.

Nebraska

[NEB. REV. STAT. § 79-766](#)

The Career Education Partnership Act is designed to support schools in continuing and enhancing career education programs through state grants. Through a competitive grant process (described in [NEB. REV. STAT. § 79-767](#)) the act is intended to:

- Identify and explore options for Career education implementation in different sizes of schools
- Collaborate with ongoing school improvement efforts
- Create models of collaboration between career and academic education

- Encourage relationships and coordination in support of entrepreneurship education
- Develop partnerships between public secondary and postsecondary institutions
- Develop partnerships with business and industry based on Nebraska workforce development needs.

[NEB. REV. STAT. § 85-957](#)

[Peru State College](#) is authorized to offer a Master of Science degree in [organizational management](#) with a focus in entrepreneurial and economic development.

New York

[N.Y. EDUC. CODE § 355](#)

Academic incubator facilities provide low-cost space, technical assistance, support services and educational opportunities to new high-technology companies in the formative stages of development through a partnership with the state university.

Academic incubator facilities will promote job creation, entrepreneurship, technology transfer and provide support services to incubator tenants, including but not limited to: business planning, management assistance, financial-packaging, linkages to financing sources and coordination with other sources of assistance.

North Dakota

[N.D. CENTURY CODE § 15-69](#)

Directs the state board of higher education to establish a centers of excellence program relating to economic development. A center must be an institution of higher education under the control of the board or a nonprofit university-related or college-related foundation of an institution under the control of the board. In order to be considered for center designation, the institution or nonprofit foundation must be working in partnership with the private sector.

Prospective institutions may apply to the centers of excellence commission for state funds for approved uses. In considering whether to approve or disapprove an application, the commission must consider whether the center will foster and practice entrepreneurship. The commission must also consider if the center will:

- Use university or college research to promote private sector job growth and expansion of knowledge-based industries or promote the development of new products, high-tech companies or skilled jobs in the state
- Create high-value private sector employment opportunities in the state
- Provide for public-private sector involvement and partnerships
- Leverage other funding
- Increase research and development activities that may involve federal funding from the national science foundation experimental program to stimulate competitive research ([EPSCoR](#))
- Promote the commercialization of new products and services in industry clusters
- Become financially self-sustaining
- Establish and meet a deadline for acquiring and expending all public and private funds specified in the application.

Oklahoma

[OKLA. STAT. TIT. 70, § 4807](#)

The Oklahoma Center for Rural Development's duties include mobilizing and enhancing the appropriate resources of the colleges of Northeastern State University and focusing the resources toward a single entity that will be readily accessible to assist communities, organizations and people to effectively address health, education, economic development, applied technology, community infrastructure, and entrepreneurial issues that challenge the improvement of the standard of living in rural Oklahoma.

[OKLA. STAT. TIT. 70, § 4808](#)

The center must establish the [Entrepreneurial Institute](#).

Oregon

[OR. REV. STAT. § 334.185](#)

Authorizes education service districts to provide entrepreneurial services and facilities to public and private entities and to school districts that are not component school districts of the education service district if:

- The services are part of the local service plan developed pursuant to [OR. REV. STAT. § 334.175](#)
- The services are provided pursuant to a business plan
- The primary purpose of the services is to address a need of component school districts.

(Education service districts provide regional educational services to districts within their boundaries.)

[OR. REV. STAT. § 351.697](#)

All state universities and the state Health and Science University are authorized to establish venture development funds for the purpose of facilitating the commercialization of university research and development.

The purposes of university venture development funds are to provide:

- Capital for university entrepreneurial programs
- Opportunities for students to gain experience in applying research to commercial activities
- Proof-of-concept funding for transforming research and development concepts into commercially viable products and services
- Entrepreneurial opportunities for persons interested in transforming research into viable commercial ventures that create jobs in this state
- Tax credits for contributors to university research commercialization activities.

South Carolina

[S.C. CODE ANN. § 59-53-740](#)

Upon the approval of the budget and control board, the Area Commission of Florence-Darlington Technical College may:

- May enter into a lease or lease purchase agreement with a private entity for the entity to occupy a college facility or a facility to be built by the college on college property for the purpose of conducting an entrepreneurial or commercial activity
- May enter into a ground lease with a private entity for the private entity to build a facility on property of the college in which the private entity will conduct an entrepreneurial or commercial activity consistent with the scope and mission of the college.

Virginia

[VA. CODE ANN. § 22.1-208.2:4](#)

The Entrepreneurship Education Program – to be administered by the board of education – will award grants on a competitive basis to public secondary schools to support innovative educational programs designed to assist students in the development of their entrepreneurial, academic and life skills. Programs may be integrated into existing curriculum or offered outside regular school hours.

Programs will, among other things:

- Incorporate experiential learning
- Include partnerships with business and higher education
- Assist students in practicing and mastering business concepts, such as negotiation, pricing, and the development and implementation of plans for individual student businesses.

Programs may be integrated into existing curriculum or offered outside regular school hours.

This act will expire on July 1, 2007, if no gifts, donations, grants, bequests or other funds effectuating the purposes of this act are received by such date.

[VA. CODE ANN. § 22.1-253.13:1](#)

Local school boards are required to implement career and technical education programs incorporated into the K-12 curricula that include knowledge of careers and all types of employment opportunities including, but not limited to, apprenticeships, entrepreneurship and small business ownership.

West Virginia

[W.VA. CODE § 18B-3C-6](#)

The mission of community and technical colleges includes offering career and technical education skill sets, certificates, associate of applied science and selected associate of science degree programs for students seeking immediate employment, individual entrepreneurship skills, occupational development, skill enhancement and career mobility. Programs may be offered on or off campus, at the work site, in the public schools and at other locations and at times that are convenient for the intended population.

[W.VA. CODE § 18B-3D-3](#)

The statewide mission of the Workforce Development Initiative Program is to develop a strategy to strengthen the quality of the state's workforce by linking the existing post-secondary education capacity to the needs of business, industry and other employers. Available funding will be used to provide explicit incentives for partnerships between employers and community and technical colleges to develop comprehensive workforce development services. Funds will be granted on the basis of proposals developed according to criteria established by the council.

The mission of any community and technical college accepting a workforce development initiative grant includes establishing cooperative arrangements with the public school system for the seamless progression of students through programs of study that begin at the secondary level and conclude at the community and technical college level, particularly with respect to career and technical education certificates, associate of applied science and selected associate of science degree programs for students seeking immediate employment, individual entrepreneurship skills, occupational development, skill enhancement and career mobility.

Conclusion

As evidenced by even this short document, policymakers have enacted a variety of legislative approaches to nurture and foster entrepreneurship in their states. While not intended to be exhaustive, this StateNote provides policymakers with a variety of options to consider as they implement related policies in their own states.

Kyle Zinth, researcher in the ECS Information Clearinghouse, compiled this report. Email: kzinth@ecs.org

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