

The 2013 U.S. State Entrepreneurship Index

By the University of Nebraska-Lincoln Bureau of Business Research

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No.	State	SEI score	2012 Rank	2011 Rank	Change since 2011	Change since 2012
1	North Dakota	2.72	1	2	▲ 1	-
2	California	1.91	11	13	▲ 11	▲ 9
3	New York	1.79	3	3	-	-
4	Kentucky	1.78	49	47	▲ 43	▲ 45
5	New Hampshire	1.71	2	6	▲ 1	▼ 3
6	Connecticut	1.63	9	2	▲ 6	▲ 3
7	Texas	1.62	4	4	▼ 3	▼ 3
8	Utah	1.58	20	3	▲ 15	▲ 12
9	Oregon	1.55	15	11	▲ 2	▲ 6
10	Colorado	1.55	13	22	▲ 12	▲ 3
11	Iowa	1.52	10	43	▲ 32	▼ 1
12	Washington	1.47	24	17	▲ 5	▲ 12
13	Minnesota	1.46	12	9	▼ 4	▼ 1
14	Maryland	1.40	31	16	▲ 2	▲ 17
15	New Jersey	1.40	40	7	▼ 8	▲ 25
16	Rhode Island	1.39	18	20	▲ 4	▲ 2
17	South Carolina	1.38	44	46	▲ 29	▲ 27
18	Nebraska	1.37	16	24	▲ 6	▼ 2
19	Florida	1.36	17	34	▲ 15	▼ 2
20	Montana	1.35	26	33	▲ 13	▲ 6
21	Oklahoma	1.29	6	19	▼ 2	▼ 15
22	Wyoming	1.28	8	14	▼ 8	▼ 14
23	Nevada	1.26	29	44	▲ 21	▲ 6
24	Delaware	1.26	43	36	▲ 12	▲ 19
25	Illinois	1.24	19	5	▼ 20	▼ 6
26	Tennessee	1.21	23	37	▲ 11	▼ 3
27	Vermont	1.09	5	15	▼ 12	▼ 22
28	Idaho	1.04	42	35	▲ 7	▲ 14
29	Georgia	1.01	34	41	▲ 12	▲ 5
30	Louisiana	1.01	37	50	▲ 20	▲ 7
31	South Dakota	0.97	25	29	▼ 2	▼ 6
32	Massachusetts	0.92	21	1	▼ 31	▼ 11
33	Wisconsin	0.90	32	31	▼ 2	▼ 1
34	Mississippi	0.84	48	45	▲ 11	▼ 14
35	Missouri	0.81	39	40	▲ 5	▲ 4
36	Alaska	0.79	14	25	▼ 11	▼ 24
37	Kansas	0.78	45	10	▼ 27	▲ 12
38	Pennsylvania	0.68	7	8	▼ 30	▼ 31
39	Arkansas	0.64	41	32	▼ 7	▲ 2

40	West Virginia	0.94	30	38	▼ 2	▼ 10
41	Hawaii	0.55	46	48	▲ 7	▲ 5
42	Ohio	0.51	36	26	▼ 16	▼ 6
43	Virginia	0.50	22	18	▼ 25	▼ 21
44	Maine	0.49	35	21	▼ 23	▼ 15
45	Arizona	0.42	27	39	▼ 6	▼ 18
46	Alabama	0.34	47	42	▼ 4	▲ 1
47	Indiana	0.30	33	30	▼ 17	▼ 14
48	New Mexico	0.27	38	27	▼ 21	▼ 10
49	North Carolina	0.21	28	28	▼ 21	▼ 21
50	Michigan	0.14	50	49	▼ 1	-

Source: Bureau of Business Research and the Department of Economics at the University of Nebraska-Lincoln College of Business Administration

Notes: The State Entrepreneurship Index is based on 2013 data from the Bureau of Labor Statistics, the IRS Statistics of Income Bulletin, the U.S. Census Bureau and the U.S. Statistical Abstract. A state index for each of five key components derived from the data – percentage growth and per capita growth in business establishments, business formation rate, patents per thousand residents and average non-farm proprietor income -- is assigned based on how much each state's performance is above or below the median of all state data, which has a value of 1.0. For example, a component one standard deviation above the median is assigned a value of 2.0, while a component one below is assigned a value of zero. A state's overall SEI number is the average of the five index values.

Year-to-year ranking changes are based on the difference between each state's spot in the current rankings and their final ranks in the revised 2012 SEI rankings. Some states' positions in the original 2012 rankings changed after final 2012 data were added.

The full study, which includes state-by-state information on the index's key components, is available at <http://bbr.unl.edu> and