

## Governor's Council on Youth Entrepreneurship Meeting Minutes

August 30, 2016

-Secretary Jones welcomed Council members to the meeting and shared further updates about his departure from the administration and his new job at LISC. He then welcomed the working groups to share updates on their work over the past few months and the recommendations they are likely to send to the Governor.

### **Capacity building:**

1. K-12 does not have the capacity for youth entrepreneurship activities (teacher preparation, programming, etc) and we need to increase awareness about YE.

-Virginia Career Education Foundation (started under then-Gov. Warner): initially designed to connect CTE programs to business and industry, spreading the message to students and parents about job opportunities, etc. They host(ed) events, including an annual Hall of Fame to highlight significant contributors to that cause. This could serve as a model for continuing YE work – teacher training, events, etc (Early Childhood Foundation as well as an example). Their recommendation would be to launch a nonprofit with a specific focus on YE. This entity could be funded by VDOE, private contributions and/or fundraising.

2. High school version of student IP bill

3. Establishing sustainability plan for a statewide high school entrepreneurship competition

-VCU/Junior Achievement entrepreneurship bootcamp as model for recommendations. The Governor's Office, VCU, and Junior Achievement are planning the Virginia Entrepreneurial Challenge for October 16, 2016, and they hope to expand to host multiple regional events across the state in 2017.

### **Climate:**

-They were working on a one-stop shop type place for people incorporating (this roadmap exists as what was originally a VCU Da Vinci Center project) →the great challenge with maintaining a document like this would be keeping the funds to maintain the digital infrastructure.

1. Permanent address problem: many young people do not have a permanent address (both students in school and those immediately out of school); there is little/no clarity on whether or not you can use a PO Box as the address where you incorporate
  - a. Challenges exist when students cannot use a university as the physical address because of potential conflicts of interest

- b. The ultimate reason for businesses having a permanent address would be for them to be communicated with
2. Provisional incorporation for businesses (easier structure for businesses allowing them to incorporate but have some legal shelter)
  - a. Companies start often as LLCs but have a challenge changing to stock-based corporations
  - b. Many students are actively engaging in commercial activity as part of their classes and learning; those actions should be incorporated, so is there some legal shelter for corporations for a period of time before they have to decide their structure?
  - c. Provisional patenting would be a model
  - d. This could also apply to companies/groups in accelerators that are starting quickly

-People incorporating in Virginia pay higher and higher fees based on the amount of shares they sell; there are other hidden fees and financial obstacles surrounding incorporation that we should explore.

-The question of how much you value your company at can create roadblocks for younger entrepreneurs who do not yet know the value of their company.

-There is a certain practice to incorporating, and can we make it both easier/clearer for people to understand?

### **Marketing:**

-They are working to determine programming to recommend to the administration since marketing is less policy-based; they will be working to determine that in the early fall.

-Beth and VT are working with CIT to obtain IEMS data, which they will share with the marketing working group.

-There was discussion of creating some sort of depository or single place to share information about entrepreneurship events, etc.

### **Final Updates:**

-Ryan shared some updates about the next steps of the Council. The Council's recommendations to the Governor are due by November 1, 2016. With that timeline, each working group will finalize their recommendations and write their section of the final report by the end of September. Those three sections will be edited and combined into one document in October. Ryan asked for members to consider writing an introduction; if anyone is interested in contributing to an introduction of the report, they should let him know asap. During October an introduction will be added to the recommendations section of the report so it will all be done by November 1. If any recommendations require legislative action, that allows enough time for the ideas to be turned into bills for the 2017 legislative session.

-Based on the Executive Order that formed the Council, it will remain in existence through the end of the Governor's term in January 2018. The Council will make a second set of recommendations in fall 2017, which could either be new recommendations or updates on the first set (to be completed November 1, 2016). Ryan asked all members of the Council to let him know if they would like to remain on the Council past this November. Certainly many members of the group have busy jobs and careers and might not have the ability to continue giving time towards the group. If they would like to remain, all they have to do is confirm that in writing (email is acceptable). If they cannot remain, they should let Ryan know and someone will replace them on the Council. Any individual who needs to leave is encouraged to make a recommendation for a replacement from their institution or field.

-Following Sec. Jones' departure, the new Secretary of Commerce and Trade, Todd Haymore, will chair the Council. Ryan will brief him the week of September 12 regarding the Council and its status. Ryan will work to find a date in mid-late October for the next meeting of the Council, immediately before the report is due, where members will get to meet Secretary Haymore.