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Draper Hero Institute Updates Monthly Draper Innovation Index US States Compete to Land in Top Ten of Best Places to Launch a Startup

**DII US Top 10 Unchanged in April
Washington Rebounds by 7 Places to 11th
California Improves Slightly from 15th to 14th, while New York Remains in 41st
Maryland Posts Largest Gain in both DII Balanced and Regulatory & Tax Scenarios
Nevada Sees Large Declines Across all DII US Scenarios
New Mexico Jumps in DII US Rankings, Montana and New Hampshire Fall**

San Mateo, California – The Draper Hero Institute (DHI) announces the April 2023 update to the Draper Innovation Index U.S. (DII US), which evaluates each state’s innovation and entrepreneurship environment.

March 2023 Top Ten		April 2023 Top Ten		Change
Florida	1	Florida	1	-
Utah	2	Utah	2	-
Texas	3	Texas	3	-
Colorado	4	Colorado	4	-
North Carolina	5	North Carolina	5	-
Arizona	6	Arizona	6	-
South Dakota	7	South Dakota	7	-
Delaware	8	Delaware	8	-
Virginia	9	Virginia	9	-
Georgia	10	Georgia	10	-

“We’ve just seen the second and third largest bank failures in U.S. history,” said DHI founder Tim Draper. “These failures, which could multiply in the next few months, will of course have major consequences for state-level economies across the U.S, said DHI founder Tim Draper. “The fact that both banks were located in the traditional economic hotspots of Silicon Valley and New York, respectively, speaks to one of the main stories we’ve been telling in the DII – entrepreneurship is less centralized than ever before and the incumbency advantage of many established economic powerhouses is increasingly outweighed by burdensome state and local regulations, inflated costs of living, and other negative factors.”

Top Takeaways from the DII US April 2023 Update:

- Despite no change in the DII US Balanced scenario, the DII US Tech Innovation Top 10 saw **Massachusetts** overtake **Utah** for 2nd place. **Washington** improved from 7th to 5th in Tech innovation, pushing **Texas** and **Florida** to 6th and 7th, respectively. **Maryland** remained in 8th place and **Virginia** fell from 8th to 9th.



- Within the DII US Regulatory and Tax Top 10, **Alaska** saw a jump of 7 places placing it at 9th overall and pushing **New Hampshire** to 10th while at the same time, **Arizona** placed 7th pushing **Wyoming** to 8th.
- **Washington** tied **Maryland** for the largest improvement in the DII US Balanced scenario; both states improved by 8 places, **Maryland** from 26th to 19th and **Washington** from 18th to 11th.
- **New York** saw no changes in its DII US Balanced (41st) or Regulatory and Tax scenario (42nd) rankings but did see a small improvement in its Tech Innovation ranking, rising from 16th from 15th place. Similarly, **California** gained one rank in both the DII US Balanced and Regulatory and Tax scenarios.
- **Maryland** improved by 7 places in the DII US Balanced scenario, 5 places in the Tech Innovation scenario and by 10 places in the Regulatory and Tax scenario. This across-the-board improvement was driven by the state's improved performance in business application indices.
- **Nevada** fell by 6 places in both the DII US Balanced and Tech innovation scenarios and by 4 places in the Regulatory & Tax scenario due to declines in in overall investment activity and business applications.
- **Alaska** posted improvements of 10 ranks in Tech Innovation and 7 ranks in Regulatory and Tax thanks to a large increase in overall investment activity and comparative better performance in business applications.
- **Kansas, Nevada, Oklahoma, and Virginia** all saw their Balanced scenario rankings improve by 3 places; **Virginia** returned to the Balanced Scenario's top 10.
- Boosted by a large increase in cryptocurrency and blockchain investments, **Iowa** saw its Emerging Tech scenario rank jump 10 places from 33rd to 23rd, while its Balanced scenario rank improved from 25th to 2nd and its Regulatory and Tax ranking improved from 22nd to 19th.
- **Montana**, dragged lower by low business application activity, fell by 5 ranks in the DII US Balanced scenario, by 3 ranks in Tech Innovation and by 5 ranks in Regulatory and Tax.
- Similar to **Montana**, **New Hampshire** declined across all three DII US scenarios: from 12th to 16th in Balanced, 11th to 13th in Tech Innovation and 9th to 10th in Regulatory and Tax.

“As we’ve seen in the past few years, there’s obviously a lot that policymakers cannot control at the state level,” said DHI Chief Economic Advisor Dr. Wallace Walrod. “Think of COVID, post-COVID inflation, global supply chain issues, or the actions of the Federal Reserve. What states can do is choose to proactively prioritize factors they can control, such as fostering an environment which is friendly to entrepreneurs, start-ups, and investors, state-level cryptocurrency policies, and how to improve burdensome business regulations.”

The DII US will continue to post monthly updates in 2023, which can be accessed [here](#).

About Draper Hero Institute

Founded by legendary Silicon Valley venture capitalist and entrepreneur Timothy C. Draper, Draper Hero Institute (DHI) provides applicable and modern resources for future entrepreneurs globally and ensures inclusiveness and opportunities for all. As an action-based research institution, DHI focuses its efforts on non-traditional pathways to guide future entrepreneurs in the new economy. Through programs that ignite innovative research; united through connectivity and networking; and mentoring efforts through applied education, DHI provides a portal for creative thinking and ultimately driving change to better prepare future entrepreneurs to take on heroic endeavors.

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