



# Ten Facts about Self-Employed Latinas in California

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**Latino Policy &  
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The Latino Policy and Politics Institute at UCLA acknowledges the Gabrielino/Tongva peoples as the traditional land caretakers of Tovaangar (the Los Angeles basin and Southern Channel Islands). As a land grant institution, we pay our respects to the Honuukvetam (Ancestors), ‘Ahihirom (Elders), and ‘Eyoohiinkem (our relatives/relations) past, present, and emerging.

## About LPPI

The UCLA Latino Policy and Politics Institute addresses the most critical domestic policy challenges facing Latinos and other communities of color through research, advocacy, mobilization, and leadership development to expand genuine opportunity for all Americans.

## Disclaimer

The views expressed herein are those of the authors and do not necessarily reflect those of the University of California, Los Angeles, as a whole. The authors alone are responsible for the content of this report.

## Introduction

Vilma Angelica Pedroza, a 28-year-old East Los Angeles native, mother of three, and wife, launched her small business, Angie's Cheesecakes, from home in 2020 during the COVID-19 pandemic.

During the global lockdown, Pedroza's husband was laid off, and to get by the family resorted to selling cheesecakes. Before the pandemic, Pedroza's cheesecake-making was a hobby but, in the face of the COVID-19 recession, she transformed her passion into a small business. Angie's Cheesecakes offers a variety of cheesecakes and trendy desserts, such as chocolate-covered strawberries and cake pops. A self-learner, Vilma is constantly refining her skills to perfect her desserts and create new flavors to expand her menu. She gained a loyal customer base by utilizing social media and participating in pop-up shops.

Today, Angie's Cheesecakes provides an additional source of income for her family, while offering the flexibility to be a present mother and manage household duties. Vilma's success story reflects how self-employment can serve as an alternative to traditional employment in the face of an economic crisis.

Self-employment is also a strategy for economic survival among disadvantaged Latinas.<sup>1</sup> It serves as an alternative to underemployment and unemployment for Latina women.<sup>2</sup> At the same time, self-employment provides Latinas with autonomy and economic empowerment on their own terms.<sup>3</sup>

This data brief examines Latina entrepreneurs and their socioeconomic conditions to inform data-driven policy discussions. As part of The Economic Recovery & Entrepreneurship Project ([TEREP](#)), it highlights the diverse forms of Latina entrepreneurship, the challenges they face, and the opportunities for economic resilience.

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<sup>1</sup> González, Silvia R., Julia Hernandez Nierenberg, and Paul M. Ong. "Pandemic Impacts on Self-Employed Latinas in California." UCLA Latino Policy & Politics Institute, July 18, 2022, [available online](#).

<sup>2</sup> Ibid.

<sup>3</sup> Cameron, A. E., & Cabaniss, E. R. "Forging Their Own Path to the Labor Market: Hispanic Women Business Owners in North Carolina." *Social Currents*, 5(4), 369-385, 2018, [available online](#).

## Data

This data brief analyzes data from UCLA LPPI's Latino Data Hub (LDH), a reliable source of information about important issues Latinos face. The LDH draws from the 2022 5-Year American Community Survey (ACS) to provide information about critical issues important to Latino well-being. This resource is easy to use and offers customizable data visualizations, highlighting population disparities based on race, ethnicity, citizenship, and gender, among other factors. Visit [latinodatahub.org](https://latinodatahub.org) for more information. Additionally, this data brief includes LPPI's analysis of hourly earnings and health insurance coverage using 2018-2022 five-year American Community Survey (ACS) public use microdata from IPUMS USA. The analysis mainly focuses on self-employment, which refers to individuals who work for and own their own business, professional practice, or farm, regardless of business incorporation status. In this brief, self-employed individuals and entrepreneurs are used interchangeably.

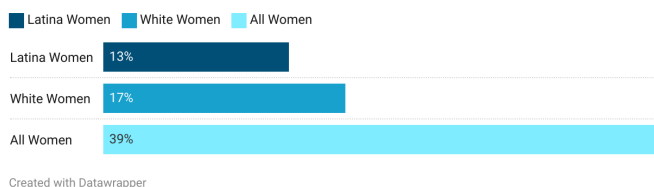
## Acknowledgment of Analytical Support

The refinement of findings in this report was supported by the use of OpenAI's language model, ChatGPT, and Grammarly. These tools were utilized to verify formulas, externally verify data, and improve the writing's clarity, logic, and flow. The final interpretations and conclusions are those of the authors.

# Key Findings

**1. Latinas represent more than 1 in 10 of California's self-employed workers.** Figure 1 shows the representation of Latinas, white women, and all women in California among self-employed entrepreneurs. In 2022, there were 242,000 self-employed Latinas in California. Latinas comprised 13% of all self-employed entrepreneurs in California, compared to 17% for white women.

**Figure 1: Latinas, White Women, and All Women as a Share of the Self-Employed Entrepreneurs, 2022**

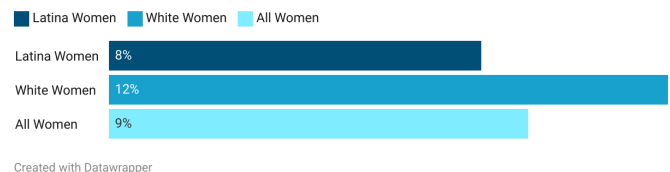


*Note:* Universe includes self-employed individuals ages 18–65. Latina women reflect women of any race who self identify as Latina, while white women reflect the non-Latina white population. Self-employment refers to individuals who work for and own their own business, professional practice, or farm, regardless of business incorporation status. In this brief, self-employed and entrepreneurs are used interchangeably.

*Source:* LPPI analysis of ACS data from the [Latino Data Hub](#).

**2. In California, Latinas have a lower self-employment rate than white women.** Figure 2 shows the self-employment rate for Latina women in California compared to white and all women. In 2022, the self-employment rate for Latinas in California was 8%, 4 percentage points lower than for white women. However, self-employment rates for Latinas in California were more or less in line with the national average for US Latinas (7.8%) and was 1 percentage point lower than the rate for all women in California (9%).

**Figure 2: Self-Employment Rate by Race, Ethnicity, and Sex, 2022**



*Note:* Universe includes self-employed individuals ages 18–65.

*Source:* LPPI analysis of ACS data from the [Latino Data Hub](#).



**3. Latina self-employment rates vary across California's regions.** Figure 3 displays a map of the self-employment rate for Latinas by county. Rural areas, such as the Central Valley, had the lowest self-employment rate, well below the state average (12%). Notably, the Central Valley region is California's agricultural heartland, yet despite the agricultural resources and productive output, residents face stark socioeconomic inequities. Conversely, Marin County in the Bay Area reported the highest self-employment rate for Latinas (14%).

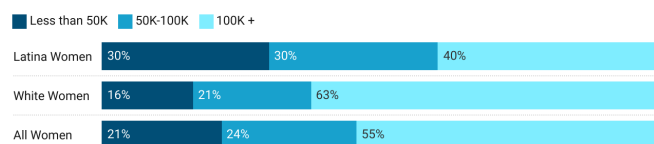
**Figure 3: Latina Self-Employment Rate by County, 2022**



Universe includes self-employed individuals ages 18-65. Note some counties were grouped together due to sample size limitations. The self-employment rate for Sierra County is unavailable due to sample size limitations. Refer to [latinodatahub.org](https://latinodatahub.org) for full description.  
Source: LPPI analysis of ACS data from the Latino Data Hub. • Created with Datawrapper

**4. Self-employed Latinas are less likely to live in high-income households than self-employed white women.** In 2022, only 40% of self-employed Latinas lived in households with an income greater than \$100,000 a year (see Figure 4). In contrast, a majority of self-employed white women (63%) resided in households with an income higher than \$100,000 a year. Household incomes are important for entrepreneurs, as higher incomes can provide financial stability and flexibility to fund or expand their business ventures.

**Figure 4: Household Income Distribution for Self-Employed Latinas and White Women in California, 2022**



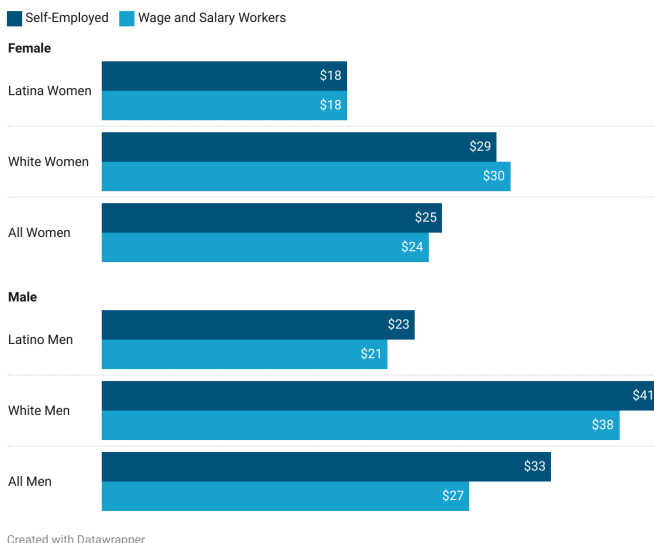
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*Note:* Universe includes self-employed individuals ages 18-65.  
*Source:* LPPI analysis of ACS data from the [Latino Data Hub](https://latinodatahub.org).



**5. Self-employed Latinas earn less than their white and male counterparts.** Figure 5.1 provides a comparison of the hourly earnings for self-employed entrepreneurs by race/ethnicity and sex. In 2022, the hourly wage for self-employed Latinas in California was \$18 an hour. In contrast, the median hourly wage for self-employed white women was \$29 an hour, a difference of \$11. The gap is even larger between self-employed Latinas and self-employed white males whose hourly wage is more than double (\$41 an hour).

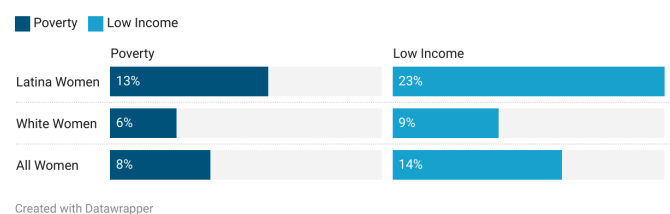
**Figure 5.1 Hourly Earnings for Self-Employed Entrepreneurs and Wage and Salary Workers by Race, Ethnicity, and Sex, 2022**



*Note:* Universe includes self-employed individuals ages 18–65. Universe of analysis for wage and salary workers includes all-employed individuals except self-employed individuals.  
*Source:* LPPI analysis using 2018–22 5-Year American Community Survey microdata.

While Latina participation in the workforce<sup>4</sup> and entrepreneurship<sup>5</sup> is increasing, the wage gap will further exacerbate their socioeconomic conditions and deepen racial and gender disparities. For example, the persistent wage gap affects Latina's financial standing.<sup>6</sup> Figure 5.2 shows the income and poverty rate for self-employed Latinas, white women, and all women in California. About 13% of self-employed Latinas lived in poverty, more than twice the rate for self-employed white women (6%). Additionally, self-employed Latinas were over twice as likely to be low income (23%) than their white female peers (9%).

**Figure 5.2 Percentage of Self-Employed Latinas and White Women in California Living in Poverty or Low Income, 2022**



*Note:* Universe includes self-employed individuals ages 18–65. Poverty refers to the percentage of people (or families) who are in poverty. The Census Bureau's poverty threshold varies depending on the number of adults and children in a family. Refer to the [website](#) for more information. "Low income" refers to a family income that falls under 200% but meets or exceeds the federal poverty threshold.  
*Source:* LPPI analysis of ACS data from the [Latino Data Hub](#).

<sup>4</sup> Sonja Diaz, Veronica Terriquez, Jonathan Ong, "The Persistent Latina Hourly Earnings Gap—A Threat to Prosperity," *Latina Futures 2050 Lab*, October 24, 2024, [available online](#).

<sup>5</sup> Rommel Mendoza, Rosario Majano, "Latine Microentrepreneurs in California During COVID-19," *UCLA Latino Policy & Politics Institute*, November 20, 2024, [available online](#).

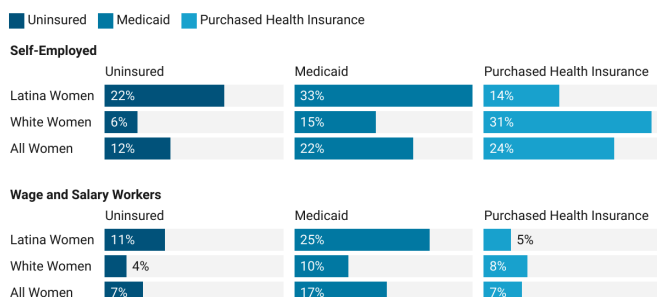
<sup>6</sup> Silvia R. González, Veronica Terriquez, Lana Zimmerman, and Paul M. Ong, "5 Facts about Latina Workers in California," *UCLA Latino Policy & Politics Institute*, October 4, 2023, [available online](#).



## 6. Self-employed Latinas in California have lower health insurance coverage than other workers.

Figure 6 provides health uninsurance rates for self-employed entrepreneurs and wage and salary workers in California. Self-employed Latinas (22%) were more than twice as likely to be uninsured as wage and salary Latinas workers (11%). Additionally, Latinas were four times more likely to be uninsured than their self-employed white counterparts (6%). Among those with health insurance, a larger share of self-employed Latinas (33%) relied on Medicaid, compared to their white peers (15%).

**Figure 6: Health Insurance Coverage for Self-Employed Entrepreneurs and Wage and Salary Workers by Race, Ethnicity, and Sex, 2022**



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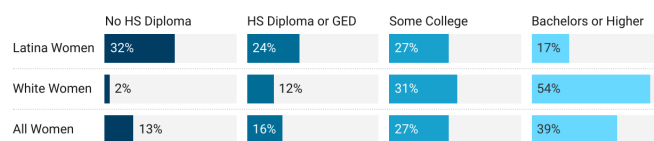
*Note:* Universe includes self-employed individuals ages 18–65. Universe of analysis for wage and salary workers includes all-employed individuals except self-employed individuals.

*Source:* LPPI analysis using 2018–22 5-Year American Community Survey microdata.

## 7. Self-employed Latinas in California have lower educational attainment rates than their white counterparts.

About 32% of self-employed Latinas did not complete high school, compared to 2% of white women—a 30 percentage point difference (see Figure 7). Conversely, only 17% of self-employed Latinas have completed a bachelor's degree, compared to 54% of self-employed white women. Entrepreneurs who have completed higher education are more likely to access better resources, scale their businesses, and incorporate their businesses compared to entrepreneurs without a college degree.<sup>7</sup>

**Figure 7: Educational Attainment for Self-Employed Latinas and White Women in California, 2022**



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*Notes:* Universe includes self-employed individuals ages 25+. Educational attainment data is for self-employed individuals 25–65 as the ACS does not provide data for individuals under 25.

*Source:* LPPI analysis of ACS data from the [Latino Data Hub](#).

<sup>7</sup> Marisol Cuellar Mejia and Sarah Bohn, “Self-Employment in California”, Public Policy Institute of California, February 2025, [available online](#).

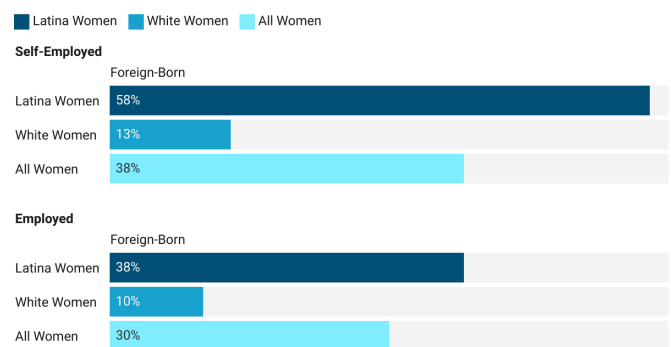


## 8. A majority of self-employed Latinas in California are immigrants.

Figure 8 illustrates the share of self-employed and employed Latinas and white women in California who are immigrants in 2022. About 58% of self-employed Latinas are foreign born, compared to 38% of all employed Latina women—a 20 percentage point difference. This suggests that entrepreneurship may serve as a viable alternative to traditional employment for Latina immigrants, who may face limited job opportunities in the formal labor market. Self-employment allows immigrants to leverage skills and experiences from their home countries while providing greater autonomy over their earnings compared to wage employment, where they may encounter lower wages and job instability.<sup>8</sup>

Despite their strong presence, foreign-born self-employed Latinas face unique barriers tied to immigration status, including limited access to capital, formal training, and professional business networks, as well as language barriers and exclusion from financial institutions.<sup>9</sup>

**Figure 8: Immigrant Share of Self-Employed and Employed Latinas and White Women in California, 2022**



Created with Datawrapper

*Note:* Universe includes self-employed individuals ages 18–65. Universe analysis for employed workers includes all-employed individuals except self-employed. Foreign born and immigrants refer to people residing in the United States who were not US citizens at birth, regardless of their current citizenship status.

*Source:* LPPI analysis of ACS data from the [Latino Data Hub](#).

<sup>8</sup> Sadikshya Nepal, Cristobal Ramón. "Immigrant Entrepreneurship: Economic Potential and Obstacles to Success." Bipartisan Policy Center, June 2022, [available online](#).

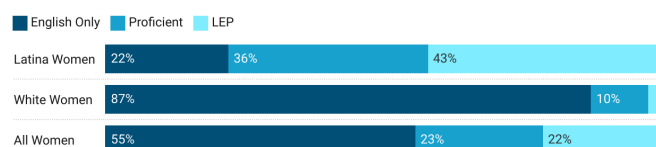
<sup>9</sup> Carolina Martinez. "Building A Stronger Economy: The Importance Of Latino Entrepreneurship." Forbes, July 10, 2024, [available online](#).



**9. A majority of California self-employed Latinas are bilingual.** Figure 9 shows the percentage of self-employed Latinas and white women in California by level of English proficiency in 2022. Approximately 36% of self-employed Latinas are bilingual, proficient in both English and an additional language. The ability to speak multiple languages enables entrepreneurs to provide culturally relevant services and products.<sup>10</sup>

However, language diversity among self-employed Latinas in California also presents unique challenges. About 43% of self-employed Latinas are limited in English proficiency, compared to 3% of white women. Limited English proficiency (LEP) limits self-employed Latinas' access to business resources, which are often only available in English. During the COVID-19 pandemic, language barriers contributed to the Payment Protection Program (PPP) failing to adequately support Latina entrepreneurs.<sup>11</sup> Additionally, complex loan and lease application language further restricts access to essential financial resources.

**Figure 9: Percentage of English Proficiency among Self-Employed Latinas and White Women, 2022**



Created with Datawrapper

*Note:* Universe includes self-employed individuals ages 18–65.

*Source:* LPPI analysis of ACS data from the [Latino Data Hub](#).

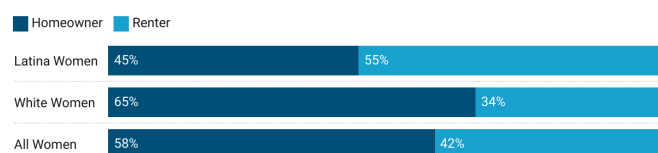
<sup>10</sup> Grisel Hernandez. "Culture as Capital: What Peso Pluma Can Teach Us About The Latino Investable Opportunity." Chingona Ventures. February 7, 2024, [available online](#).

<sup>11</sup> Garnham, J.P. "Language Barriers, Absence of Bank Loans Leave Latino Small-Business Owners Struggling." Latino USA, May 12, 2020, [available online](#).



**10. Self-employed Latinas in California have lower homeownership rates than their white counterparts.** About 45% of self-employed Latinas own homes compared to 65% of self-employed white women (see Figure 10). Low homeownership rates amongst California's self-employed Latinas may reflect limited access to capital. Homeownership can serve as a valuable asset for entrepreneurs by providing an asset to fall back on, and more access to capital and other financial resources, such as mortgage equity loans to fund small businesses.

**Figure 10: Homeownership Rates of Self-Employed Latinas and White Women in California, 2022**



Created with Datawrapper

*Note:* Universe includes self-employed individuals ages 18–65.  
*Source:* LPPI analysis of ACS data from the [Latino Data Hub](#).



## Conclusion

Self-employed Latinas are a vital force in California's entrepreneurial landscape and economy, standing out as the largest group of non-white female entrepreneurs. However, systemic barriers—such as poverty, low income, immigration status, and fewer educational opportunities—may continue to limit their full potential.

Nearly four years after COVID-19, self-employed Latinas like Vilma from Angie's Cheesecakes have shown resilience and adaptability during times of crisis. Yet, many still face the same pre-pandemic challenges, including limited resource access and rising market pressures. The pandemic's disproportionate impact on Latina workers<sup>12</sup> and self-employed Latinas<sup>13</sup> underscores the need for data-informed and forward-thinking policies and inclusive programs to address long-standing barriers.

The surge in self-employment among Latinas highlights an urgent need for a more equitable entrepreneurial landscape. Ensuring that Latinas have the tools, capital, and opportunities to thrive will strengthen economic mobility and drive economic progress for all Californians.

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<sup>12</sup> Galdámez Misael, Carmona Gabriella, "All Work and No Pay: Unpaid Latina Care Work during the COVID-19 Pandemic." UCLA Latino Policy and Politics Institute, September 8, 2022, [available online](#).

<sup>13</sup> González, Silvia R., Julia Hernandez Nierenberg, and Paul M. Ong. "Pandemic Impacts on Self-Employed Latinas in California." UCLA Latino Policy & Politics Institute, July 18, 2022, [available online](#).

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