Entrepreneurship and Financial Stability

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DFI: What do we do?

- License
- Regulate
- Protect
- Educate

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"Leading the way in consumer protection and financial services regulation."

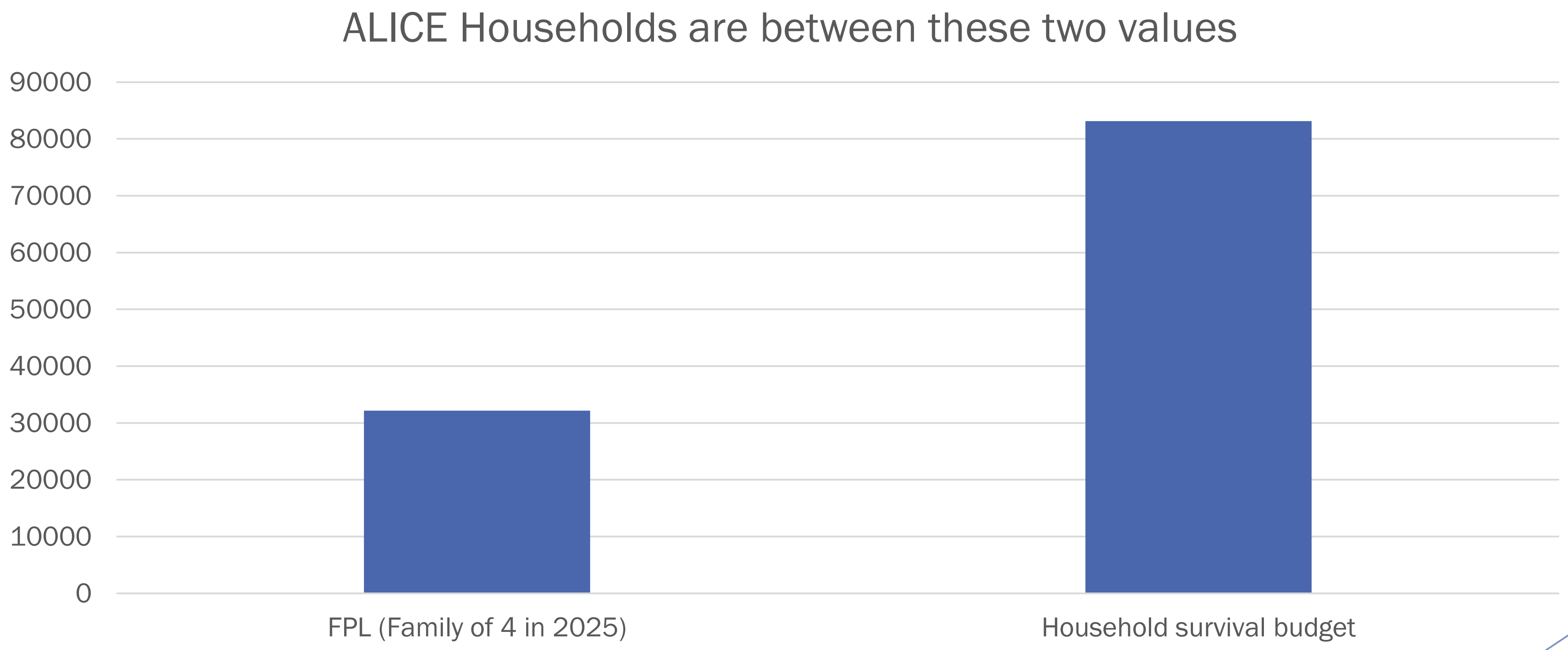
Work to narrow the wealth gap

- Co-create with community, industry, and government.
- Support financial stability and homeownership.
- Support financial education and scam prevention.

Why has entrepreneurship become part of financial stability?

1. DFI Co-creates and community continues to define entrepreneurship as part of financial stability.
2. Entrepreneurship offers options for people facing barriers (i.e., justice impacted, schedule constraints, bias impacting employment and promotion opportunities, etc.).
3. Math (caution – confirm math to improve profitable outcomes and avoid scams).

ALICE (asset limited, income constrained, and employed)



Options?

- Full-time employee in Washington State working at minimum wage is $34,653 annually ($16.66 per hour) and above the FPL (for a family of 4).
- Household survival budget of for a family of 4 is $83,160 ($45.58 per hour).
- This is a gap of $48,507 ($23.32 per hour).

Conversation 1

- Are you observing community members experiencing this gap faced by ALICE households?
- Are there areas in your community that further impact financial stability (i.e., immigration status, housing, economic changes, etc.)?
- Are there areas that create questions for you?

How do you fill the gap (math)?

- 96 hours per week total at minimum wage (multiple jobs without overtime).
- Wage increase to $45.58 per hour.
- Combination of wage increase and additional hours.
- Other income sources (gig economy, entrepreneurship).

Better paying job (goal of $45.58 per hour)?

What jobs are in demand?

- Management analyst ($59.47 average)
- Accountant and auditors ($41.90 average)
- Social worker ($41.80 average)
- Automotive service technician and mechanic ($29.46 average)
- Dental assistant ($26.22 average)
- Childcare worker ($17.51 average)

Conversation 2

- How might different household dynamics impact options (i.e., care giver, individual vs. community financial culture, bias/discrimination, etc.)?
- How do change options fit into these household dynamics (i.e., education, time to invest in a business or better job, health, etc.)?
- What opportunities or barriers have you observed?

All backgrounds can be ALICE

Anyone can face financial challenges.

- All education levels.
- All groups.
- All geographic areas.
- All backgrounds.

Conversation 3

- In your experience, would entrepreneurship support financial stability?
- What are the risks (i.e., business loss, income instability, etc.)?
- What are ways to lower risks for entrepreneurs?
- Do you think entrepreneurship creates an opportunity for financial stability?

Conversation 4

- Do you support ALICE households with entrepreneurship?
- What are some of your successes?
- What are some of the challenges you have helped people work through?
- What are some of the reasons for your success?

Co-creation work

- How do you define financial stability?
- How can the state support you and the work you are leading to support the people of Washington?
- How can the state support ALICE household with current constraints (i.e., budget, agency authority, etc.)?

Questions?

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Thank You!

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