



2023

# State of LGBTQ+ Entrepreneurship Report

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Socos Labs

# Research Summary

StartOut gathered data from a variety of sources, including the [StartOut Index](#), Crunchbase, and Pitchbook. In our analysis of 142K founders and 95K companies across the United States who raised at least \$250K in funding between 2000 to 2022, we discovered that:

LGBTQ+ founders created

**36%**  
more jobs

**114%**  
more patents

**44%**  
more exits

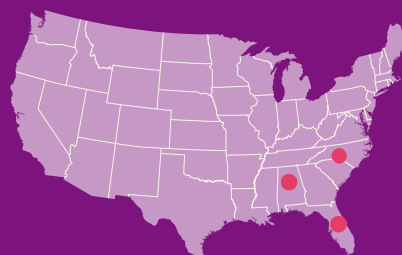
with **16% less funding** compared to the average founder.



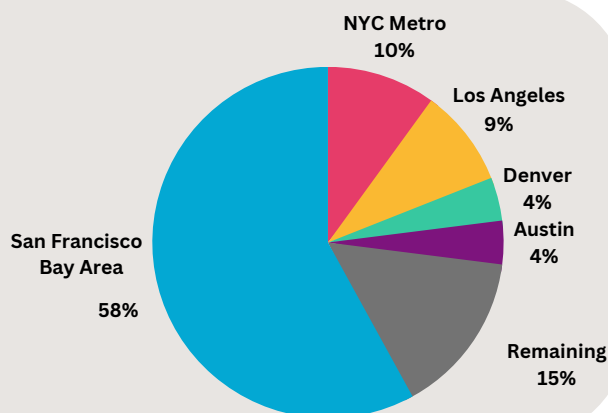
Only **0.5%**

of the \$2.1T in startup funding was raised by LGBTQ+ founders while nationwide 7.1% of the population identify as LGBTQ+.<sup>1</sup>

The largest metros without any LGBTQ+ founders are **Orlando (FL)**, **Charlotte (NC)** and **Birmingham (AL)**, all of which are located in states without comprehensive non-discrimination policies for LGBTQ+ people.<sup>2</sup>



Of the funding raised by LGBTQ+ founders, **85% was raised in only five metros** with San Francisco raising six times more than New York City or Los Angeles and 12 times more than Denver, CO, or Austin, TX.



1. Gallup. "LGBT Identification in U.S. Ticks Up to 7.1%" [news.gallup.com/poll/389792/lgbt-identification-ticks-up.aspx](https://news.gallup.com/poll/389792/lgbt-identification-ticks-up.aspx). Accessed 2023.

2. Movement Advancement Project. "Equality Maps Snapshot: LGBTQ Equality By State." [igbtmap.org/equality-maps](https://igbtmap.org/equality-maps). Accessed 2023.

# Policy Recommendations and Benefits

We studied the effects that public policies have on entrepreneurial outcomes using a difference-in-differences model by comparing states that did and did not pass the same policy between 2010 - 2020. Based on these historical estimated impacts, we recommend policymakers consider policy changes such as the following:

## Benefits and costs of state-level policies:

Implementing: <b>State Employee Benefits Coverage for Transition-Related Care</b>	Texas <b>+121,000</b> Jobs	Florida <b>+55,000</b> Jobs	Colorado <b>+43,000</b> Jobs
Implementing: <b>Guidance for Treatment and Inclusion of Transgender Students</b>	Texas <b>+109,000</b> Jobs	N. Carolina <b>+53,000</b> Jobs	Florida <b>+49,000</b> Jobs
Implementing: <b>Hate Crime Laws for Gender Identity</b>	Pennsylvania <b>+25,800</b> Founders	Florida <b>+22,500</b> Founders	N. Carolina <b>+17,300</b> Founders
Repeal of: <b>"Don't Say Gay or Trans" Laws</b>	Texas <b>+\$42B</b> Funding	Alabama <b>+\$10B</b> Funding	Oklahoma <b>+\$10B</b> Funding

As of 2023, there are a number of recent discriminatory policies passed limiting bodily autonomy of LGBTQ+ people and women. We plan to track and analyze these initiatives in a future report to publish recommendations based on these policies and their estimated impacts on entrepreneurship and regional economic achievement.

## Results & Methodology

Explore individual state and metro statistics, estimated/achievable figures, and industry breakdowns on the interactive dashboard: [startout.org/index](https://startout.org/index)  
Read our in-depth research methodology: [startout.org/index/methodology](https://startout.org/index/methodology).

## About StartOut

Founded in 2009, StartOut, a national 501(c)(3) non-profit organization, is the largest national organization to support LGBTQ+ entrepreneurs with over 25K members nationwide. Its mission is to accelerate the growth of the LGBTQ+ community to drive its economic empowerment, building a world where every LGBTQ+ entrepreneur has equal access to lead, succeed, and shape the workforce of the future.

## About Socos

Socos Labs was created by Dr. Vivienne Ming after a career founding companies and nonprofits to overcome challenges in education, the workforce, and health. Socos Labs is a mad science incubator that explores messy human problems. Socos experiments with whole new visions of work, education, innovation, and inclusive economies to inform more human-centered policy.

## Sponsors

We would like to thank our sponsor Comcast NBCUniversal for making this work possible.



## Contact

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