

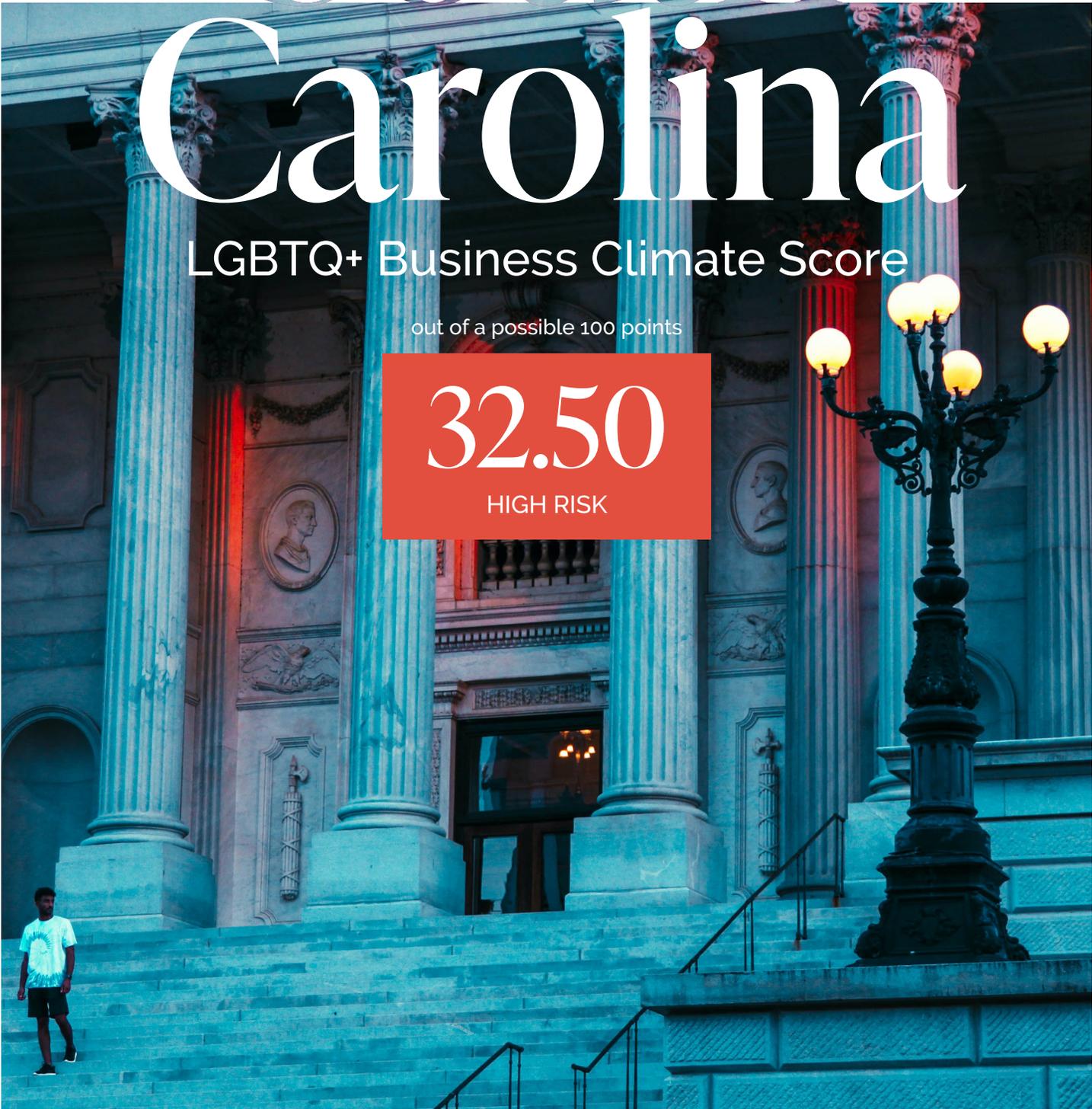
South Carolina

LGBTQ+ Business Climate Score

out of a possible 100 points

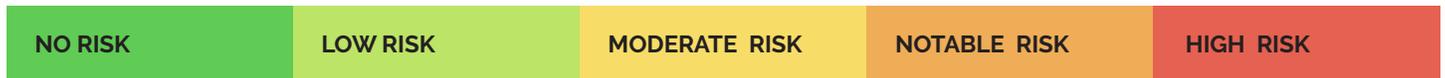
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HIGH RISK



Out Leadership's Business Climate Index for the 50 United States is an assessment of states' performance on LGBTQ+ inclusion. It measures the impact government policies and prevalent attitudes have on the LGBTQ+ people residing in each state, quantifying the economic imperatives for inclusion and the costs of discrimination. It equips business leaders and policy makers with a clear sense of the most impactful steps states can take to make themselves more hospitable to forward-thinking, innovative, inclusive businesses.

Color Coding



For more context around these scores, and to learn more about the criteria we used to assess how state laws, actions and attitudes toward LGBTQ+ people create business and talent risks, please visit outleadership.com/driving-equality/us-state-ceo-briefs/

South Carolina



Legal & Nondiscrimination Protection

The Legal and Nondiscrimination Protections section includes two subsections: The **Personal Legal Scale** assesses the state's laws directly impacting LGBTQ+ individuals. This includes processes for transgender people to change their gender markers on birth certificates and driver's licenses, as well as protections for individuals in housing, the workplace, public spaces, foster care, and more. **Two Nondiscrimination Protections Scales** assess the extent to which LGBTQ+ people are protected under state law. One evaluates nondiscrimination laws related to employment and the other evaluates any nondiscrimination laws related to housing, public accommodations, credit and lending.



Youth & Family Support

The Youth and Family Support section contains three subsections. The **Family Support Scale** measures how supportive the state is of LGBTQ+ people who are in or wish to start families. Elements of this scale include: the percentage of LGBTQ+ families raising children, and whether state family leave laws cover same-gender couples and allow workers to care for the children they are raising. The **Children and Youth Scale** assesses the resources available to LGBTQ+ children and youth in the state, including whether the state has non-discrimination laws and policies for LGBTQ+ students. The **Targeted Laws** section evaluates states on whether they ban discussion of same-gender marriage in schools, and whether they ban conversion therapy for minors.





Political & Religious Attitudes

The Political and Religious Attitudes section contains two subsections. Taken together, these scales assess the tone of the state's conversation around LGBTQ+ rights. The **Religious Protections Scale** assesses the extent and impacts of a state's constitutional or statutory religious exemption laws, and whether state law provides for targeted religious exemption from laws governing child welfare services, private wedding services, and the provision of medical care. The **State Leadership Scores** are Out Leadership's unique measures evaluating the state's most senior elected officials – the Governor and the two U.S. Senators – and assessing how they've represented their views of LGBTQ+ people in speeches and in their political platforms, and in terms of how they've acted with regard to laws impacting LGBTQ+ equality.

6.00_{/20}



Health Access & Safety

The Health Access and Safety section contains two subsections. The **Health Scale** assesses LGBTQ+ people's access to insurance and medical care in each state, giving particular emphasis to the most economically precarious and vulnerable members of the community. The **Safety Scale** is based on two significant laws protecting or criminalizing behaviors affecting LGBTQ+ people. It asks whether the state protects LGBTQ+ people in its hate crime laws. It also assesses whether the state criminalizes exposure to or transmission of HIV.

5.00_{/20}



Work Environment & Employment

The Work Environment and Employment section contains two subsections. The **Work Environment Scale** assesses transgender individuals' experiences at work, including incidences of verbal harassment, sexual assault, and other mistreatment. The **Employment Scale** is based on assessments of LGBTQ+ employment in the state. This scale includes the percentage of LGBTQ+ people making less than \$24,000 annually (approximately the current Federal poverty line), and the differences in unemployment rates and food insecurity between LGBTQ+ and non-LGBTQ+ identified individuals.

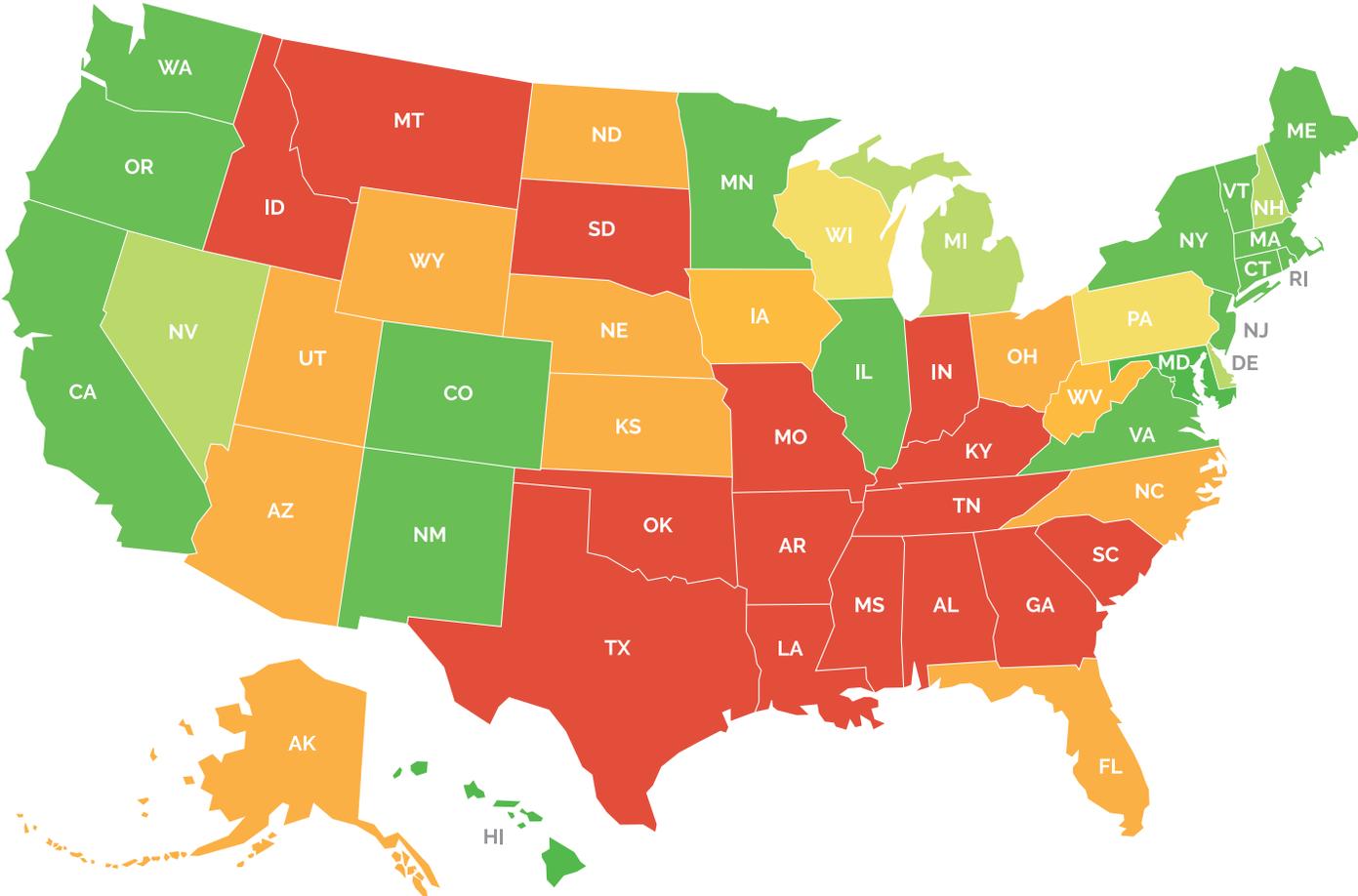
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A Note on Methodology

Download this report to learn how and why Out Leadership created the LGBTQ+ Business Climate Index for the 50 U.S. States, with important details about our methodology, including our data standards and practices. NOTE: *HIV criminalization laws are discriminatory and ineffective. These laws fail to account for advances made in treating and controlling HIV, may deter people from getting tested and seeking treatment, and can exacerbate the stigma targeting people living with HIV and LGBTQ+ people.

United States Heat Map

The legal and cultural situation for LGBTQ+ people varies widely across the country. This map, based on each state's total Business Climate Score, illustrates the states where LGBTQ+ people are empowered to participate more fully and openly in the economy, and the states that are lagging behind.





South Carolina Talking Points

3.5% of South Carolina residents identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$7.6 billion – it's a market my business can't afford to ignore.

Increased hostile policy toward the LGBTQ+ community will have a negative impact on companies ability to attract and retain top talent.

LGBTQ+ people in South Carolina face legal challenges not experienced by non-LGBTQ+ residents and discrimination on the basis of sexual orientation and gender identity is not banned statewide.

When LGBTQ+ employees don't feel welcome at work, they're less likely to stay, and employee turnover is a drag on the state economy and business competitiveness. It costs companies an average of \$8,448 to replace an employee in South Carolina, and it can cost up to \$389,000 to replace senior executives.

South Carolina and the businesses operating there have strong financial incentives to create inclusive workplaces in the interest of keeping these costs down.

Nondiscrimination policies allow LGBTQ+ people to participate more fully in the economy.

Millennial and Gen Z consumers prefer to do business with companies with LGBTQ+ friendly advertising and policies – 54% say they're more likely to choose an LGBTQ+ inclusive brand over a competitor – which is why it's important that South Carolina continue to foster a business environment where being inclusive is supported.

Regional Context

The Southeast

Out Leadership and FCB partnered on original market research into the attitudes of American workers on LGBTQ+ inclusion, which fielded in 2019 and 2020. These briefs as a whole will be updated on an ongoing basis by Out Leadership because we recognize the ever-changing nature of policy on the local, state, and national level.

LGBTQ+ workers in the Southeast are the most likely to be out at work (54.4%), but they are also 25% more likely to feel that covering behaviors are important for work place success. More broadly, non LGBTQ+ workers in this region preferred for businesses to demonstrate their support for the LGBTQ+ community using internal initiatives (like hiring more LGBTQ+ employees and creating more inclusive HR policies). However, this group was 57% less likely to approve of more public demonstrations of support (like withdrawing sponsorship from sporting events in less inclusive areas). LGBTQ+ workers in this region are 39% more likely to support inclusive businesses and 17% more likely to consider LGBTQ+ friendliness in making spending decisions compared to the non-LGBT workers nationwide. However, there is a perception that state leadership speaks about the LGBTQ+ community in a more negative way (39% more likely than nationwide), which could partially explain why LGBTQ+ workers in the Southeast are 19% more likely to say that they would be open to moving to a state with better LGBTQ+ support.

Unless otherwise noted, all comparisons for more or less likely are compared to the National results. Regional results are based off of 1,500 respondents (LGBTQ+ and Non-LGBTQ+ responses have been weighted to be age-representative for each audience in each region). National results are based off of 600 respondents representative of each audience (LGBTQ+ vs Non-LGBTQ+).

States in the Southeast region included: Alabama, Arkansas, Kentucky, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

Impact of LGBTQ+ Discrimination on Business Talent



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<h2>Brand Risk</h2> <p>5 HIGH RISK</p> <p>Companies incur high risk to their brands by operating in South Carolina, where there are no statewide LGBTQ+ inclusive nondiscrimination protections and elected officials are still trying to circumvent marriage equality.</p>	<h2>Client Risk</h2> <p>5 HIGH RISK</p> <p>There is notable risk of LGBTQ+ or strong ally clients pulling their business from companies operating in South Carolina in light of the state's business climate and reputation.</p>
<h2>Talent Risk</h2> <p>5 HIGH RISK</p> <p>LGBTQ+ professionals are very likely to consider South Carolina's legal and social environment unfriendly. There is no statewide LGBTQ+ inclusive nondiscrimination law, and the state has discriminatory policies on gender marker changes and transgender healthcare, both of which make working in South Carolina unattractive to LGBTQ+ talent.</p>	<h2>Marketing Risk</h2> <p>5 HIGH RISK</p> <p>There is notable risk involved in marketing to the LGBTQ+ community in South Carolina, where there is no statewide LGBTQ+ inclusive nondiscrimination law, sexual orientation and gender identity are not protected under state hate crimes legislation, and no statewide restrictions exist on the practice of conversion therapy.</p>
<h2>Future Risk</h2> <p>4 NOTABLE RISK</p> <p>The state has seen a decline in discriminatory bills filed in recent years, but it does have a child welfare religious exemption law on the books. There remains a notable risk of future negative events.</p>	



Current Legal Status of LGBTQ+ People in South Carolina

Legal status of the Lesbian, Gay and Bisexual Community

The state does not have nondiscrimination laws protecting LGBTQ+ people. Many municipalities have passed these protections on the local level, including: Myrtle Beach; Richland County; Columbia (city employees only); Charleston; Latta (city employees only); and Folly Beach (sexual orientation, but not gender identity).

There are no statewide non-discrimination policies for state employees on the basis of sexual orientation or gender identity.

There is no statute, regulation, and/or agency policy on discrimination against youth in foster care based on sexual orientation or gender identity.

South Carolina permits state-licensed child welfare agencies to refuse to place and provide services to children and families, including LGBTQ+ people and same-sex couples, if doing so conflicts with their religious beliefs.

South Carolina's Religious Freedom Act forbids the state from "substantially burden(ing)" a person's exercise of religion unless there is a demonstrable state interest. And the state must use the least restrictive means of furthering that compelling state interest.

Knowing exposure to HIV is a felony in South Carolina. Neither actual transmission nor the intent to transmit HIV is necessary for prosecution, and there have been numerous prosecutions under the law.

South Carolina does not have hate crimes protections based on sexual orientation or gender identity.

South Carolina has no restrictions on conversion therapy.

Legal Status of the Transgender Community

In 2022, an anti-trans law was signed by Gov. Henry McMaster (H.4608), which restricts school sports participation for transgender students.

South Carolina does not have a specific procedure for amending gender markers on birth certificates, but individuals can use general statutes governing corrections to the document. That process requires a court order, which doesn't require surgery but is ultimately up to a judge's discretion. The updated certificate is marked as "amended" but doesn't indicate what was changed.

To update a name on a driver's license, the applicant must submit a name change form and court order, if applicable. Amending gender markers requires medical documentation of a gender change and a legal document demonstrating it, such as an amended birth certificate or a court order.

There is no nonbinary option for driver's licenses and birth certificates in South Carolina.

South Carolina Medicaid has no explicit policy regarding transgender health coverage and care.

There is no law in South Carolina providing LGBTQ+-inclusive insurance protections.

Government Statements and Actions

In 2023, South Carolina lawmakers introduced several bills that would negatively impact the LGBTQ+ community. These include anti-transgender healthcare bills that would prohibit transgender-related healthcare for people under the age of 21 and require school staff to "out" LGBTQ+ students to their parents.

There are also anti-LGBTQ+ youth policy bills that would censor curriculum, block students' freedom to learn, interfere with young people's access to life-saving medical care, and endanger the livelihood of all South Carolina students. A broad anti-transgender erasure bill was also introduced that would require South Carolina to recognize a person's sex at birth as their gender for the purpose of all state laws.

Also in 2023, State Rep. Todd Rutherford introduced H.3738, a bill that would update South Carolina's nondiscrimination laws to provide critical protections for LGBTQ+ people and people of color in key areas of life, from employment to housing to public accommodations.

In the 2022 session, LGBTQ+ and allied South Carolinians fought back against a similar slate of discriminatory legislation and blocked or delayed advancement of many of the bills. In 2022, two bills passed and were signed by Gov. Henry McMaster: H.4608, which restricts school sports participation for transgender students, and H.4776, a broad anti-LGBTQ+ "license to discriminate" in healthcare settings.

The state house in 2021 passed a hate crimes law that includes sexual orientation and gender identity, and it's in front of the senate. As of February 2022, the bill still awaits approval by the South Carolina senate. South Carolina is one of three states with no hate crimes legislation on the books.

The city of Columbia passed a local conversion therapy ban in 2021. However, a state senator has asked Attorney General Alan Wilson to oppose it on grounds that it potentially violates therapists' religious beliefs. Wilson has said that the ban will likely be struck down in court.

A 1988 law that forbade in-school discussion of LGBTQ+-related sex ed in any context other than the topic of sexually transmitted diseases was deemed unconstitutional in March 2020.

In 2018, the Governor asked for, and got, a waiver from the Trump administration that allowed an adoption agency that receives public funds to continue screening applicants based on religious criteria, a violation of an Obama-era law. In May 2019, a lesbian couple rejected by the agency sued the state and federal governments for discrimination.

In 2017, the District of South Carolina held that the state's refusal to name two women on their twins' birth certificates (one woman was the biological mother, and the other was her spouse) violated the women's rights under the U.S. Constitution.

South Carolina currently has 14 anti-LGBTQ+ bills active in its legislature.



Socio-cultural Environment of LGBTQ+ People in South Carolina

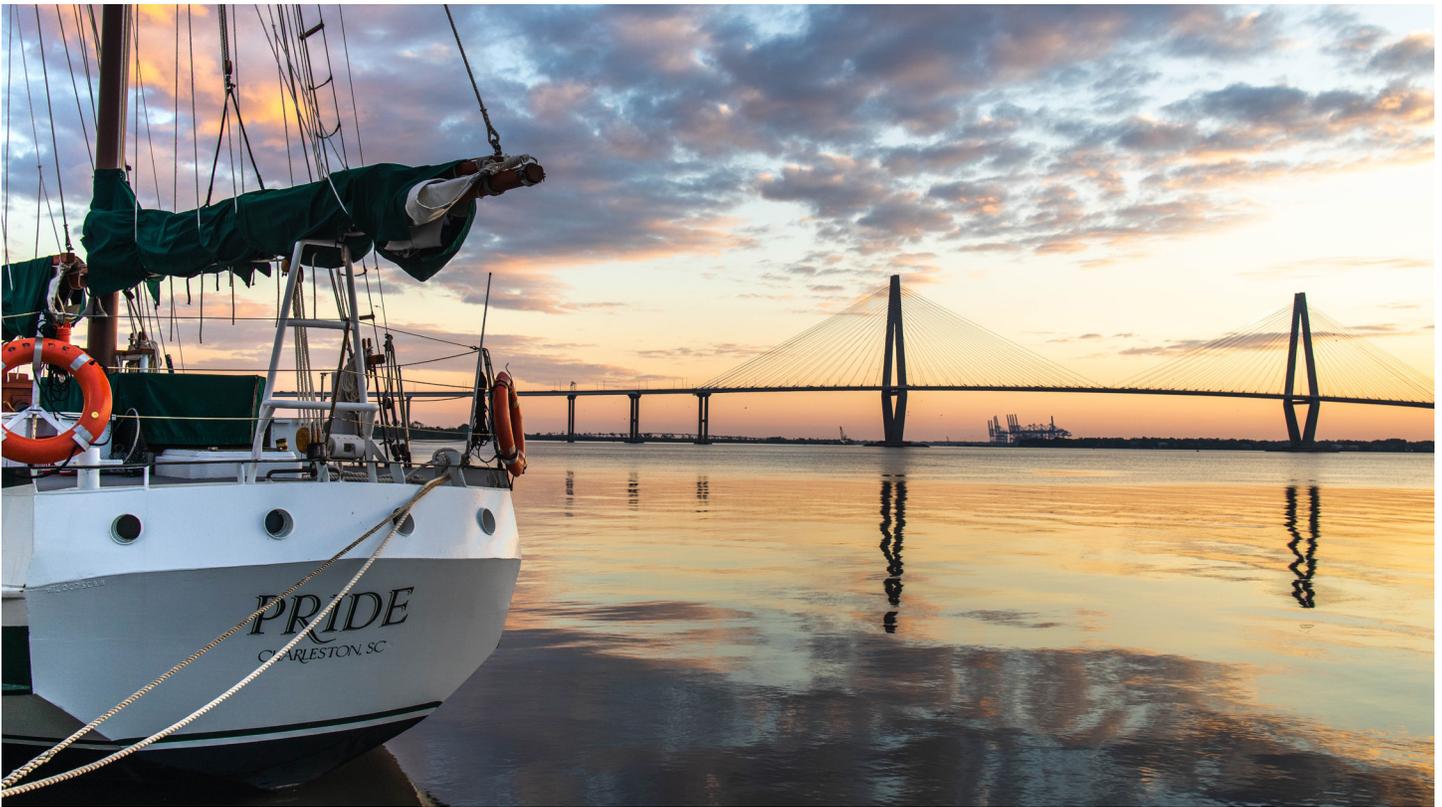
Status of LGBTQ+ Organizing and Community

The state's biggest pride festival, called "Famously Hot SC Pride", is celebrating its 34th anniversary in October 2023. The festival, based in Columbia, saw north of 85,000 attendees in 2019.

Cultural Views of the LGBTQ+ Community

44% of South Carolina residents favor allowing small-business religious exemptions that discriminate against LGBTQ+ people.

68% of state residents favor the passage of nondiscrimination laws that protect LGBTQ+ people there.



Partners

Our partnerships make our work possible. The first State LGBTQ+ Business Climate Index released in 2019 was funded by a grant from the Gill Foundation. The Index is based on data graciously shared by the Movement Advancement Project and the Williams Institute. Ropes & Gray is our pro bono legal partner for the CEO Business Briefs globally, and their research informs this Index. FCB partnered with us to conduct original market research into American attitudes toward LGBTQ+ workplace inclusion, informing the Regional Context section of the State CEO Briefs. America Competes supported the development of the scoring for the Risk Assessments, particularly for the Future Risk score.

