

LGBTQ+ Business Climate Score

Indiana

50.6

out of a possible 100 points



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

| NO RISK | LOW RISK | MODERATE RISK | NOTABLE RISK | HIGH RISK |
|---------|----------|---------------|--------------|-----------|
|---------|----------|---------------|--------------|-----------|

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 www.outleadership.com/staterisk

Indiana



Legal & Nondiscrimination Protection

There are no broad nondiscrimination protections for sexual orientation or gender identity in Indiana, although approximately 30% of Hoosiers are covered by full human rights ordinances. Nondiscrimination protections exist for state employees on the basis of sexual orientation and gender identity. Surgery is not currently required for gender marker changes, although the legislature is considering bills that would make the requirements more onerous.

12_{/20}



Youth & Family Support

There is no conversion therapy ban in Indiana. Unmarried couples are both recognized as parents in the case of adoption, however non-gestational parents are not recognized if the couple is not married.

11.9_{/20}





Political & Religious Attitudes

Indiana's Senators have anti-LGBTQ+ voting and speaking records. The state has a "religious freedom" law, but after an outcry, a rider preventing its use for LGBTQ+ discrimination was quickly appended.

9.2_{/20}



Health Access & Safety

The state does not prevent private insurers from excluding transgender healthcare from coverage. Medicaid covers hormone therapy for transgender patients, but not gender confirmation surgery. Knowingly transmitting HIV through personal contact without a disclosure and donating blood or tissue with an HIV+ status are felonies. In 2019 Governor Holcomb signed into law a hate crimes bill that did not include gender identity as a protected class.

6.5_{/20}



Work Environment & Employment

12% of transgender employees in Indiana report being harassed in the past year due to their gender identity, and 24% reported mistreatment such as being told to present in the wrong gender in order to keep a job. 27% of LGBTQ+ Indianans report food insecurity, almost double that of non-LGBTQ+s (15%). The LGBTQ+ unemployment rate (10%) is double the non-LGBTQ+ rate.

11_{/20}

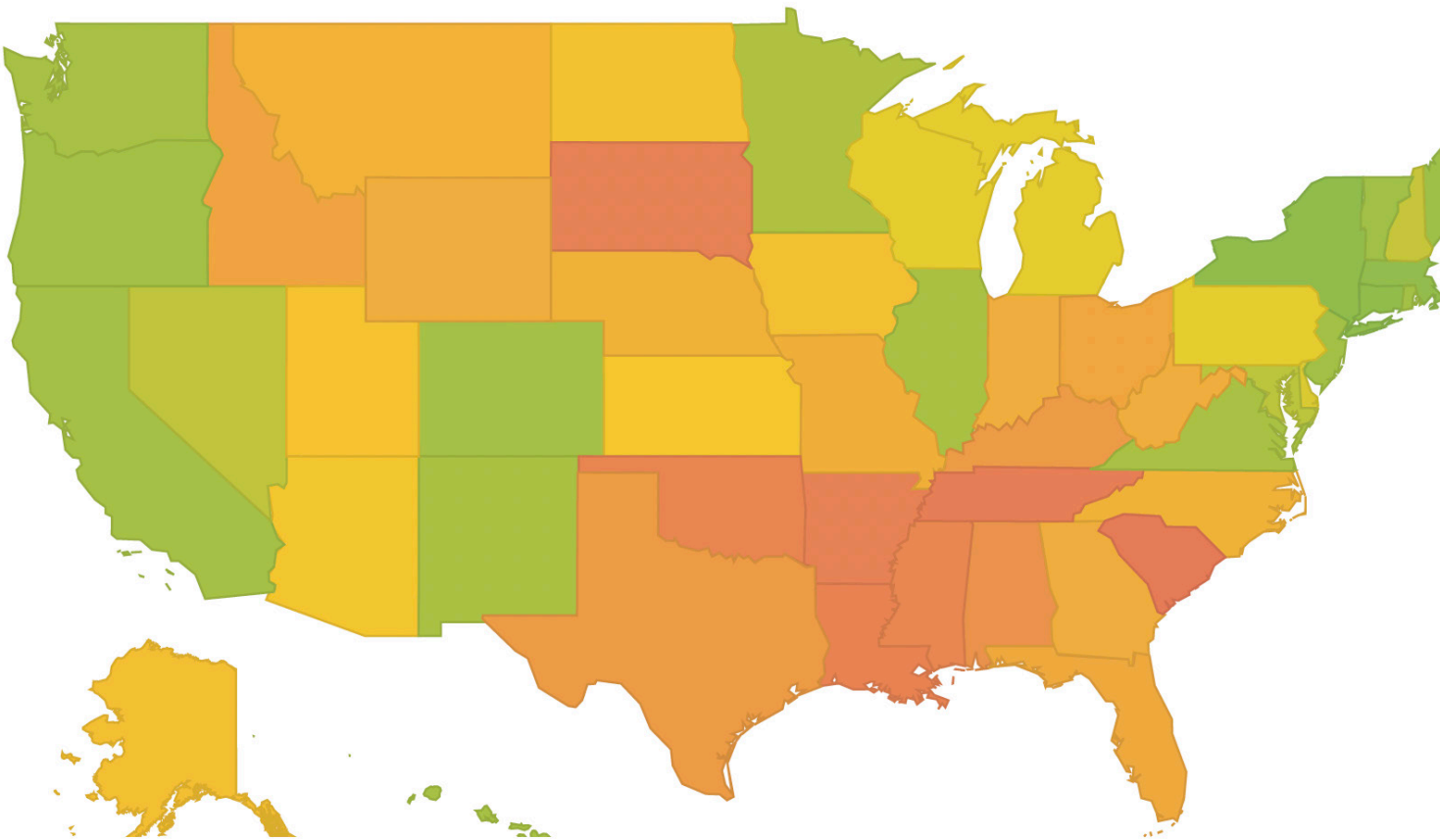
A Note on Methodology

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.





Indiana Talking Points

4.5% of Indiana residents identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$14 billion – it's a market my business can't afford to ignore.

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

Indiana has a favorable economic environment for business investment – but taking steps to make LGBTQ+ people feel safer and more included would better enable companies to attract top LGBTQ+ talent.

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 \$8,790 to replace an employee in Indiana, and it can cost up to \$316,794 to replace senior executives. Indiana and the businesses operating there have strong incentives to create inclusive workplaces in the interest of keeping these costs down.

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 Indiana create a business environment where being inclusive is supported.

Community leaders in Indiana should take steps to ease stigmatization of trans people – equality is good for everyone's bottom line.

Regional Context

The Midwest

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.

Only 50.8% of LGBTQ+ workers in the Midwest are out at work. They are only slightly more comfortable being open with their managers than other regions (14% more likely), but they are the least likely to cover their identity at work (17% less likely than nationwide). This could be due to the Midwest having the lowest rates for observing microaggressions (23% less likely) and hearing or engaging in negative conversations on average. However, workers in this region do not typically go out of their way to do business with inclusive companies (21% less likely than the nation as a whole). This is primarily driven by those who live in more rural areas where respondents were 85% less likely to do business with companies that are inclusive.

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 Midwest region included: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, North Dakota, Missouri, Nebraska, Ohio, South Dakota, and Wisconsin



Current Legal Status of LGBTQ+ People in Indiana

Legal status of the Lesbian, Gay and Bisexual Community

Indiana's nondiscrimination laws for employment, housing, public accommodations, or education do not specifically enumerate sexual orientation or gender identity as protected classes.

Indiana does not place restrictions on adoption by same-sex couples or single LGBTQ+ individuals. A federal court overruled a state law preventing both parents in same-sex couples from being recognized on their child's birth certificate in 2017. The Supreme Court declined to hear an appeal on the case in late 2020.

Indiana does not have a law that specifically allows adoption agencies to deny adoptions based on religious beliefs.

The Indiana Bill of Rights for Youth in Foster Care and Code of Conduct for Indiana Department of Child Services includes nondiscrimination protections on the basis of sexual orientation and gender identity.

Legal Status of the Transgender Community

Indiana residents must fill out a verified petition to submit to the clerk of court and receive a court order to change their name and/or gender marker on a birth certificate.

Indiana residents may change their gender on state IDs by submitting either a birth certificate showing change of gender or "a physician's signed and dated statement" that the person "successfully underwent all treatment necessary to permanently change" gender. This does not necessarily require surgery.

In March 2019, Indiana became the fifth state to offer a third gender option for driver's licenses – in this case, the option is "nonbinary."





Government Statements and Actions

State Rep. J.D. Ford, who became Indiana's first openly gay state legislator when he was elected in 2018, introduced a conversion therapy ban into the general assembly in early 2021. The topic was previously introduced, unsuccessfully, in the 2019 session.

In 2019, Indiana adopted a hate crimes law that references sexual orientation by pointing to the state's previously adopted hate crimes reporting statute. However, the new statute does not include gender or gender identity as enumerated protected classes, and instead criminalizes an intent to harm based on a person or group's "real or perceived characteristic, trait, belief, practice, association, or other attribute."

On August 3, 2018, Governor Eric Holcomb released a policy statement protecting state employees from discrimination on the basis of sexual orientation or gender identity, among other enumerated classes.

2020 presidential candidate Pete Buttigieg came out in 2015 during his first term as mayor of South Bend. He was re-elected by a landslide.

Impact of LGBTQ+ Discrimination on Business Talent

1 NO RISK

2 LOW RISK

3 MODERATE RISK

4 NOTABLE RISK

5 HIGH RISK

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Brand Risk

5 HIGH RISK

Companies incur high risk to their brands by operating in Indiana, where there are no statewide LGBTQ+ inclusive nondiscrimination protections and the state's Senators have negative voting records on LGBTQ+ issues. The state's reputation on LGBTQ+ issues was significantly tarnished by the 2015 battle over the RFRA law, and in 2019 Governor Holcomb signed hate crime legislation specifically excluding gender identity.

Client Risk

3 MODERATE RISK

There is moderate risk of LGBTQ+ or strong ally clients pulling their business from Indiana in light of the state's business climate and image.

Talent Risk

4 NOTABLE RISK

LGBTQ+ professionals are likely to consider Indiana's legal and social environment unfriendly. There is no statewide LGBTQ+ inclusive nondiscrimination law, and transgender people are specifically excluded from hate crimes protections, making working in Indiana comparatively unattractive to LGBTQ+ talent.

Marketing Risk

4 NOTABLE RISK

There is notable risk involved in marketing to the LGBTQ+ community in Indiana, where political conversations around LGBTQ+ equality have reached an uneasy détente.

Future Risk

4 NOTABLE RISK

The state is still suffering some negative brand impacts from a major, headline-making discriminatory event in 2015. While appetite for similar policies appears to have diminished, there remains a notable risk of future negative events.



Socio-cultural Environment of LGBTQ+ People in Indiana

Status of LGBTQ+ Organizing and Community

After Indiana's state legislature passed (and Mike Pence, then governor, signed) the state's RFRA law in 2015, Tim Cook and other prominent business leaders spoke out about how the law would hurt their ability to attract and retain talent there. An addendum protecting LGBTQ+ people from discrimination was added less than a month later. Still, a tourism group calculated that the state lost \$60 million in business in the wake of the bill's passage.

A private religious school fired a guidance counselor for her same-sex marriage, leading state lawmakers to discuss withholding voucher funding from schools that discriminate against LGBTQ+ people. A gay couple who worked for church-run schools were also fired, in 2019, and a state trial court dismissed their legal challenge in 2021.

Cultural Views of the LGBTQ+ Community

A tax prep professional made national news in February 2019 after refusing to prepare the taxes of a married lesbian couple. A law professor told the Washington Post that the woman didn't break any laws, because Indiana doesn't offer statewide discrimination protections for LGBTQ+ people.





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.

