

LGBTQ+ Business Climate Score

Michigan

75.03

out of a possible 100 points

AMBASSADOR
BRIDGE

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
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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

Michigan



Legal & Nondiscrimination Protection

While Michigan lacks specific state-level nondiscrimination protections for sexual orientation or gender identity, the state currently interprets existing gender protections to include both, based on a Civil Rights Commission statement. State employees have statutory discrimination protections on the basis of sexual orientation and gender identity. Transgender people can change gender markers on birth certificates and driver's licenses, but the processes are onerous: surgery is required to change birth certificate markers.

18_{/20}



Youth & Family Support

There is no ban on conversion therapy in Michigan. It's currently legal for adoption agencies to discriminate against LGBTQ+ adopters on the basis of religious belief. Second partners are recognized in the case of adoption or assisted reproduction, but only if the couple is married.

14.83_{/20}



Political & Religious Attitudes

Michigan's governor and senators are strong supporters of LGBT+ equality. Michigan does not have a law allowing religious exemptions to civil rights laws.

19.20_{/20}



Health Access & Safety

It's a felony to knowingly, secretly expose someone to HIV. State Medicaid plans covers trans healthcare in line with the ACA. The state prohibits transgender exclusions in private health insurance. Michigan's hate crimes law doesn't enumerate sexual orientation or gender identity

11_{/20}



Work Environment & Employment

16% of transgender employees in Michigan report being harassed in the past year due to their gender identity, and 22% report mistreatment such as being forced to use a restroom not matching gender. 25% of LGBTQ+ Michiganders report food insecurity, compared to 15% of non-LGBTQ+. The LGBTQ+ unemployment rate (10%) is twice the non-LGBTQ+ rate.

12_{/20}

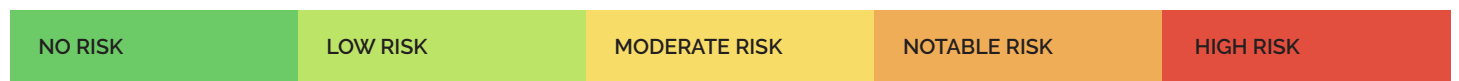
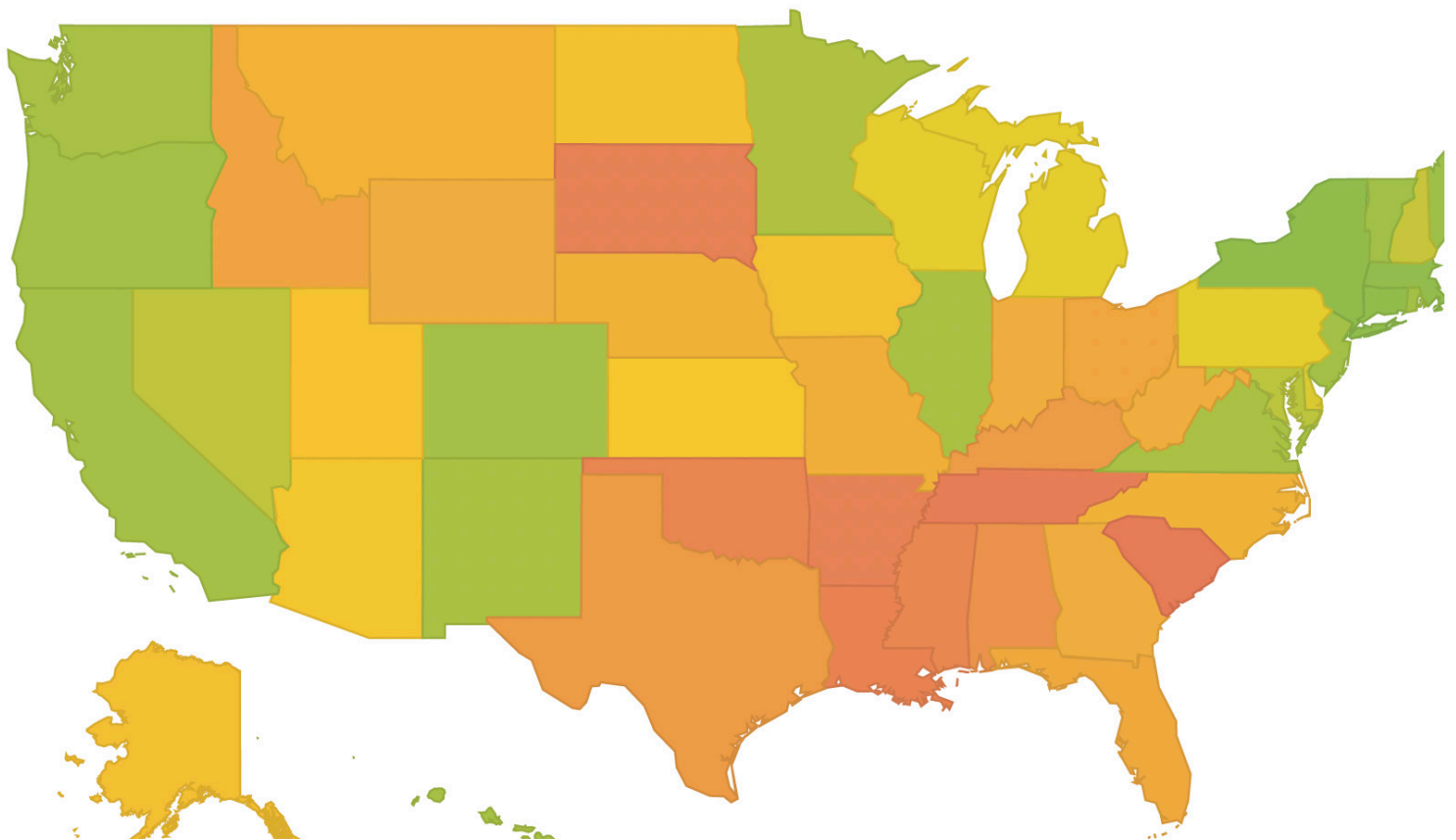
A Note on Methodology

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.





Michigan Talking Points

4% of Michigan residents identify as LGBT+. Conservatively, that's LGBT+ personal income of \$19 billion – it's a market my business can't afford to ignore.

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

When LGBT+ 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 \$9,660 to replace an employee in Michigan, and it can cost up to \$440,185 to replace senior executives. Michigan 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 LGBT+ friendly advertising and policies – 54% say they're more likely to choose an LGBT+ inclusive brand over a competitor – which is why it's important that Michigan continue to foster a business environment where being inclusive is supported.



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 (LGBT and Non-LGBT 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 (LGBT vs Non-LGBT).

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 Michigan

Legal status of the Lesbian, Gay and Bisexual Community

Governor Gretchen Whitmer issued executive order ED 2019-9, prohibiting discrimination on the basis of sexual orientation or gender identity in state employment, public services, and state contracting.

Michigan does have laws that address hate or bias-based crimes, but these laws do not specifically address or include sexual orientation. State employees cannot be discriminated against on the basis of sexual orientation or gender identity.

In 2018, Michigan modernized its HIV disclosure law. Previously, persons living with HIV could face a felony prosecution for not disclosing their status prior to many sexual acts.

The new law narrows the scope of sexual activities subject to prosecution (without disclosure) to "anal and vaginal sex."

Conversion therapy remains legal in Michigan but six towns have banned the practice locally.

Legal Status of the Transgender Community

Michigan allows transgender people to amend their birth certificates. It requires an affidavit from a physician certifying that surgery has been performed. In addition to the medical affidavit, applicants for birth certificate amendment must also submit an application form, a copy of a Photo ID, a copy of the court order for a name change, if applicable, and any applicable fees. Applicants do not appear to require a separate court date for the amendment process.

Michigan residents can also amend their driver's licenses. To update the gender marker, an applicant is required to submit his or her current ID, a current birth certificate or US Passport or Passport Card bearing the new gender, or a court order of gender designation. To update the name on a driver's license, an applicant must first legally change his or her name with the Social Security Administration, and must then provide proof of the name change along with the application.

In July 2019, Michigan updated its Medicaid policies to include coverage



of medically necessary care for trans people in line with the ACA. Additionally, private health insurers cannot discriminate on the basis of sexual orientation or gender identity, and health insurance providers are banned from excluding coverage for transgender-specific care.

Government Statements and Actions

In 2021, Governor Whitmer signed an executive directive prohibiting the use of funds from the Michigan Department of Health and Human Services for the practice of conversion therapy on minors.

Also, a 2022 Michigan court ruling decided that faith-based adoption agencies may deny adoption services to same-sex couples, following the Supreme Court's similar decision in *Fulton v. Philadelphia*.

A bill introduced in the 2021 legislative session would also ban trans girls from girl's sports teams, and is currently still in committee.

Michigan's comprehensive nondiscrimination law is the Elliot-Larsen Civil Rights Act. In May 2018, the Michigan Civil Rights Commission (MCRC) internally reviewed the Act and concluded that it protects LGBTQ+ people from discrimination based on sexual orientation or gender identity. The state Attorney General at the time, Bill Schuette, then published a formal opinion reversing the MCRC and concluding that the Elliot-Larsen Act does not in fact extend these protections. Fair and Equal Michigan is collecting signatures to bring the addition of sexual orientation and gender identity before voters as a ballot initiative in November 2022.

In her first days in office, Governor Gretchen Whitmer signed an executive directive strengthening prohibitions against LGBTQ+ discrimination in state employment, contracting and provision of service. Whitmer's Republican predecessor, Rick Snyder, signed a similar directive in 2018 but allowed for religious exemptions.

Attorney General Dana Nessel, the state's first openly lesbian elected official, set up Michigan's first hate crimes division upon taking office in 2019. She is also working to expand the state's Elliott Larsen Civil Rights Act to include sexual orientation and gender identity, though her predecessor in the role had said that the change can only be made legislatively.

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

1 NO RISK

Companies incur no risk to their brands by operating in Michigan, where the governor and both senators are vocal supporters of LGBTQ+ rights and the state interprets existing nondiscrimination protections to include both sexual orientation and gender identity.

Client Risk

2 LOW RISK

There is low risk of LGBTQ+ or strong ally clients pulling their business from Michigan, which has openly supportive elected officials actively working to increase LGBTQ+ protections.

Talent Risk

3 MODERATE RISK

LGBTQ+ talent could consider Michigan's legal and social environment to be unfriendly. The state's inclusion of LGBTQ+ identities in nondiscrimination legislation is based on interpretation of existing law, no sexual orientation gender identity hate crimes protections exist, and there are no state wide restrictions on the practice of conversion therapy, making relocation to or retention in Michigan potentially unattractive to LGBTQ+ talent.

Marketing Risk

3 MODERATE RISK

There is moderate risk involved in marketing to the LGBTQ+ community in Michigan, where the conversation around LGBTQ+ equality is, slowly, moving in the right direction.

Future Risk

3 MODERATE RISK

The state has several discriminatory laws on the books, but appetite to pursue discriminatory legislation seems to have waned in recent years. The risk of a future negative event is moderate.

Socio-cultural Environment of LGBTQ+ People in Michigan

Status of LGBTQ+ Organizing and Community

A recent battle fought over the rights of Michigan LGBTQ+ couples to adopt children from religious adoption agencies was resolved in favor of LGBTQ+ inclusion in March 2019. Adoption agencies receiving state funding have been known to refuse to allow LGBTQ+ couples to adopt. This policy was challenged in *Dumont et al. v. Lyon et al*.

The case was settled, which included the state agreeing to enforce nondiscrimination provisions in adoption and foster care contracts. When people started picketing drag queen story time at a library in Huntington Woods, hundreds of locals showed up in support of the program.

Cultural Views of the LGBTQ+ Community

A trans man in Jackson, MI, whose house burned down in 2017 was charged last this year with burning down his own house, which killed his pets, to call attention to LGBTQ+ rights.

His case has been compared to that of Jussie Smollett, who also allegedly staged a hate crime against himself in Chicago.





Partners

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