

LGBTQ+ Business Climate Score

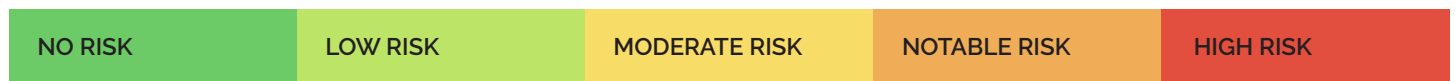
Virginia

81.90

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



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

Virginia



Legal & Nondiscrimination Protection

Virginia has comprehensive LGBTQ+ nondiscrimination protections. Gender markers can be changed on birth certificates and driver's licenses without gender affirmation surgery.

20_{/20}



Youth & Family Support

Conversion therapy is banned in Virginia. Adoption agencies can decline to work with LGBTQ+ people if it conflicts with their religious beliefs. There are no explicit protections for LGBTQ+ children in foster care.

17_{/20}



Political & Religious Attitudes

Virginia's U.S. Senators and Governor support LGBTQ+ rights. The state has a religious freedom law, and targeted religious exemptions for child welfare services.

14.40_{/20}



Health Access & Safety

The state's hate crime protections do not include sexual orientation or gender identity. The state Medicaid plan does include transgender healthcare coverage. Failure to disclose HIV status prior to engaging in sexual activity is a misdemeanor.

16.5_{/20}



Work Environment & Employment

12 % of transgender employees in Virginia report being harassed at work, and 27% report mistreatment such being forced to use a restroom not matching their gender. 27% of LGBTQ+ Virginians report food insecurity, more than double the rate for non-LGBTQ+Virginians (13%).

14_{/20}

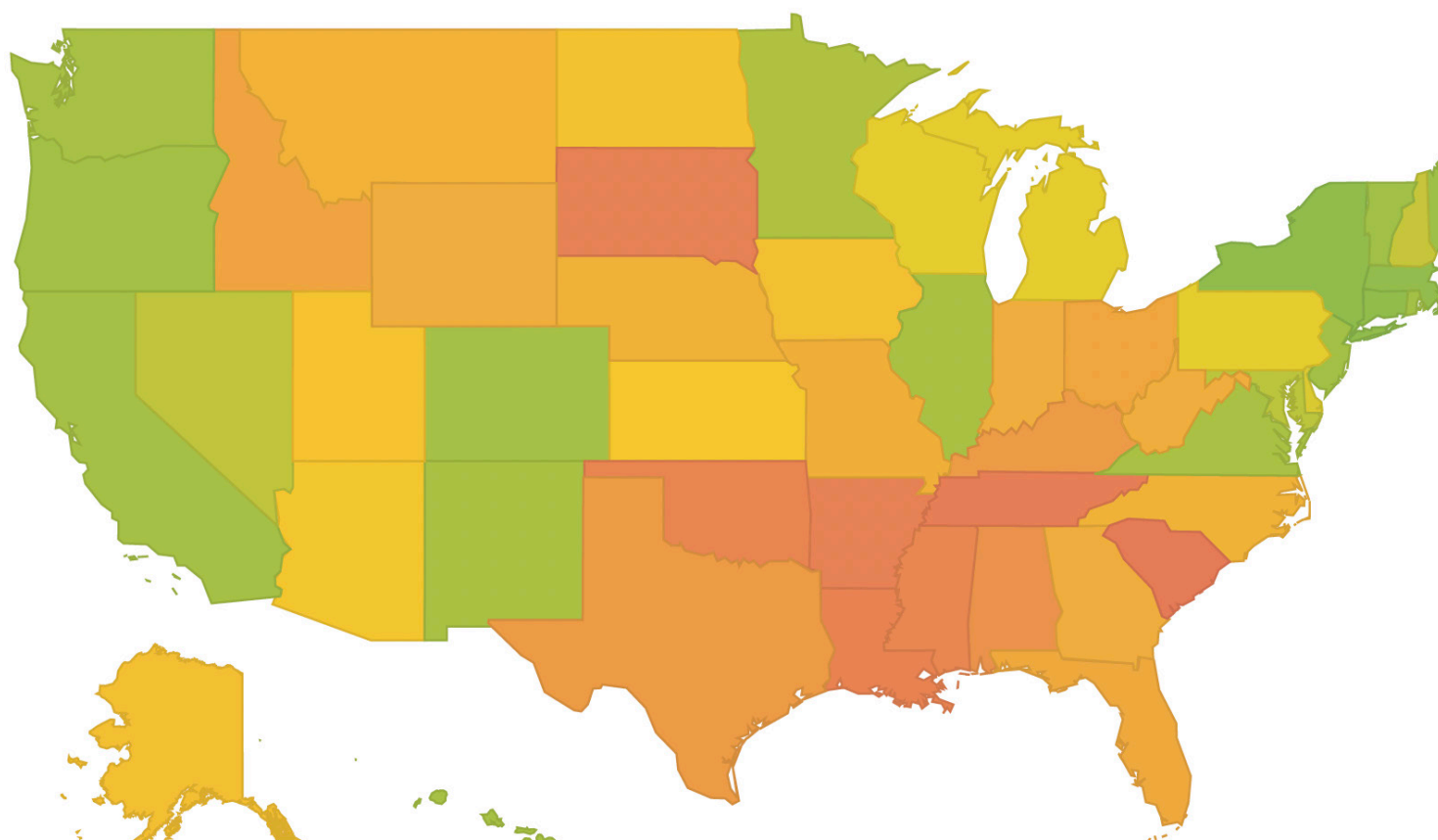
A Note on Methodology

Download this report to learn how and why Out Leadership created the LGBTQ+ Business Climate Index for the 50U.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.





Virginia Talking Points

3.9% of Virginians identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$18.9 billion – it's a market my business can't afford to ignore.

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 \$10,796 to replace an employee in Virginia, and it can cost up to \$486,800 to replace senior executives. Virginia and the businesses operating there have strong 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 Virginia continue to foster a business environment where being inclusive is supported.

Virginia has a regressive attitude towards trans people when it comes to healthcare and hate crimes protections. Treating trans people as unequal makes us look complicit if we choose to do business in Virginia – equality is good for everyone's bottom line.



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.



Current Legal Status of LGBTQ+ People in Virginia

Legal status of the Lesbian, Gay and Bisexual Community

Virginia Governor Ralph Northam signed comprehensive nondiscrimination protections inclusive of sexual orientation and gender identity into law in April 2020, protecting the LGBTQ+ community against discrimination in housing, employment, public spaces, and credit applications.

State employees are protected from discrimination on the basis of sexual orientation and gender identity.

As of 2012, state law allows adoption agencies to refuse adoptions for religious reasons (in effect allowing adoption agencies to deny services to LGBTQ+ couples on the basis of religious belief).

Second parent adoption is permitted, but only when the couple is married.

Both parents in an LGBTQ+ couple can be represented on a birth certificate.

Virginia maintains a broad Religious Freedom Restoration Act, which states that "no government entity shall substantially burden a person's free exercise of religion even if the burden results from a rule of general applicability" unless it is the least restrictive means of furthering a compelling governmental interest.

Virginia's hate crimes law is limited in scope, protecting only individuals targeted on the basis of race, religion, or national origin. Sexual orientation and gender identity are added as of July 2020.

Conversion therapy was banned July 2020.

Donating blood or organs while HIV-positive is no longer a crime in Virginia as of 2021.

Legal Status of the Transgender Community

Changing a birth certificate gender marker requires a doctor to fill out a form certifying the transition.

Individuals can change the gender markers on a driver's license by getting physician sign-off on a form certifying that the applicant has changed gender.

The state offers a nonbinary gender option for state IDs as of July 2020. Insurance companies are not permitted to exclude transgender care.

Government Statements and Actions

The state banned the "gay panic defense" on the 2021 Transgender Day of Visibility.

In 2017, Danica Roem became the first trans person to serve openly in a state legislature after winning a seat in the Virginia House of Delegates. She is now running for a third term.

Governor Ralph Northam recognized June 2018 as LGBTQ+ pride month in the state.

After Governor Ralph Northam's medical school yearbook page featuring blackface became public, all five LGBT+ members of Virginia's general assembly organized to call on him to resign.

Since the 2022 election of governor Glenn Youngkin, a flood of anti-LGBTQ+ bills have been introduced to the legislator. (8 bills)

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

2 LOW RISK

Companies incur low risk to their brands by operating in Virginia, where there are no statewide LGBTQ+ inclusive nondiscrimination protections, but the governor and senators are vocally pro-LGBTQ+.

Client Risk

2 LOW RISK

There is low risk of LGBTQ+ or strong ally clients pulling their business from companies operating in Virginia in light of the state's business climate and reputation.

Talent Risk

3 MODERATE RISK

LGBTQ+ professionals might consider Virginia's legal and social environment unfriendly. Though insurance must cover transgender healthcare, there is no statewide LGBTQ+ inclusive nondiscrimination law, and there are religious exemptions in child welfare, both of which could make working in Virginia unattractive to LGBTQ+ talent.

Marketing Risk

3 MODERATE RISK

Marketing to the LGBTQ+ community in Virginia is moderately risky, as attitudes toward LGBTQ+ people vary widely between urban and rural areas and the political conversation around LGBTQ+ equality hasn't made much progress recently.

Future Risk

1 NO RISK

The state has no recent discriminatory laws on the books, and volume of discriminatory legislation filed has diminished significantly in recent years. 2019 saw a change in the state legislature to a pro-equality majority, and in 2020 the state enacted a statewide nondiscrimination law. We assess no risk of a negative event.



Socio-cultural Environment of LGBTQ+ People in Virginia

Status of LGBTQ+ Organizing and Community

There are a multitude of LGBTQ+ organizations dedicated to expanding protections for the Virginian LGBTQ+ community.

Pride season in Virginia occurs across the region and continues through the fall. Many individuals in Northern Virginia have access to the

Washington DC pride festivities. Other festivals occur throughout the state, including in Richmond. Corporate sponsors include large banks and insurance companies as well as local businesses.

Cultural Views of the LGBTQ+ Community

Despite religious exemptions, public opinion in Virginia is in favor of greater equality. According to a 2017 poll, 60% of Virginians are in favor of same-sex marriage, and 69% favor non-discrimination laws covering the LGBTQ+ community.

That same poll found that only 32% of respondents were in favor of a religious exemption to refuse services to members of the LGBTQ+ community.





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.

