

LGBTQ+ Business Climate Score

Minnesota

86

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

Minnesota



Legal & Nondiscrimination Protection

The state has a comprehensive nondiscrimination law protecting sexual orientation and gender identity, and state employees are additionally protected from discrimination on both counts. There are straightforward processes to change gender markers on birth certificates and driver's licenses, neither of which require surgery. Driver's licenses allow an X option for nonbinary individuals.



Youth & Family Support

The state lacks a conversion therapy ban. At school, nondiscrimination and anti-bullying laws protect LGBTQ+ students. LGBTQ+ parents can adopt, and both parents can be on their child's birth certificate, but the non-carrying parent in a lesbian couple must go through the process of legally adopting her child.





Political & Religious Attitudes

The state's governor and senators have consistent pro-LGBTQ+ voting records and histories of championing LGBTQ+ issues. The state currently has no religious exemption laws in place.

19/20



Health Access & Safety

The state requires transgender healthcare coverage by all forms of insurance. It is a felony to knowingly expose another person to HIV without disclosure.

17/20



Work Environment & Employment

14% of transgender employees in Minnesota report being harassed in the past year due to their gender identity, and 23% report mistreatment such as being forced to use a restroom not matching gender. 21% of LGBTQ+ Minnesotans report food insecurity, more than twice as much as non-LGBTQ+ Minnesotans (10%). LGBTQ+ unemployment (more than 5%) is just slightly above the general rate (4%).

14/20

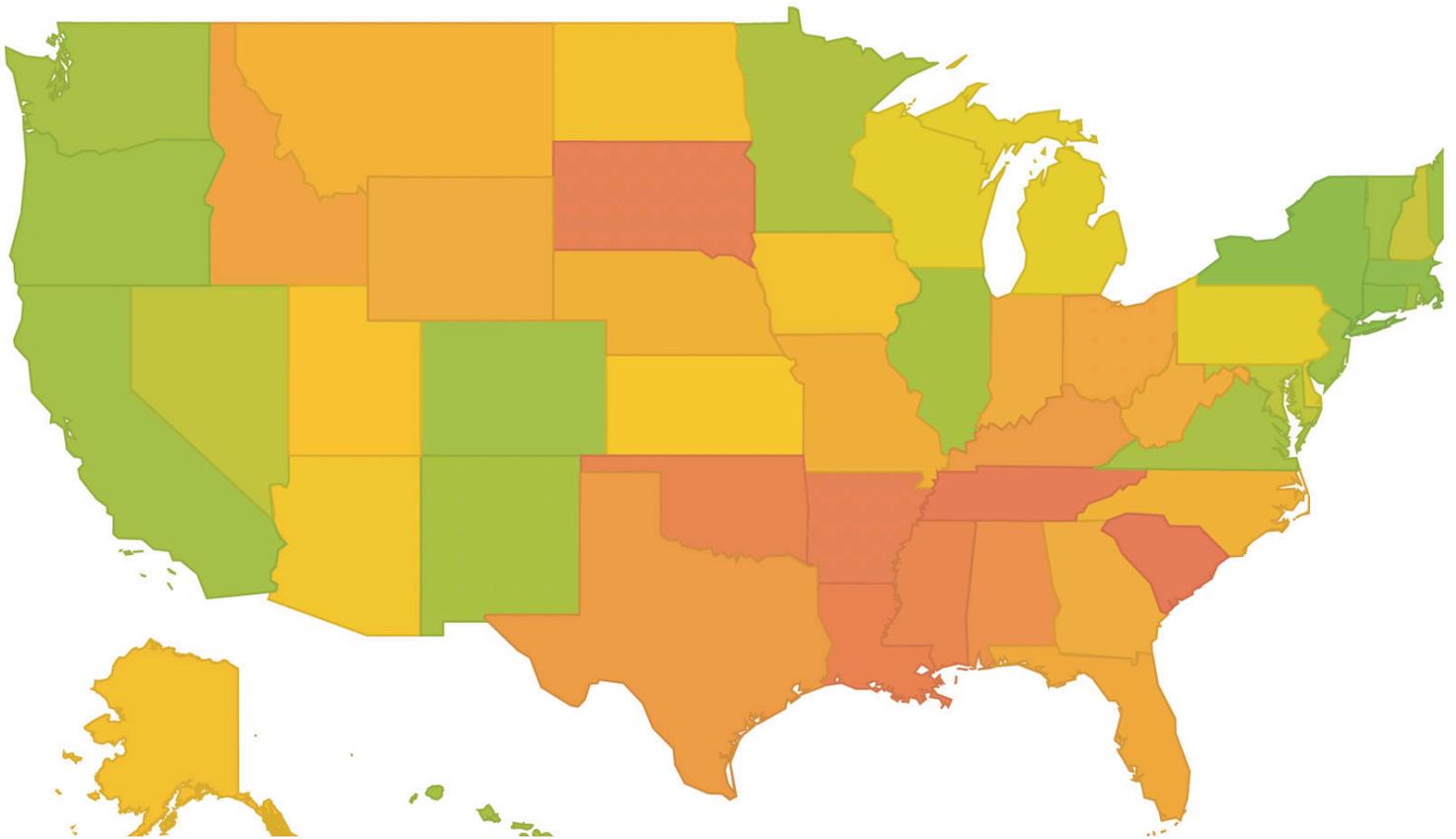
A Note on Methodology

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.





Minnesota Talking Points

4.1% of Minnesota residents identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$13 billion – it's a market my business can't afford to ignore.

Minnesota's comprehensive nondiscrimination law protects LGBTQ+ people, so the state is already experiencing the positive economic impacts of such policies. One estimate suggests that the state's economy may have grown 3%, or \$10.5 billion thanks to its inclusive approach. That said, there's still a gap between policy and culture, and organizations in Minnesota have a business imperative to ensure that LGBTQ+ people feel welcome in their workplaces.

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 \$10,546 to replace an employee in Minnesota, and it can cost up to \$416,000 to replace senior executives. Minnesota 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 Minnesota 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 (LGBTQ+ and Non-LGBTQ+ responses have been weighted to be age-representative for each audience in each region). National results are based 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 Minnesota

Legal status of the Lesbian, Gay and Bisexual Community

Minnesota has a comprehensive nondiscrimination law inclusive of sexual orientation.

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

Youth in foster care are protected from discrimination on the basis of sexual orientation.

The state of Minnesota permits same-sex couples to jointly petition to adopt. Single LGBTQ+ individuals can also petition to adopt.

Both parents can request to be represented on birth certificates. The comprehensive Minnesota Human Rights Act protects individuals from hate crimes based on sexual orientation.

Even though same-sex marriage is national law, in Minnesota, the non-birth mother in a lesbian couple must still go through the process of legally adopting a child.

The state does not permit agencies to decline prospective adoptive parents based on religious beliefs. Second-parent adoption is permitted in Minnesota.

Conversion therapy is legal in Minnesota, but at least nine local jurisdictions have banned the practice.

Legal Status of the Transgender Community

Minnesota has a comprehensive nondiscrimination law inclusive of gender identity.

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

Youth in foster care are protected from discrimination on the basis of gender identity.

To change the gender marker on an individual's birth certificate, a person must petition the court and enclose a doctor's letter attesting to "appropriate clinical treatment" for gender dysphoria. Surgery is not required, nor is a name change or a letter from a therapist.

Under Minnesota law, a person who has changed their name by court order is entitled to an amended Minnesota birth certificate showing their new name by enclosing a certified copy of the order.

Individuals can update gender markers on a driver's license simply by requesting to make the change. The state also offers a non-binary "Xx" gender option.

Transgender healthcare has been covered under the state's Medicaid plan since a 2016 District Court ruling in *Outfront v. Johnson-Piper*.

The Minnesota Human Rights Act protects individuals from hate crimes based on gender identity.

Health insurers in Minnesota are not allowed to exclude trans medical procedures that are considered "medically necessary."

There is no bathroom bill in Minnesota. While the Minnesota Supreme Court in *Goins v. West Group* allowed employers to designate bathrooms based on "biological gender," the Minnesota Department of Human Rights has determined that individuals may use whichever bathroom they feel most comfortable using.

Government Statements and Actions

A bill proposed in the 2021 legislative session would criminalize trans girls' participation in girls sports — and even using the girl's locker room — at school, making both gender-affirming actions a petty misdemeanor. The bill is still in committee as of 2022.

Bills to ban conversion therapy were introduced, unsuccessfully, in both 2019 and 2020.

Before he was governor, in 2013 Tim Walz introduced a bill in the US House of Representatives aimed at expanding rights to LGBTQ+ veterans living in states that do not recognize same-sex marriage.

US Rep. Angie Craig defeated a homophobic incumbent in the 2018 election, becoming the first openly lesbian mother to serve in Congress. She was re-elected to a second term in 2020.

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 brand risk by doing business in Minnesota, which has comprehensive laws protecting LGBTQ+ people and a corresponding great reputation.

Client Risk

1 NO RISK

There's no reason to believe that LGBTQ+ or strong ally clients would pull business from companies operating in Minnesota, which leads the way on some of the most progressive indicators of LGBTQ+ acceptance, including the provision of a third-gender option on driver's licenses and elected the first lesbian mom to serve in Congress, Angie Craig.

Talent Risk

1 NO RISK

Minnesota has comprehensive nondiscrimination laws and protections, making it a state LGBTQ+ talent would prioritize when considering relocating.

Marketing Risk

1 NO RISK

Polls show that 67 percent of Minnesotans support same-sex marriage and that most support LGBTQ+ rights overall; there is no risk in marketing to the LGBTQ+ community there.

Future Risk

2 LOW RISK

While some discriminatory bills have been filed in years past, the state has comprehensive statewide nondiscrimination protections, and much of state leadership has a pro-LGBTQ+ equality stance. Risk of a future negative event is low.

Socio-cultural Environment of LGBTQ+ People in Minnesota

Status of LGBTQ+ Organizing and Community

Minnesota has had a pride event since 1972; more than 350,000 people attended in 2019, the year before it went digital because of COVID-19. Twin Cities Pride hosts pride events throughout the year and is slated to host its annual pride festival this June.

Two men who were granted a wedding license in Minnesota in 1971 when the clerk assumed the name "Pat" belonged to a woman had their marriage legally validated in 2020. This makes them the longest-married same-sex couple in the US.

Cultural Views of the LGBTQ+ Community

A 2018 poll shows 67 percent of Minnesotans support gay marriage. Overall, Minnesota is accepting of LGBTQ+ people.

The 2018 Minnesota Republican Party platform called for marriage to be between a man and a woman, but this is an outlier position in the state where a huge majority of citizens polled approve of same sex marriage.



Partners

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