

Minnesota

LGBTQ+ Business Climate Score

out of a possible 100 points

88.17

NO 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/

Minnesota



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.

20.0_{/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.

17.0_{/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.

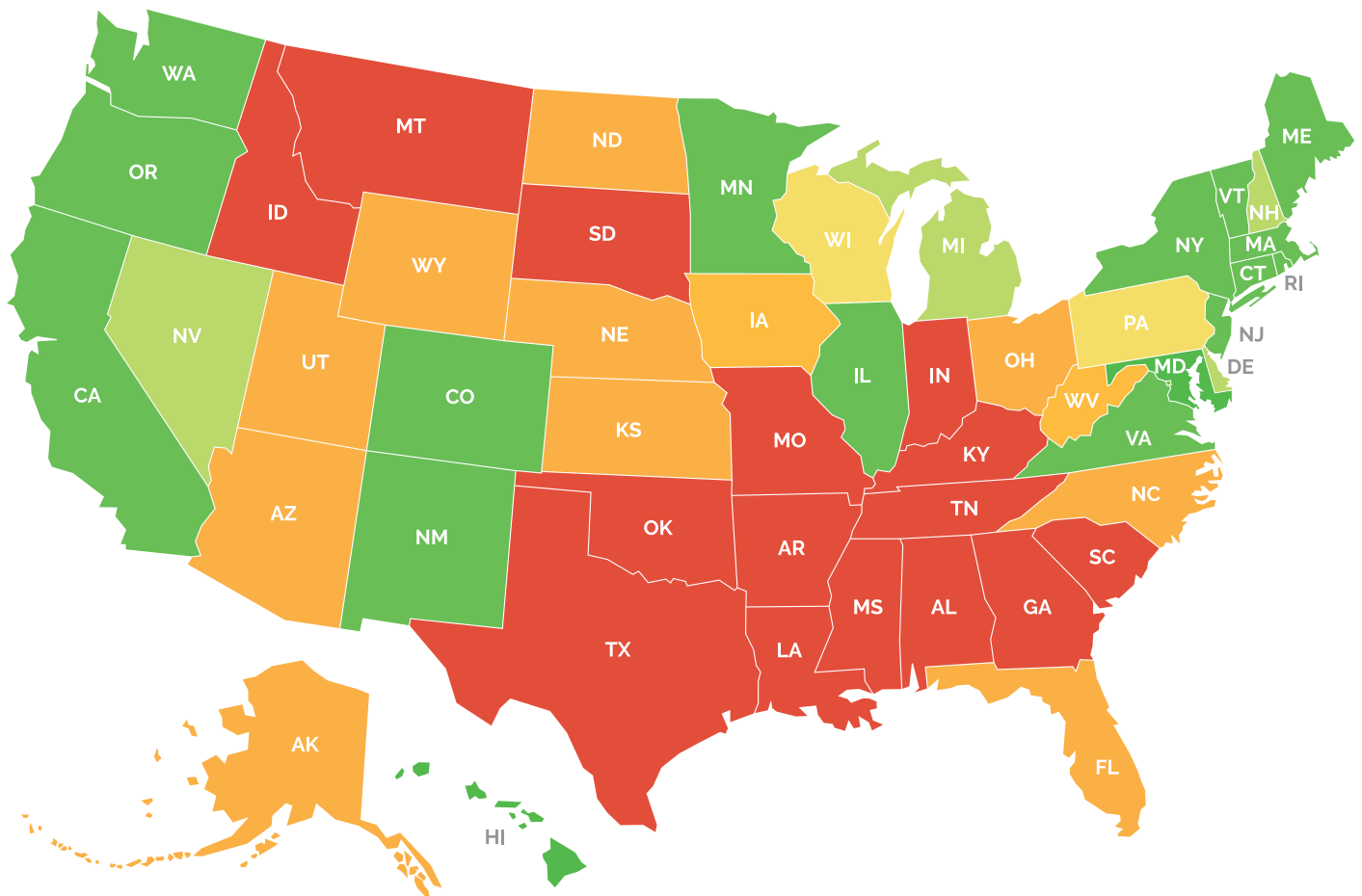
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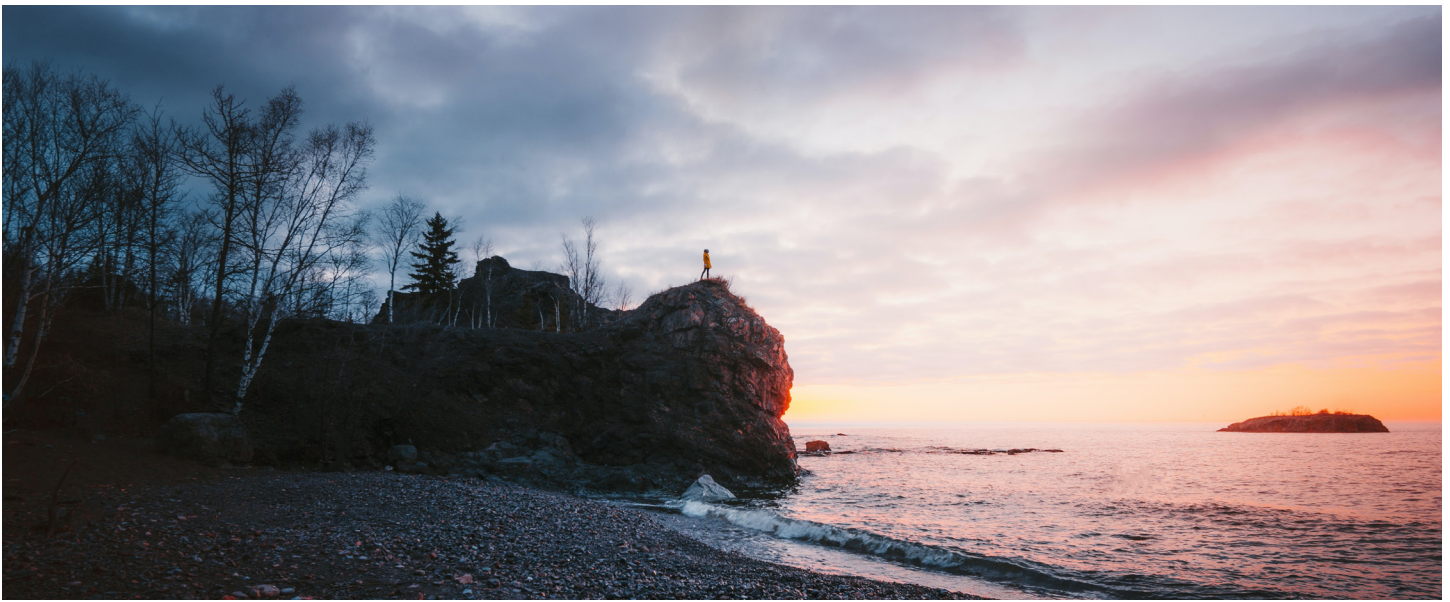
A Note on Methodology

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.





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.

Minnesota 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.

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 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.

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.

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 illegal in Minnesota.

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 "X" 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

In 2023, Minnesota lawmakers passed legislation that banned conversion therapy for LGBTQ+ youth and designated the state as a refuge for both trans youth seeking gender affirming care and for out-of-state abortion patients and providers seeking care.

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.



Socio-cultural Environment of LGBTQ+ People in Minnesota

Status of LGBTQ+ Organizing and Community

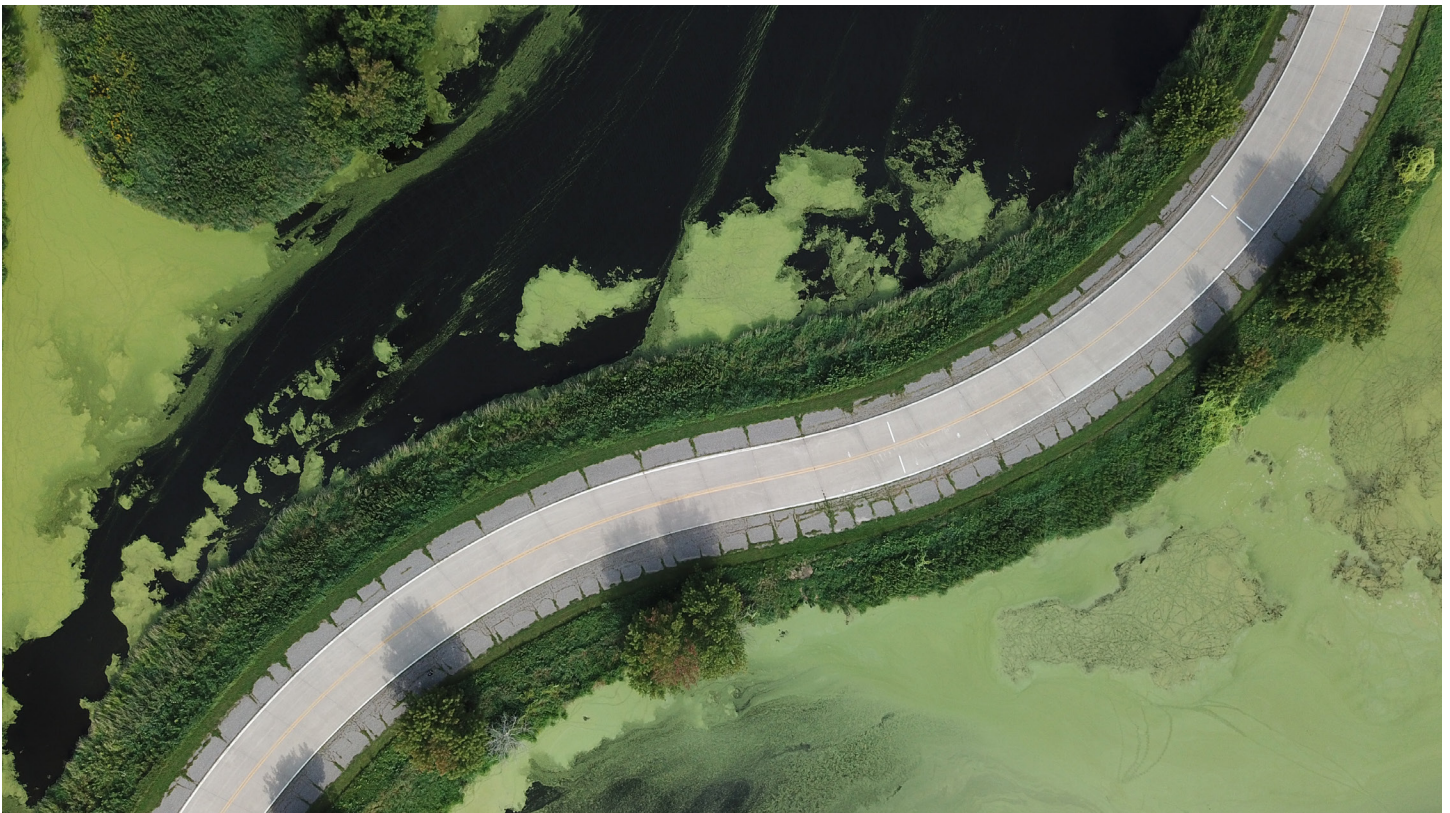
Minnesota has had a pride event since 1972; more than 350,000 people attended in 2019, the year before it went digital because of COVID-19. Twin Cities Pride hosts pride events throughout the year and is slated to host its annual pride festival this June.

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

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.

