



# 2020 State LGBTQ+ Business Climate Index





## Purpose

Multinational companies face operational and reputation risks when they do business in places where the legal and/or social atmosphere makes it difficult for LGBTQ+ people to live openly. Discrimination against LGBTQ+ people creates serious challenges for talent mobility, retention, and development.

Out Leadership's State LGBTQ+ Business Climate Index and CEO Business Briefs seek to help C-Suite leaders understand and respond to these risks. We also seek to inform and empower corporate executives to engage in conversations with economic development officials and other local stakeholders about why discrimination against LGBTQ+ people negatively impacts their ability to do business.

## How to use the State LGBTQ+ Business Climate Index

As a business leader, you have the opportunity to create change for LGBTQ+ people wherever you work – both within your company, and in the states where you do business. The State LGBTQ+ Business Climate Index and CEO Briefs provide valuable information to inform conversations with:

**Staff** : Ensure that staff at your company are aware of the laws and attitudes impacting LGBTQ+ people wherever they work, and that they've adopted the appropriate internal policies for their location.

**Government Leaders**: In meetings with government leaders, particularly those focused on economic development, we encourage business leaders to bring up a state's performance on the State Business Climate Index, and the details shared in the CEO Briefs, in an appropriate way. We hope that these tools will help executives explain how LGBTQ+ inclusive policies are part of their companies' best practices, and acknowledged as global standards. Please note that you are the best person to judge whether you have the ability to have such a conversation with a local leader in an appropriate way. Your Government Affairs officer, Diversity & Inclusion head, or equivalent may be appropriate to include in these conversations.

**Business Partners**: In conversations with business partners, when appropriate, ask them what they're doing to address LGBTQ+ inclusion, and help explain why inclusion positively impacts your ability to conduct business.

## Introduction

Dear Leaders,

I'm proud to share the second year of Out Leadership's LGBTQ+ Business Climate Index for the 50 U.S. States for 2020. This index shares both the full landscape of the state of LGBTQ+ equality in all 50 States and showcases the largest movers since last year, highlighting states that significantly improved their score or states whose scores decreased. These briefs and metrics are apolitical, data-focused and are meant to connect the dots between LGBTQ+ inclusion and equality and bottom-line impact. This year more than ever it is important for us to focus on the impact of policy on equality. During this COVID-19 crisis, LGBTQ+ population is disproportionately exposed, and needs protection more than ever. We, at Out Leadership, are focused on growing equality during this time and calling upon businesses to double down on inclusion during this crisis.

Last year, with the support of the Gill Foundation we published the first annual **LGBTQ+ Business Climate Index** and accompanying **CEO Business Briefs** for all 50 United States. We decided to maintain these consistently but publish our findings on an annual basis because of the power we see in these measures for business leaders and to support our work towards LGBTQ+ equality across the country. When we know where progress is needed, we can work together as a community to address those challenges. In an interview with Bloomberg Businessweek, Dow Chemical CEO and Out Leadership Global Advisor, Jim Fitterling said, "Maybe we're in a state where an LGBT person doesn't feel safe because of some of the state laws, but when they come to work here, they need to feel safe," about being headquartered in staunchly conservative Midland, Michigan. When leaders like Jim can use the context of his companies setting to multiply the impact they can have through their inclusive culture and by nature of his visibility as an Out Leader, cultures and communities change for the better. Jim was a speaker at our Summit last year and said this about the 50 States Index, "If one can do with the state indexes what HRC did with corporate equality indexes, I think that's an incredible benchmark for corporate leaders in those states." As we continue to update these measures, we know they can be that benchmark for leaders across communities.

The Business Climate Score is based on a number of simple binary measures assessing the legal system for each US State. As we all know, policy does not equal culture. While we were evaluating the 50 states across a number of different criteria, we wanted to create a more meaningful measurement – one that accounted for the various ways in which laws, policies and cultural attitudes create economic stresses for LGBTQ+ people, to help business leaders and policymakers understand the steps they can and should take in order to integrate LGBTQ+ people more fully into states' economies.

On June 15th, 2020 we saw a huge win for all LGBTQ+ individuals in the workplace. Out Leadership had the privilege of working with HRC, Lambda Legal, Out and Equal, Freedom for all Americans and more to help move this decision to reality. We celebrate this win as we look to the future for more progress. In this case, the Supreme Court ruled in favor of LGBTQ+ individuals being protected under Title VII. Sex discrimination applying to the LGBTQ+ population is now the law of the land. This is a huge win but we expect there to be a surge of state based laws pushing back on this and exploiting the religious exemption laws to attempt to circumvent this federal ruling. The Equality Act is imperative to complement and strengthen the rights and protections of LGBTQ+ individuals and families. Businesses being vocal about supporting this act I believe will be a catalyst to getting it done. Both the landmark win at the supreme court and the impending pushback will have profound impacts on these scores. Out Leadership will continue to track and publish these briefs as federal and state laws change.

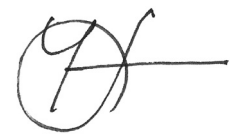


# OUT LEADERSHIP

Now more than ever, creating cultures where LGBTQ+ people are safe, supported, and able to rise to their highest potential is powerfully transformative. We could not do any of our work without Out Leadership's 80+ member companies (and counting!). Thank you to each of our member firms for partnering with us every day and supporting our vision for LGBTQ+ inclusion and business success. We're also incredibly grateful to our partners at the Williams Institute, the Movement Advancement Project, and the United States Transgender Survey, who generously gave us access to data forming the foundation of this Index. And finally, thanks to our Senior Researcher Rachel Golden and the rest of the Out Leadership team, who have worked tirelessly to ensure this project stays updated and relevant in its measures and publication.

As the landmark Supreme Court case rolls out, we are increasingly hearing from elected officials on the local, state, and national level this election year, and most importantly, as we look to the future with fresh eyes post COVID-19, I call each of you to share the 2020 Index and the individual state reports widely within your organizations and elected leaders. Organizations have the power to set culture even in states that may not have the laws and protections for their LGBTQ+ citizens. Policies like family leave, adoption benefits, inclusive healthcare, ERG visibility, self ID and active visible allies can create a strong inclusive internal culture that inevitably has impact on the communities at large. This Index is a tactical and proactive, living tool, which will grow stronger from your engagement and feedback. We look forward to continuing to use it with you to drive equality forward.

Thank you for your leadership,



Todd Sears



## Data Sources & Standards

In creating this index, we required that data inputs be independently verifiable, as recent as possible, and available for each state<sup>1</sup>. We also required that data be based on sufficient sample for statistical analysis<sup>2</sup>.

Data partners included The Movement Advancement Project (MAP), The United States Transgender Survey (USTS), and The Williams Institute. Other data not used in the index were sourced from available online datasets tracking statewide economic data markers such as those from the Bureau of Labor Statistics (BLS), and a report published by the United States Treasury<sup>3</sup>.

All data used in the scale are published online. USTS data are from the largest national survey of transgender individuals in the United States (2015). MAP data reflect current policies and practices as of December 2019, 2019. Williams data are from no earlier than 2017. BLS data are from May, 2018<sup>4</sup>.

The index was built so that the data can be updated as laws and attitudes measurably change.

<sup>1</sup> The USTS was missing state-level data for 7 of 50 states. To address these missing data, we used regional averages to estimate what we believe are reasonable scores for each state. We have specifically called out where averages were used in the report.

<sup>2</sup> We utilized some data from the Williams Institute that is published online with a caveat that their sample sizes were small in some cases. In addition, we utilized some data from the United States Transgender Survey that involved calculating regional averages for a limited number of states. Data affected by small sample sizes related to work safety, unemployment, and food insecurity of LGBTQ+ individuals are indicated in the State Index Scores tables on pages 10-13 of this report via a lighter shade of blue.

<sup>3</sup> <https://www.treasury.gov/resource-center/tax-policy/tax-analysis/Documents/WP-108.pdf>

<sup>4</sup> May 2018 State Occupational Employment and Wage Estimates: Bureau of Labor Statistics <https://www.bls.gov/oes/current/oesrcst.htm>.



## Rationale

Out Leadership's new LGBTQ+ Business Climate Index for the 50 United States is an assessment of states' performance on LGBTQ+ inclusion. It goes beyond an assessment of legal frameworks to measure 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 incorporates 20 carefully selected and nuanced markers assessing LGBTQ+ people's lived experiences - such as their performance in the labor market compared to their non-LGBTQ+ peers, their comparative levels of food insecurity, their access to health care, and the efforts they must make in order to properly represent themselves in official documentation.

Societal marginalization of LGBTQ+ people - which can often be subtle and hard to measure - has real and serious economic costs. Major legislative efforts to extend further legal discrimination, such the Religious Freedom Restoration (RFRA) law Mike Pence signed in Indiana in 2016<sup>5</sup>, and North Carolina's passage of the HB2<sup>6</sup> "Bathroom Bill," damaged those states' reputations for being business-friendly and harmed tourism, resulting in significant economic losses.

But discrimination doesn't need to be headline news to be harmful, or to create real economic hardship for LGBTQ+ people. The Out Leadership LGBTQ+ Business Climate Index combines verifiable data on LGBTQ+ people's lived experiences with economic data to help business leaders and policymakers understand the costs created by policies that create minority stress.

Research demonstrates that companies where LGBTQ+ people are supported enjoy increased profitability and stock prices as well as increased employee productivity. Our index suggests that a similar relationship exists on a state policy level, and that states that aim to make LGBTQ+ people more welcome and included legally and culturally will experience significant rewards for doing so, particularly in terms of residents' well-being and productivity<sup>7</sup>.

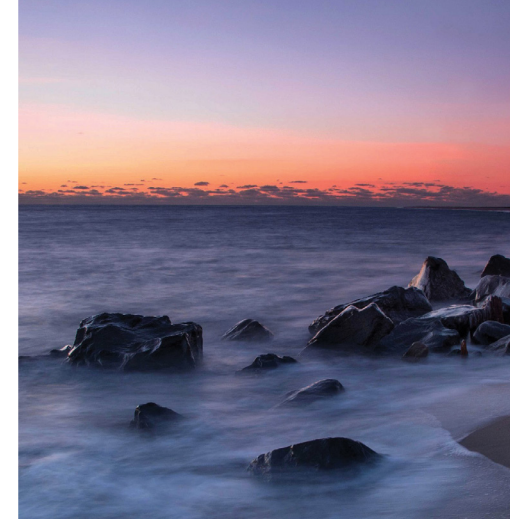
This Index, and the associated state-level CEO Business Briefs, provide both a comparative and a categorical assessment of states' performance on LGBTQ+ inclusion. We hope they will equip business leaders and policymakers with a clear sense of the most impactful steps states can take to make themselves more hospitable to forward-thinking, innovative, inclusive businesses, and help drive equality forward.

<sup>5</sup> <https://www.indystar.com/story/news/politics/2016/01/25/official-rfra-cost-indy-up-12-conventions-and-60m/79328422>

<sup>6</sup> <https://williamsinstitute.law.ucla.edu/research/discrimination-diversity-and-development-the-legal-and-economic-implications-of-north-carolinas-hb2/>

<sup>7</sup> CREDIT SUISSE ESG RESEARCH, LGBT: THE VALUE OF DIVERSITY (2016), <http://www.slideshare.net/creditsuisse/lgbt-the-value-of-diversity>. And: <https://williamsinstitute.law.ucla.edu/wp-content/uploads/Arizona-Impact-Discrimination-March-2018.pdf>





## Measures

The index consists of 5 sections: Legal and Nondiscrimination Protections, Youth and Family Support, Political and Religious Attitudes, Health Access and Safety, Work Environment and Employment. Each section totaled 20 points and accounted for 1/5 of the index total.



### Legal and Nondiscrimination Protections

The Legal and Nondiscrimination Protections section includes two subsections:

The *Personal Legal* scale assesses the state's laws directly impacting LGBTQ+ individuals. This scale includes: How difficult is it for transgender people to change their gender markers on birth certificates and driver's licenses?

Two *Nondiscrimination Protections* scales assess the extent to which LGBTQ+ people are protected under state law. One evaluates nondiscrimination laws related to employment (including any protections specific to state employees. The other evaluates any nondiscrimination laws related to housing, public accommodations, credit and lending, and includes an assessment of whether state law preempts cities from passing non-discrimination laws – a significant, growing, troubling trend.



### Youth and 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 children they are raising. In addition, it measures whether states allow second parent adoption, if they provide adoption and foster care non-discrimination protections, and if state law allows recognition for parents using assisted reproduction.

The *Children and Youth Scale* assesses the resources available to LGBTQ+ children and youth in the state. It includes whether the state has non-discrimination laws and policies for LGBTQ+ students, whether anti-bullying laws and policies cover LGBTQ+ students, and whether the state has any laws preventing schools or school districts from actively protecting LGBTQ+ students through non-discrimination or anti-bullying policies.

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 and Religious Attitudes**

The Political and Religious Attitudes section contains two scales, the *Religious Protections Scale* and the *State Leadership Scores*. Taken together, these scales assess the tone of the state's conversation around LGBTQ+ rights.

The *Religious Protections Scale* assess 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. Finally, the scale assesses whether state law allows for state and local officials to claim a religious exemption in the provision of marriage licenses.

The *State Leadership Scores* are Out Leadership original measures evaluating the state's most senior elected officials' – the Governor and the two U.S. Senators – 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.



**Health Access and Safety**

The Health Access and Safety section contains two scales:

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. It considers whether private insurance is covered by state non-discrimination protections, whether transgender care is covered by Medicaid, and whether health insurance providers are banned from excluding coverage for transgender-specific care. It also assesses whether state employees receive transgender inclusive health benefits.

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.



**Work Environment and Employment**

The Work Environment and Employment section contains two scales:

The *Work Environment Scale* assesses transgender individuals' experiences at work, including incidence of verbal harassment, sexual assault, and other mistreatment (such as being forced to use a restroom not matching gender, told to present in the wrong gender in order to keep a job, having someone at work share private information about their gender).

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.



**Scoring**

Our scoring process is transparent and meaningful. We gave high scores to policies that provided protections or equal treatment for LGBTQ+ individuals; we gave low scores to direct legislation or policy marginalizing or discriminating against LGBTQ+ people, as well as to instances where protections excluded LGBTQ+ people. We gave credit to states for not enacting or approving discriminatory laws and regulations. For all components of the scale, 5 represented the top score, 1 represented the low score. The maximum score a state could receive is 100 points and the minimum score is 25.



# State Index Scores

State	2019 Total	2020 Total	Legal and Nondiscrimination Protections				Youth and Family Support				Political and Religious Attitudes				Health Access and Safety				Work Environment and Employment			
			Change Birth Certificate	Change Driver's License	Emp Non-discrimination	Other Non-discrimination	Family Support	Youth Support	Conversion Therapy Ban	Discuss LGBTQ+ Ban	Governor Rating	Senator 1 Rating	Senator 2 Rating	Religious Exemptions	Health Support	State Employee Coverage	Hate Crimes Protections	HIV Criminalization	Work Safety	Unemp-loyment Differential	Food Insecurity Differential	Income Under 24k
Alabama	39.77	36.27	1.00	0.00	1.00	2.00	1.67	2.33	1.00	1.00	2.00	3.00	1.00	2.60	1.67	2.00	1.00	1.00	3.00	3.00	5.00	1.00
Alaska	51.00	52.00	4.00	3.00	3.00	3.00	1.67	2.33	1.00	5.00	2.00	5.00	3.00	5.00	1.00	2.00	1.00	1.00	3.00	1.00	3.00	2.00
Arizona	53.87	51.37	1.00	1.50	2.50	2.50	1.67	2.33	1.00	5.00	2.00	3.00	5.00	4.20	1.67	1.00	3.00	2.00	3.00	3.00	3.00	3.00
Arkansas	40.20	38.20	1.00	5.00	1.00	1.00	1.67	3.67	1.00	5.00	1.00	1.00	1.00	4.20	1.67	1.00	1.00	1.00	1.00	3.00	1.00	2.00
California	89.67	88.67	5.00	5.00	5.00	4.00	4.67	5.00	5.00	5.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	1.00	3.00	3.00	5.00	4.00
Colorado	75.67	81.67	5.00	5.00	5.00	5.00	2.67	5.00	5.00	5.00	3.00	3.00	5.00	5.00	5.00	2.00	5.00	2.00	3.00	3.00	3.00	5.00
Connecticut	87.53	87.87	5.00	5.00	5.00	5.00	2.67	5.00	5.00	5.00	3.00	5.00	5.00	4.20	3.00	5.00	5.00	2.00	3.00	5.00	5.00	5.00
Delaware	73.17	68.17	4.00	3.00	5.00	4.00	2.00	3.67	5.00	5.00	3.00	3.00	3.00	5.00	4.50	5.00	5.00	1.00	3.00	1.00	1.00	2.00
Florida	53.20	52.70	4.00	1.50	2.00	3.00	5.00	2.33	1.00	5.00	2.00	3.00	2.00	4.20	1.67	1.00	3.00	1.00	2.00	3.00	3.00	3.00
Georgia	45.33	43.33	1.00	0.00	1.00	2.00	1.67	2.67	1.00	5.00	1.00	2.00	3.00	5.00	1.00	2.00	1.00	1.00	2.00	3.00	5.00	3.00
Hawaii	85.00	84.00	4.00	3.00	5.00	4.00	1.67	4.33	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	2.00	5.00	1.00	4.00
Idaho	44.20	40.70	0.00	1.50	1.50	2.50	2.00	2.33	1.00	5.00	2.00	2.00	2.00	4.20	1.67	1.00	1.00	1.00	3.00	3.00	1.00	3.00
Illinois	79.40	79.15	4.00	3.75	5.00	5.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00	3.40	5.00	2.00	5.00	1.00	2.00	5.00	3.00	3.00
Indiana	51.53	52.78	3.00	2.25	3.50	2.50	2.33	2.33	1.00	5.00	1.00	1.00	3.00	4.20	1.67	5.00	3.00	1.00	3.00	3.00	3.00	2.00
Iowa	57.33	55.33	1.00	0.00	5.00	5.00	2.00	5.00	1.00	5.00	2.00	3.00	2.00	5.00	2.33	2.00	3.00	1.00	2.00	3.00	3.00	3.00
Kansas	46.27	48.77	4.00	1.50	3.00	2.00	1.67	2.33	1.00	5.00	4.00	2.00	3.00	2.60	1.67	2.00	3.00	1.00	3.00	3.00	1.00	2.00
Kentucky	44.87	41.87	1.00	0.00	3.50	2.50	1.67	2.33	1.00	5.00	1.00	1.00	1.00	4.20	1.67	5.00	3.00	1.00	2.00	3.00	1.00	1.00
Louisiana	40.87	36.87	1.00	0.00	1.00	2.00	1.67	2.33	1.00	1.00	3.00	2.00	1.00	4.20	1.67	1.00	3.00	1.00	2.00	3.00	3.00	2.00
Maine	73.17	77.17	1.00	5.00	5.00	5.00	1.67	5.00	5.00	5.00	5.00	3.00	5.00	5.00	4.50	1.00	3.00	5.00	2.00	3.00	5.00	3.00
Maryland	81.67	80.67	4.00	5.00	5.00	5.00	3.00	3.67	5.00	5.00	3.00	5.00	5.00	5.00	3.00	5.00	5.00	1.00	2.00	3.00	3.00	5.00
Mass.	90.00	89.67	4.00	5.00	5.00	5.00	2.67	5.00	5.00	5.00	5.00	5.00	5.00	5.00	3.00	5.00	5.00	2.00	3.00	5.00	5.00	5.00
Michigan	64.70	63.95	1.00	3.75	4.50	3.50	4.00	3.00	1.00	5.00	5.00	5.00	5.00	4.20	3.00	2.00	1.00	1.00	3.00	3.00	3.00	3.00
Minnesota	84.67	82.67	4.00	5.00	5.00	5.00	3.67	5.00	1.00	5.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	1.00	3.00	3.00	3.00	5.00
Mississippi	31.17	33.42	3.00	0.75	1.00	2.00	1.67	2.33	1.00	1.00	1.00	2.00	1.00	1.00	1.67	1.00	1.00	1.00	2.00	3.00	5.00	1.00
Missouri	46.87	47.87	1.00	3.00	2.50	2.50	1.67	1.00	1.00	5.00	2.00	2.00	2.00	4.20	1.00	2.00	5.00	1.00	2.00	3.00	3.00	3.00



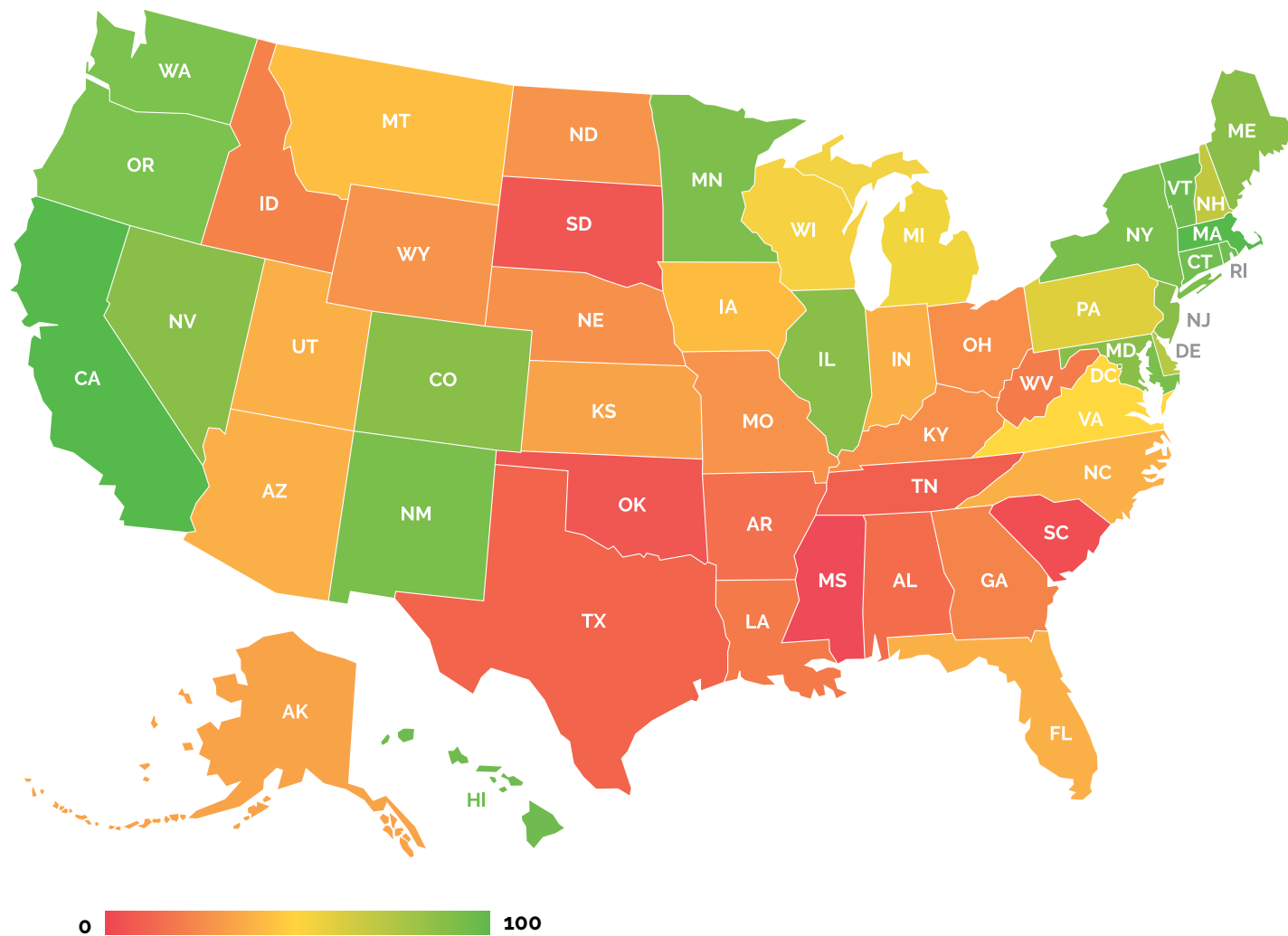
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Montana	56.00	52.75	4.00	0.75	3.00	2.00	1.67	2.33	1.00	5.00	4.00	5.00	2.00	5.00	3.00	5.00	1.00	1.00	2.00	3.00	1.00	1.00
Nebraska	46.33	43.58	1.00	2.25	1.00	2.00	2.00	2.33	1.00	5.00	1.00	1.00	1.00	5.00	1.00	1.00	3.00	1.00	3.00	3.00	3.00	4.00
Nevada	77.83	79.33	5.00	5.00	5.00	5.00	1.67	3.67	5.00	5.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	1.00	2.00	3.00	1.00	3.00
New Hamp.	73.67	74.58	1.00	4.25	5.00	4.00	2.33	5.00	5.00	5.00	3.00	5.00	5.00	5.00	3.00	5.00	5.00	2.00	3.00	3.00	1.00	3.00
New Jersey	82.00	82.75	5.00	3.75	5.00	5.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	2.00	5.00	1.00	3.00	3.00	5.00	4.00
New Mexico	84.70	86.70	5.00	5.00	5.00	5.00	4.33	3.67	5.00	5.00	5.00	5.00	5.00	4.20	3.50	2.00	5.00	5.00	3.00	3.00	5.00	3.00
New York	85.00	84.00	4.00	3.00	5.00	5.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	2.00	5.00	1.00	3.00	5.00	5.00	4.00
N. Carolina	51.20	49.70	1.00	1.50	3.00	1.00	4.67	3.67	1.00	5.00	5.00	2.00	3.00	4.20	1.67	1.00	1.00	1.00	2.00	3.00	3.00	2.00
N. Dakota	47.87	45.62	1.00	0.75	1.00	2.00	1.67	2.33	1.00	5.00	3.00	1.00	1.00	4.20	1.67	1.00	1.00	1.00	3.00	5.00	5.00	4.00
Ohio	47.33	44.33	0.00	3.00	3.50	2.50	2.00	2.33	1.00	5.00	2.00	5.00	3.00	5.00	1.00	1.00	1.00	1.00	2.00	1.00	1.00	2.00
Oklahoma	34.57	36.07	2.00	0.00	1.00	2.00	1.67	2.33	1.00	1.00	2.00	2.00	2.00	3.40	1.67	2.00	1.00	1.00	3.00	3.00	1.00	3.00
Oregon	86.00	88.33	5.00	5.00	5.00	4.00	4.33	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	2.00	3.00	3.00	3.00	4.00
Pennsylvania	66.53	66.53	4.00	5.00	4.50	3.50	3.00	3.33	1.00	5.00	5.00	5.00	3.00	4.20	3.00	5.00	1.00	1.00	3.00	1.00	3.00	3.00
Rhode Island	86.87	87.62	5.00	3.75	5.00	5.00	2.00	3.67	5.00	5.00	5.00	5.00	5.00	4.20	5.00	5.00	5.00	5.00	3.00	3.00	5.00	3.00
S. Carolina	32.90	32.40	2.00	0.00	1.00	2.00	4.00	2.33	1.00	1.00	1.00	1.00	1.00	3.40	1.67	2.00	1.00	1.00	2.00	1.00	1.00	3.00
S. Dakota	34.53	35.28	2.00	0.75	1.00	2.00	1.67	1.00	1.00	5.00	1.00	2.00	1.00	4.20	1.67	2.00	1.00	1.00	3.00	1.00	1.00	2.00
Tennessee	36.40	33.60	0.00	0.00	1.00	1.00	1.67	2.33	1.00	5.00	1.00	1.00	2.00	2.60	1.00	1.00	3.00	1.00	1.00	3.00	3.00	2.00
Texas	38.07	38.07	2.00	0.00	1.00	2.00	1.67	2.33	1.00	1.00	1.00	1.00	2.00	3.40	1.67	2.00	3.00	2.00	2.00	3.00	3.00	3.00
Utah	53.00	58.75	4.00	2.75	5.00	3.00	1.67	2.67	5.00	5.00	2.00	2.00	2.00	5.00	1.67	2.00	5.00	1.00	2.00	1.00	3.00	3.00
Vermont	87.00	85.00	3.00	5.00	5.00	5.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	2.00	5.00	5.00	4.00	3.00	3.00	3.00
Virginia	60.73	60.73	4.00	3.00	3.00	2.00	2.33	2.33	1.00	5.00	5.00	5.00	5.00	3.40	1.67	2.00	1.00	1.00	3.00	3.00	3.00	5.00
Washington	84.67	85.67	5.00	5.00	5.00	5.00	1.67	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	1.00	2.00	3.00	3.00	5.00
West Virginia	42.17	42.92	3.00	2.25	1.00	2.00	2.33	2.67	1.00	5.00	3.00	2.00	2.00	5.00	1.67	1.00	1.00	1.00	2.00	1.00	3.00	1.00
Wisconsin	63.67	62.17	1.00	1.50	4.00	3.00	1.67	3.00	1.00	5.00	5.00	5.00	2.00	5.00	1.00	5.00	3.00	1.00	3.00	3.00	5.00	4.00
Wyoming	46.83	51.33	3.00	3.00	1.00	2.00	3.00	2.33	1.00	5.00	3.00	3.00	3.00	5.00	1.00	2.00	1.00	5.00	2.00	1.00	3.00	2.00



# 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.



# State Rankings

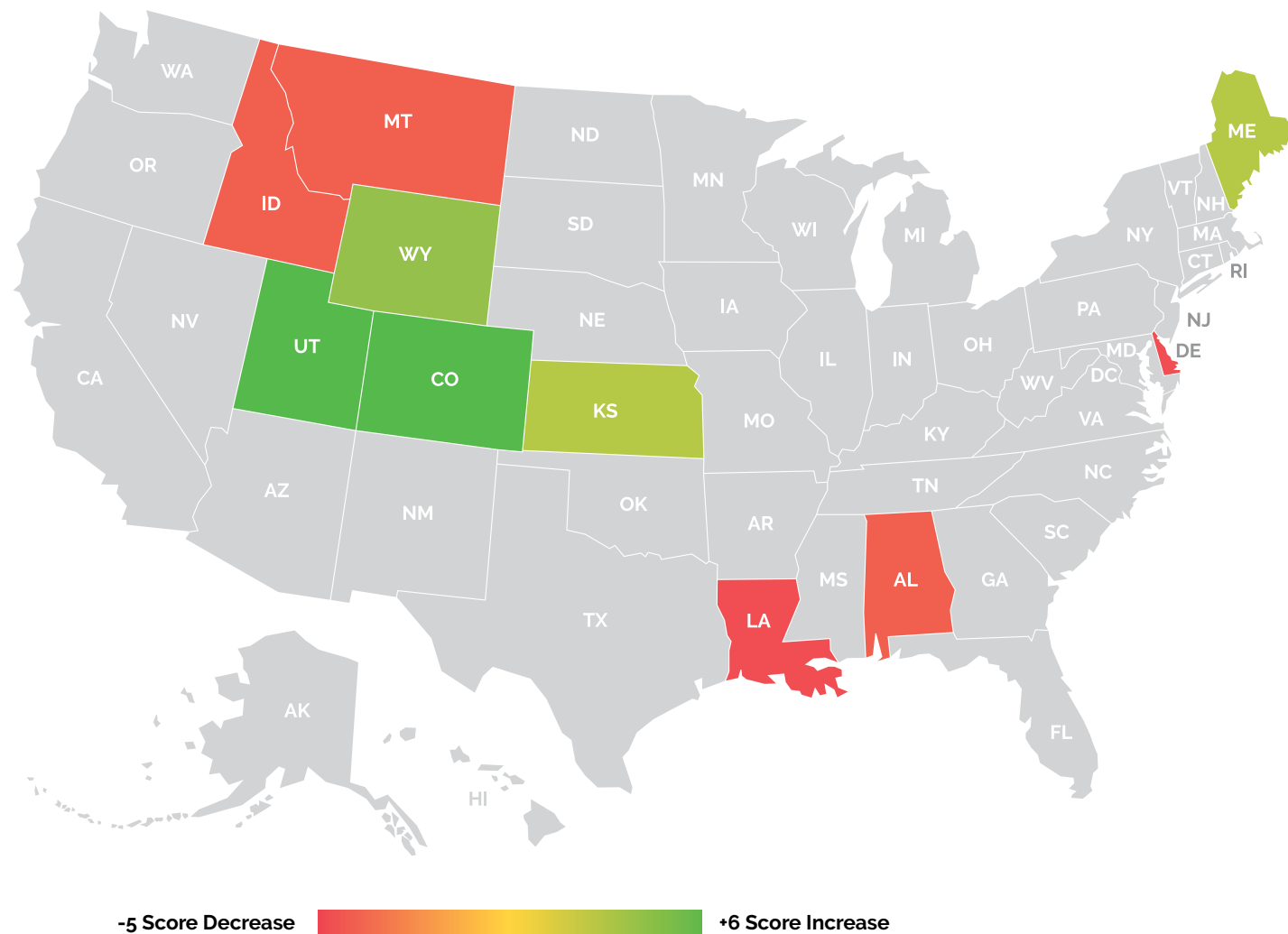
2020 Rank	State	2020 Score	2019 Total	Rank Change	2020 Rank	State	2020 Score	2019 Total	Rank Change
1	Massachusetts	89.67	90.00	0	26	Indiana	52.78	51.53	3
2	California	88.67	89.67	0	27	Montana	52.75	56.00	-2
3	Oregon	88.33	86.00	3	28	Florida	52.70	53.20	-1
4	Connecticut	87.87	87.53	-1	29	Alaska	52.00	51.00	2
5	Rhode Island	87.62	86.87	0	30	Arizona	51.37	53.87	-4
6	New Mexico	86.70	84.70	3	31	Wyoming	51.33	46.83	4
7	Washington	85.67	84.67	3	32	North Carolina	49.70	51.20	-2
8	Vermont	85.00	87.00	-4	33	Kansas	48.77	46.27	4
9	Hawaii	84.00	85.00	-2	34	Missouri	47.87	46.87	0
9	New York	84.00	85.00	-2	35	North Dakota	45.62	47.87	-3
11	New Jersey	82.75	82.00	1	36	Ohio	44.33	47.33	-3
12	Minnesota	82.67	84.67	-2	37	Nebraska	43.58	46.33	-1
13	Colorado	81.67	75.67	3	38	Georgia	43.33	45.33	0
14	Maryland	80.67	81.67	-1	39	West Virginia	42.92	42.17	2
15	Nevada	79.33	77.83	0	40	Kentucky	41.87	44.87	-1
16	Illinois	79.15	79.40	-2	41	Idaho	40.70	44.20	-1
17	Maine	77.17	73.17	1	42	Arkansas	38.20	40.20	1
18	New Hampshire	74.58	73.67	-1	43	Texas	38.07	38.07	2
19	Delaware	68.17	73.17	-1	44	Louisiana	36.87	40.87	-2
20	Pennsylvania	66.53	66.53	0	45	Alabama	36.27	39.77	-1
21	Michigan	63.95	64.70	0	46	Oklahoma	36.07	34.57	1
22	Wisconsin	62.17	63.67	0	47	South Dakota	35.28	34.53	1
23	Virginia	60.73	60.73	0	48	Tennessee	33.60	36.40	-2
24	Utah	58.75	53.00	4	49	Mississippi	33.42	31.17	1
25	Iowa	55.33	57.33	-1	50	South Carolina	32.40	32.90	-1



## States with Most Significant Movement in Score

We congratulate all of the states that showed positive momentum over the last year and call on those that decreased to work with private and public leaders to push for more inclusive laws and practices to encourage inclusivity. Because not only is it the right thing to do but it also is proven to make the most business sense for growth and prosperity.

*States with most significant movement in rankings:*



## Key Developments

**Colorado** had the largest growth over the last year largely because starting in 2020, applicants can change gender markers on birth certificates and driver's licenses simply by filling out a form, though minors still need signatures from parents and healthcare providers.

**Delaware** had the most drastic decrease of their score this year. Their lack of legal protections and ease of access to things like that to amend a birth certificate, Delaware requires an affidavit from a medical or mental health professional stating that the applicant has had surgical, hormonal, psychological or other treatment appropriate for the individual for the purpose of gender transition.

If someone wishing to amend the gender marker on a driver's license is also planning a name change, the latter must be completed first. A licensed provider must sign a specific request form for the gender marker change.

Other states showed movement mainly because of changes in legal protections marked by state laws or political and religious attitude changes marked by visible LGBTQ+ government representation and or measured cultural changes seen in research over the last year. For example, in **Alabama** in February, two state legislative committees approved a bill that would ban transgender minors from accessing hormone therapies. It passed in the state senate in early March. Positively, **Wyoming** saw significant positive growth because of measured cultural shifts in support for LGBTQ+ nondiscrimination by the general public and increases in visible LGBTQ+ representation.



## Regional Rankings

### Midwest

Regional Rank	State	2020 Total
1	Minnesota	82.67
2	Illinois	79.15
3	Michigan	63.95
4	Wisconsin	62.17
5	Iowa	55.33
6	Indiana	52.78
7	Kansas	48.77
8	Missouri	47.87
9	North Dakota	45.62
10	Ohio	44.33
11	Nebraska	43.58
12	South Dakota	35.28

### Southeast

1	Virginia	60.73
2	Florida	52.70
3	North Carolina	49.70
4	Georgia	43.33
5	West Virginia	42.92
6	Kentucky	41.87
7	Arkansas	38.20
8	Louisiana	36.87
9	Alabama	36.27
10	Tennessee	33.60
11	Mississippi	33.42
12	South Carolina	32.40

### Northeast

Regional Rank	State	2020 Total
1	Massachusetts	89.67
2	Connecticut	87.87
3	Rhode Island	87.62
4	Vermont	85.00
5	New York	84.00
6	New Jersey	82.75
7	Maryland	80.67
8	Maine	77.17
9	New Hampshire	74.58
10	Delaware	68.17
11	Pennsylvania	66.53

### Southwest

1	New Mexico	86.70
2	Arizona	51.37
3	Texas	38.07
4	Oklahoma	36.07

### West

1	California	88.67
2	Oregon	88.33
3	Washington	85.67
4	Hawaii	84.00
5	Colorado	81.67
6	Nevada	79.33
7	Utah	58.75
8	Montana	52.75
9	Alaska	52.00
10	Wyoming	51.33
11	Idaho	40.70



## Business Markers

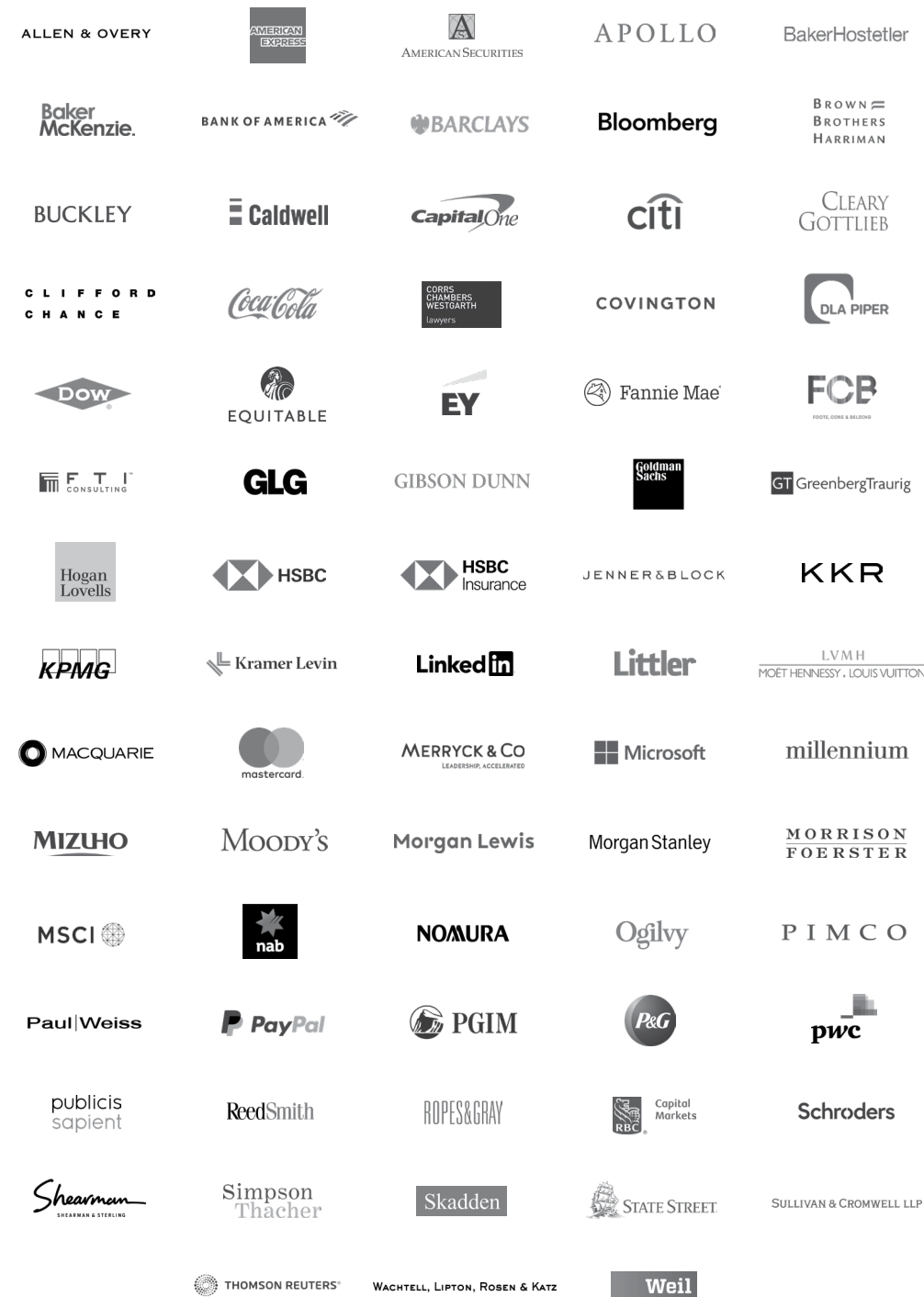
The LGBTQ+ Business Climate Index is one part of Out Leadership's larger initiative to create CEO Business Briefs for all 50 U.S. States. As part of this broader project, we have also calculated two additional business markers to represent the business impact of statewide support or marginalization of LGBTQ+ identities. These markers are reflected in the Talking Points in the CEO Briefs for each state.

The first represents the benefit to state economies of having more inclusive nondiscrimination practices. A Williams Institute report suggests that adding nondiscrimination protections could result in a potential 3% gain in GDP. We reported this potential increase for each state and noted what the effect may have been in states where protections already exist for LGBTQ+ people.

The second is an assessment of the cost to businesses of employee turnover due to marginalizing state practices or discriminatory environments. Utilizing 2018 average annual salary data, we calculated the cost of replacement of a (general worker in the state (20% of their salary) and the cost of replacement of an executive (213% of their salary).



# Out Leadership Members



## 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.

## Special Thanks

Thank you to Out Leadership's Global Advisory Board members, and our member companies' senior leaders, who have committed to using this index.

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## Disclaimer

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