



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

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/

Colorado



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.

 $20.0_{/20}$



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.

18.67/20





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.

16.0/20



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.

14.0/20

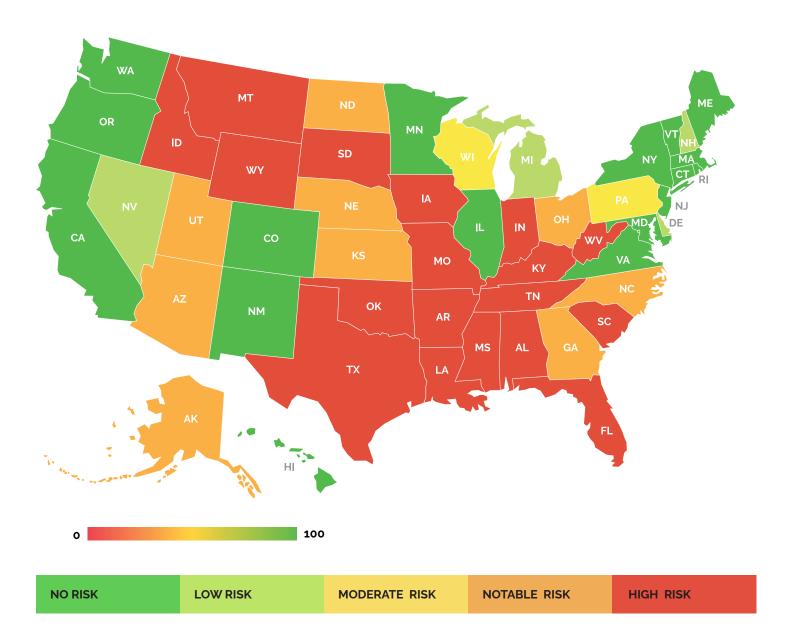
A Note on Methodology

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.

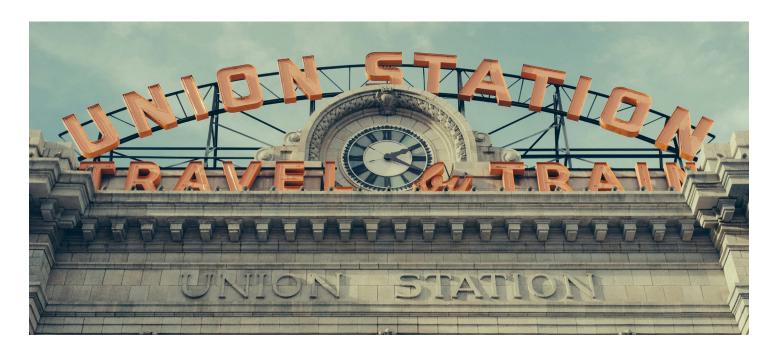


United States Heat Map

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.







Colorado Talking Points

6.8% of Coloradoans identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$15.9 billion – 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 \$10,810 to replace an employee in Colorado, and it can cost up to \$422,000 to replace senior executives. Colorado and the businesses operating there have strong financial incentives to create inclusive workplaces in the interest of keeping these costs down.

Colorado'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 \$10.4 billion, thanks to its inclusive approach. That said, there's still a gap between policy and culture, and organizations in Colorado have a business imperative to ensure that LGBTQ+ people feel welcome in their workplaces.

Colorado 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 Alaska continue to foster a business environment where being inclusive is supported.



Regional Context The West

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.

Overall, 52.5% of LGBTQ+ workers in the West are out at work. However, urbanicity has a big impact on whether LGBTQ+ workers feel comfortable sharing personal information at work (LGBTQ+ workers are 26% less likely to share when in rural areas vs 4% less likely to share in urban areas compared to national average). There is also a big impact when it comes to age and being open to managers, with older LGBTQ+ workers in this region being more likely to share with their managers than any other age group nationwide (52%more likely). West workers are also 14% more likely to report microaggressions at work which may be why LGBTQ+/Allies are also 15% more likely to say they want to work with companies that are more supportive of LGBTQ+ rights. Even though there are reports of microaggressions in the workplace, workers in this region were 35% less likely to say that the state's leadership talked negatively about LGBTQ+ issues.

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 Western region included: Alaska, California, Colorado, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming.



Impact of LGBTQ+ Discrimination on Business Talent

1

NO RISK

2

LOW RISK

3

MODERATE RISK

4

NOTABLE RISK



HIGH RISK

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Brand Risk

2

LOW RISK

Companies incur low risk to their brands by operating in Colorado, where there are strong nondiscrimination protections, but "gender identity" is not specifically mentioned in hate crimes protections.

Client Risk



NO RISK

There's no reason to believe that LGBTQ+ or strong ally clients would pull business from companies operating in Colorado, which has recently helped lead the way on exemplary gender marker change policies.

Talent Risk



NO RISK

Colorado has comprehensive nondiscrimination laws and protections, making it an appealing state for top LGBTQ+ talent.

Marketing Risk



NO RISK

There's no risk in marketing to the LGBTQ+ community in Colorado.

Future Risk



LOW RISK

While some discriminatory bills are filed every session, state lawmakers appear to have little appetite for advancing discriminatory legislation, and statewide nondiscrimination protections are in place. The risk of a future negative event is low.



Current Legal Status of LGBTQ+ People in Colorado

Legal status of the Lesbian, Gay and Bisexual Community

The Colorado Anti-Discrimination Act (CADA) protects residents from discrimination on the basis of sexual orientation and gender identity.

State employees are protected from discrimination on the basis of sexual orientation and gender identity under the Sexual Orientation Employment Discrimination Act.

Youth in foster care, excluding those in the custody of the division of youth services or a state mental hospital, are protected by law from discrimination on the basis of sexual orientation and gender identity.

Second parent adoption is permitted, and there is no requirement of marriage or civil union. Step-parent adoption is also permitted for samesex spouses or partners who are married or in a civil union. The primary difference between a second-parent and step-parent adoption in Colorado is that the petitioning parent does not have to be in a legal relationship with the child's legal parent for a second parent adoption, but in a step-parent adoption the petitioning parent must be in a marriage or civil union with the legal parent.

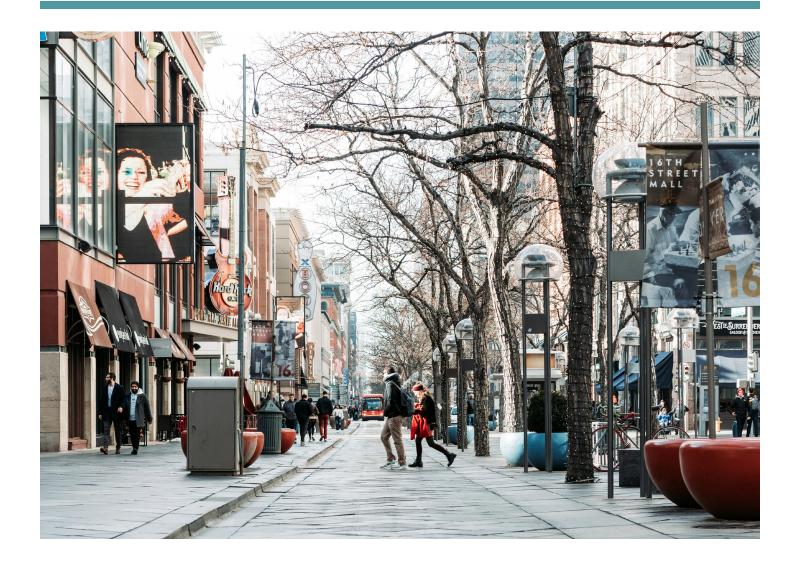
Both parents can be represented on a birth certificate as long as they are married.

A convicted sexual crime involving penetration carries an additional penalty if the assailant knew they were HIV positive and ended up transmitting the virus during the encounter.

Conversion therapy for persons under the age of 18 has been prohibited in Colorado since 2019. The ban covers health professionals, exempting church officials.

April 2023, Jaded Polis signed a series of laws making Colorado a safe haven state for the LGBTQ+ pollution and specifically for transgender inclusive healthcare.





Legal Status of the Transgender Community

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. Name changes require a court order.

Transgender services are specifically included in Colorado's Medicaid program (Health First Colorado). Both hormone treatment and surgery are covered.

As of April 1, 2019 insurance companies in Colorado are not permitted to exclude transgender care where such care is medically necessary (in accordance with generally accepted professional standards of care).

Transgender people in Colorado are permitted to use 'gender-segregated facilities' that are consistent with their gender identity. Gender-segregated facilities include restrooms, lockers rooms, dressing rooms, and dormitories.



Colorado has hate crime protections inclusive of sexual orientation, which is defined as "a person's actual or perceived orientation toward heterosexuality, homosexuality, bisexuality, or transgender status." "Gender identity" is not specifically mentioned.

October 2021 the governor announced that in 2023, health insurance coverage must explicitly include sexual reassignment surgery as a basic policy and right. This is a legal first for the United States

Government Statements and Actions

In fall 2020, John Hickenlooper beat incumbent Republican Senator Cory Gardner for the seat, creating a pro-LGBTQ+ senatorial delegation in the state. In summer 2020, Colorado became the 11th state to ban the "gay panic defense."

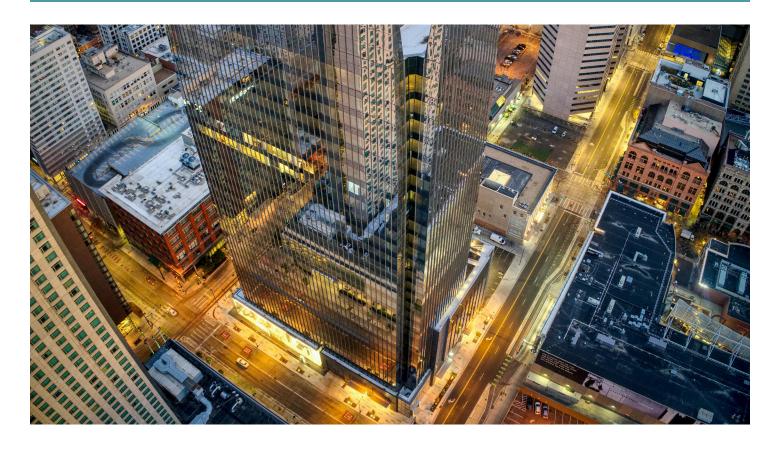
In 2018 the Supreme Court found in favor of Masterpiece Cakeshop, in the case of Masterpiece Cakeshop, Ltd. v. Colorado Civil Rights Commission. The Colorado bakery told a same-sex couple in 2012 that they wouldn't make them a wedding cake because the owner opposed marriage equality on religious grounds. The state of Colorado rejected the bakery's claims, but the Supreme Court found that the government can't impose regulations that are hostile to religious beliefs or presupposes the illegitimacy of religious beliefs and practices. The proprietor was back in court in April 2020 for another lawsuit: a trans woman alleged that he wouldn't make her a trans-themed birthday cake.

Colorado's Governor, Jared Polis, is the nation's first openly gay governor. Since his election, he has banned conversion therapy for minors and liberalized both HIV criminalization laws and the process for changing gender markers on official documents.

State Rep. Brianna Titone, re-elected to a second term in 2020, is Colorado's first transgender legislator.

In May 2019, Gov. Jared Polis signed the Comprehensive Human Sexuality Education bill. The bill adds certain content requirements for public schools that offer comprehensive human sexuality education. The act prohibits instruction from using shame-based or stigmatizing language or instructional tools, employing gender stereotypes, or excluding the health needs of LGBTQ+ individuals.





Socio-cultural Environment of LGBTQ+People in Colorado

Status of LGBTQ+ Organizing and Community

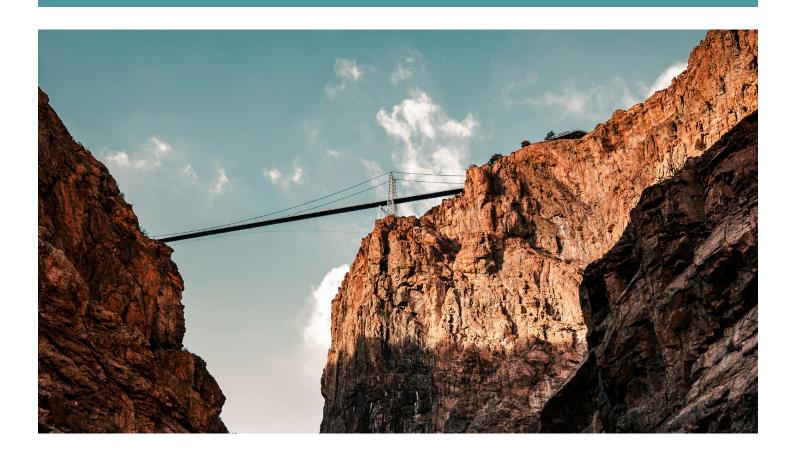
77% of Coloradoans favor anti-discrimination laws protecting the LGBTQ+ community, according to the 2018 American Values Atlas.

More than half of survey respondents opposed allowing small businesses to discriminate against LGBTQ+ people on religious grounds, which is what the Supreme Court allowed to stand in the state in the Masterpiece Cakeshop case.

Cultural Views of the LGBTQ+ Community

Denver PrideFest, which happens each June, is the largest celebration of LGBTQ+ pride in the Rocky Mountain region. The 2019 event topped 425,000 attendees. It moved online-only for 2020 due to the coronavirus, and a hybrid version is slated for 2021.





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.











