

Michigan

LGBTQ+ Business Climate Score

out of a possible 100 points

78.07

LOW 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/

Michigan



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.

19.2/20



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.

11.0/20



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.

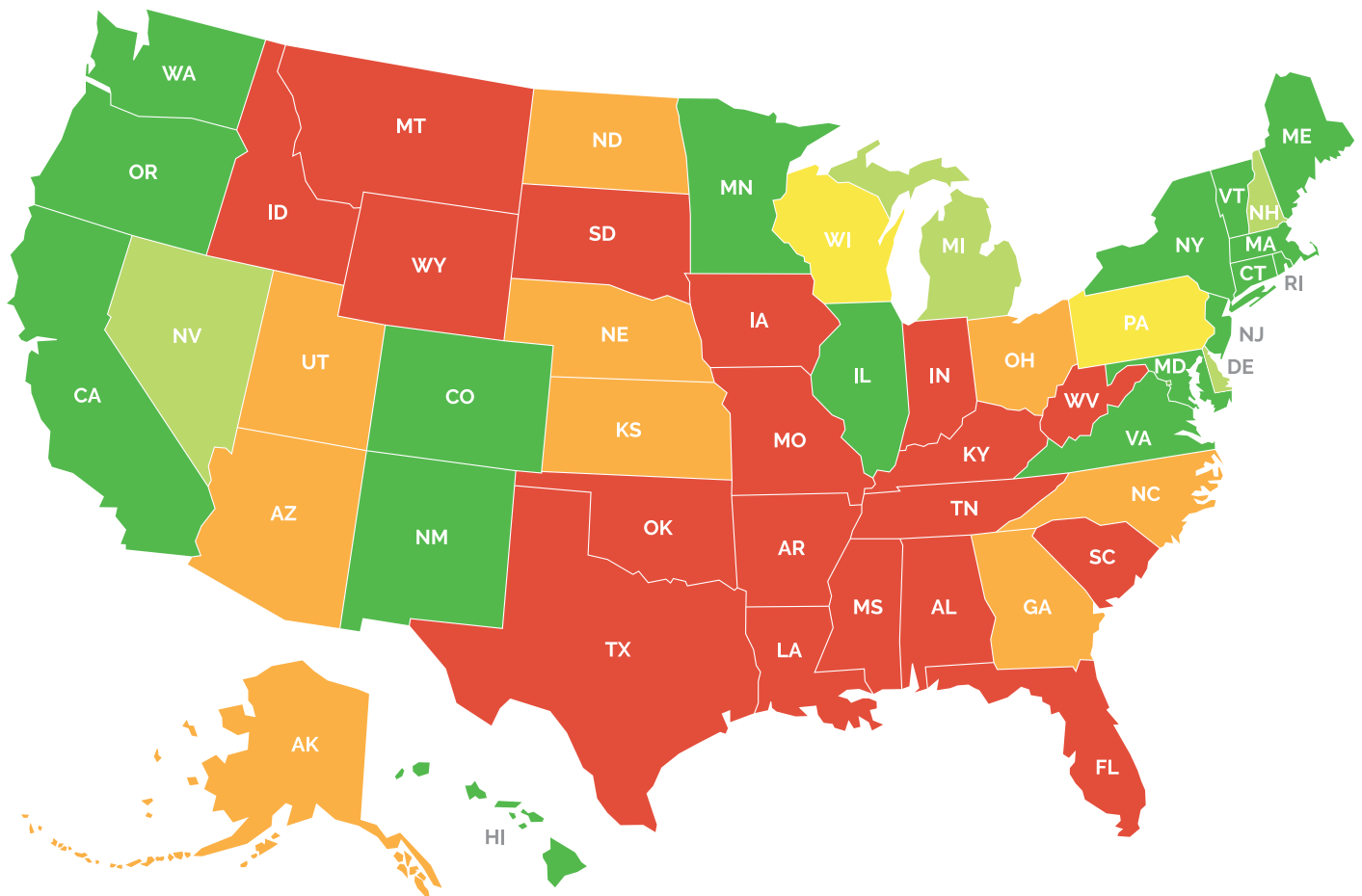
12.0/20

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.





Michigan Talking Points

6% of Michigan residents identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$21.9 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 \$9,660 to replace an employee in Michigan, and it can cost up to \$440,185 to replace senior executives. Michigan and the businesses operating there have strong incentives to create inclusive workplaces in the interest of keeping these costs down.

Michigan 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 Michigan 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 risk to their brands by operating in Michigan, where the governor and both senators are vocal supporters of LGBTQ+ rights and the state interprets existing nondiscrimination protections to include both sexual orientation and gender identity.

Client Risk

2

LOW RISK

There is low risk of LGBTQ+ or strong ally clients pulling their business from Michigan, which has openly supportive elected officials actively working to increase LGBTQ+ protections.

Talent Risk

3

MODERATE RISK

LGBTQ+ talent could consider Michigan's legal and social environment to be unfriendly. The state's inclusion of LGBTQ+ identities in nondiscrimination legislation is based on interpretation of existing law, no sexual orientation gender identity hate crimes protections exist, and there are no state wide restrictions on the practice of conversion therapy, making relocation to or retention in Michigan potentially unattractive to LGBTQ+ talent.

Marketing Risk

3

MODERATE RISK

There is moderate risk involved in marketing to the LGBTQ+ community in Michigan, where the conversation around LGBTQ+ equality is, slowly, moving in the right direction.

Future Risk

3

MODERATE RISK

The state has several discriminatory laws on the books, but appetite to pursue discriminatory legislation seems to have waned in recent years. The risk of a future negative event is moderate.

Current Legal Status of LGBTQ+ People in Michigan

Legal status of the Lesbian, Gay and Bisexual Community

In April of 2024, Governor Whitmer signed into law the Michigan Family Protection Act, a package of 9 bills focused on reproductive rights. The bills seek to support LGBTQ+ legal equality and parents who expand their families via assisted reproduction, surrogacy, or IVF.

In July of 2023, Michigan became the 22nd state to ban conversion therapy for LGBTQ+ youth.

Governor Gretchen Whitmer issued executive order ED 2019-9, prohibiting discrimination on the basis of sexual orientation or gender identity in state employment, public services, and state contracting.

Michigan does have laws that address hate or bias-based crimes, but these laws do not specifically address or include sexual orientation. State employees cannot be discriminated against on the basis of sexual orientation or gender identity.

In 2018, Michigan modernized its HIV disclosure law. Previously, persons living with HIV could face a felony prosecution for not disclosing their status prior to many sexual acts. The new law narrows the scope of sexual activities subject to prosecution (without disclosure) to "anal and vaginal sex."

Legal Status of the Transgender Community

Michigan allows transgender people to amend their birth certificates. It requires an affidavit from a physician certifying that surgery has been performed. In addition to the medical affidavit, applicants for birth certificate amendment must also submit an application form, a copy of a Photo ID, a copy of the court order for a name change, if applicable, and any applicable fees. Applicants do not appear to require a separate court date for the amendment process.

Michigan residents can also amend their driver's licenses. To update the gender marker, an applicant is required to submit his or her current ID, a current birth certificate or US Passport or Passport Card bearing the new gender, or a court order of gender designation. To update the name on a driver's license, an applicant must first legally

change his or her name with the Social Security Administration, and must then provide proof of the name change along with the application.

In July 2019, Michigan updated its Medicaid policies to include coverage of medically necessary care for trans people in line with the ACA. Additionally, private health insurers cannot discriminate on the basis of sexual orientation or gender identity, and health insurance providers are banned from excluding coverage for transgender-specific care.

Government Statements and Actions

In 2023, Governor Whitmer created the first-ever statewide LGBTQ+ commission.

Michigan's comprehensive nondiscrimination law is the Elliott-Larsen Civil Rights Act. In May 2018, the Michigan Civil Rights Commission (MCRC) internally reviewed the Act and concluded that it protects LGBTQ+ people from discrimination based on sexual orientation or gender identity. The state Attorney General at the time, Bill Schuette, then published a formal opinion reversing the MCRC and concluding that the Elliott-Larsen Act does not in fact extend these protections. In 2023, Gov. Gretchen Whitmer officially amended the Elliott-Larsen Civil Rights Act to explicitly protect Michiganders on the basis of sex and gender identity.

In 2022, a Michigan court ruling decided that faith-based adoption agencies may deny adoption services to same-sex couples, following the Supreme Court's similar decision in *Fulton v. Philadelphia*.

In 2021, Governor Whitmer signed an executive directive prohibiting the use of funds from the Michigan Department of Health and Human Services for the practice of conversion therapy on minors. She later outlawed the practice in 2023.

In her first days in office, Governor Whitmer signed an executive directive strengthening prohibitions against LGBTQ+ discrimination in state employment, contracting and provision of service. Whitmer's Republican predecessor, Rick Snyder, signed a similar directive in 2018 but allowed for religious exemptions.

Attorney General Dana Nessel, the state's first openly lesbian elected official, set up Michigan's first hate crimes division upon taking office in 2019.



Socio-cultural Environment of LGBTQ+ People in Michigan

Status of LGBTQ+ Organizing and Community

A recent battle fought over the rights of Michigan LGBTQ+ couples to adopt children from religious adoption agencies was resolved in favor of LGBTQ+ inclusion in March 2019. Adoption agencies receiving state funding have been known to refuse to allow LGBTQ+ couples to adopt. This policy was challenged in Dumont et al. v. Lyon et al. The case was settled, which included the state agreeing to enforce nondiscrimination provisions in adoption and foster care contracts.

When people started picketing drag queen story time at a library in Huntington Woods, hundreds of locals showed up in support of the program.

Cultural Views of the LGBTQ+ Community

77% of Michigan residents support non-discrimination protections for LGBTQ people.



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.

