

New Jersey

LGBTQ+ Business Climate Score

out of a possible 100 points

90.00

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/

New Jersey



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.

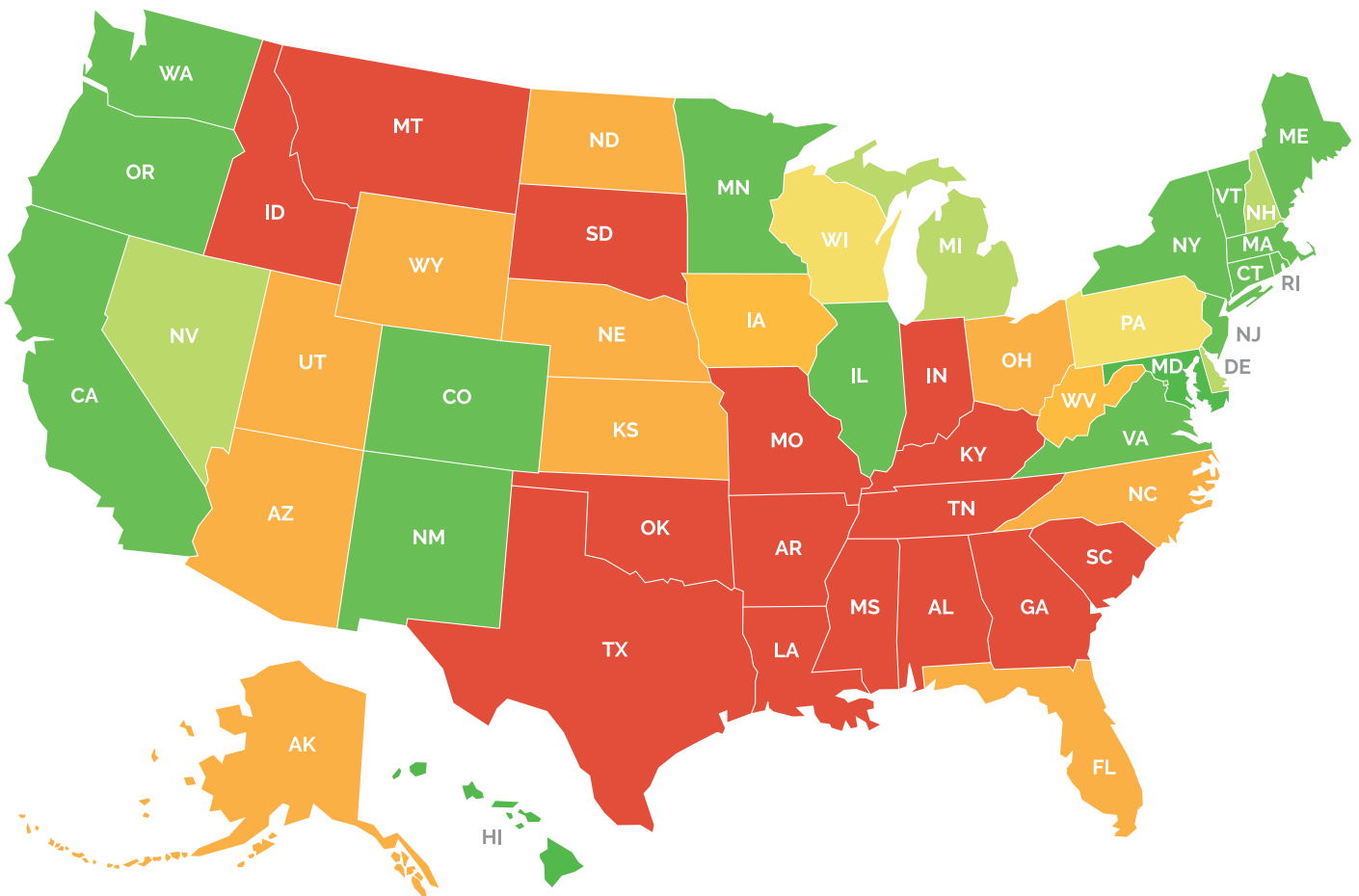
15.0_{/20}

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.





New Jersey Talking Points

5.3% of New Jersey residents identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$20.2 billion – it's a market my business can't afford to ignore.

New Jersey'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 \$18 billion, thanks to its inclusive approach. That said, there's still a gap between policy and culture, and organizations in New Jersey 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 \$11,394 to replace an employee in New Jersey, and it can cost up to \$497,000 to replace senior executives. New Jersey and the businesses operating there have strong incentives to create inclusive workplaces in the interest of keeping these costs down.

New Jersey 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 New Jersey continue to foster a business environment where being inclusive is supported.

Regional Context

The Northeast

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.

The Northeast has the lowest percentage of those who are out at work (49.6%). LGBTQ+ workers in urban environments, however, do feel slightly more comfortable talking about their personal lives vs. urban LGBTQ+ workers for the rest of the country (17% more likely than nationwide). Workers in this region are more likely to hear or engage in negative conversations about LGBTQ+ people at work. Particularly for the non-LGBTQ+ group, which is 23% more likely to report observing or experiencing negative conversations about LGBTQ+ people vs the nation as a whole. Despite being more likely to hear negative conversations at work, workers in this region are the least likely to say that they hear this negativity from state leadership. They are 61% less likely to report that leadership in their state talks about LGBTQ+ people in predominantly negative terms. Like most regions, there is a strong difference between urban and rural audiences, especially for the self-rated importance of team diversity when looking for jobs. LGBTQ+/ Allies living in Rural areas care the least about diverse teams when looking for jobs (49% less likely than nationwide). Finally, audiences in the Northeast were 20% more likely to list "Supporting LGBTQ+ Pride celebrations" as one of their top three ways businesses can demonstrate their support for the community.

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 Northeast region included: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont.

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 New Jersey, 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 New Jersey, which has recently helped lead the way on LGBTQ+ inclusion.

Talent Risk

1

NO RISK

New Jersey has comprehensive nondiscrimination laws and protections, making it a state top LGBTQ+ talent would prioritize.

Marketing Risk

1

NO RISK

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

Future Risk

1

NO RISK

New Jersey has a very limited recent history of negative bills filed, and we would not expect that to change in the foreseeable future. We assess this state as currently having no risk of a negative, headline-making event

Current Legal Status of LGBTQ+ People in New Jersey

Legal status of the Lesbian, Gay and Bisexual Community

New Jersey's Law Against Discrimination (LAD) prohibits discrimination by any employer on the basis of gender identity or expression or sexual orientation in employment, housing, public accommodations, extensions of credit (including by insurance companies, banks or other lending institutions) or in other business transactions.

The Anti-Bullying Bill of Rights Act, enacted in 2011, requires public schools in New Jersey to pursue and prevent harassment, intimidation and bullying motivated by, among other things, actual or perceived sexual orientation or gender identity.

Regulations provide that the New Jersey Department of Human Services (DHS) shall not discriminate in providing foster care on the basis of sexual orientation, gender identity or gender expression against a child needing placement in, or already placed in, a foster home. Regulations also provide that the DHS shall not discriminate in a child's adoptive placement based on the child's sexual orientation or gender identity.

Same-sex couples have been permitted to pursue adoption in New Jersey since 1997. New Jersey permits single or coupled LGBTQ+ people to adopt and for LGBTQ+ individuals to adopt a partner's child. In the case of same-sex adoption, both parents can be named on the child's birth certificate.

In 2018, New Jersey passed a law authorizing certain gestational carrier agreements which treats same gender couples equally.

DHS may not discriminate with regard to licensing a foster family on the basis of religion, sexual orientation, gender identity or marital status. They also provide that any adult may apply to be an adoptive parent, and that DHS shall not discriminate in a child's adoptive placement on account of, among other things, religion and sexual orientation or gender identity.

Regulations prohibit certified adoption agencies from discriminating in providing adoption-related services on the basis of, among other things, religion, marital status or civil union status (but are silent on gender identity and sexual orientation). Certified adoption agencies may not impede prospective adoptive or foster parents on the basis of race, color or national origin of the potential adoptive or foster parent or the child, but make no mention of discrimination on the basis of gender identity, sexual orientation or religion.

Bias intimidation, which includes both sexual orientation and gender identity, is graded as a crime one degree higher than the most serious underlying charge in most cases.

New Jersey has banned conversion therapy for minors since 2013, both legislatively and, subsequently, as an offering that violates consumer protection laws. In a pretrial hearing in June 2015, the New Jersey Superior court ruled that homosexuality is not a mental disease, disorder, or equivalent as a matter of law. Accordingly, describing homosexuality as a mental disorder that can be cured constitutes consumer fraud. This was the first ruling in the United States to find that homosexuality is not a disorder and to prohibit conversion therapy on consumer protection grounds.

Legal Status of the Transgender Community

As of February 1, 2019, transgender individuals may amend gender markers on birth certificates without gender confirmation surgery. The only requirement is a statement by the individual attesting that the request is being made to conform the petitioner's legal gender to his or her gender identity (and, if the petitioner has changed his or her name, the related court order). There is no requirement for a court appointment, name change, physician's or therapist's letter. An undesignated/non-binary gender category was added that may be used on birth certificates.

A nonbinary option has been available on New Jersey state IDs since April 2021.

As of July 2019, a person planning a funeral will be able to reflect the deceased's chosen gender identity on the death certificate.

Transgender people can change the gender listed on their driver's licenses even if they have not changed the gender on their birth certificate. A change of gender form must be submitted and signed by a licensed physician, therapist, counselor, social worker or similar professional stating what the applicant's gender is.

In September 2018, the New Jersey Department of Education issued guidance on a 2017 state law providing protections for transgender students. According to this guidance: school districts must accept a student's gender identity regardless of parental consent or notification; schools should use a student's preferred name and pronoun, print the preferred name on school documents and keep records with the birth name and gender in a separate, confidential file regardless of whether a student has legally changed his or her name; students must be allowed to dress in a way that matches their gender identity; they must have access to bathrooms, etc. that match their gender identity.

The state prohibits state-licensed hospitals, health providers, health insurers, and Medicaid from discriminating (including by denying coverage or services or inflating premiums) in providing coverage and services based on gender identity

(but not sexual orientation). Medicaid covers procedures related to gender transition if the procedures are medically necessary under the insurer's criteria.

Government Statements and Actions

In May of 2024, New Jersey became the first state to have a state-backed certification for LGBTQ+-owned businesses. The certification was originally established by Governor Phil Murphy in an executive order and was recently codified into law.

In 2024, the Governor also signed a bill expanding health coverage for infertility treatment to LGBTQ+ individuals.

Gov. Murphy signed a law in April 2021 that mandates the creation of a smooth process to reinstate benefits for veterans who were discharged dishonorably because of their sexuality or gender identity before the repeal of Don't Ask Don't Tell.

He signed a law the following month that protects senior citizens living with HIV by barring their transfer or eviction, and additionally mandates staff training around trans-affirmative care.

In April 2020, a law went into effect making it easier to legalize parental status of non-biological parents. Previously, only parents who gestated or contributed genetic material to a child's conception were automatically recognized, and the adoptive parent was subject to an arduous and expensive process, now simplified.

In January 2020, Gov. Phil Murphy signed a "gay panic defense" ban into law after it overwhelmingly passed both houses.

In January 2019, legislation was enacted requiring public middle and high schools to teach about the "social political and economic contributions of LGBTQ+ individuals" beginning in the 2020-2021 school year.

A Transgender Equality Task Force was created in 2018 "to ensure equality and improve the lives of transgender individuals, with particular attention to the following areas: healthcare, long term care, education, higher education, housing, employment and criminal justice."

Senator Cory Booker has been a consistent and vocal supporter of LGBTQ+ rights, earning 100% ratings from HRC. As Mayor of Newark, Booker declined to officiate weddings for seven years in protest of marriage inequality. In 2013, Booker officiated the weddings of nine gay, lesbian, and straight couples in City Hall shortly after midnight of the first day that same-sex marriages were permitted in New Jersey.



Socio-cultural Environment of LGBTQ+ People in New Jersey

Status of LGBTQ+ Organizing and Community

The law allowing trans people to change gender markers without surgery was named after Babs Siperstein, the first trans person to become a DNC member. She died days after the law was passed.

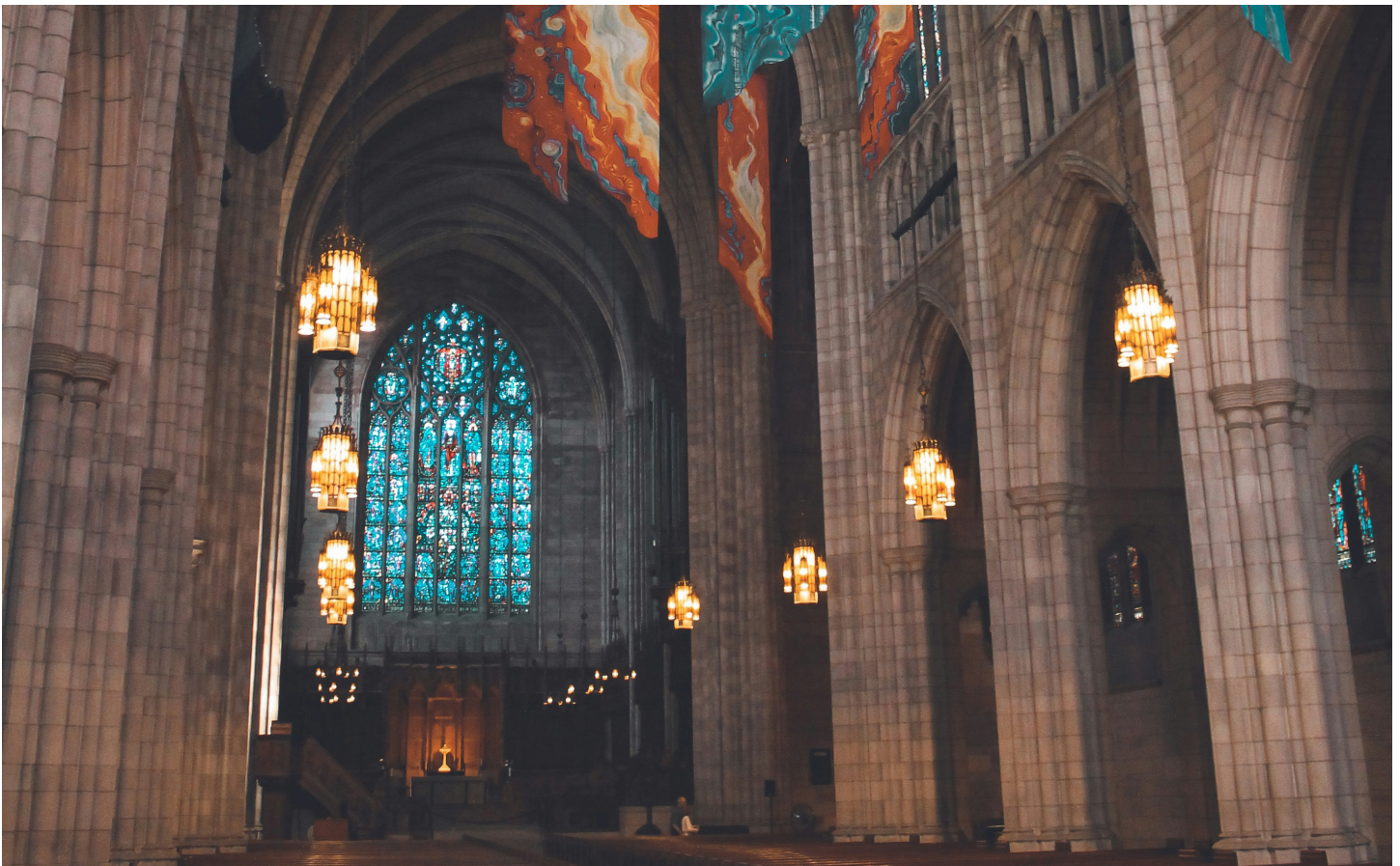
Jersey Pride is entering its 32nd this year, with crowds typically surpassing 20,000.

Over 200 LGBTQ+ civil rights laws have passed in New Jersey since 2004. According to Garden State Equality, that's more laws in less time than in any other state in American history.

Cultural Views of the LGBTQ+ Community

The Department of Children and Families, which oversees adoption in New Jersey, is the first state child welfare agency in the US to earn the Seal of Recognition from the Human Rights Campaign's All Children – All Families project. This project is an initiative of the Human Rights Campaign's Family Project intended to increase the number of prospective adoptive parents by recruiting members of the LGBTQ+ community. The program's benchmarks include a non-discrimination policy that bans discrimination on the basis of sexual orientation or gender identity, use of inclusive LGBTQ+ language, employee training to work with LGBTQ+ families and individuals, and placements of children with LGBTQ+ adoptive parents.

The state's conversion therapy ban was challenged on First Amendment grounds, but the US Supreme Court declined to take it up. In February 2019, the ban was challenged again when Liberty Counsel petitioned the US Supreme Court to overturn it, again on First Amendment grounds.



Partners

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