

LGBTQ+ Business Climate Score

out of a possible 100 points

39.40

HIGH RISK

# Alabama



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
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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/](https://outleadership.com/driving-equality/us-state-ceo-briefs/)

# Alabama



## 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.

3.5<sub>/20</sub>



## 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.

6.4<sub>/20</sub>



## 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.

6.0<sub>/20</sub>



## 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.

11.5<sub>/20</sub>



## 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.

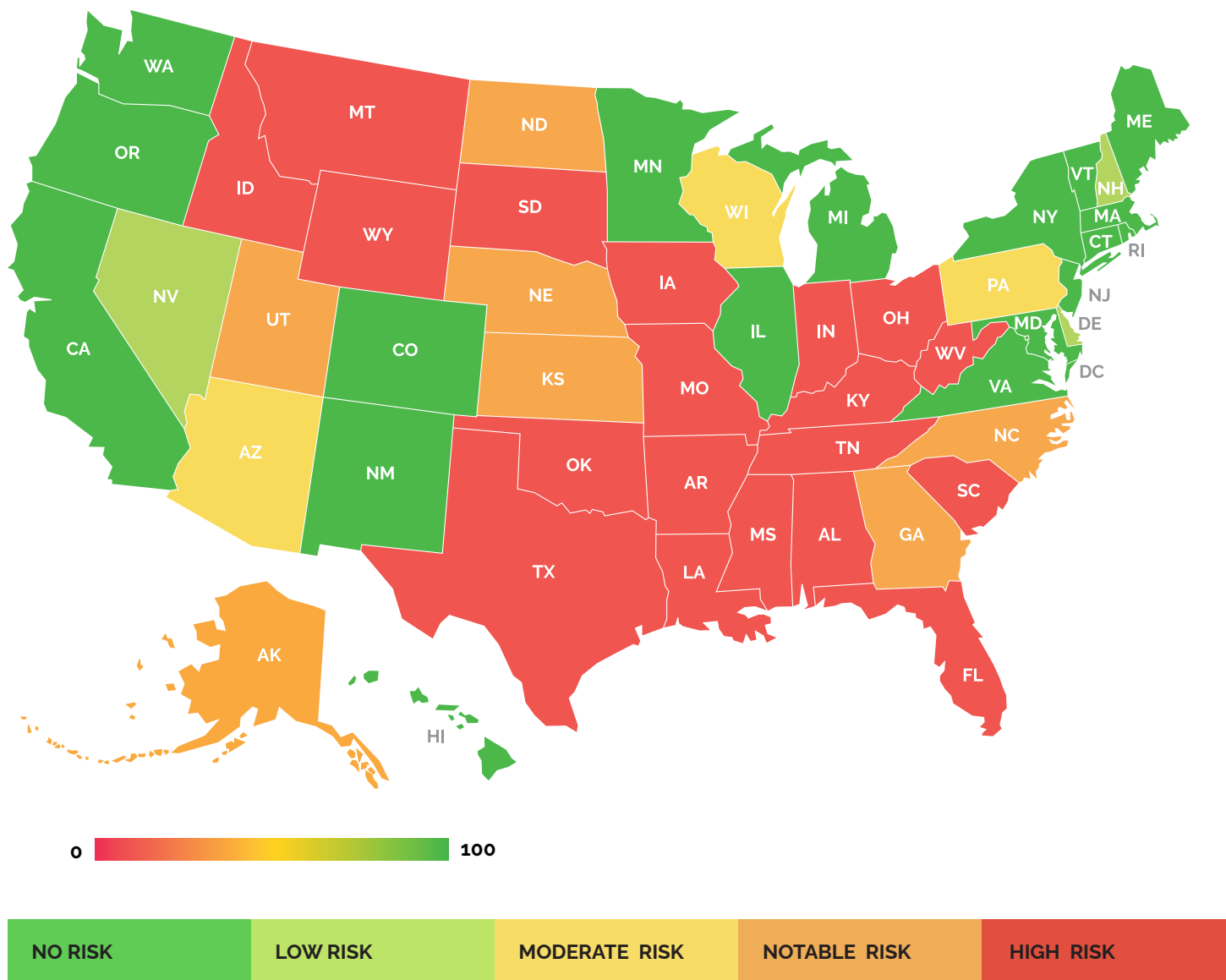
12.0<sub>/20</sub>

## 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.



# Alabama

## Talking Points

4.6% of Alabamans identify as LGBTQ+. Conservatively, that's LGBTQ+ personal income of \$7.2 billion – it's a market my business can't afford to ignore.

Increased hostile policies toward the LGBTQ+ community will have a negative impact on a company's ability to attract and retain top talent.

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 \$8,106 to replace an employee in Alabama, and it can cost upwards of \$270,000 to replace senior executives. Alabama and the businesses operating there have strong financial incentives to create inclusive workplaces in the interest of keeping these costs down.

Nondiscrimination policies allow LGBTQ+ people to participate more fully in the economy.

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 Alabama work to foster a business environment where being inclusive is supported.

Alabama has a regressive attitude towards trans-inclusive health coverage. Treating trans people as unequal makes us look complicit if we choose to do business in Alabama – equality is good for everyone's bottom line.

## Regional Context

# The Southeast

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.

LGBTQ+ workers in the Southeast are the most likely to be out at work (54.4%), but they are also 25% more likely to feel that covering behaviors are important for work place success. More broadly, non LGBTQ+ workers in this region preferred for businesses to demonstrate their support for the LGBTQ+ community using internal initiatives (like hiring more LGBTQ+ employees and creating more inclusive HR policies). However, this group was 57% less likely to approve of more public demonstrations of support (like withdrawing sponsorship from sporting events in less inclusive areas). LGBTQ+ workers in this region are 39% more likely to support inclusive businesses and 17% more likely to consider LGBTQ+ friendliness in making spending decisions compared to the non-LGBT workers nationwide. However, there is a perception that state leadership speaks about the LGBTQ+ community in a more negative way (39% more likely than nationwide), which could partially explain why LGBTQ+ workers in the Southeast are 19% more likely to say that they would be open to moving to a state with better LGBTQ+ support.

*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 Southeast region included: Alabama, Arkansas, Kentucky, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

# Alabama: 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

**5**

HIGH RISK

Companies incur high risk to their brands by operating in Alabama, where there are no state wide LGBTQ+ inclusive nondiscrimination protection and the state's governor and one of the senators have negative voting records on LGBTQ+ issues.

## Client Risk

**5**

HIGH RISK

There is notable risk of LGBTQ+ or strong ally clients pulling their business from companies operating in Alabama in light of the state's business climate and reputation.

## Talent Risk

**5**

HIGH RISK

LGBTQ+ professionals are very likely to consider Alabama's legal and social environment unfriendly. There is no statewide LGBTQ+ inclusive nondiscrimination law, and the state has discriminatory policies on gender marker changes, all of which make working in Alabama unattractive to LGBTQ+ talent.

## Marketing Risk

**5**

HIGH RISK

There is high risk involved in marketing to the LGBTQ+ community in Alabama, where there's been little progress towards legal equality over the last few decades.

## Future Risk

**4**

NOTABLE RISK

Overall volume of discriminatory bills filed seems to be declining. However, there is a child welfare religious exemption law on the books, and there remains a notable risk of a future negative event.



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# Current Legal Status of LGBTQ+ People in Alabama

## Legal status of the Lesbian, Gay and Bisexual Community

The state's nondiscrimination laws don't extend to sexual orientation or gender identity, but two cities – Birmingham and Montevallo – offer those protections. Mobile offers those protections for housing only.

State employees are not protected from discrimination on the basis of sexual orientation or gender identity.

There are no explicit legal protections for youths in foster care on the basis of sexual orientation or gender identity.

The Alabama Religious Freedom Amendment was passed in 1998 as a state constitutional amendment. This paved the way for laws like the 2017 "Child Placing Agency Inclusion Act," which allows adoption agencies that don't receive state or federal funding to use religious belief as a basis for declining prospective parents.

Same-sex adoptive parents can both be listed on a child's birth certificate. The law is nebulous on whether same-sex couples with biological children also have this right: the "mother" on the state's birth certificate form is whoever birthed the child, and the other parental blank says "husband."

The state is one of five states where "No Promo Homo" laws (more recently labeled "Don't Say Gay"), which prohibit or limit the mention or discussion of homosexuality and transgender identity in public schools, are still approved. These laws were re-affirmed in 2022 by passing a version of the "Don't Say Gay" bill limiting the broad discussion of sexual orientation and gender identity in the classroom.

HIV-positive people who do anything that either transmits or could transmit the virus can be charged with a misdemeanor.

The state's hate crimes laws have no protections or provisions for sexual orientation or gender identity.

In 2025, Alabama has passed several controversial bills that mandate the display of the Ten Commandments in public school classrooms, ban drag performances in schools and libraries without parental consent, prohibit teachers from displaying pride flags or facilitating formal discussions on LGBTQ+ topics, and permit volunteer chaplains in schools.



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## Legal Status of the Transgender Community

It's possible to amend the gender marker on a birth certificate, but it requires gender confirmation surgery, court approval, and a name change.

People can amend gender markers on a driver's license by submitting either an amended birth certificate or a document signed by a surgeon certifying that the applicant has completed gender affirmation surgery.

There are no explicit policies either mandating that Medicaid cover transgender-related healthcare or ensuring that private insurers do so.

A 2022 bill criminalized access to healthcare for trans youth by criminalizing parents who support getting their children gender-affirming care.

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## Government Statements and Actions

In 2025, Gov. Kay Ivey signed SB 79, a law which declares there are only two sexes and puts legal definitions of sex-based terms into statute.

This is the most recent discriminatory government action, joining 2024 bill SB 129, which restricts bathroom use and signage and makes it illegal to mandate any diversity training for public employees, 2022 "Don't Say Gay" trans care and bathroom ban bills, HB 322, which requires students in public K-12 schools to only use bathrooms and locker rooms that correspond with their assigned sex at birth and restricts LGBTQ+ content in public school classrooms, and SB 184, which made providing access to gender-affirming care for minors a felony.

Currently, the ACLU is tracking 7 anti-LGBTQ bills in Alabama.

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# Socio-cultural Environment of LGBTQ+ People in Alabama

## Status of LGBTQ+ Organizing and Community

Birmingham has an annual LGBTQ+ black pride event, founded in 2018.

Central Alabama Pride, based in Birmingham, is celebrating its 47th anniversary in June 2025.

Other organizations supporting and advancing LGBTQ+ work include Southern Poverty Law Center in Montgomery, Equality Alabama and TAKE – Transgender Advocates Knowledgeable Empowering.

BIRMINGHAM AIDS OUTREACH (BAO) was the first nonprofit, community-based organization dedicated to providing HIV/AIDS prevention education and services for persons/families living with HIV/AIDS in the state of Alabama. All HIV programs at BAO are offered free of charge and include food bank, nutritional supplements and food vouchers, legal services, clothes and household items closet, medical assistance, counseling and support groups, among multiple other services.

In April 2014, BAO opened a LGBTQ+ youth center, the Magic City Acceptance Center (MCAC), a youth LGBTQ+ center offering all programs free of charge that include legal clinic, name change clinic, HIV/STD/STI testing and education, etc

In January 2016, BAO opened the Magic City Wellness Center (MCWC), a LGBTQ+ medical facility providing general medicine, a PrEP/PeP clinic, hormone replace therapy (HRT), free counseling and support groups, trans support group, etc.

In August 2019, BAO started the LGBTQ+ free legal program. BAO will open the Magic City Acceptance Academy (MCAA) August 2021, Alabama's first and only LGBTQ+ affirming charter school.



## Cultural Views of the LGBTQ+ Community

In March 2020, the Alabama-based Foundation for Moral Law, a conservative advocacy organization founded by disgraced former State Supreme Court Justice Roy Moore, filed an amicus brief with the U.S. Supreme Court seeking to overturn *Obergefell v. Hodges*.

64% of Alabamians support employment nondiscrimination protections for LGBTQ+ people.

49% of Alabamians oppose allowing small businesses to discriminate against LGBTQ+ people on religious grounds.

Alabama is the only state in the nation where a majority of residents oppose same-sex marriage.

Alabama is the only state in the nation in which local marriage offices opted to cease offering marriage licenses to anyone rather than serving same-sex couples. A bill passed by the state house in 2019 ended the marriage license requirement as a workaround in favor of same-sex couples.





# 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.

