



New River Gorge Bridge, West Virginia

OUT LEADERSHIP

2023 State LGBTQ+ Business Climate Index



Purpose

Multinational companies face operational and reputational 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 – and creates brand risk. Out Leadership's State LGBTQ+ Business Climate Index and CEO Business Briefs help C-Suite leaders understand and respond to these risks and opportunities. They also 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 improve the lives of 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 your conversations with:

Staff: Ensure that staff at your company are aware of the laws and attitudes impacting LGBTQ+ people where they work and that they've adopted the appropriate internal policies, including legal support, HR training, and safety protocols for their location.

Government Leaders: In meetings with government leaders, particularly those focused on economic development, we encourage you to bring up a state's performance on the State Business Climate Index, as well as the details shared in the CEO Briefs, in an appropriate way. As employers in a state, you are an economic engine and driver – elected leaders listen. We hope that these tools will help you explain how LGBTQ+ inclusive policies are part of a company's best practices and acknowledged as intrinsic to 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 CEO, Business Heads, Government Affairs Officer, 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 then explain why inclusion positively impacts your ability to conduct business.

Out Leadership Members

Out Leadership is the world's premier global platform for businesses to drive LGBTQ+ equality. We work closely with the world's leading companies to develop extraordinary talent, produce cutting-edge research, advance powerful advocacy, and improve business outcomes.

Thank you to our members as of June 1, 2023:



Join our global movement. If your company is not a member, email info@outleadership.com.



Red Rocks Amphitheater, Colorado

Introduction

Dear Leaders,

The 2023 Out Leadership State LGBTQ+ Business Climate Index is a business-lens roadmap of equality across the country. It includes current legislation, policies, resource allocation, and attitudes in each of the 50 states and creates metrics that rank the impact each state has on LGBTQ+ safety and inclusion. For over 13 years, Out Leadership has made the case globally that LGBTQ+ equality is a business driver.

For the second year in a row, more states are becoming less friendly to the LGBTQ+ community than in the previous year.

This trend is a clear indication of the increasing political and cultural polarization in this country, on the backs of LGBTQ+ people and our families, that businesses who are invested in both LGBTQ+ equality and bottom-line success should note with interest if not concern.

Here's why: our data has shown for years that businesses operating in LGBTQ+ friendly environments are more likely to prosper from top-tier employee recruitment and retention, consumer loyalty and satisfaction, innovation, and brand. Unfortunately, the disheartening trend shows a solidifying – if not worsening – stratification of states' attitudes and policies toward LGBTQ+ equality, which could significantly impact the ability of businesses to thrive in a growing number of locations across the United States.

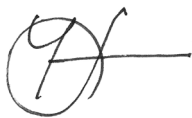
That's why we have the Index. To provide CEOs, companies, and business and government leaders with the information, tools, platforms, and guidance to commit to the well-being of their LGBTQ+ employees and consumers when considering where they want to do business – and how to use their platform to advocate for equality where they currently do business.

Out Leadership approaches all of our work with an eye toward pragmatic solutions. We believe there's no reason to flag a problem unless you also provide a workable solution to solve it. That's the Index. A roadmap to solutions that are critical for businesses invested in maximizing success today and "down the road." We are deeply indebted to partners, like the Gill Foundation, who originally funded the Index as part of Out Leadership's CEO Business Briefs, and our partners at the Williams Institute, the United States Transgender Survey, and the Movement Advancement Project, who generously donated data.

Last year's Index sparked five states to reach out to understand how they could do better – and led to the expansion of our work to state convenings with government and business leaders in states with challenging climates. We are currently seeking sponsors to continue these conversations across the United States.

We are equally grateful to our member firms and leaders, nonprofit partners, and allies who lead by example. They've taken the tools we provide and demonstrated that when properly informed, and with strategic guidance, companies can – and do – leverage the power of business to drive equality.

Thank you,



Todd G. Sears
Founder and CEO
Out Leadership





Executive Summary

- **New York is the highest-ranking state** in LGBTQ+ equality for the third year in a row, scoring 93.67 out of 100 points.
- **Arkansas is the lowest-ranking state** in LGBTQ+ equality for the first year, dropping below South Carolina with a score of 32.00 out of 100 points.
- **The state with the most positive movement was West Virginia**, with an increase of 5.47 points. **The state with the most negative movement was Kentucky**, with a decrease of 7.08 points.
- The most significant changes in scores between 2022-2023 were driven by **Legal and Nondiscrimination Protections, Youth and Family Support, and Political and Religious Attitudes**. States with the largest score increases, such as West Virginia, North Carolina, and Colorado, adopted pro-LGBTQ+ laws and protections across a diverse range of policy areas. On the other hand, decreases in scores were largely driven by recent anti-LGBTQ+ legislation in states such as Florida, Tennessee, and Kentucky.
- **The average score across all 50 states was 64.48 out of 100, compared to 64.61 in 2022 and 64.03 in 2021.** As Out Leadership's research has demonstrated over the past five years, polarization across the United States continues to deepen as states that excel in LGBTQ+ equality continue to excel and states that demonstrate hostility to LGBTQ+ rights continue to jeopardize the LGBTQ+ community's ability to live and work.
- **The average score of all states – for the first time – was a net negative. On average, each state's score decreased by 1.14 points.**

Rationale & Methodology

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 LGBTQ+ people residing in each state, quantifying the economic imperatives for inclusion and the costs of discrimination. It equips business leaders and policymakers with a clear view of the most impactful steps they can take to make their states more hospitable to forward-thinking, innovative, inclusive businesses.

It is a multidimensional Index based on a broad array of markers of policies, attitudes, and measurements relating to LGBTQ+ inclusion. These markers are carefully chosen to accurately reflect the experiences of LGBTQ+ people in each state.

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 as the Religious Freedom Restoration (RFRA) law Mike Pence signed in Indiana in 2016, and North Carolina's passage of the HB2 "Bathroom Bill," damaged those states' reputations for being business-friendly and harmed tourism, resulting in significant economic losses. We see this also in the current attack on trans youth in over 100 bills proposed in 35 state legislations, as well as "Don't Say Gay" bills being signed into law in Florida and several other states.

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

Research demonstrates that companies where LGBTQ+ people are supported enjoy increased profitability, stock prices, and 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 legally and culturally experience significant rewards for doing so, particularly in terms of residents' well-being and productivity.

Data Sources & Standards

In creating this Index, we required that data inputs be independently verifiable, as recent as possible, and available for each state. We also required that data be based on a sufficient sample for statistical analysis.

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.

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 April 27, 2023. Williams Institute data are from no earlier than 2017. Bureau of Labor Statistics data are from May 2018.

The Index was built so that the data can be updated as laws and attitudes measurably change. Please note that given the rapid nature of public policy, some analysis in this report and its accompanying CEO State Briefs may include legislative updates that occurred after April 27, 2023, and are not reflected in the scores provided by MAP.



Measures

The Index consists of 5 sections: Legal and Nondiscrimination Protections, Youth and Family Support, Political and Religious Attitudes, Health Access and Safety, and 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? The process to change your birth certificate. The 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 (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 nondiscrimination 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 the 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, whether the state has any laws preventing schools or school districts from actively protecting LGBTQ+ students through non-discrimination or anti-bullying policies, whether the state has bans on healthcare for trans youth, and whether the state has enacted a ban on trans athletes participating on teams of their gender.

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 subsections, 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* 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. 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'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.



Health Access and 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. 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 subsections:

The *Work Environment Scale* assesses transgender individuals' experiences at work, including incidences of verbal harassment, sexual assault, and other mistreatment (such as being forced to use a non-gender-matching restroom, being told to present in the wrong gender in order to keep a job, having someone at work share without consent 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 positive scores to policies that provided protections or equal treatment for LGBTQ+ individuals; we gave negative scores to legislation or policy marginalizing or discriminating against LGBTQ+ people, as well as to instances where protections excluded LGBTQ+ people. We also 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.

Scoring Change Note: The 2023 State LGBTQ+ Business Climate Index assigned states a score of either 1 or 5 under the section "Conversion Therapy Ban," with a score of 1 indicating a lack of a statewide conversion therapy ban and a score of 5 indicating the presence of a statewide conversion therapy ban. Previous reports gave states a score of 2-4 for regional conversion therapy bans.

State Index Scores

State	2022 Total	2023 Total	Legal and Nondiscrimination Protections				Youth and Family Support			
			Change Birth Certificate	Change Driver's License	Emp Non-discrimination	Other Non-discrimination	Family Support	Youth Support	Conversion Therapy Ban	"No promo homo"
Alabama	41.83	39.90	0.00	1.00	1.00	2.00	1.00	1.40	1.00	1.00
Alaska	64.83	58.00	5.00	4.00	4.50	2.50	1.00	3.00	1.00	5.00
Arizona	55.47	58.03	0.00	2.00	4.50	3.00	1.33	1.40	1.00	5.00
Arkansas	35.93	32.00	0.00	5.00	1.00	1.00	1.00	2.20	1.00	1.00
California	86.50	86.50	5.00	5.00	5.00	5.00	3.50	5.00	5.00	5.00
Colorado	86.33	88.67	5.00	5.00	5.00	5.00	3.67	5.00	5.00	5.00
Connecticut	92.87	93.27	5.00	5.00	5.00	5.00	3.67	5.00	5.00	5.00
Delaware	70.87	70.83	5.00	4.00	5.00	4.00	2.83	4.00	5.00	5.00
Florida	53.43	50.60	5.00	2.00	4.50	3.50	1.00	3.00	1.00	1.00
Georgia	52.73	49.40	0.00	0.00	1.00	2.00	1.00	1.40	1.00	5.00
Hawaii	86.00	82.67	5.00	5.00	5.00	4.00	2.17	4.00	5.00	5.00
Idaho	48.10	48.77	5.00	2.00	1.50	2.50	1.67	3.00	1.00	5.00
Illinois	87.73	86.47	5.00	5.00	5.00	5.00	3.67	3.00	5.00	5.00
Indiana	50.60	48.27	1.00	3.00	3.50	2.50	2.17	3.00	1.00	5.00
Iowa	56.33	55.00	0.00	0.00	5.00	5.00	2.00	3.00	1.00	5.00
Kansas	58.83	58.30	5.00	2.00	4.50	3.50	1.00	1.40	1.00	5.00
Kentucky	46.93	39.85	0.00	0.00	4.50	3.00	2.00	1.75	1.00	1.00
Louisiana	36.43	33.50	0.00	0.00	1.00	2.00	1.00	1.40	1.00	1.00
Maine	88.67	87.42	5.00	5.00	5.00	5.00	3.67	3.75	5.00	5.00
Maryland	79.93	82.17	5.00	5.00	5.00	4.00	2.17	5.00	5.00	5.00
Mass.	91.67	92.67	5.00	5.00	5.00	5.00	3.67	5.00	5.00	5.00
Michigan	75.03	73.20	5.00	5.00	5.00	4.00	2.00	4.00	1.00	5.00
Minnesota	86.00	88.17	5.00	5.00	5.00	5.00	2.17	5.00	5.00	5.00
Mississippi	37.90	37.87	3.00	1.00	1.00	2.00	1.67	3.00	1.00	1.00
Missouri	51.13	47.10	0.00	4.00	2.00	2.50	1.50	0.50	1.00	5.00

State Index Scores

State	Political and Religious Attitudes				Health Access and Safety				Work Environment and Employment			
	Governor Rating	Senator 1 Rating	Senator 2 Rating	Religious Exclusions	Health Support	State Employee Coverage	Hate Crimes Protections	HIV Criminalization	Safety at Work	Unemployment Differential	Food Insecurity Differential	Income Over 24k
AL	2.00	2.00	1.00	3.00	1.50	4.00	1.00	5.00	3.00	3.00	5.00	1.00
AK	1.00	5.00	3.00	5.00	2.00	3.00	1.00	3.00	3.00	1.00	3.00	2.00
AZ	4.00	3.00	5.00	3.80	1.00	3.00	3.00	5.00	3.00	3.00	3.00	3.00
AR	1.00	1.00	1.00	3.80	1.00	3.00	1.00	1.00	1.00	3.00	1.00	2.00
CA	4.00	3.00	5.00	5.00	5.00	3.00	5.00	3.00	3.00	3.00	5.00	4.00
CO	5.00	5.00	5.00	5.00	5.00	3.00	5.00	3.00	3.00	3.00	3.00	5.00
CT	4.00	5.00	5.00	4.60	4.00	4.00	5.00	5.00	3.00	5.00	5.00	5.00
DE	3.00	3.00	3.00	5.00	5.00	3.00	5.00	2.00	3.00	1.00	1.00	2.00
FL	1.00	3.00	2.00	4.60	1.00	3.00	3.00	1.00	2.00	3.00	3.00	3.00
GA	1.00	5.00	3.00	5.00	2.00	2.00	5.00	2.00	2.00	3.00	5.00	3.00
HI	3.00	5.00	5.00	5.00	4.50	3.00	5.00	5.00	2.00	5.00	1.00	4.00
ID	1.00	2.00	2.00	4.60	1.50	3.00	1.00	2.00	3.00	3.00	1.00	3.00
IL	5.00	5.00	5.00	3.80	5.00	3.00	5.00	5.00	2.00	5.00	3.00	3.00
IN	1.00	1.00	3.00	4.60	1.50	3.00	1.00	1.00	3.00	3.00	3.00	2.00
IA	2.00	3.00	2.00	5.00	2.00	4.00	3.00	2.00	2.00	3.00	3.00	3.00
KS	5.00	2.00	3.00	3.40	1.50	3.00	3.00	5.00	3.00	3.00	1.00	2.00
KY	4.00	1.00	1.00	4.60	1.00	3.00	3.00	2.00	2.00	3.00	1.00	1.00
LA	2.00	2.00	1.00	4.60	1.50	1.00	3.00	1.00	2.00	3.00	3.00	2.00
ME	5.00	3.00	5.00	5.00	5.00	4.00	5.00	5.00	2.00	3.00	5.00	3.00
MD	5.00	5.00	5.00	5.00	3.00	3.00	5.00	2.00	2.00	3.00	3.00	5.00
MA	4.00	5.00	5.00	5.00	4.00	3.00	5.00	5.00	3.00	5.00	5.00	5.00
MI	5.00	5.00	5.00	4.20	5.00	3.00	1.00	2.00	3.00	3.00	3.00	3.00
MN	5.00	5.00	5.00	5.00	5.00	2.00	5.00	5.00	3.00	3.00	3.00	5.00
MS	1.00	2.00	1.00	2.20	1.00	3.00	1.00	2.00	2.00	3.00	5.00	1.00
MO	1.00	2.00	1.00	4.60	1.00	3.00	5.00	2.00	2.00	3.00	3.00	3.00

State Index Scores

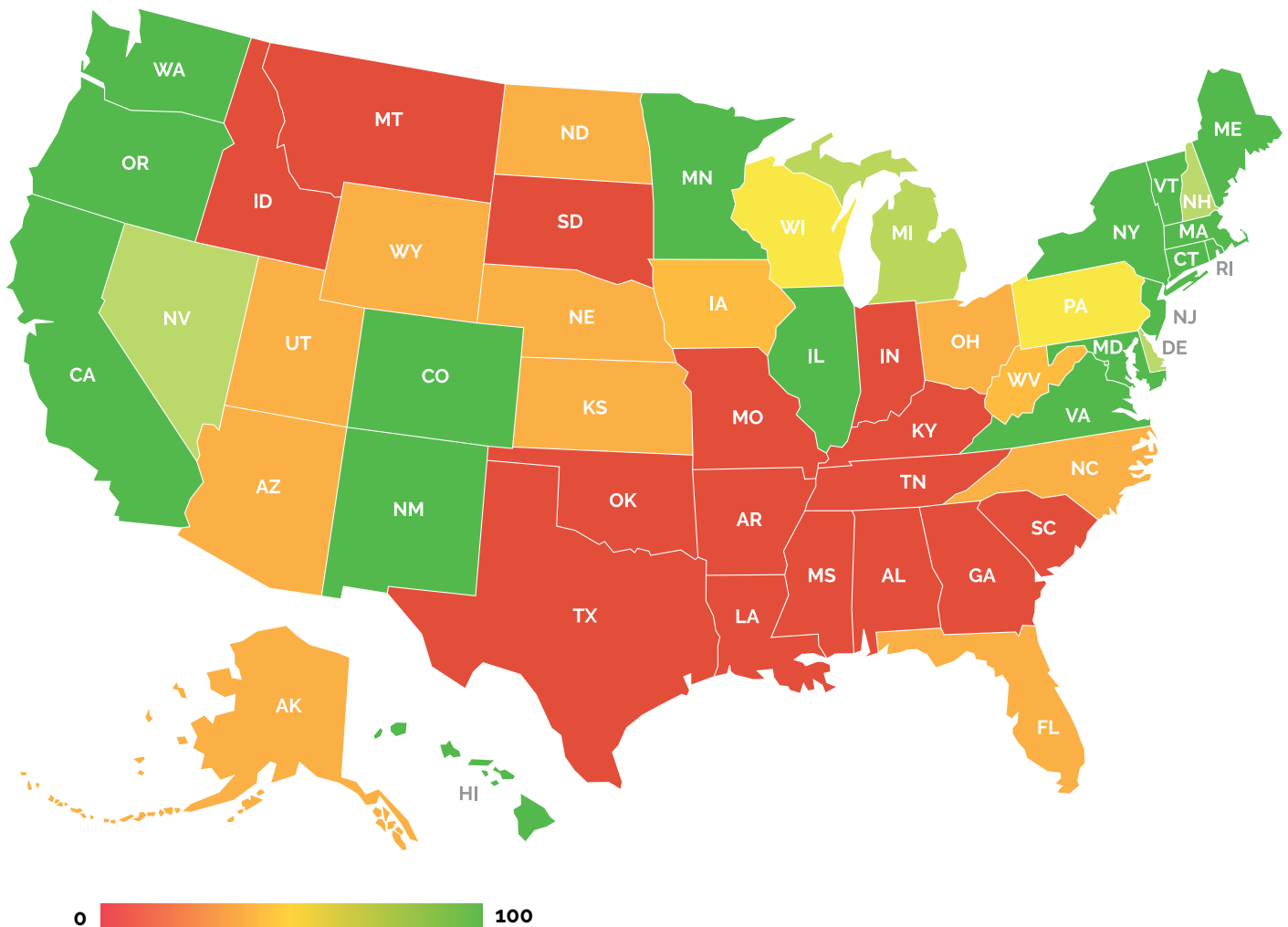
State	2022 Total	2023 Total	Legal and Nondiscrimination Protections				Youth and Family Support			
			Change Birth Certificate	Change Driver's License	Emp Non-discrimination	Other Non-discrimination	Family Support	Youth Support	Conversion Therapy Ban	"No promo homo"
Montana	46.10	45.17	0.00	1.00	3.00	2.00	2.17	2.40	1.00	5.00
Nebraska	52.23	51.25	0.00	3.00	4.50	3.00	1.00	1.75	1.00	5.00
Nevada	81.67	79.67	5.00	5.00	5.00	5.00	3.67	5.00	5.00	5.00
New Hamp.	78.33	78.33	0.00	5.00	5.00	4.00	3.33	5.00	5.00	5.00
New Jersey	90.33	90.00	5.00	5.00	5.00	5.00	3.00	5.00	5.00	5.00
New Mexico	84.77	85.77	5.00	5.00	5.00	5.00	2.67	5.00	5.00	5.00
New York	93.67	93.67	5.00	5.00	5.00	5.00	3.67	5.00	5.00	5.00
N. Carolina	55.48	58.85	5.00	4.00	3.50	2.25	2.00	4.00	1.00	5.00
N. Dakota	61.87	57.97	0.00	4.00	4.50	4.25	2.67	3.75	1.00	5.00
Ohio	53.43	50.35	3.00	4.00	4.50	4.25	2.00	1.40	1.00	5.00
Oklahoma	35.30	34.97	0.00	0.00	1.00	2.00	1.67	3.00	1.00	1.00
Oregon	87.33	84.75	5.00	5.00	5.00	4.00	3.00	3.75	5.00	5.00
Pennsylvania	69.20	66.02	5.00	5.00	4.50	3.50	1.67	3.75	1.00	5.00
Rhode Island	84.90	85.60	5.00	5.00	5.00	5.00	3.50	4.50	5.00	5.00
S. Carolina	33.63	32.50	1.00	0.00	1.00	2.00	1.50	3.00	1.00	5.00
S. Dakota	35.83	34.97	1.00	1.00	1.00	2.00	2.00	0.67	1.00	5.00
Tennessee	35.33	34.40	0.00	0.00	1.00	1.00	2.00	1.40	1.00	5.00
Texas	45.63	44.70	3.00	0.00	4.50	2.00	1.00	1.40	1.00	1.00
Utah	58.83	54.25	0.00	2.00	5.00	3.00	1.00	2.75	5.00	5.00
Vermont	89.50	87.50	5.00	5.00	5.00	5.00	3.50	3.00	5.00	5.00
Virginia	81.90	81.47	5.00	5.00	5.00	5.00	1.67	4.00	5.00	5.00
Washington	85.83	85.83	5.00	5.00	5.00	5.00	2.83	5.00	5.00	5.00
West Virginia	46.13	51.60	5.00	3.00	1.00	2.00	2.00	3.50	1.00	5.00
Wisconsin	70.30	65.47	0.00	2.00	5.00	3.00	1.67	1.80	1.00	5.00
Wyoming	51.07	50.17	3.00	4.00	1.00	2.00	1.67	3.00	1.00	5.00

State Index Scores

State	Political and Religious Attitudes				Health Access and Safety				Work Environment and Employment			
	Governor Rating	Senator 1 Rating	Senator 2 Rating	Religious Exclusions	Health Support	State Employee Coverage	Hate Crimes Protections	HIV Criminalization	Safety at Work	Unemployment Differential	Food Insecurity Differential	Income Over 24k
MT	1.00	5.00	2.00	4.60	3.00	3.00	1.00	2.00	2.00	3.00	1.00	1.00
NE	1.00	2.00	1.00	5.00	1.00	4.00	3.00	2.00	3.00	3.00	3.00	4.00
NV	1.00	5.00	5.00	5.00	5.00	1.00	5.00	5.00	2.00	3.00	1.00	3.00
NH	3.00	5.00	5.00	5.00	5.00	3.00	5.00	5.00	3.00	3.00	1.00	3.00
NJ	5.00	5.00	5.00	5.00	4.00	3.00	5.00	5.00	3.00	3.00	5.00	4.00
NM	5.00	5.00	5.00	4.60	3.50	1.00	5.00	5.00	3.00	3.00	5.00	3.00
NY	5.00	5.00	5.00	5.00	5.00	3.00	5.00	5.00	3.00	5.00	5.00	4.00
NC	5.00	2.00	3.00	4.60	1.50	3.00	1.00	2.00	2.00	3.00	3.00	2.00
ND	2.00	1.00	1.00	3.80	2.00	3.00	1.00	2.00	3.00	5.00	5.00	4.00
OH	1.00	5.00	3.00	4.20	1.00	3.00	1.00	1.00	2.00	1.00	1.00	2.00
OK	1.00	2.00	2.00	3.80	1.50	2.00	1.00	2.00	3.00	3.00	1.00	3.00
OR	4.00	5.00	5.00	5.00	5.00	2.00	5.00	5.00	3.00	3.00	3.00	4.00
PA	4.00	5.00	3.00	4.60	4.00	3.00	1.00	2.00	3.00	1.00	3.00	3.00
RI	4.00	5.00	5.00	4.60	4.00	3.00	3.00	5.00	3.00	3.00	5.00	3.00
SC	1.00	1.00	1.00	3.00	1.00	1.00	1.00	2.00	2.00	1.00	1.00	3.00
SD	1.00	2.00	1.00	3.80	1.50	3.00	1.00	1.00	3.00	1.00	1.00	2.00
TN	1.00	1.00	3.00	3.00	1.00	1.00	3.00	1.00	1.00	3.00	3.00	2.00
TX	1.00	1.00	2.00	3.80	1.00	3.00	3.00	5.00	2.00	3.00	3.00	3.00
UT	2.00	2.00	2.00	5.00	1.50	3.00	5.00	1.00	2.00	1.00	3.00	3.00
VT	5.00	5.00	5.00	5.00	5.00	3.00	5.00	5.00	4.00	3.00	3.00	3.00
VA	1.00	5.00	5.00	3.80	4.00	3.00	5.00	5.00	3.00	3.00	3.00	5.00
WA	5.00	5.00	5.00	5.00	5.00	3.00	5.00	2.00	2.00	3.00	3.00	5.00
WV	2.00	3.00	2.00	4.60	1.50	3.00	1.00	5.00	2.00	1.00	3.00	1.00
WI	5.00	5.00	2.00	5.00	5.00	3.00	3.00	3.00	3.00	3.00	5.00	4.00
WY	2.00	3.00	1.00	5.00	1.50	3.00	1.00	5.00	2.00	1.00	3.00	2.00

Heat Map

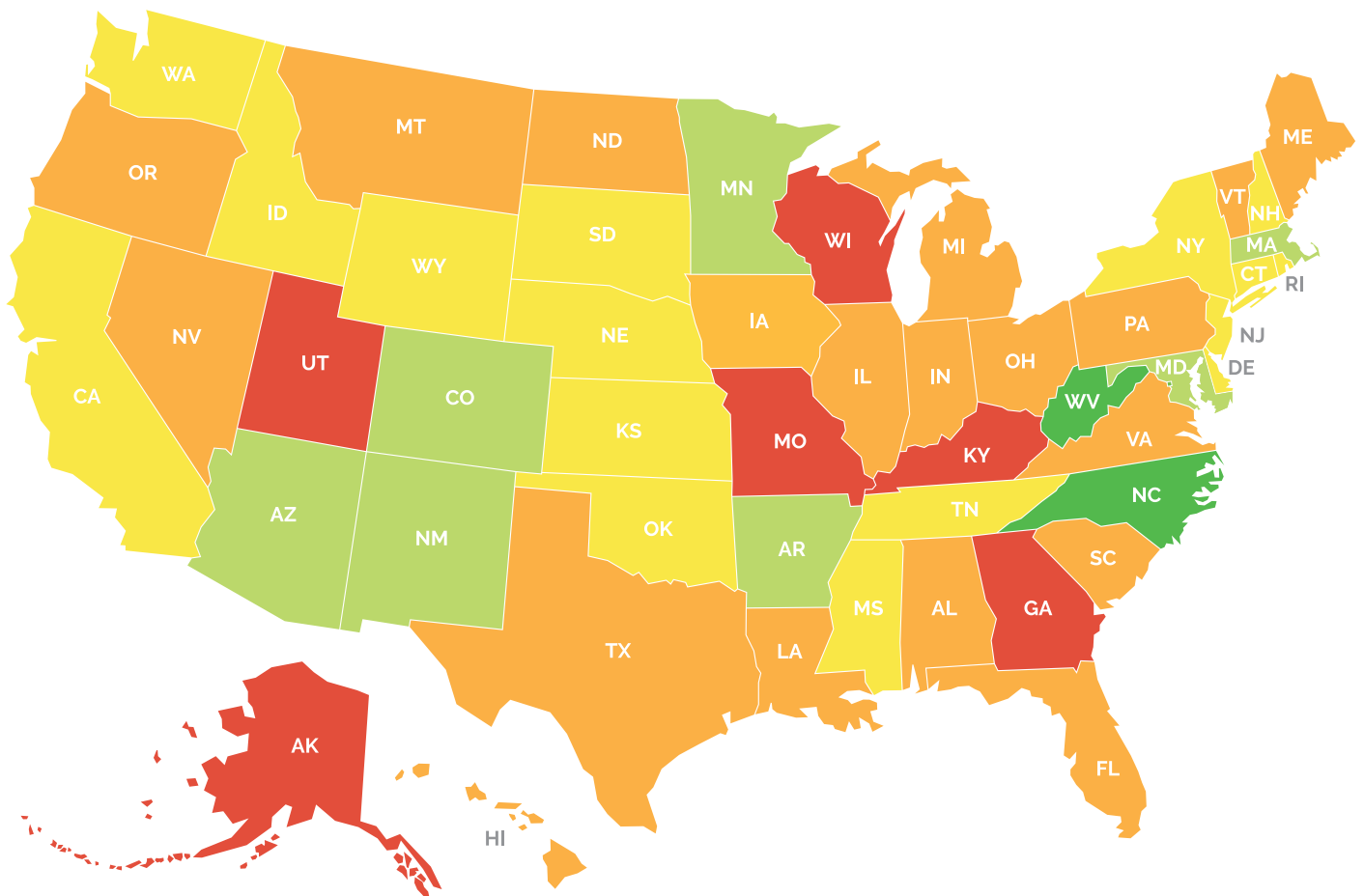
The legal and cultural situation for LGBTQ+ people varies widely across the country. This map, based on each state's total Business Climate Score, illustrates the states where LGBTQ+ people are empowered to participate more fully and openly in the economy, and the states that are lagging.



State Rankings

2023 Rank	State	2022 Score	2023 Score	Score Change
1	New York	93.67	93.67	0.00
2	Connecticut	92.87	93.27	0.40
3	Massachusetts	91.67	92.67	1.00
4	New Jersey	90.33	90.00	-0.33
5	Colorado	86.33	88.67	2.34
6	Minnesota	86.00	88.17	2.17
7	Vermont	89.5	87.50	-2.00
8	Maine	88.67	87.42	-1.25
9	California	86.5	86.50	0.00
10	Illinois	87.73	86.47	-1.26
11	Washington	85.83	85.83	0.00
12	New Mexico	84.77	85.77	1.00
13	Rhode Island	84.9	85.60	0.70
14	Oregon	87.33	84.75	-2.58
15	Hawaii	86.00	82.67	-3.33
16	Maryland	79.93	82.17	2.24
17	Virginia	81.9	81.47	-0.43
18	Nevada	81.67	79.67	-2.00
19	New Hampshire	78.33	78.33	0.00
20	Michigan	75.03	73.20	-1.83
21	Delaware	70.87	70.83	-0.04
22	Pennsylvania	69.2	66.02	-3.18
23	Wisconsin	70.3	65.47	-4.83
24	North Carolina	55.48	58.85	3.37
25	Kansas	58.83	58.30	-0.53

2023 Rank	State	2022 Score	2023 Score	Score Change
26	Arizona	55.47	58.03	2.56
27	Alaska	64.83	58.00	-6.83
28	North Dakota	61.87	57.97	-3.90
29	Iowa	56.33	55.00	-1.33
30	Utah	58.83	54.25	-4.58
31	West Virginia	46.13	51.60	5.47
32	Nebraska	52.23	51.25	-0.98
33	Florida	53.43	50.60	-2.83
34	Ohio	53.43	50.35	-3.08
35	Wyoming	51.07	50.17	-0.90
36	Georgia	52.73	49.40	-3.33
37	Idaho	48.1	48.77	0.67
38	Indiana	50.6	48.27	-2.33
39	Missouri	51.13	47.10	-4.03
40	Montana	46.1	45.17	-0.93
41	Texas	45.63	44.70	-0.93
42	Alabama	41.83	39.90	-1.93
43	Kentucky	46.93	39.85	-7.08
44	Mississippi	37.9	37.87	-0.03
45	Oklahoma	35.3	34.97	-0.33
46	South Dakota	35.83	34.97	-0.86
47	Tennessee	35.33	34.40	-0.93
48	Louisiana	36.43	33.50	-2.93
49	South Carolina	33.63	32.50	-1.13
50	Arkansas	35.93	32.00	-3.93



-7 Score Decrease +6 Score Increase

Movement in Rankings

For the first time this year, the average movement in scores was negative. The flood of anti-LGBTQ+, specifically anti-trans, legislation moved more states down in score than in the past 4 years of the Index.

We continue to see similar concerning trends: states with high scores continue to defend the rights of all LGBTQ+ individuals, while states with low scores are seeing increased anti-LGBTQ+ policies and cultural trends are moving in that same direction. This impacts companies' abilities to do the best business, recruit and retain top talent, and put pressure on organizations to take a position on the constant stream of state-level legislation that impacts their employees, clients, and in some cases, products and services.

States with the most significant movement in rankings:

Score Change Rank	State	2022 Score	2023 Score	Score Change	Score Change Rank	State	2022 Score	2023 Score	Score Change
1	West Virginia	46.13	51.60	5.47	26	Montana	46.1	45.17	-0.93
2	North Carolina	55.48	58.85	3.37	27	Nebraska	52.23	51.25	-0.98
3	Arizona	55.47	58.03	2.56	28	South Carolina	33.63	32.50	-1.13
4	Colorado	86.33	88.67	2.34	29	Maine	88.67	87.42	-1.25
5	Maryland	79.93	82.17	2.24	30	Illinois	87.73	86.47	-1.26
6	Minnesota	86	88.17	2.17	31	Iowa	56.33	55.00	-1.33
7	New Mexico	84.77	85.77	1.00	32	Michigan	75.03	73.20	-1.83
8	Massachusetts	91.67	92.67	1.00	33	Alabama	41.83	39.90	-1.93
9	Rhode Island	84.9	85.60	0.70	34	Vermont	89.5	87.50	-2.00
10	Idaho	48.1	48.77	0.67	35	Nevada	81.67	79.67	-2.00
11	Connecticut	92.87	93.27	0.40	36	Indiana	50.6	48.27	-2.33
12	New Hampshire	78.33	78.33	0.00	37	Oregon	87.33	84.75	-2.58
13	Washington	85.83	85.83	0.00	38	Florida	53.43	50.60	-2.83
14	California	86.5	86.50	0.00	39	Louisiana	36.43	33.50	-2.93
15	New York	93.67	93.67	0.00	40	Ohio	53.43	50.35	-3.08
16	Mississippi	37.9	37.87	-0.03	41	Pennsylvania	69.2	66.02	-3.18
17	Delaware	70.87	70.83	-0.04	42	Georgia	52.73	49.40	-3.33
18	New Jersey	90.33	90.00	-0.33	43	Hawaii	86	82.67	-3.33
19	Oklahoma	35.3	34.97	-0.33	44	North Dakota	61.87	57.97	-3.90
20	Virginia	81.9	81.47	-0.43	45	Arkansas	35.93	32.00	-3.93
21	Kansas	58.83	58.30	-0.53	46	Missouri	51.13	47.10	-4.03
22	South Dakota	35.83	34.97	-0.86	47	Utah	58.83	54.25	-4.58
23	Wyoming	51.07	50.17	-0.90	48	Wisconsin	70.3	65.47	-4.83
24	Tennessee	35.33	34.40	-0.93	49	Alaska	64.83	58.00	-6.83
25	Texas	45.63	44.70	-0.93	50	Kentucky	46.93	39.85	-7.08

Regional Rankings

Midwest

Regional Rank	State	2023 Total
1	Minnesota	88.17
2	Illinois	86.47
3	Michigan	73.20
4	Wisconsin	65.47
5	Kansas	58.30
6	North Dakota	57.97
7	Iowa	55.00
8	Nebraska	51.25
9	Ohio	50.35
10	Indiana	48.27
11	Missouri	47.10
12	South Dakota	34.97

Southeast

1	Virginia	81.47
2	North Carolina	58.85
3	West Virginia	51.60
4	Florida	50.60
5	Georgia	49.40
6	Alabama	39.90
7	Kentucky	39.85
8	Mississippi	37.87
9	Tennessee	34.40
10	Louisiana	33.50
11	South Carolina	32.50
12	Arkansas	32.00

Northeast

Regional Rank	State	2023 Total
1	New York	93.67
2	Connecticut	93.27
3	Massachusetts	92.67
4	New Jersey	90.00
5	Vermont	87.50
6	Maine	87.42
7	Rhode Island	85.60
8	Maryland	82.17
9	New Hampshire	78.33
10	Delaware	70.83
11	Pennsylvania	66.02

Southwest

1	New Mexico	85.77
2	Arizona	58.03
3	Texas	44.70
4	Oklahoma	34.97

West

1	Colorado	88.67
2	California	86.50
3	Washington	85.83
4	Oregon	84.75
5	Hawaii	82.67
6	Nevada	79.67
7	Alaska	58.00
8	Utah	54.25
9	Wyoming	50.17
10	Idaho	48.77
11	Montana	45.17



Key Developments

Overall, the state of LGBTQ+ access and equality in the US is regressing. While the top-ranked states for LGBTQ+ equality broadly are staying strong, the bottom-ranked states decreased in score significantly. This signals increasing polarization across the country in political and cultural attitudes toward the LGBTQ+ community.

Categories that saw the most significant change this year were **Legal and Nondiscrimination Protections, Youth and Family Support, and Political and Religious Attitudes**. While 11 states increased in score over the last year, 39 states experienced no change or a decrease in score.

This year's Index reveals the impact of recent anti-LGBTQ+ legislation across the country, particularly in states such as Florida, Arkansas, Tennessee, Indiana, and Kentucky. **Over 500 anti-LGBTQ+ bills have been proposed in the current legislative cycle across 46 states, with a majority directly targeting the trans community.** The key drivers behind this political attack have been healthcare bills that inhibit access to gender-affirming care, legislation limiting the rights of trans youth and adults, the election of anti-LGBTQ+ lawmakers during the 2022 election cycle, and censorship laws such as "Don't Say Gay" bills.

In Florida alone, the state's "Don't Say Gay" bill, amongst other anti-LGBTQ+ state legislation, caused a 2.83-point decrease since 2022 and a 6.23-point decrease since 2021 – a major drop in the rankings. The infamous bill has also instigated similar bills across the United States, resulting in point decreases across the board.

Nonetheless, many state governments have taken the opportunity to reinforce their dedication to LGBTQ+ equality. The highest climber this year was West Virginia, with an increase of 5.47 points between 2022 and 2023. This was due to the broad implementation of pro-LGBTQ+ policies (particularly benefitting the trans community) across Legal & Nondiscrimination Protection, Youth & Family Support, and Health Access & Safety. The second highest climber was North Carolina, as a result of a new law that makes it easier and safer for transgender individuals to update their birth certificates to match their name and gender identity.

We congratulate all of the states that showed positive momentum over the last year and call on those that decreased their 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.**

Business Markers

To represent the business impact of statewide support or marginalization of LGBTQ+ identities, we calculated three additional business markers.

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).

As a third marker of state wellness, we calculated the difference in the number of married couples in each state, from 2013 to 2015, using tax data. We believe that couples were most likely to feel comfortable marrying in states with support, representation, and community. In turn, more marriages promote other individuals and couples choosing the state as a place to live and work. These data may serve as a beneficial marker of LGBTQ+ well-being in the community and at work.

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.

Disclaimer

Out Leadership has made every effort to ensure that the information contained within this Index is accurate and up to date as of April 27, 2023. This Index is provided for educational and informational purposes only, and should not be construed as legal advice. The information is not guaranteed to be correct, complete, or current. If you would like to suggest an edit to this Index, please contact info@outleadership.com.

Project Team

Out Leadership

Todd Sears *Founder & CEO*
Marco Martinot *Chief Growth & Financial Officer*
Jane Barry-Moran *Director, Research & Program Strategy*
Michael Paterson *Managing Director, Marketing, Communications & Creative*
Cameron Wu *Associate, Programs & Research*
Brian Sims *Managing Director, Public Policy & Government Affairs*
Leo Scheck *Manager, Digital Media & Communications*
Kenya Simon *Director, Member Experience*
Michael Juranek *Chief of Staff*
Megan Stretton *Manager, Global Events*
Camille Witt *Junior Associate, Member Experience*
Eliana Jacobsen *Junior Associate, Marketing, Communications & Creative*
Peri Lund *Junior Associate, Programs & Research*

Kalyn Jahansouz *HR Director*
Matthew Montelongo *Senior Advisor*
Mila Jam *Senior Advisor*
Matt Fust *Senior Advisor*
Rishika Advani *Senior Advisor*
Qin Yong Lim *Data Analyst*

Special Thanks to the Teams at:

Freedom for All Americans
Measurement Advancement Project (MAP)
Williams Institute
Ropes and Gray
FCB

Design

Care Creative Studio *Booklet Design*





OUTLEADERSHIP

OutLeadership.com

(212) 507-9662

info@outleadership.com

135 West 26th Street, Suite 7A, New York, NY 10001

