

# 2026 State LGBTQ+

## Business Climate Index

8<sup>th</sup> Annual Edition  
*Expanded  
Methodology*



New York, New York

**OUTLEADERSHIP**



## Purpose

Multinational companies face operational and reputational risks when they do business in places where the legal and 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:** When meeting with government leaders — particularly in discussions centered on economic development — we encourage you to reference your state's performance on the State Business Climate Index, along with the insights provided in the CEO Briefs, in a manner suited to the conversation. As major employers within your state, you serve as a vital economic engine whose voice carries significant weight with elected officials. We hope these tools will empower you to demonstrate how LGBTQ+ inclusive policies reflect widely recognized best practices and are integral to global business standards.

**Business Partners:** In conversations with business partners and vendors, 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

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*This is not distance.  
This is protection.*

In years past, we filled this space with the logos of our members — proudly, and without hesitation.

The current climate has changed what the moment requires. To protect our members, their work, and their people, we have made the deliberate choice to keep their names private shielding them from scrutiny they did not invite and do not deserve.

While our membership's strength has wavered, our gratitude has not.

This is not forever. Just for now.



# Introduction

Dear Leaders,

Today I'm proud to present Out Leadership's 8th annual State LGBTQ+ Business Climate Index, and the accompanying 2026 US State CEO Briefs for each of the 50 states. This year's edition marks the most significant evolution of the Index since its launch, expanding from 20 to 32 indicators and introducing a broader, more comprehensive framework for assessing the business impact of LGBTQ+ policy environments across the United States.



When we designed the original Index, the fight for LGBTQ+ equality at the state level was focused on a narrower set of questions: nondiscrimination protections, marriage equality implementation, conversion therapy bans. Those questions still matter. But between 2023 and 2026, we have watched entirely new categories of restrictive legislation emerge and spread: bathroom access bans, drag performance restrictions, pronoun and name-use prohibitions in schools, library and book censorship laws, sweeping anti-diversity, equity, and inclusion (DEI) mandates, restrictions on adult gender-affirming care, and the erosion of federal data collection on LGBTQ+ populations. The original 20 indicators were never built to capture any of these.

In March 2026, the Supreme Court's decision in *Chiles v. Salazar* held that Colorado's licensing restriction likely implicates First Amendment concerns and remanded the case for further review under strict scrutiny, fundamentally altering the legal terrain under one of our longest-standing indicators. If we had kept the Index frozen in its original form, we would be measuring a country that no longer exists.

**So, we expanded it. The 2026 Index adds 12 new indicators:**

<i>Bathroom and Facility Access Laws</i>	<i>Library and Book Access</i>	<i>Attorney General Score</i>	<i>SOGI Data Collection in State Surveys</i>
<i>Drag Performance Restrictions</i>	<i>Transgender Sports Participation Access</i>	<i>Adult Gender-Affirming Care Access</i>	<i>State Government as LGBTQ+ Inclusive Employer</i>
<i>Pronoun and Name Usage Rights</i>	<i>DEI Program Restrictions</i>	<i>Shield Laws</i>	<i>Corporate-Policy Alignment</i>

Together, these additions **transform the Index from a measure of formal legal protections into a comprehensive assessment of the full policy ecosystem** in which LGBTQ+ people work, build businesses, raise families, and participate in economic life.

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Crucially, we are publishing both the legacy 20-indicator score and the expanded 32-indicator score side-by-side. This preserves seven years of year-over-year comparability for the data partners, researchers, and corporate leaders who have built strategies around the Index, while giving readers a much sharper picture of where each state stands in 2026.

The headline finding of the 2026 Index is sobering but not surprising to anyone who has been watching. The national average score on the expanded scale is 60.87 out of 100. Massachusetts and New York hold the top two spots. Arkansas remains at #50 for the fourth consecutive year. But the expanded methodology reveals something the legacy framework missed: many states that appeared middle-of-the-pack under

## The middle is disappearing — and businesses are being forced to choose.

the old indicators look substantially worse when the new measures are applied—because the laws they've passed in the last three years were invisible to our original framework.

Texas drops three ranks. Florida drops six. Maine drops seven. Utah drops two.

States like Illinois, California, South Dakota (yes, South Dakota), and Kentucky move up—not because their situation has improved, but because the expanded framework credits them for actions the legacy framework overlooked: shield laws, library protections, SOGI data collection, and in some cases simply the absence of the newest waves of anti-LGBTQ+ legislation.

Over the seven-year arc of this Index, one pattern is now unmistakable: the gap between inclusive and hostile states is wider than it has ever been, and it is still widening. The national average score has declined for four consecutive years. The top ten states have held steady or improved. The bottom ten states have gotten meaningfully worse. The middle is disappearing. For businesses, this means the cost of operating across a fractured regulatory landscape has never been higher, and the return on choosing to lead has never been greater.

I want to thank our partners at the Movement Advancement Project (MAP), the Williams Institute, the American Library Association (ALA), the Human Rights Campaign (HRC), Ropes & Gray, US Trans Survey, America Competes, the Gill Foundation, and Dr. Rachel Golden, whose work made this expanded framework possible.

I invite you to read the full report, and the CEO Brief we've written for every state in which you do business. Please share it with your teams, use it in your boardrooms, executive suites, and strategy sessions.

*Download it at [www.stateclimateindex.com](http://www.stateclimateindex.com)*

Thank you for continuing to lead with integrity and heart.



With gratitude,

**Todd G. Sears**  
**Founder and CEO**  
**Out Leadership**



# Executive Summary

## Out Leadership's 2026 State LGBTQ+ Business Climate Index A Nation at an Inflection Point—and a New Way to See It

Out Leadership's 8<sup>th</sup> annual **State LGBTQ+ Business Climate Index** arrives at a critical moment for equality and the economy. Designed as a go-to resource for executives, board members, policymakers, and investors, the Index ranks all 50 U.S. states across five categories: Legal and Nondiscrimination Protections, Youth and Family Support, Political and Religious Attitudes, Health Access and Safety, and Work Environment and Employment.

For 2026, we have **expanded the framework from 20 to 32 indicators** to reflect the policy landscape as it actually exists today. The expanded total is scored out of 160 and normalized to a 100-point scale for comparability with prior years. We are also publishing the legacy 20-indicator score alongside the expanded score to preserve seven years of year-over-year continuity.

The headline findings paint a stark picture: **For the fourth consecutive year, the national average score has declined.** Under the expanded methodology, the national average is 60.87 out of 100—about two points lower than the 2025 legacy average of 62.62. The decline reflects two reinforcing dynamics. States have, in fact, worsened over the last twelve months, enacting new legislation that further restricts or complicates the regulatory landscape. At the same time, the expanded framework is more holistic than its predecessor, now accounting for the full weight of legislation that has been accumulating since 2023 but that the legacy indicators did not capture. Together, these factors compound rather than cancel each other: **the underlying conditions have deteriorated**, and the measurement tool is now sensitive enough to register the full extent of that deterioration.

## What's Driving the Picture

- **The Supreme Court's March 2026 Chiles v. Salazar decision** holding that Colorado's licensing restriction likely implicates First Amendment concerns and remanding the case for further review under strict scrutiny, creating new uncertainty around similar laws across the country
- **Twenty-five states have enacted bathroom and facility access restrictions**, nineteen of which extend beyond K–12 schools
- **Ten states restricting student pronoun and name usage**; two extending restrictions to state employment
- **Twenty-nine states with transgender sports participation bans**
- **Twenty-eight anti-DEI laws enacted** across the country since 2023
- **Eleven states restricting adult gender-affirming care** through Medicaid
- **Complete federal elimination of SOGI measures** from approximately 360 data collections in 2025
- **Erosion of federal LGBTQ+ protections** under Executive Orders 14168 and 14173

## Notable State Shifts

- **Top performers:** Massachusetts (#1, 93.23) and New York (#2, 92.92), followed by Connecticut (#3, 92.35), New Jersey (#4, 90.94), and Illinois (#5, 90.92)
- **Biggest rank gainers vs. legacy:** South Dakota (+5), California (+4), Ohio (+4), Illinois (+3), Minnesota (+3), North Carolina (+3), Oklahoma (+3), Louisiana (+3).
- **Biggest rank drops vs. legacy:** Maine (-7), Florida (-6), Idaho (-4), New Hampshire (-3), North Dakota (-3), Texas (-3), Tennessee (-3).
- **Bottom five:** Arkansas (#50, 28.06), Tennessee (#49, 31.25), Idaho (#48, 32.23), South Carolina (#47, 33.22), Florida (#46, 33.25)
- **High-tension states where corporate presence and state policy actively conflict:** Texas, Florida, and Ohio

## Why This Matters to Business

This isn't activism—it's risk management. Companies operating in low-ranking states face real consequences: convention losses, employee flight, compliance conflicts between state mandates and corporate values, and growing reputational exposure. Meanwhile, inclusive states continue to enjoy stronger talent retention and economic performance. The next generation of workers is watching: **76% of Gen Z workers avoid jobs in anti-equality states**, and **89% of millennials prioritize LGBTQ+-inclusive healthcare policies**. Consumers, too, are acting on their values—**75% say they boycott brands** that don't align with theirs.

The 2026 expanded framework also introduces a wholly new indicator—Corporate-Policy Alignment—that measures the tension or reinforcement between a state's LGBTQ+ policy environment and its corporate presence. States like Texas (54 Fortune 500 headquarters), Florida (22), and Ohio (27) score a 1 under this indicator because their hostile policies are in direct tension with the corporate populations operating there. This tension is a leading indicator of the kinds of corporate-state conflicts that produce boycotts, relocations, and public confrontation.

# “Neutrality is no longer an option.”

—Todd Sears, Founder & CEO,  
Out Leadership

## The Bottom Line

**Neutrality is no longer an option. Businesses must lead. Use the Index as your guide. Relocate investments to inclusive states. Speak out against discrimination. Protect your people. Align your values with your strategy—and win the future.**

Download, interact and share the index at [www.stateclimateindex.com](http://www.stateclimateindex.com)

# What's New in 2026: The Expanded Framework

*The 2026 Index introduces the most significant methodological evolution since the Index launched in 2019. This section explains what changed, why we changed it, and how readers can use both the legacy and expanded scores to make decisions.*

## **From 20 Indicators to 32**

The original framework used 20 composite indicators across five categories to produce a score out of 100 for each state. That framework served the Index well for seven years and captured the core of what the fight for LGBTQ+ equality looked like when the Index was designed. But the policy landscape has changed faster than any framework could have anticipated.

New categories of legislation have emerged—from bathroom access restrictions and transgender athlete bans to anti-DEI mandates, book censorship laws, adult gender-affirming care restrictions, and shield laws—that the original 20 indicators were never built to capture. The

March 2026 *Chiles v. Salazar* Supreme Court decision, which held that Colorado's licensing restriction likely violates the First Amendment and remanded the case for further review, also altered the legal terrain under one of our original indicators.

**For 2026**, the Index has expanded to 32 indicators across the same five categories, adding 12 new measures that capture these emerging policy dimensions. The expanded score has a maximum of 160 points, normalized to a 100-point scale for comparability. The legacy 20-indicator score is preserved and reported alongside the expanded score to maintain year-over-year continuity.

## The 12 New Indicators

### **1. Bathroom and Facility Access Laws**

*Category: Legal and Nondiscrimination*

Scores states on whether they have enacted laws restricting transgender access to sex-segregated facilities. Twenty-five states have enacted laws between 2023 and early 2026, nineteen of them reaching beyond K–12 schools, ranging from restrictions limited to K–12 schools to sweeping laws covering government buildings.

Texas's SB8 imposes fines of \$25,000 to \$125,000 per violation.

**Scoring rubric:** states with no enacted restrictions **score 4**; states restricting access in K–12 schools only **score 3**; states with restrictions extending to additional public settings **score 2**; and states with comprehensive restrictions covering schools and government or other public buildings **score 1**. Texas's SB8 and similar laws fall in the lowest tier because they impose civil penalties on violators—in Texas, \$25,000 to \$125,000 per violation.

### **2. Drag Performance Restrictions**

*Category: Legal and Nondiscrimination*

Scores states on whether they have enacted laws restricting drag performances. Several states have passed such laws, though ongoing litigation continues to alter their legal status. The indicator captures enacted legislative action rather than judicial outcomes, ensuring that scoring remains stable and defensible across review cycles.

**Scoring rubric:** states with no enacted drag-restriction legislation **score 4**; states where enacted restrictions have been judicially blocked or rendered unenforceable **score 3**; states with partially enforceable or contested restrictions **score 2**; and states with enforceable drag-performance restrictions currently in effect **score 1**. The indicator is keyed to enacted legislative action and current enforceability, ensuring that scoring remains stable and defensible across review cycles.

### 3. Pronoun and Name

#### Usage Rights

##### Category: Youth and Family Support

Scores states on whether they restrict the use of students' chosen names and pronouns in schools. Ten states have school-level restrictions; Kansas and

Wyoming have extended restrictions to state government employment.

**Scoring rubric:** states with explicit protections for student name and pronoun use **score 5**; states with no restrictions **score 4**; states with parental-notification-only requirements **score 3**; states with restrictions in K–12 schools **score 2**; and states extending restrictions to state government employment **score 1**. Kansas and Wyoming fall in the lowest tier because their statutes apply both to public schools and to state agencies.

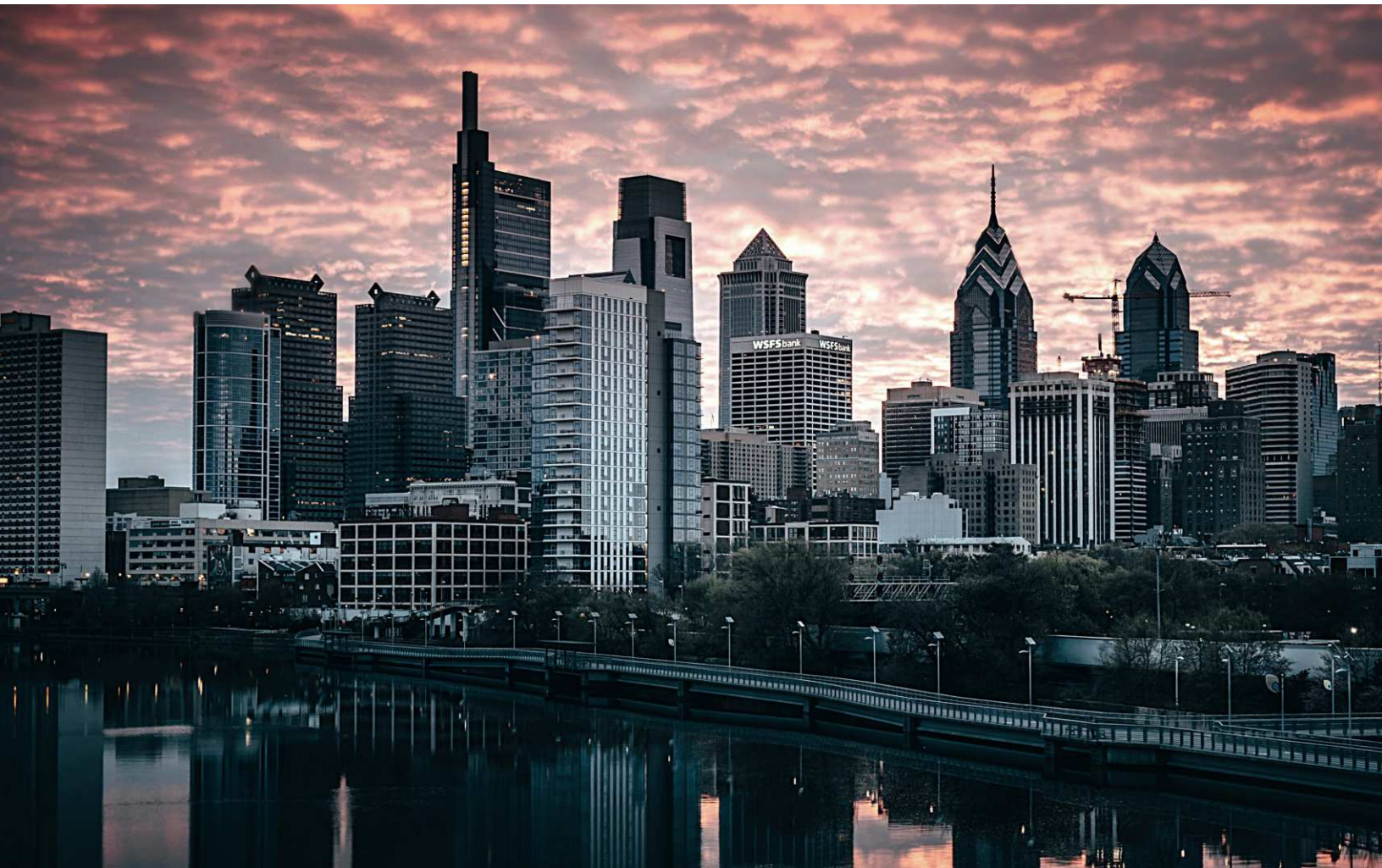
### 4. Library and Book Access

##### Category: Youth and Family Support

Scores states on whether they have enacted laws restricting LGBTQ+ content in libraries and schools, or whether they have passed protective legisla-

tion. The American Library Association documented 821 censorship attempts targeting 2,452 unique titles in 2024 alone.

**Scoring rubric:** states with protective legislation safeguarding access to diverse materials **score 5**; states with no legislation in either direction **score 4**; states with documented challenge activity but no statutory restrictions **score 3**; states with pending legislation **score 2**; and states with enacted laws restricting LGBTQ+ content in libraries or schools **score 1**. The American Library Association documented 821 censorship attempts targeting 2,452 unique titles in 2024 alone—baseline data the indicator uses to distinguish active-restriction states from states where local challenges have not produced statutory change.



## 5. Transgender Sports Participation Access

*Category: Youth and Family Support*

Scores states on the scope of transgender sports participation bans. Twenty-nine states have enacted such bans, affecting approximately 42 percent of transgender youth aged 13 to 17. Montana extended its restrictions to higher education in 2025.

**Scoring rubric:** states with explicit inclusion protections for transgender student athletes **score 5**; states with no participation ban **score 4**; states with limited K–12 bans **score 3**; states with comprehensive K–12 participation bans **score 2**; and states extending bans to higher education **score 1**. Montana scores 1 under this rubric after extending its ban to public colleges and universities in 2025.

## 6. DEI Program Restrictions

*Category: Political and Religious Attitudes*

Scores states on whether they have enacted legislation restricting diversity, equity, and inclusion programs. Since 2023, 28 anti-DEI bills have become law, with 78 additional bills tracked in 23 states during the 2025–2026 legislative session.

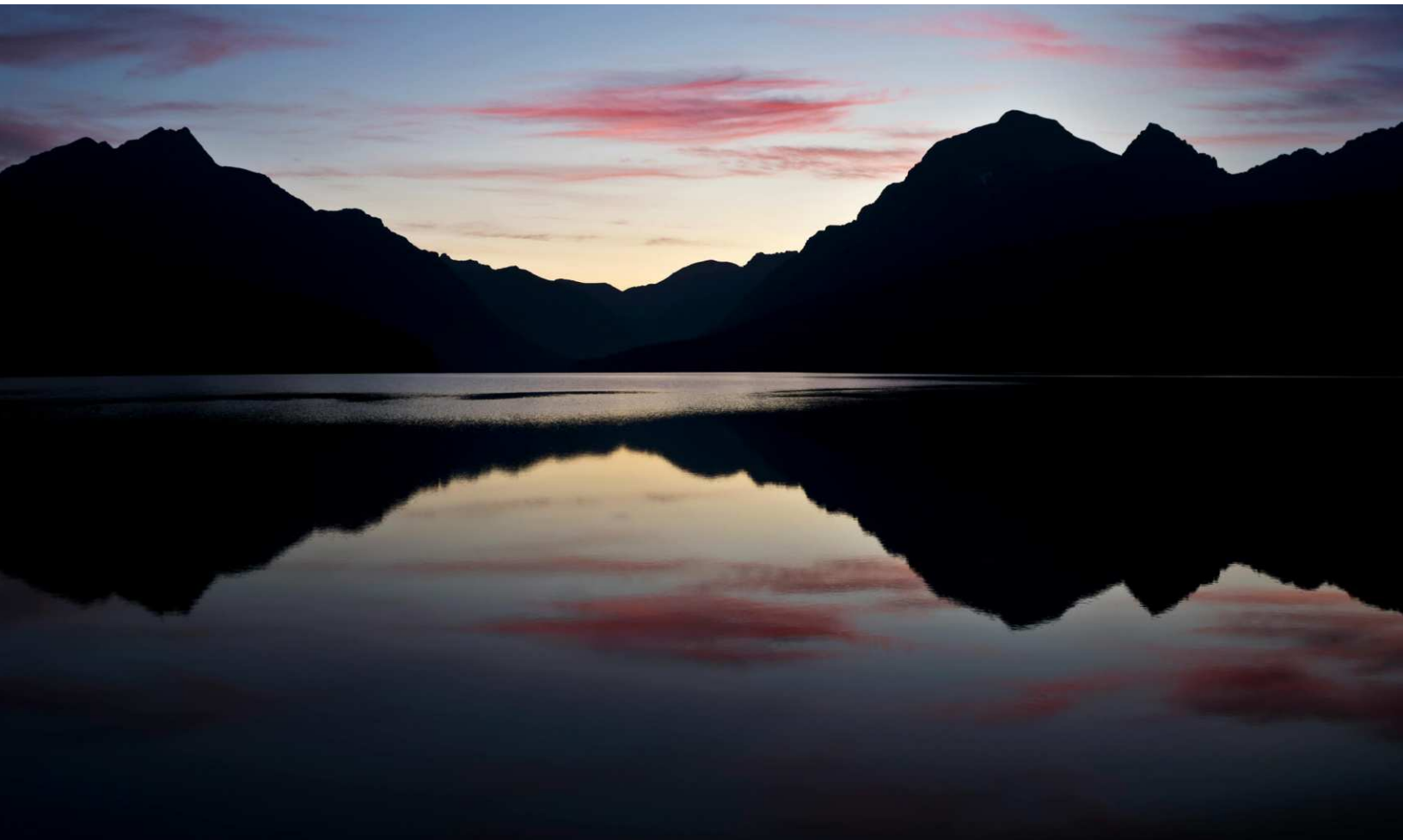
**Scoring rubric:** states with protective legislation explicitly supporting diversity, equity, and inclusion programs **score 5**; states with no legislation in either direction **score 4**; states with limited or pending restrictions **score 3**; states with broader pending anti-DEI legislation **score 2**; and states with enacted comprehensive anti-DEI laws covering state agencies, public universities, or private entities receiving state funding **score 1**. Since 2023, 28

anti-DEI bills have become law, with 78 additional bills tracked in 23 states during the 2025–2026 legislative session.

## 7. Attorney General Score

*Category: Political and Religious Attitudes*

A new indicator added to the Political and Religious Attitudes category for 2026, the Attorney General Score evaluates each state's sitting attorney general on their LGBTQ+ litigation, amicus, and enforcement record. The score is built from a raw scale of –10 (most pro-LGBTQ+) to +10 (most anti-LGBTQ+), then converted to a 1–5 score. Factors considered include the AG's state-level litigation record, multistate amicus briefs joined or led, enforcement of state nondiscrimination laws, public statements, executive policy positions, and any



record of targeting corporations over LGBTQ+-supportive policies.

**Scoring rubric:** AGs scoring -10 to -7 (active defenders, with documented affirmative LGBTQ+ litigation or enforcement) **score 5**; -6 to -3 (coalition joiners on the pro-equality side) **score 4**; -2 to +2 (neutral or newly seated AGs without a substantial LGBTQ+ record) **score 3**; +3 to +6 (coalition joiners on anti-equality multistate filings) **score 2**; and +7 to +10 (active litigators against LGBTQ+ rights, including those who have targeted corporate diversity policies) **score 1**. Four AGs are flagged for having directly targeted companies over DEI or LGBTQ+-inclusive practices: Ken Paxton (Texas), Todd Rokita (Indiana), James Uthmeier (Florida, continuing the posture of his predecessor Ashley Moody), and Jonathan Skrmetti (Tennessee, who in July 2023 led a 13-attorney-general coalition letter to Fortune 100 CEOs warning that corporate diversity practices could violate federal civil rights law post-*Students for Fair Admissions v. Harvard*). The 2026 distribution: 18 states **score 5**, 5 **score 4**, 1 **score 3**, 6 **score 2**, and 20 **score 1**. Two AGs in states with hostile legislatures are notable counter-currents: Kris Mayes (Arizona, the first openly LGBTQ+ AG in state history) and Jeff Jackson (North Carolina), each scoring 5 on the indicator after embracing pro-LGBTQ+ platforms despite political pressure.

## 8. Adult Gender-Affirming Care Access

*Category: Health Access and Safety*

Scores states on whether they have extended gender-affirming care restrictions to adults. Eleven states now restrict Medicaid coverage for

adult gender-affirming care; in 2026 the Office of Personnel Management eliminated gender-affirming care coverage from Federal Employees Health Benefits plans.

**Scoring rubric:** states with protective legislation explicitly safeguarding adult gender-affirming care access **score 5**; states with no restrictions **score 4**; states with pending restrictive legislation **score 3**; states with limited Medicaid coverage restrictions **score 2**; and states with full statutory restrictions or comprehensive Medicaid bans on adult gender-affirming care **score 1**. Eleven states now restrict Medicaid coverage for adult gender-affirming care; in 2026 the federal Office of Personnel Management eliminated gender-affirming care coverage from Fed-

eral Employees Health Benefits plans, an action this indicator does not score against states but which is reflected in the broader policy environment.

## 9. Shield Laws

*Category: Health Access and Safety*

Scores states on whether they have enacted shield laws protecting patients and providers from out-of-state prosecution or investigation for providing gender-affirming care. Eighteen states plus DC have enacted shield laws; eight states expanded their protections in 2025.

**Scoring rubric:** states with comprehensive shield laws protecting both patients and providers from out-of-state prosecution, subpoena, or licensing action **score 5**; states with

# Why 12 New Indicators

*(and Not More, or Fewer)*

Every new indicator in the 2026 Index was selected against three criteria. First, each captures a policy dimension that has emerged or expanded significantly since the original framework was designed. Second, each has a demonstrable connection to the business climate for LGBTQ+ people—not merely to civil rights in the abstract, but to the specific conditions that affect workforce participation, talent mobility, corporate operations, and economic outcomes. Third, each is supported by publicly available, state-level data from authoritative sources including the Movement Advancement Project, the Human Rights Campaign, the Williams Institute, the American Library Association, and state government records.

We deliberately did not expand the framework beyond 32 indicators. Additional indicators were considered—including specific measures of public accommodation carveouts, cemetery and funeral discrimination, and insurance-specific nondiscrimination—but were omitted either because they duplicated existing measures or because state-level data was not available with the consistency required for a reproducible index.

partial shield protections covering one but not both **score 4**; states with no shield legislation **score 3**; states with publicly hostile policy postures toward shield states **score 2**; and states actively participating in out-of-state prosecution or investigation of providers **score 1**. Eighteen states plus the District of Columbia have enacted shield laws; eight states expanded their protections in 2025 in response to escalating cross-state enforcement activity.

### **10. SOGI Data Collection in State Surveys**

*Category: Work Environment and Employment*

Scores states on whether they include Sexual Orientation and Gender

Identity questions in their Behavioral Risk Factor Surveillance System surveys. Approximately 58 percent of LGBTQ+ Americans live in states that collect SOGI data; 42 percent do not. Federal SOGI collection has been eliminated from approximately 360 data products since January 2025.

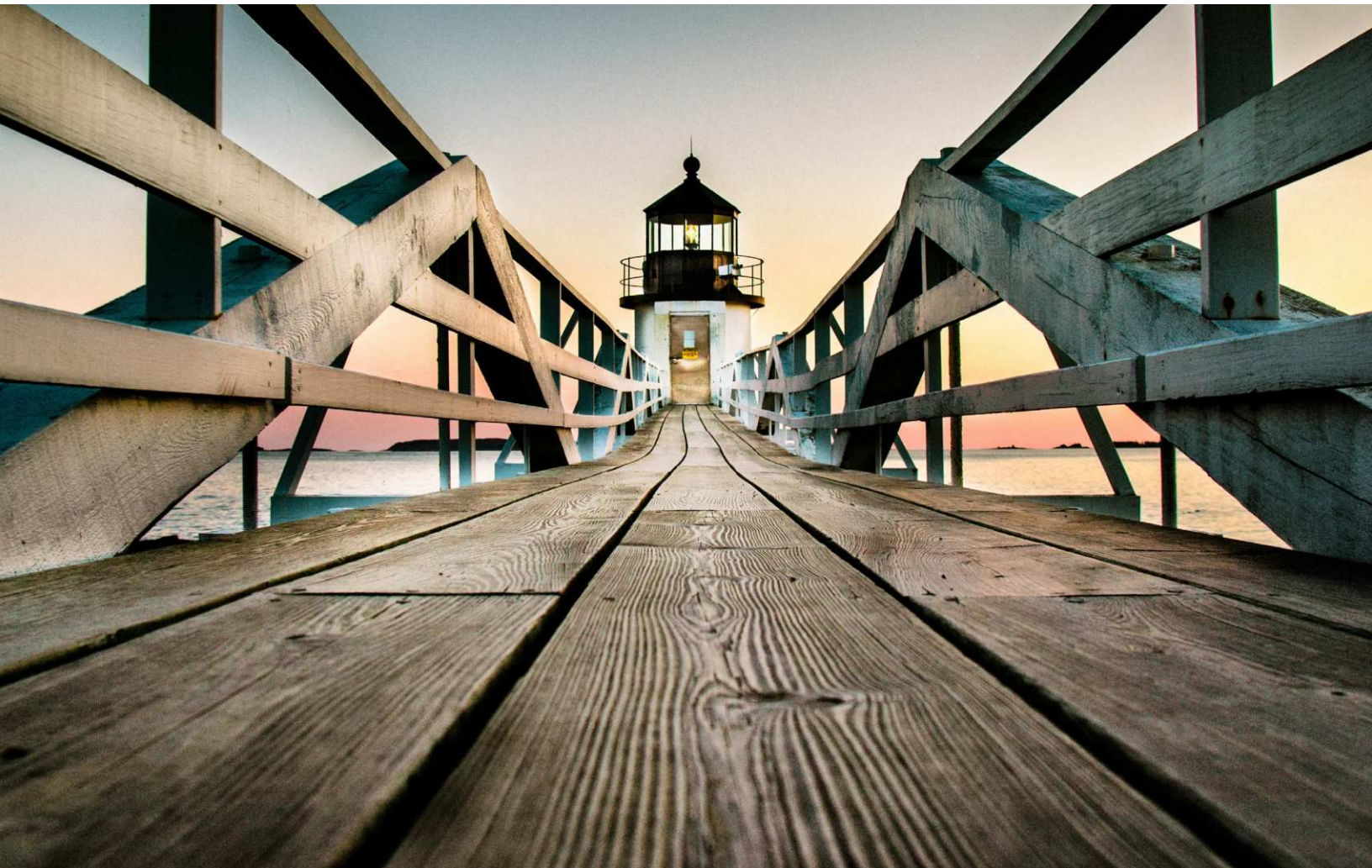
**Scoring rubric:** states that include both sexual orientation and gender identity questions in their state-administered Behavioral Risk Factor Surveillance System (BRFSS) survey **score 5**; states that include partial SOGI items (e.g., sexual orientation only) **score 3**; and states that do not collect SOGI data through BRFSS **score 1**. Approximately 58 percent of LGBTQ+ Americans live in states that collect SOGI data; 42 percent

do not. Federal SOGI collection has been eliminated from approximately 360 data products since January 2025, making state-level SOGI infrastructure the primary remaining source of evidence-based LGBTQ+ population data.

### **11. State Government as LGBTQ+ Inclusive Employer**

*Category: Work Environment and Employment*

Scores states on whether the state government itself provides comprehensive LGBTQ+ protections to its own employees—including non-discrimination coverage, domestic partner benefits, and transgender-inclusive healthcare in state employee health plans.



**Scoring rubric:** states whose government provides comprehensive LGBTQ+ employee protections—including statutory or executive-order nondiscrimination coverage of state employees, domestic partner benefits, and transgender-inclusive healthcare in state employee health plans—**score 5**; states with substantial coverage on most but not all dimensions **score 4**; states with moderate coverage **score 3**; states with minimal coverage **score 2**; and states with actively hostile state-employee policy (including rollbacks of prior protections) **score 1**. The indicator captures the state government’s posture toward its own workforce, which corporate leaders increasingly use as a leading indicator of how a state will treat private-sector LGBTQ+ workers and their families.

## 12. Corporate-Policy Alignment

*Category: Work Environment and Employment*

A new conceptual innovation: rather than simply asking whether LGBTQ+-inclusive corporations happen to be headquartered in a state, this indicator measures the alignment or tension between a state’s LGBTQ+ policy environment and its corporate presence. Inclusive policy and significant corporate presence aligned together **score 5**; hostile policy with major corporate presence—Texas, Florida, Ohio—**scores 1**.

The indicator is constructed from two publicly available, state-level

data sources. The first is corporate density: the number of Fortune 500 companies headquartered in each state, drawn from the most recent Fortune 500 list. The second is corporate LGBTQ+ inclusiveness: each headquartered company’s rating on the Human Rights Campaign Foundation’s Corporate Equality Index (CEI), HRC’s annual benchmarking survey of LGBTQ+ workplace policies and practices among major U.S. employers. Companies scoring 80 or above on the CEI—HRC’s threshold for “LGBTQ+ inclusive” status—are counted as inclusive corporate presence; companies that did not participate or scored below 80 are counted but not credited as inclusive.

Each state is classified using two factors: the state’s overall LGBTQ+ policy environment and the concentration of CEI-rated inclusive employers headquartered there. States are grouped into four broad categories:

**5 — Inclusive:** Inclusive policy environment with significant LGBTQ+-inclusive corporate presence.

**4 — Inclusive:** Limited Footprint: Inclusive policy environment with a smaller corporate footprint.

**3–2 — Mixed:** States with moderate, inconsistent, or divided alignment between policy environment and corporate presence.

**1 — Hostile: Major employers (High Tension):** Restrictive policy environments paired with a sig-

“If we had kept the Index frozen in its original form, we would be measuring a country that no longer exists.”

nificant concentration of major LGBTQ+-inclusive employers, creating tension between corporate standards and state policy.

States with restrictive policy environments and limited corporate presence are categorized as Hostile, Limited Footprint within the lower scoring range.

Texas, Florida, and Ohio fall into the High Tension category because each hosts a large concentration of Fortune 500 companies with strong LGBTQ+ workplace protections operating within increasingly restrictive policy environments. These conflicts can contribute to boycotts, relocations, shareholder pressure, and reputational risk for businesses operating in those states.

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# Rationale & Methodology

Out Leadership's Business Climate Index for all 50 of the U.S. states is an assessment of states' performance on LGBTQ+ inclusion. It measures the impact that 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 has real and serious economic costs. Major legislative efforts to extend further legal discrimination—from the Religious Freedom Restoration (RFRA) law that then-Governor Mike Pence signed in Indiana in 2016, to North Carolina's HB 2 "Bathroom Bill," to the current wave of anti-transgender legislation in over 100 bills across 35 state legislatures, to "Don't Say LGBTQ+" bills signed into law in Florida and several other states—have damaged states' reputations for being business-friendly and harmed tourism, resulting in significant economic losses.

**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: states that make LGBTQ+ people more welcome legally and culturally experience significant rewards, particularly in residents' well-being, productivity, and the stability of their business environments.

## 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 for the 2026 edition include: the Movement Advancement Project, the Williams Institute, the Human Rights Campaign, the American Library Association, and the 2022 U.S. Transgender Survey (USTS), published in 2024. Workforce-related indicators draw on the 2015 USTS state reports, the most recent USTS publication containing comprehensive state-level data, while the 2022 USTS provides broader national context. Other data used in the Index were sourced from publicly available datasets tracking statewide economic and policy indicators, including the Bureau of Labor Statistics (BLS), Fortune 500 headquarters data, and state government records such as benefits handbooks and executive orders.

**All data used in the scale are published online.** USTS data remain from the 2022 national survey (published in 2024) and capture transgender workforce outcomes. MAP data reflect current policies and practices as of May 15, 2026. Williams Institute data reflect no earlier than 2023. BEA state GDP data are from the April 9, 2026 release of full-year 2025 figures (third estimate). BLS data reflect the May 2024 Occupational Employment and Wage Statistics (OEWS) release—the most recent published as of the data cutoff; the May 2025 OEWS publishes May 15, 2026. ALA book challenge data are from 2024. The Index was built so that 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 May 15, 2026, and are not reflected in the scores provided by MAP at that time.*



Download, interact and share the index at [www.stateclimateindex.com](http://www.stateclimateindex.com)



## Measures

The 2026 Index consists of five sections: Legal and Nondiscrimination Protections, Youth and Family Support, Political and Religious Attitudes, Health Access and Safety, and Work Environment and Employment. Under the expanded framework, each section contains both legacy indicators and one or more new indicators introduced in 2026.



### **Legal and Nondiscrimination Protections**

*The Legal and Nondiscrimination Protections section measures the state's formal legal stance toward LGBTQ+ individuals. It now includes six indicators across three subsections:*

**The Personal Legal Scale (legacy)** Assesses the state's laws directly impacting LGBTQ+ individuals. This scale includes the difficulty of birth certificate gender marker changes and driver's license gender marker changes, as well as protections for individuals in housing, the workplace, public spaces, foster care, and more.

**The Nondiscrimination Protections Scales (legacy)** Two 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.

**Bathroom and Facility Access Laws (new 2026)** Scores states on whether they have enacted laws restricting transgender individuals' access to restrooms, locker rooms, and other sex-segregated facilities consistent with their gender identity. States with explicit protections score 5; states with no statewide restriction or protection score 3; states with partial restrictions score 2; states with comprehensive restrictions covering schools and government buildings score 1.

**Drag Performance Restrictions (new 2026)** Scores states on whether they have enacted laws restricting drag performances. States with no legislation score 4; states where laws have been judicially blocked score 3; states with pending legislation score 2; states with enforceable restrictions score 1. For purposes of scoring, the indicator is based on legislative action rather than the current judicial status of the law.



## **Youth and Family Support**

*The Youth and Family Support section now contains seven indicators across three subsections:*

**Family Support Scale (legacy)** Measures how supportive the state is of LGBTQ+ people who are in or wish to start families. Elements include the percentage of LGBTQ+ families raising children, family leave law coverage for same-gender couples, second-parent adoption, foster care non-discrimination, and parental recognition for assisted reproduction.

**Children and Youth Scale (legacy)** Assesses resources available to LGBTQ+ children and youth in the state, including nondiscrimination and anti-bullying policies, bans on healthcare for transgender youth, and bans on transgender athletes participating on teams of their gender.

**Targeted Laws (legacy)** Evaluates states on whether they ban discussion of same-gender marriage in schools, and whether they ban conversion therapy for minors. In March 2026, the U.S. Supreme Court held in *Chiles v. Salazar* that conversion therapy bans applied to talk therapy constitute viewpoint-based speech regulation subject to rigorous First Amendment scrutiny, casting doubt on the enforceability of existing bans nationwide and making the enactment of bans on conversion therapy even more unlikely in the near term. Accordingly, the scoring approach for this indicator was updated to reflect states' continued policy stance and enforcement posture even as the formal ban status has shifted.

**Pronoun and Name Usage Rights (new 2026)** Scores states on whether they restrict the use of students' chosen names and pronouns in schools, with additional penalties where restrictions extend to state government employment.

**Library and Book Access (new 2026)** Scores states on whether they have enacted laws restricting LGBTQ+ content in libraries and schools, or whether they have passed protective legislation safeguarding access to diverse materials.

**Transgender Sports Participation Access (new 2026)** Scores states on the scope of transgender sports participation bans, including whether the state has extended restrictions to higher education.



## **Political and Religious Attitudes**

*The Political and Religious Attitudes section now contains six indicators. Together, these scales assess the tone of the state's conversation around LGBTQ+ rights and the institutional stance of its elected leaders.*

**Religious Protections Scale (legacy)** Assesses the extent and impacts of a state's constitutional or statutory religious exemption laws, including targeted exemptions from laws governing child welfare services, private wedding services, and the provision of medical care, as well as exemptions allowing state and local officials to decline to issue marriage licenses.

**State Leadership Scores (legacy)** 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 political platforms, and how they've acted with regard to laws impacting LGBTQ+ equality.

**DEI Program Restrictions (new 2026)** Scores states on whether they have enacted legislation restricting or eliminating diversity, equity, and inclusion programs in state agencies, public universities, and in some cases private entities receiving state funding. States with protective legislation **score 5**; states with no legislation **score 3**; states with pending legislation **score 2**; states with enacted anti-DEI laws **score 1**.

**Attorney General Score (new 2026)** Evaluates each state's sitting attorney general on their LGBTQ+ litigation, amicus, and enforcement record. The score is built from a raw scale of **-10 (most pro-LGBTQ+)** to **+10 (most anti-LGBTQ+)**, then converted to a 1–5 score: AGs scoring **-10 to -7** (active defenders) **score 5**; **-6 to -3** (pro-equality coalition joiners) **score 4**; **-2 to +2** (neutral or newly seated AGs) **score 3**; **+3 to +6** (anti-equality coalition joiners) **score 2**; and **+7 to +10** (active litigators against LGBTQ+ rights, including those targeting corporations over DEI or LGBTQ+-inclusive practices) **score 1**. Four AGs are flagged for direct corporate targeting: Ken Paxton (Texas), Todd Rokita (Indiana), James Uthmeier (Florida), and Jonathan Skrmetti (Tennessee). The 2026 distribution is 18 fives, 5 fours, 1 three, 6 twos, 20 ones.



## **Health Access and Safety**

*The Health Access and Safety section now contains six indicators.*

**Health Scale (legacy)** Assesses LGBTQ+ people's access to insurance and medical care in each state, with particular emphasis on the most economically precarious and vulnerable members of the community. It considers whether private insurance is covered by state nondiscrimination protections, whether transgender care is covered by Medicaid, and whether insurance providers are banned from excluding coverage for transgender-specific care.

**Safety Scale (legacy)** Based on two laws protecting or criminalizing behaviors affecting LGBTQ+ people: whether the state protects LGBTQ+ people in its hate crime laws, and whether the state criminalizes exposure to or transmission of HIV.

**Adult Gender-Affirming Care Access (new 2026)** Scores states on whether they have extended gender-affirming care restrictions to adults, most commonly through Medicaid coverage restrictions or broader statutory bans.

**Shield Laws (new 2026)** Scores states on whether they have enacted shield laws protecting patients and healthcare providers from out-of-state prosecution or investigation when gender-affirming care is accessed within the protective state's borders.



## **Work Environment and Employment**

*The Work Environment and Employment section now contains seven indicators.*

**Work Environment Scale (legacy)** Assesses transgender individuals' experiences at work, including 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 to keep a job, or having private information about gender shared without consent).

**SOGI Data Collection in State Surveys (new 2026)** Scores states on whether they include Sexual Orientation and Gender Identity questions in their state health surveillance systems—critical infrastructure for evidence-based LGBTQ+ policy as federal data collection has been systematically eliminated since 2025.

**State Government as LGBTQ+ Inclusive Employer (new 2026)** Scores states on whether the state government itself provides comprehensive LGBTQ+ protections to its employees, including nondiscrimination coverage, domestic partner benefits, and transgender-inclusive healthcare in state employee health plans.

**Corporate-Policy Alignment (new 2026)** Measures the alignment or tension between a state's LGBTQ+ policy environment and its corporate presence. States with inclusive policy environments and significant corporate density score highest, while states with restrictive policy environments and significant corporate presence — including Texas, Florida, and Ohio — score lowest, reflecting heightened tension between state mandates and corporate operating environments.

The indicator is constructed from two publicly available data sources. Corporate density is taken from the most recent Fortune 500 list, capturing the count of Fortune 500 companies headquartered in each state. Corporate LGBTQ+ inclusiveness is taken from the Human Rights Campaign Foundation's Corporate Equality Index (CEI), the leading national benchmarking tool for LGBTQ+ workplace policies and practices. Companies scoring **80 or above** — HRC's threshold for "LGBTQ+ inclusive" status — are counted as inclusive corporate employers; companies that did not participate or scored **below 80** are counted but not credited as inclusive.

Each state is then classified by combining its overall Index policy score with the count and share of CEI-rated inclusive companies headquartered within its borders. States are grouped into four broad classifications: **Inclusive**; **Mixed**; **Hostile, Limited Footprint**; and **Hostile, Major Employers (High Tension)**. Texas, Florida, and Ohio fall into the High Tension category not because they lack inclusive corporations, but because they host large concentrations of HRC CEI top-rated employers whose internal LGBTQ+ workplace standards are increasingly in conflict with the state's legislative direction.

*The HRC CEI dataset used in the 2026 Index reflects the most recent CEI publication available as of May 15, 2026.*

# 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 represents the top score, 1 represents the low score. Under the expanded 2026 methodology, the maximum possible score is 160 points (32 indicators × 5), which is normalized to a 100-point scale for comparability with prior editions. The minimum raw score is 32; the minimum normalized score is 20.

Both the expanded 2026 score and the legacy 20-indicator score are reported side-by-side throughout this Index to preserve year-over-year continuity while also giving readers a more accurate picture of the current policy environment.

**Note:** Starting in 2025, the scoring rubrics for birth certificates, driver's licenses, and "Don't Say LGBTQ+" laws were updated to reflect the current policy environment. In 2026, an additional rubric adjustment was applied to the Conversion Therapy Ban indicator following the *Chiles v. Salazar* Supreme Court decision, and the expanded methodology added 12 new indicators. The 2026 edition also further refines the "Don't Say LGBTQ+" / no-promo-homo indicator with a four-tier scale that distinguishes states with codified-but-dormant statutes (which retain anti-LGBTQ+ curriculum laws on the books even when not actively enforced) from states with no historical statute. Under the refined rubric: states with affirmative protections for LGBTQ+-inclusive curriculum score 5; states with no statute and no documented restrictions score 4; states with repealed or court-invalidated statutes score 3; states whose codified anti-LGBTQ+ curriculum statutes remain on the books regardless of current enforcement score 2 (Mississippi and Oklahoma); and states with active enforcement or expansion of "Don't Say Gay" laws score 1. This refinement ensures that states which have allowed restrictive education laws to remain on their books are not credited with the same posture as states that have never enacted such laws or have affirmatively repealed them. These changes may result in score adjustments compared to previous editions.

*For more information, contact [info@outleadership.com](mailto:info@outleadership.com).*

*For readers following the Index year-over-year, the 2026 edition requires a bridge.*

*This section provides that bridge in two directions.*

**First,** it reports each state's 2026 score under the legacy 20-indicator methodology so that 2025 and 2026 can be compared apples-to-apples.

**Second,** it shows the difference between each state's 2026 legacy score and its 2026 expanded score, isolating the impact of the methodology change itself from any actual year-over-year policy movement.

**These tables report, for every state, the 2025 legacy score, the 2026 legacy score (using the same 20 indicators), the year-over-year change under the legacy framework, the 2026 expanded score normalized to 100, the rank change between the legacy and expanded frameworks, and the state's Corporate-Policy Alignment classification.**

*From 2025 to 2026: The Legacy-to-Expanded Bridge*

State	2025 Legacy	2026 Legacy	YOY Change	2026 Exp. Score	Legacy Rank	Expanded Rank	Rank Movement
Massachusetts	93.67	93.17	-0.50	93.23	1	1	+0
New York	93.67	92.67	-1.00	92.92	2	2	+0
Connecticut	92.27	91.77	-0.50	92.35	3	3	+0
New Jersey	90.00	89.50	-0.50	90.94	4	4	+0
Illinois	88.47	87.47	-1.00	90.92	8	5	+3
California	86.67	86.67	+0.00	90.42	10	6	+4
Maryland	84.83	86.83	+2.00	89.90	9	7	+1
Vermont	89.50	88.50	-1.00	89.69	6	8	-2
Colorado	87.67	87.67	+0.00	89.17	7	9	-2
Minnesota	87.33	86.33	-1.00	88.96	13	10	+3
Maine	88.67	88.67	+0.00	88.54	5	11	-6
Washington	84.83	85.00	+0.17	88.12	15	12	+3
Rhode Island	85.70	85.20	-0.50	87.62	14	13	+1
Oregon	87.00	86.67	-0.33	87.29	11	14	-3
New Mexico	86.93	86.43	-0.50	85.27	12	15	-3
Michigan	82.07	81.47	-0.60	82.17	16	16	+0
Hawaii	81.27	81.43	+0.16	79.02	17	17	+0
Nevada	79.67	78.67	-1.00	76.67	19	18	+1
Delaware	71.43	72.43	+1.00	76.52	21	19	+2
Virginia	80.47	80.90	+0.43	75.56	18	20	-2
Pennsylvania	66.27	67.77	+1.50	71.10	23	21	+2
Wisconsin	68.72	70.01	+1.29	70.01	22	22	+0
New Hampshire	76.08	73.83	-2.25	66.15	20	23	-3
Arizona	61.05	65.80	+4.75	61.75	24	24	+0
Alaska	56.00	57.80	+1.80	55.50	26	25	+1

### From 2025 to 2026: The Legacy-to-Expanded Bridge

State	2025 Legacy	2026 Legacy	YOY Change	2026 Exp. Score	Legacy Rank	Expanded Rank	Rank Movement
Georgia	53.50	52.00	-1.50	51.88	27	26	+1
North Carolina	53.05	50.55	-2.50	50.97	30	27	+3
North Dakota	56.47	58.47	+2.00	50.29	25	28	-3
Nebraska	53.40	51.40	-2.00	47.13	29	29	+0
Utah	52.50	51.47	-1.03	44.67	28	30	-2
Kansas	51.80	47.20	-4.60	43.88	31	31	+0
Missouri	43.60	43.35	-0.25	42.72	33	32	+1
Iowa	47.45	43.90	-3.55	41.19	32	33	+1
Ohio	42.35	41.35	-1.00	40.84	37	34	+3
Kentucky	43.25	42.92	-0.33	40.58	34	35	-1
Wyoming	45.42	40.67	-4.75	39.79	38	36	+2
West Virginia	46.90	41.90	-5.00	38.69	35	37	-2
Montana	40.62	39.62	-1.00	38.51	39	38	+1
Texas	44.70	41.70	-3.00	37.31	36	39	-3
South Dakota	34.80	33.30	-1.50	37.06	45	40	+5
Indiana	42.67	37.37	-5.30	36.48	41	41	+0
Alabama	39.40	35.17	-4.23	36.35	42	42	+0
Oklahoma	37.62	32.87	-4.75	36.17	47	43	+4
Mississippi	37.27	34.27	-3.00	35.79	44	44	+1
Louisiana	33.00	32.50	-0.50	35.31	48	45	+3
Florida	42.20	39.20	-3.00	33.25	40	46	-6
South Carolina	32.15	31.15	-1.00	33.22	49	47	+2
Idaho	42.07	34.57	-7.50	32.23	43	48	-5
Tennessee	35.00	33.00	-2.00	31.25	46	49	-3
Arkansas	29.50	26.90	-2.60	28.06	50	50	+0



### *Methodology note:*

**Year-over-year movement in the table to the left** reflects both real-world legislative change and scoring-rubric refinements. Specifically: in 2025, the rubrics for birth-certificate and driver's-license gender markers and for "Don't Say LGBTQ+" / no-promo-homo laws were updated to score states based on currently enacted and enforceable laws rather than historical statutes; in 2026, the Conversion Therapy Ban indicator was adjusted following *Chiles v. Salazar*, and 12 new indicators were added to the expanded framework. As a result, some states show year-over-year movement in legacy scores even where their actual policy environment has not changed; conversely, the expanded framework captures policy dimensions the legacy framework was not built to register. Readers comparing 2024, 2025, and 2026 columns should treat the 2025 numbers as the first published under the refined birth-certificate, driver's-license, and no-promo-homo rubrics, and the 2026 expanded numbers as the first published under the 32-indicator framework with the Attorney General Score and other new indicators.

***The bridge reveals several patterns worth noting.*** Under the legacy methodology, the average state score dropped from 62.62 in 2025 to approximately 61.39 in 2026—a decline of about 1.2 points, continuing the four-year downward trend that began in 2022 after a period of sustained progress. That movement, viewed in isolation, could be read as relatively mild. Under the expanded methodology, however, the national picture shifts meaningfully: Texas drops three rank positions, Florida drops six, and Maine drops seven—not because those states changed dramatically in the last year, but because the expanded framework captures both three years of accumulated legislation the legacy framework missed and (new for 2026) the Attorney General Score, which separately penalizes states whose AGs have led or joined anti-LGBTQ+ multistate litigation. Texas (Paxton), Indiana (Rokita), Florida (Uthmeier), and Tennessee (Skrmetti) score 1 on the AG indicator and are flagged for directly targeting corporations over LGBTQ+-supportive policies.

***Conversely, the expanded framework credits states for protective actions the legacy framework never measured.*** California gains four rank positions, Illinois gains three, and South Dakota—yes, South Dakota—gains five. The drivers vary: California and Illinois benefit from the AG indicator (Bonta and Raoul both score 5 as active defenders), shield laws, library protections, and SOGI data infrastructure that the legacy framework never measured. South Dakota gains primarily because the expanded framework rewards it for the absence of several recent waves of anti-LGBTQ+ legislation that other states in its cohort did enact, even though its overall posture remains hostile.

# State Index Scores

The table below ranks all 50 states by their 2026 expanded normalized score, with each state's legacy rank and score change shown for comparison.

State	2025 Legacy	2026 Legacy Score	2026 Expanded Score	Legal and Non-discrimination Protections /30 pts.	Youth and Family Support /35 pts.	Political & Religious Attitudes /30 pts.	Health Access & Safety /30 pts	Work Enviro. & Employ. /35 pts
Alabama	39.40	35.17	36.35	8.50	8.40	8.27	12.00	21.00
Alaska	56.00	57.80	55.50	23.00	18.80	18.00	13.00	16.00
Arizona	61.05	65.80	61.75	22.00	16.00	22.80	14.00	24.00
Arkansas	29.50	26.90	28.06	7.50	9.20	7.20	10.00	11.00
California	86.67	86.67	90.42	28.00	33.67	28.00	25.00	30.00
Colorado	87.67	87.67	89.17	28.00	33.67	28.00	25.00	28.00
Connecticut	92.27	91.77	92.35	27.00	33.67	26.60	27.50	33.00
Delaware	71.43	72.43	76.52	25.00	31.43	26.00	24.00	16.00
Florida	42.20	39.20	33.25	10.00	8.40	9.80	11.00	14.00
Georgia	53.50	52.00	51.88	11.50	16.40	17.60	14.50	23.00
Hawaii	81.27	81.43	79.02	26.00	30.43	25.00	24.00	21.00
Idaho	42.07	34.57	32.23	9.50	9.07	9.00	9.00	15.00
Illinois	88.47	87.47	90.92	28.00	33.67	28.80	27.00	28.00
Indiana	42.67	37.37	36.48	12.00	9.57	10.80	10.00	16.00
Iowa	47.45	43.90	41.19	13.50	10.80	11.60	14.00	16.00
Kansas	51.80	47.20	43.88	13.00	14.40	13.80	13.00	16.00
Kentucky	43.25	42.92	40.58	15.25	12.07	13.60	11.00	13.00
Louisiana	33.00	32.50	35.31	8.50	12.40	10.60	10.00	15.00
Maine	88.67	88.67	88.54	28.00	31.67	27.00	28.00	27.00
Maryland	84.83	86.83	89.90	27.00	32.83	30.00	27.00	27.00
Massachusetts	93.67	93.17	93.23	28.00	31.67	30.00	26.50	33.00
Michigan	82.07	81.47	82.17	27.00	27.87	27.60	22.00	27.00
Minnesota	87.33	86.33	88.96	27.00	32.33	28.00	26.00	29.00
Mississippi	37.27	34.27	35.79	9.00	14.07	7.20	11.00	16.00
Missouri	43.60	43.35	42.72	12.75	14.00	11.60	13.00	17.00

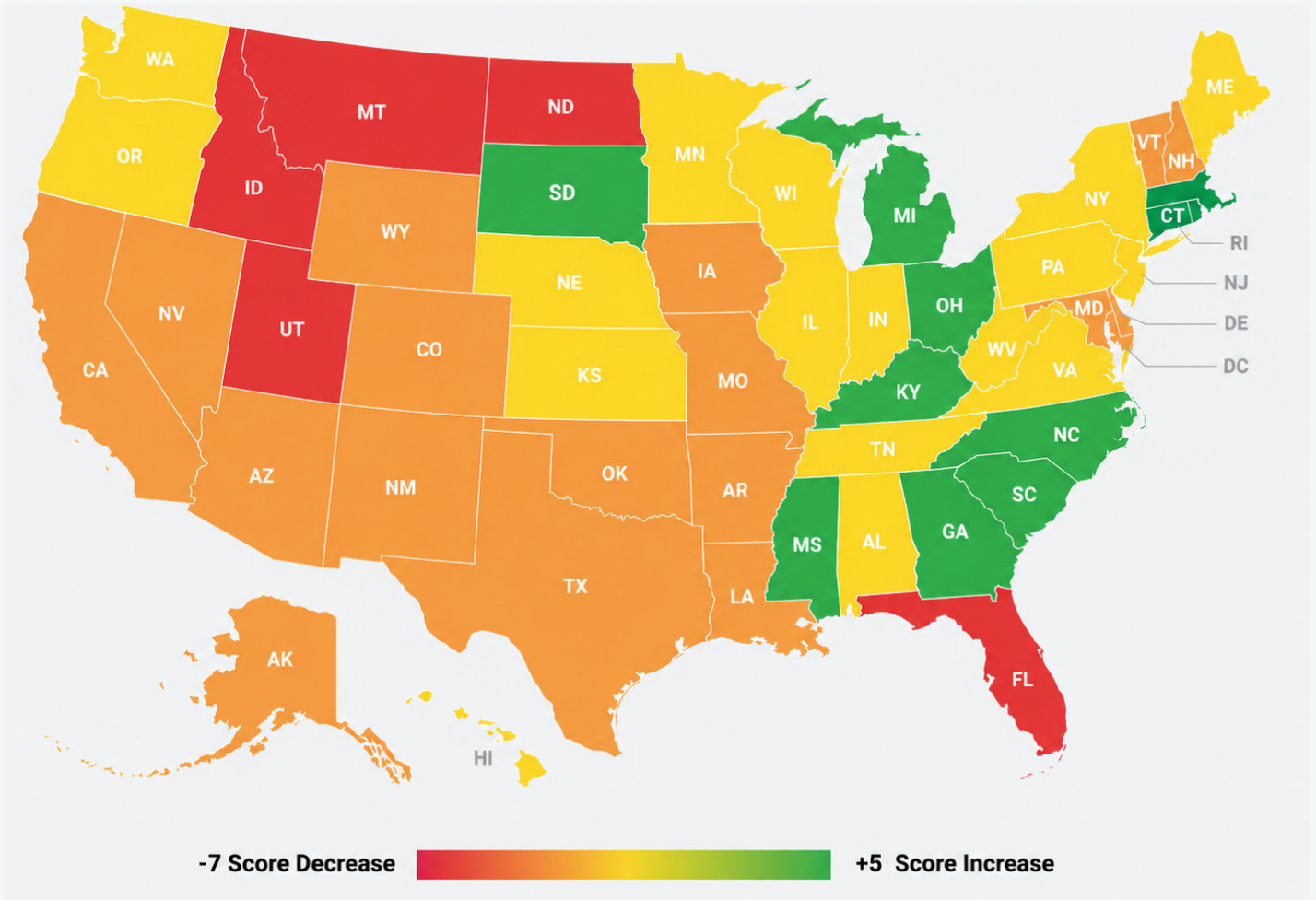
<i>State</i>	<i>2025 Legacy</i>	<i>2026 Legacy Score</i>	<i>2026 Expanded Score</i>	<i>Legal and Non-discrimination Protections /30 pts.</i>	<i>Youth and Family Support /35 pts.</i>	<i>Political &amp; Religious Attitudes /30 pts.</i>	<i>Health Access &amp; Safety /30 pts</i>	<i>Work Enviro. &amp; Employ. /35 pts</i>
Montana	40.62	39.62	38.51	7.25	15.57	12.80	12.00	14.00
Nebraska	53.40	51.40	47.13	17.00	16.40	11.00	12.00	19.00
Nevada	79.67	78.67	76.67	28.00	29.67	23.00	21.00	21.00
New Hampshire	76.08	73.83	66.15	21.00	25.33	19.00	20.50	20.00
New Jersey	90.00	89.50	90.94	28.00	33.00	28.00	26.50	30.00
New Mexico	86.93	86.43	85.27	28.00	29.33	26.60	24.50	28.00
New York	93.67	92.67	92.92	28.00	31.67	30.00	27.00	32.00
North Carolina	53.05	50.55	50.97	19.75	14.20	17.60	9.00	21.00
North Dakota	56.47	58.47	50.29	18.00	16.67	8.80	14.00	23.00
Ohio	42.35	41.35	40.84	18.75	13.40	11.20	8.00	14.00
Oklahoma	37.62	32.87	36.17	10.00	14.07	9.80	10.00	14.00
Oregon	87.00	86.67	87.29	27.00	31.67	28.00	26.00	27.00
Pennsylvania	66.27	67.77	71.10	25.00	26.67	21.60	17.50	23.00
Rhode Island	85.70	85.20	87.62	28.00	33.10	26.60	24.50	28.00
South Carolina	32.15	31.15	33.22	11.25	13.90	9.00	7.00	12.00
South Dakota	34.80	33.30	37.06	9.00	16.50	10.80	10.00	13.00
Tennessee	35.00	33.00	31.25	8.00	12.40	8.60	8.00	13.00
Texas	44.70	41.70	37.31	8.50	10.40	8.80	14.00	18.00
Utah	52.50	51.47	44.67	16.00	18.20	11.27	12.00	14.00
Vermont	89.50	88.50	89.69	28.00	33.50	28.00	27.00	27.00
Virginia	80.47	80.90	75.56	26.00	20.60	24.80	21.50	28.00
Washington	84.83	85.00	88.12	28.00	33.00	28.00	24.00	28.00
West Virginia	46.90	41.90	38.69	15.00	11.80	10.60	12.50	12.00
Wisconsin	68.72	70.01	70.01	17.63	26.38	24.00	18.00	26.00
Wyoming	45.42	40.67	39.79	9.00	15.07	11.60	14.00	14.00



# State Rankings

2026 Exp. Rank	State	2026 Exp. Score /160	2026 Legacy /100	2025 Legacy Rank	Rank ↑ ↓
1	Massachusetts	149.17	93.17	1	+0
2	New York	148.67	92.67	2	+0
3	Connecticut	147.77	91.77	3	+0
4	New Jersey	145.50	89.50	4	+0
5	Illinois	145.47	87.47	8	+3
6	California	144.67	86.67	10	+4
7	Maryland	143.83	86.83	9	+2
8	Vermont	143.50	88.50	6	-2
9	Colorado	142.67	87.67	7	-2
10	Minnesota	142.33	86.33	13	+3
11	Maine	141.67	88.67	5	-6
12	Washington	141.00	85.00	15	+3
13	Rhode Island	140.20	85.20	14	+1
14	Oregon	139.67	86.67	11	-3
15	New Mexico	136.43	86.43	12	-3
16	Michigan	131.47	81.47	16	+0
17	Hawaii	126.43	81.43	17	+0
18	Nevada	122.67	78.67	19	+1
19	Delaware	122.43	72.43	21	+2
20	Virginia	120.90	80.90	18	-2
21	Pennsylvania	113.77	67.77	23	+2
22	Wisconsin	112.01	70.01	22	+0
23	New Hampshire	105.83	73.83	20	-3
24	Arizona	98.80	65.80	24	+0
25	Alaska	88.80	57.80	26	+1

2026 Exp. Rank	State	2026 Exp. Score /160	2026 Legacy /100	2025 Legacy Rank	Rank ↑ ↓
26	Georgia	83.00	52.00	27	+1
27	North Carolina	81.55	50.55	30	+3
28	North Dakota	80.47	58.47	25	-3
29	Nebraska	75.40	51.40	29	+0
30	Utah	71.47	51.47	28	-2
31	Kansas	70.20	47.20	31	+0
32	Missouri	68.35	43.35	33	+1
33	Iowa	65.90	43.90	32	-1
34	Ohio	65.35	41.35	37	+3
35	Kentucky	64.92	42.92	34	-1
36	Wyoming	63.67	40.67	38	+2
37	West Virginia	61.90	41.90	35	-2
38	Montana	61.62	39.62	39	+1
39	Texas	59.70	41.70	36	-3
40	South Dakota	59.30	33.30	45	+5
41	Indiana	58.37	37.37	41	+0
42	Alabama	58.17	35.17	42	+0
43	Oklahoma	57.87	32.87	47	+4
44	Mississippi	57.27	34.27	44	+0
45	Louisiana	56.50	32.50	48	+3
46	Florida	53.20	39.20	40	-6
47	South Carolina	53.15	31.15	49	+2
48	Idaho	51.57	34.57	43	-5
49	Tennessee	50.00	33.00	46	-3
50	Arkansas	44.90	26.90	50	+0



## Movement in Score & Rank

For the fourth year in a row, the average movement in scores under the legacy framework was negative. The expanded 2026 framework amplifies this finding by incorporating the full weight of anti-LGBTQ+ legislation enacted since 2023. 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. Many of the states that did see substantial rank increases between the legacy and expanded frameworks share one consistent factor: a governor who prioritized protections for LGBTQ+ people and consistently vetoed anti-LGBTQ+ legislation.

All these shifts impact companies' ability to do the best business, recruit and retain top talent, and respond to the constant stream of state-level legislation that affects their employees, clients, and in some cases products and services.

## States with the Most Significant Rank Movement (Legacy → Expanded)

The table below shows the states with the largest rank movement between the legacy and expanded frameworks. Positive numbers indicate that the state ranks higher under the expanded framework than under the legacy framework; negative numbers indicate the state ranks lower under the expanded framework.

State	Legacy Rank	2026 Expanded Rank	Rank Movement	Corporate-Policy Alignment
California	13	6	+7	Inclusive
Florida	39	46	-7	High Tension
Texas	37	39	-2	High Tension
Maine	7	11	-4	Inclusive
South Dakota	47	40	+7	Limited Footprint
Illinois	8	5	+3	Inclusive
New Mexico	11	15	-4	Inclusive
New Hampshire	20	23	-3	Mixed
North Carolina	31	27	+4	Mixed
Utah	28	30	-2	Mixed
Ohio	38	34	+4	High Tension
West Virginia	35	37	-2	Limited Footprint
Louisiana	48	45	+3	Limited Footprint
Minnesota	12	10	+2	Inclusive
Delaware	21	19	+2	Mixed
Idaho	45	48	-3	Limited Footprint
North Dakota	25	28	-3	Limited Footprint
Oklahoma	43	43	0	Limited Footprint
Tennessee	46	49	-3	High Tension
Washington	15	12	+3	Inclusive
Pennsylvania	23	21	+2	Mixed
Virginia	19	20	-1	Inclusive
Iowa	32	33	-1	Mixed
Wyoming	33	36	-3	Limited Footprint
Colorado	6	9	-3	Inclusive
New Jersey	4	4	0	Inclusive

# State Leadership Scores

Our Leadership's Leadership Scores assess governors and attorneys general based on their public positions, policy actions, and demonstrated support for LGBTQ+ equality and inclusive business environments.

Scores are measured on a normalized 1–5 scale, where 5 = Active defender, 4 = Coalition joiner (pro-LGBTQ+), 3 = Neutral or newly elected, 2 = Coalition joiner (anti-LGBTQ+), and 1 = Active opponent to LGBTQ+ protections.

State	Governor	Score	Attorney General	Score
AL	Kay Ivey (R)	1	Steve Marshall (R)	1
AK	Mike Dunleavy (R)	2	Stephen Cox (R)	1
AZ	Katie Hobbs (D)	4	Kris Mayes (D)	5
AR	Sarah Huckabee Sanders (R)	1	Tim Griffin (R)	1
CA	Gavin Newsom (D)	5	Rob Bonta (D)	5
CO	Jared Polis (D)	5	Phil Weiser (D)	5
CT	Ned Lamont (D)	4	William Tong (D)	5
DE	Matt Meyer (D)	3	Kathy Jennings (D)	5
FL	Ron DeSantis (R)	2	James Uthmeier (R)	1
GA	Brian Kemp (R)	1	Chris Carr (R)	1
HI	Josh Green (D)	3	Anne Lopez (D)	4
ID	Brad Little (R)	1	Raúl Labrador (R)	1
IL	J.B. Pritzker (D)	5	Kwame Raoul (D)	5
IN	Mike Braun (R)	1	Todd Rokita (R)	1
IA	Kim Reynolds (R)	2	Brenna Bird (R)	1
KS	Laura Kelly (D)	5	Kris Kobach (R)	1
KY	Andy Beshear (D)	5	Russell Coleman (R)	1
LA	Jeff Landry (R)	1	Liz Murrill (R)	1
ME	Janet Mills (D)	5	Aaron Frey (D)	5
MD	Wes Moore (D)	5	Anthony Brown (D)	5
MA	Maura Healey (D)	5	Andrea Joy Campbell (D)	5
MI	Gretchen Whitmer (D)	5	Dana Nessel (D)	5
MN	Tim Walz (D)	5	Keith Ellison (D)	5
MS	Tate Reeves (R)	1	Lynn Fitch (R)	1
MO	Mike Kehoe (R)	1	Catherine Hanaway (R)	2

State	Governor	Score	Attorney General	Score
MT	Greg Gianforte (R)	2	Austin Knudsen (R)	1
NE	Jim Pillen (R)	1	Mike Hilgers (R)	1
NV	Joe Lombardo (R)	1	Aaron Ford (D)	4
NH	Kelly Ayotte (R)	1	John Formella (R)	2
NJ	Mikie Sherrill (D)	5	Jennifer Davenport (D)	5
NM	Michelle Lujan Grisham (D)	5	Raúl Torrez (D)	4
NY	Kathy Hochul (D)	5	Letitia James (D)	5
NC	Josh Stein (D)	5	Jeff Jackson (D)	4
ND	Kelly Armstrong (R)	1	Drew Wrigley (R)	1
OH	Mike DeWine (R)	1	Dave Yost (R)	1
OK	Kevin Stitt (R)	1	Gentner Drummond (R)	2
OR	Tina Kotek (D)	5	Dan Rayfield (D)	5
PA	Josh Shapiro (D)	5	Dave Sunday (R)	3
RI	Dan McKee (D)	4	Peter Neronha (D)	5
SC	Henry McMaster (R)	1	Alan Wilson (R)	1
SD	Larry Rhoden (R)	1	Marty Jackley (R)	1
TN	Bill Lee (R)	1	Jonathan Skrmetti (R)	1
TX	Greg Abbott (R)	1	Ken Paxton (R)	1
UT	Spencer Cox (R)	2	Derek Brown (R)	2
VT	Phil Scott (R)	5	Charity Clark (D)	5
VA	Abigail Spanberger (D)	5	Jay Jones (D)	4
WA	Bob Ferguson (D)	5	Nick Brown (D)	5
WV	Patrick Morrisey (R)	1	JB McCuskey (R)	2
WI	Tony Evers (D)	5	Josh Kaul (D)	5
WY	Mark Gordon (R)	1	Keith Kautz (R)	2



# Key Developments in 2026

## *The Equality Gap Widens—State Polarization on LGBTQ+ Rights Intensifies*

For the fourth consecutive year, LGBTQ+ equality is declining across the United States. Under the legacy framework, the national average score dropped from 62.62 to approximately 61.39—a continuation of the decline that began in 2023. Under the expanded framework, the national average sits at 60.87, reflecting the cumulative weight of the last three years of legislation.

In 2026, state polarization on LGBTQ+ rights reached new heights. Under the expanded framework, more than half of states experienced a rank drop or decline in score from their legacy position. The states with the largest rank drops between the legacy and expanded frameworks—Maine (-7), Florida (-6), Idaho (-4), Texas (-3).—reflect different stories: Florida and Texas drop because the expanded framework captures legislation they enacted and because their attorneys general (Uthmeier in FL, Paxton in TX) score 1 on the new AG indicator and are flagged for directly targeting corporations over LGBTQ+-supportive practices; Maine and Utah drop because the expanded framework rewards states that passed protective legislation those states did not.

This ongoing regression is largely driven by a surge in anti-LGBTQ+ legislation and the election of state leaders who openly oppose LGBTQ+ rights. In the wake of the 2024 elections, more governors and senators are taking increasingly extreme positions, eliminating the middle ground that once existed.

## *Anti-LGBTQ+ Legislation Continues to Rise*

In 2025 and into 2026, the American Civil Liberties Union tracked 518 anti-LGBTQ+ bills introduced across 42 states in the 2025–26 legislative cycle (data current as of May 5, 2026).

## *These bills overwhelmingly target transgender and nonbinary youth and include:*

- Bans on gender-affirming care for minors (*25+ states*)
- Restrictions extending gender-affirming care bans to adults (*11 states*)
- Restrictions on bathroom and facility access (*25 states*)
- Restrictions on transgender sports participation (*29 states*)
- "Don't Say Gay" style education bans
- Pronoun and name-use restrictions in schools
- Laws narrowing the legal definition of sex
- Anti-DEI legislation affecting public universities and state agencies (*28 enacted*)
- Library and book access restrictions targeting LGBTQ+ content
- Provisions permitting discrimination under the guise of religious freedom
- Prohibitions on updating gender markers on identity documents

## *The Impact of Leadership*

**State leadership continues to play a critical role. Where governors and legislators act in support of LGBTQ+ people, positive momentum follows.**

- Michigan continues to demonstrate the impact of sustained pro-equality leadership under Governor Whitmer, maintaining its position in the top 20 and scoring highly on state-as-employer and shield law indicators
- Kentucky continues to benefit from Governor Beshear's vetoes of anti-LGBTQ+ legislation, even when overridden

- Illinois gained three rank positions under the expanded framework thanks to Governor Pritzker's leadership on library protections, shield laws, and state employee protections
- California gained four rank positions under the expanded framework, reflecting both its policy leadership and the alignment of its Fortune 500 corporate base with its state policy environment

### Data Highlights from 2026

- **Top-ranked states:** Massachusetts (93.23) and New York (92.92), followed by Connecticut (92.35), New Jersey (90.94), and Illinois (90.92).
- **Lowest-ranked states:** Arkansas remains in last place at 28.06 for the fourth consecutive year, with Idaho (32.23) and South Carolina (33.22) rounding out the bottom.
- **Regional breakdown:** the Northeast dominates the top 10 with 6 of the highest-ranked states; the Southeast has 6 of the 10 lowest-ranked states
- **Corporate-Policy Alignment classifications include 19 states categorized as Inclusive, 13 states categorized as Mixed, 15 states categorized as Hostile, Limited Footprint, and 3 states — Texas, Florida, and Ohio — categorized as Hostile, Major Employers (High Tension).** SOGI data collection: approximately 58% of LGBTQ+ Americans live in states that include SOGI questions in their state health surveys; 42% do not.

### Where Do We Go From Here?

There is no longer room for neutrality. As anti-LGBTQ+ rhetoric becomes policy and elected officials take firmer stances, the divide between states is widening. Businesses and lawmakers must act to both protect their communities and to ensure inclusive environments that drive innovation, economic success, and access for all individuals and families to thrive. We applaud the states that advanced LGBTQ+ rights in 2026 and urge all others to follow suit. Equality is not just the right thing to do; it's the right thing for business and communities.



## The Economic Impact of LGBTQ+-Friendly State Policies

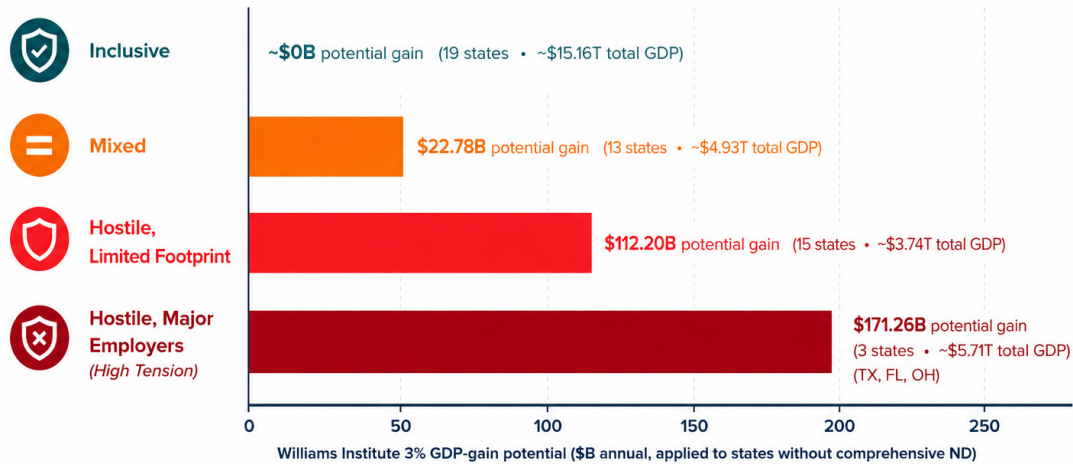
One of the most frequent questions we receive about the State LGBTQ+ Business Climate Index is: how much does it actually cost states to be hostile, and how much do inclusive states actually gain? For 2026, we have significantly expanded our treatment of this question, drawing on data from the Williams Institute, the Bureau of Labor Statistics, the Human Rights Campaign, convention and tourism industry reports, and original analysis of the relationship between Corporate-Policy Alignment and state-level economic outcomes.

### The GDP Dividend of Inclusive Policy

A Williams Institute report estimates that adding comprehensive nondiscrimination protections could produce a potential 3% gain in state GDP. Applied to BEA's 2025 annual state-level GDP data (released April 9, 2026), this implies that the bottom-10 states in the 2026 Index are collectively forgoing approximately \$221 billion in annual GDP relative to what they could generate under inclusive policy regimes; aggregated across all states without

# Annual GDP Forgone by Corporate-Policy Alignment Classification (BEA 2025 GDP)

States grouped by Corporate-Policy Alignment classification. The 3% GDP-gain estimate reflects Williams Institute projected economic gains associated with comprehensive LGBTQ+ nondiscrimination protections, applied to states without comprehensive protections.



Source: Williams Institute, BEA 2025 data, Out Leadership 2026 Index

comprehensive nondiscrimination protections, the U.S. forgone potential is approximately \$324 billion annually. This estimate does not include losses from convention cancellations, corporate relocations, tourism declines, or the talent outflow that inclusive states document.

Under the 2026 expanded framework, the relationship between a state's Index score and its GDP growth rate becomes measurable at a new level of granularity. The 10 highest-ranked states collectively account for 38.6% of U.S. GDP. The 10 lowest-ranked states represent 24.2% of U.S. GDP—a substantial share, reflecting the fact that low-ranked states are not only small economies but also include several major corporate hubs (notably Texas at \$2904B and Florida at \$1835B) where state policy and major-employer practice are most sharply at odds. This imbalance is not caused by LGBTQ+ policy alone—many factors drive regional economic performance—but the correlation between inclusive policy and economic dynamism is both measurable and persistent across the seven-year history of the Index.

## The Cost of Talent Flight

Surveys from Gallup and the Human Rights Campaign continue to document what the Index has been measuring for years: the next generation of workers will not tolerate employment in anti-equality states. More than 22% of Gen Z identifies as LGBTQ+. 76% of Gen Z workers say they will not accept jobs in anti-equality states. 89% of millennials prioritize LGBTQ+-inclusive healthcare policies when evaluating employers.

The cost of employee turnover driven by hostile state environments is quantifiable. Using the BLS May 2025 OEWS national mean annual wage of \$69,770, the cost of replacing a general worker is approximately 20% of their annual salary (about \$13,954), while the cost of replacing an executive is approximately 213% of their annual salary (about \$148,610 at the OEWS mean, and substantially higher for senior executives). Applied to documented rates of LGBTQ+ employee departures from hostile states, the aggregate turnover cost to employers in the bottom-10 states runs into the billions of dollars annually.

### Convention and Tourism Losses

The most visible economic costs of hostile state policy have historically come from convention cancellations and tourism declines in the wake of high-profile discriminatory legislation. North Carolina's HB2 cost the state an estimated \$3.76 billion in lost business over a multi-year period. Indiana's Religious Freedom Restoration Act was projected to cost Indianapolis alone \$60 million in lost convention business in its first year. Florida's "Don't Say Gay" expansion and healthcare restrictions have produced sustained boycott activity and corporate pushback that continues to affect the state's convention economy.

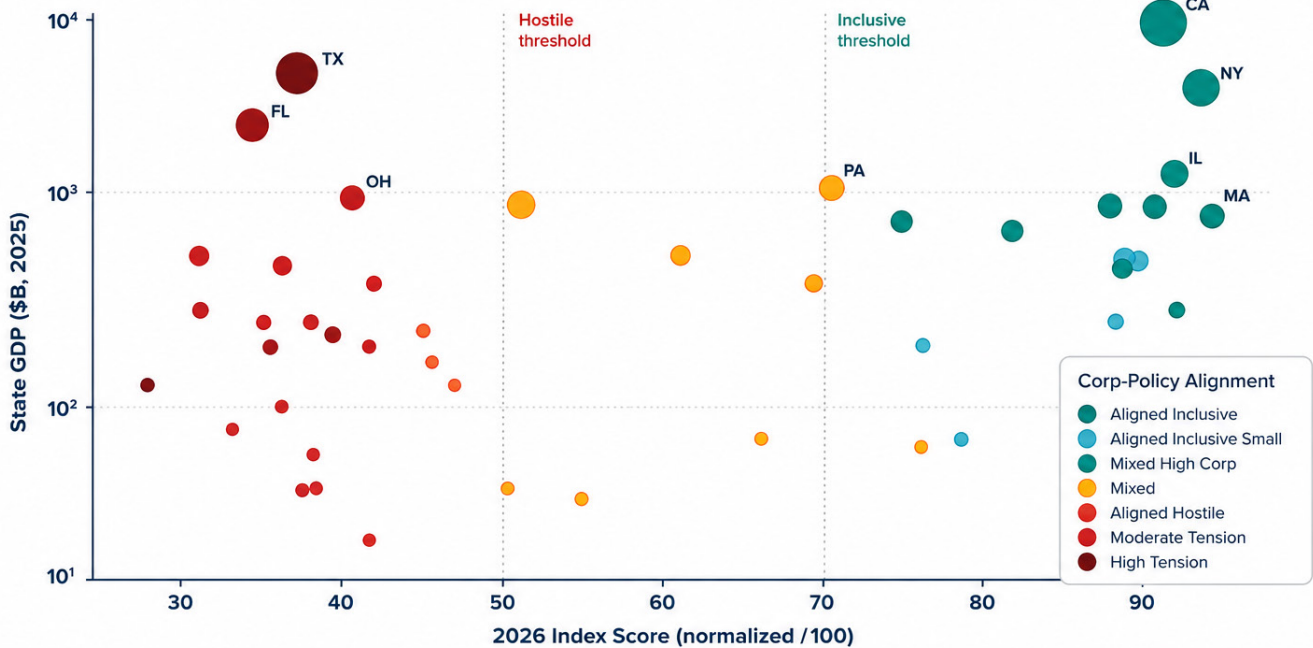
The 2026 expanded framework introduces a new dimension to this analysis through the Corporate-Policy Alignment indicator. States classified as "high tension" under this indicator—Texas, Florida, and Ohio—are the states where corporate presence is large enough that the cost of state policy conflicts is borne directly by major employers. These are also the states most likely to see the kind of corporate-state conflict that produces boycotts, relocations, and public confrontation.

### The Corporate-Policy Alignment Premium

Perhaps the most important new finding from the 2026 expanded framework is the emergence of a

## State GDP vs. 2026 Index Score (size = GDP, BEA 2025 verified)

This chart maps state economic scale against 2026 LGBTQ+ Business Climate scores, with bubble size representing total state GDP. High Tension states such as Texas, Florida, and Ohio continue to anchor some of the country's largest corporate economies despite increasingly hostile policy environments, highlighting the growing disconnect between business presence and state legislative direction.



Source: Out Leadership 2026 Index · BEA SOGDP1 2025 annual state GDP (April 9, 2026 release)

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measurable Corporate-Policy Alignment premium. States where inclusive policy and corporate presence reinforce each other—California, New York, Illinois, Massachusetts, Washington, and others classified as “aligned inclusive”—enjoy a stable, predictable business environment in which corporate values and state mandates pull in the same direction. States classified as “high tension” or “aligned hostile” force corporations to navigate a regulatory environment where state requirements actively conflict with federal employment law and corporate policy.

The business cost of this tension is real. It includes higher legal and compliance spending, elevated risk of shareholder litigation, higher employee turnover among LGBTQ+ staff and allies, reputational exposure, and in some cases direct revenue loss from consumer boycotts. When these costs are aggregated across all corporations operating in high-tension states, the annual cost is conservatively estimated in the billions of dollars.

### *The Shield Law Premium*

Eighteen states plus the District of Columbia have enacted shield laws protecting patients and providers of gender-affirming care from out-of-state prosecution. These laws have emerged as an unexpectedly powerful economic signal. For transgender employees and families with transgender children, shield law states are the only states where relocation decisions can be made without weighing the risk of legal action initiated by the state being left behind. For corporations recruiting nationally, shield law states function as “safe harbor” jurisdictions for LGBTQ+ employees and their dependents.

Early data from recruitment firms and corporate HR teams suggest that shield law status has become a material factor in site selection decisions for companies with significant LGBTQ+ workforces. This is a policy dimension that did not exist in 2019 and could not have been captured by the original Index framework.



## Economic Impact at a Glance

Cost or Benefit	Estimate	Source / Method
GDP gain from comprehensive nondiscrimination	Up to 3% of state GDP	Williams Institute
Aggregate GDP gain potential, hostile-policy states	~\$324B annual	BEA 2025 annual state GDP × Williams 3% (states without comprehensive ND)
GDP at risk in High Tension states (TX, FL, OH)	~\$171B annual	3% × combined GDP \$5.7T
GDP at risk in other hostile-policy states (Hostile, Limited Footprint)	~\$80B annual	3% × combined GDP ~\$2.7T
Top-10 vs bottom-10 GDP share	39% vs 24% of U.S. GDP	BEA 2025 annual state GDP, released April 9, 2026
Worker replacement cost (general)	~20% of annual salary	SHRM
Worker replacement cost (executive)	~213% of annual salary	SHRM
Average turnover cost per employee	\$13,954	BLS May 2025 OEWS mean wage × SHRM 20%
Gen Z workers identifying as LGBTQ+	22%+	Gallup
Gen Z workers avoiding anti-equality states	76%	HRC
Millennials prioritizing LGBTQ+-inclusive healthcare	89%	HRC
Consumers boycotting non-aligned brands	75%	FCB market research
North Carolina HB2 economic loss	\$3.76B over multi-year	AP
Indiana RFRA convention loss (Indianapolis)	\$60M / year	Visit Indy
Shield-law jurisdictions (LGBTQ+ safe harbors)	18 states + DC	MAP
Fortune 500 HQs in High Tension states	103 companies	Fortune 500

### The Bottom Line on Economic Impact

The aggregate economic impact of LGBTQ+-friendly state policy is substantial and growing. Under conservative assumptions, the combined GDP dividend, talent retention, convention and tourism, and corporate-policy alignment benefits of inclusive state policy run into the hundreds of billions of dollars annually. The economic cost of hostile state policy—measured in lost business, elevated turnover, litigation exposure, and foregone growth—is comparable. As the expanded framework makes visible, these costs and benefits are increasingly concentrated in the states where the gap between policy and corporate presence is largest.

*Table. Summary of economic impacts referenced in the 2026 Index. Estimates are conservative; aggregated figures applied to BEA 2025 annual state GDP (April 9, 2026 release) and BLS May 2024 OEWS salary data.*

# Seven-Year Trend Analysis: 2019–2026

The 2026 edition marks the eighth year of the Out Leadership State LGBTQ+ Business Climate Index and seven full years of year-over-year comparability. This section steps back from the annual snapshot to examine the longer arc: where the country was when we first published the Index in 2019, how the national picture changed during the progress years of 2020–2022, and what the four-year decline from 2023 to 2026 tells us about the direction of state LGBTQ+ policy.

## The National Average Over Seven Years

The national average score is the single most revealing number in this Index. Across the seven years from 2019 to 2026, the trajectory of that number tells a clear and sobering story. Between 2019 and 2022, the average moved upward, driven by state-level progress on nondiscrimination protections, conversion therapy bans, and ex-

panded family recognition. From 2023 onward, the direction reversed—and it has not stopped reversing.

Under the legacy 20-indicator framework, the national average in 2025 was 62.62. The 2026 legacy-methodology average is approximately 61.39, marking the fourth consecutive year of decline. Under the expanded 32-indicator framework, the national average is

60.87—a difference of about one point that reflects the cumulative weight of legislation the legacy framework was not built to capture.

## The Widening Gap Between Top and Bottom States

The most striking feature of the seven-year trend is not the move-

## Seven-Year Trend Analysis

The national average LGBTQ+ Business Climate Score rose steadily between 2019 and 2022 before reversing into four consecutive years of decline. The expanded 2026 framework reveals a widening divide between inclusive and hostile states, capturing the cumulative impact of anti-LGBTQ+ legislation enacted since 2023.



Source: Out Leadership State LGBTQ+ Business Climate Index, 2019–2026



ment of the average but the widening spread around it. In 2019, the gap between the highest-ranked state and the lowest-ranked state was approximately 55 points on the legacy 100-point scale. By 2025, that gap had grown to approximately 66 points. Under the 2026 expanded framework, the gap between Massachusetts (93.85) and Arkansas (28.06) is 65.79 points—roughly the same as 2025 in absolute terms but reflecting a qualitatively different policy landscape because the expanded framework captures a broader set of ways states can be hostile or welcoming.

**The top 10 states** have held remarkably steady across seven years. Massachusetts, New York, Connecticut, New Jersey, Vermont, and California have been fixtures in the top tier for the entire history of the Index. The bottom 10 states

have also held steady: Arkansas, South Carolina, Tennessee, Louisiana, Mississippi, Alabama, and Oklahoma have appeared in the bottom tier every year since 2019. What has changed is the middle: states that were once clustered around the national average have increasingly sorted into one camp or the other.

## Category-Level Trends Over Seven Years

*Four patterns stand out in the category-level data from 2019 to 2026:*

**1. Legal and Nondiscrimination Protections have eroded in restrictive states while holding steady or improving in inclusive states.**

In 2019, fewer than 20 states had fully comprehensive nondis-

crimination protections covering employment, housing, and public accommodations. By 2026 that number has grown modestly, but the erosion at the bottom—driven by state preemption of municipal nondiscrimination ordinances, bathroom bans, and carveouts in religious exemption laws—has outpaced the gains.

**2. Youth and Family Support has experienced the steepest decline of any category.**

In 2019, conversion therapy bans were expanding rapidly, and transgender sports bans were rare. As of early 2026, 29 states have enacted transgender sports bans, 25-plus states ban gender-affirming care for minors, and the *Chiles v. Salazar* decision has cast doubt on the enforceability of existing conversion therapy bans nationwide and made

the enactment of such bans even more unlikely in the near term. The expansion of pronoun restrictions and library content laws has pushed this category further downward.

**3. Political and Religious Attitudes have polarized dramatically.**

State Leadership Scores—Out Leadership’s measure of governor and senator LGBTQ+ stances—have become more extreme in both directions. Governors in states like Michigan, Kentucky, Illinois, Colorado, and Maryland have used their veto authority to block anti-LGBTQ+ legislation at historically high rates. Governors in Florida, Texas, Arkansas, and Oklahoma have signed record numbers of restrictive bills. The middle has effectively disappeared.

**4. Health Access and Safety is the category where the expanded framework has the largest impact.**

The new Adult Gender-Affirming Care Access and Shield Laws indicators capture a policy dimension that did not meaningfully exist in 2019. Shield laws, in particular, represent an entirely new category of interstate legal protection that emerged only after 2022. Their inclusion in the expanded framework reveals a new dimension of state variation that the legacy framework could not detect.

## The Chiles v. Salazar Decision

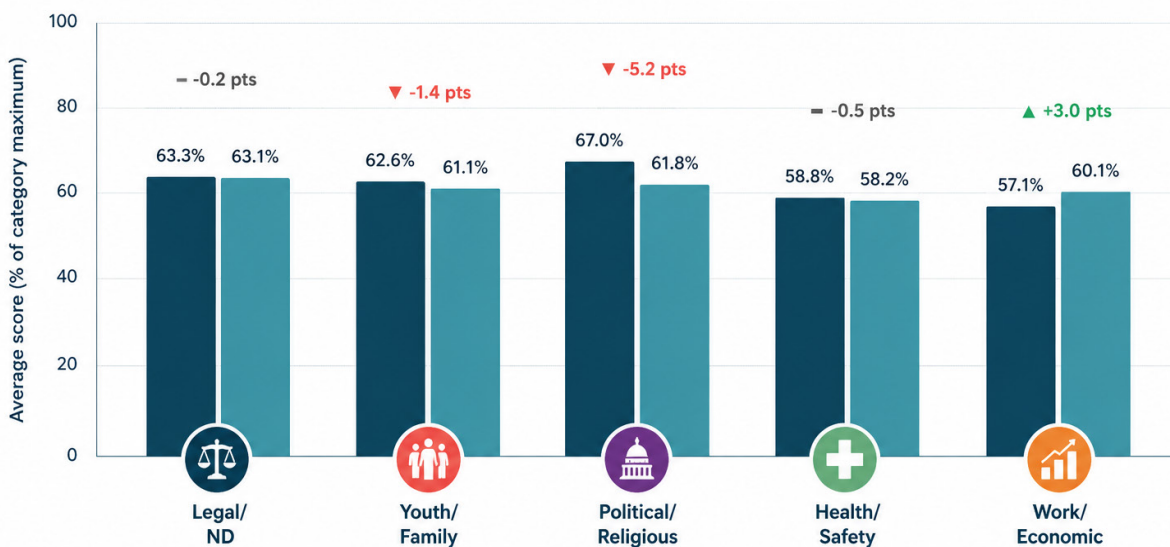
*The March 31, 2026*, Supreme Court ruling in *Chiles v. Salazar* held that Colorado’s specific licensing restriction — which prohibited mental health professionals from using conversion therapy with minor clients — constitutes regulation of protected speech under the First Amendment and thus likely violates the First Amendment’s free speech protections. The Court remanded the case back to a lower court to determine whether the law meets the higher constitutional standard known as strict scrutiny. Importantly, the Court did not declare conversion therapy safe or effective, nor did the decision address other legal tools, including malpractice or consumer fraud laws, that protect LGBTQ youth.

The ruling is likely to reshape the legal terrain for several indicators in future editions as similar First Amendment challenges are brought against other state LGBTQ+ protections. The Index team will continue monitoring these developments closely and update the scoring framework as the legal landscape evolves.

### Category Averages: Legacy vs. Expanded Framework (% of max possible)

Each category shown as a percent of its maximum possible score (20 for legacy, 30/35 for expanded), so categories with different sizes are directly comparable.

■ Legacy 20-indicator framework  
■ Expanded 32-indicator framework





## Biggest Movers Over Seven Years

*Looking across the full 2019–2026 window, several states stand out as the most significant long-term movers. These states have either gained more than 10 rank positions over seven years (improvers) or lost more than 10 rank positions (decliners).*

### *Long-term improvers (2019–2026):*

**Michigan** — sustained gains across multiple years driven by Governor Gretchen Whitmer’s expansion of hate crime protections, family recognition, and conversion therapy policy enforcement

**Kentucky** — improved rankings driven by Governor Andy Beshear’s consistent vetoes of anti-LGBTQ+ legislation, even when those vetoes were subsequently overridden

**New Mexico** — improved protections for LGBTQ+ families and expanded state employee benefits

**Maryland** — consistent year-over-year gains across family support and healthcare access

### *Long-term decliners (2019–2026):*

**Florida** — significant decline driven by “Don’t Say Gay” expansion, healthcare restrictions, bathroom bans, and book restrictions

**Texas** — decline driven by expanding anti-transgender legislation, SB8’s facility access restrictions, and the Corporate-Policy Alignment penalty in the expanded framework

**Ohio** — the single largest single-year decline in Index history in 2025, continued under the expanded framework

**Utah** — consistent erosion across healthcare, education, and family support indicators

**Idaho** — steady decline across multiple categories, including library restrictions and healthcare bans.



# Actionable Strategies for Business Leaders

Responding to the 2026 LGBTQ+ Business Climate Index

*The 2026 Index reveals a stark divide:*

LGBTQ+ rights are eroding in many states, and businesses operating in those environments face escalating risks.

Here's how smart companies are responding, with data-driven decisions and decisive leadership:

## 1. Invest Where Inclusion Wins

Relocate talent and operations to top-ranked states like Massachusetts, New York, Connecticut, Illinois, California, New Jersey, Vermont, Maryland, Colorado, and Minnesota. These states offer legal protections, healthcare access, and higher employee retention. Emerging leaders like Michigan and Kentucky show real progress—prime ground for future growth. Avoid high-risk states (Arkansas, Florida, Tennessee, Texas, Ohio, Idaho, Montana, West Virginia) where laws create compliance headaches and talent flight.

## 2. Protect and Retain Your Workforce

- 76% of Gen Z won't accept jobs in anti-equality states
- 89% of millennials prioritize LGBTQ+-inclusive healthcare policies
- Respond with "Safe Haven" benefits: gender-affirming care, relocation stipends, and remote work options for employees in hostile regions. These legislative efforts block access to healthcare, education, legal recognition, and the right to publicly exist. States enacting these policies saw the steepest score declines.

## 3. Lead Publicly

Silence equals complicity. Employees, consumers, and investors expect corporate action.

- Speak out against discriminatory laws
- Suspend political donations to anti-equality lawmakers
- Join legal efforts and issue public statements

## 4. Align Your Supply Chain

Hold partners and suppliers to your values.

- Require inclusion benchmarks
- Divest from vendors in low-ranking states

## 5. Support Staff in Crisis Zones

In states with healthcare bans and school censorship laws, offer:

- Out-of-state care and travel coverage
- Legal aid
- Remote flexibility
- Relocation support to shield-law jurisdictions

## 6. Drive Long-Term Change

- Lobby for state-level protections
- Support ballot measures
- Partner with advocacy groups and fund pro-equality PACs
- Publicly oppose anti-DEI mandates that conflict with corporate values

### *The Bottom Line:*

Companies that lead on LGBTQ+ inclusion will win talent, trust, and long-term growth. Those that don't face mounting reputational and operational risk. Under the 2026 expanded framework, the Corporate-Policy Alignment indicator makes this dynamic measurable for the first time: corporations operating in states where policy and corporate values are in tension are paying a premium that shows up in talent, legal, and reputational costs—whether or not it yet shows up in earnings.

# Sources & Data

*The 2026 Index draws on data from authoritative public, governmental, and nonprofit sources. Below is a complete list of data sources used in the construction of the 32-indicator framework, the historical comparisons, the Economic Impact analysis, and the State CEO Briefs. Data cutoff for the 2026 edition is May 15, 2026, except where a later release is explicitly cited.*

## Policy and Indicator Data

Thank you to Out Leadership's Global Advisory Board members, and our member companies' senior leaders, who have committed to using this Index. Thank you also to Dr. Rachel Golden for her contributions to the 2026 methodology expansion, and to the many data partners, researchers, and reviewers whose work made this edition possible.

**Movement Advancement Project (MAP).** The leading nonprofit clearinghouse for U.S. state LGBTQ+ policy data. MAP's state Equality Profiles provide the foundational data for all 20 legacy indicators (birth-certificate and driver's-license gender-marker policies, employment and other nondiscrimination protections, family support, child/youth, conversion-therapy bans, no-promo-homo/"Don't Say LGBTQ+" laws, religious exemptions, health-access, state-employee coverage, hate-crimes, HIV-criminalization, work-safety, unemployment- and food-insecurity-differentials, income) and several of the 12 new 2026 indicators. URL: [lgbtmap.org](http://lgbtmap.org). Data cutoff for the 2026 Index: May 15, 2026.

**Human Rights Campaign Foundation (HRC).** Three HRC products inform the 2026 Index: (1) the Corporate Equality Index (CEI), used as the inclusiveness threshold (CEI 80+) in the Corporate-Policy Alignment indicator; (2) the Municipal Equality Index (MEI) and State Equality Index, used as cross-references for state-employee policies; and (3) the HRC Congressional Scorecard, used in the Senator scoring. URL: [hrc.org](http://hrc.org). CEI cutoff: most recent published cycle prior to May 15, 2026.

**Williams Institute, UCLA School of Law.** A research center at UCLA School of Law focused on sexual orientation and gender identity policy. Williams Institute data underpin the Work-Safety, Unemployment-Differential, Food-Insecurity-Differential, and Income-Over-\$24K indicators, and the 3% GDP-gain estimate that anchors

the Economic Impact section.

URL: [williamsinstitute.law.ucla.edu](http://williamsinstitute.law.ucla.edu).

**2022 U.S. Transgender Survey (USTS),** published 2024. Workforce and lived-experience indicators draw on the 2015 U.S. Transgender Survey state reports, which remain the most recent comprehensive source of state-level transgender workforce data. The 2022 USTS, fielded by the National Center for Transgender Equality and published in 2024, is used for broader national context; state-level 2022 USTS data have not yet been released. Unless otherwise noted, references to workplace harassment, discrimination, or income data specific to transgender respondents reflect either the 2015 USTS state reports or the 2022 USTS national findings, depending on context.

**American Library Association (ALA).** ALA tracks book censorship attempts and challenges nationally. ALA data are used in the Library and Book Access indicator and provide the 2024 baseline (821 censorship attempts targeting 2,452 unique titles) cited in the Index. URL: [ala.org/bbooks/state-of-american-libraries](http://ala.org/bbooks/state-of-american-libraries).

**National Conference of State Legislatures (NCSL).** NCSL maintains comprehensive state-legislation tracking. NCSL data inform the Drag Performance Restrictions, DEI State Programs, and Pronoun/Name Usage Rights indicators. URL: [ncsl.org](http://ncsl.org).

**PEN America.** PEN America's research on book bans complements the ALA dataset for the Library and Book Access indicator, particularly for content-by-content tracking. URL: [pen.org](http://pen.org).

**Transathlete.** Transathlete.com tracks state-by-state policies on transgender student-athlete participation, providing the underlying data for the Transgender Sports Participation Access indicator. URL: [transathlete.com](http://transathlete.com).

**GLSEN.** GLSEN's research on LGBTQ+ youth in schools

Download, interact and share the index at [www.stateclimateindex.com](http://www.stateclimateindex.com)

complements MAP data on conversion-therapy bans, no-promo-homo statutes, and pronoun/name policies. URL: [glsen.org](https://glsen.org).

**KFF.** KFF (formerly the Kaiser Family Foundation) tracks state Medicaid policies and gender-affirming-care coverage decisions; KFF data inform the Health Access and Adult Gender-Affirming Care Access indicators. URL: [kff.org](https://kff.org).

**Federal Bureau of Investigation, Uniform Crime Reporting (UCR) Hate Crime Statistics.** The FBI Uniform Crime Reporting (UCR) Hate Crime Statistics database is the primary federal source for hate-crimes data used in the Hate Crimes Protections indicator. URL: [fbi.gov/services/cjis/ucr](https://fbi.gov/services/cjis/ucr).

**Centers for Disease Control and Prevention (CDC).** CDC HIV surveillance data informs the HIV Criminalization Reform indicator. URL: [cdc.gov/hiv](https://cdc.gov/hiv). State-by-state HIV criminalization status is cross-referenced against the Center for HIV Law and Policy (CHLP) "Mapping HIV Criminalization Laws in the U.S." (2025 edition, last updated November 12, 2025; URL: [hivlawandpolicy.org/maps](https://hivlawandpolicy.org/maps)) and the HIV Justice Network. The 2026 edition reflects North Dakota's March 2025 full repeal and Maryland's May 2025 full repeal of HIV-specific criminal exposure offenses; both states became the fourth and fifth states (after Texas in 1994, Illinois in 2021, and New Jersey in 2022) to fully repeal.

**American Civil Liberties Union (ACLU).** The ACLU's national legislative tracker is used to confirm pending and enacted anti-LGBTQ+ legislation across all states; ACLU bill counts populate the "Anti-LGBTQ+ bills tracked" figures cited throughout the State CEO Briefs. As of the May 5, 2026 data pull, the tracker showed 518 anti-LGBTQ+ bills introduced across 42 states in the 2025–26 legislative cycle, with Oklahoma (43), Missouri (39), West Virginia (39), and Tennessee (38) leading. URL: [aclu.org/legislative-attacks-on-lgbtq-rights](https://aclu.org/legislative-attacks-on-lgbtq-rights).

**Federal court records.** Federal court records (PACER, court opinions) inform the Attorney General Score, particularly multistate amicus briefs and direct corporate-targeting actions. URL: [pacer.gov](https://pacer.gov).

**State government websites and benefits handbooks.** Each state's government website is consulted for executive orders, agency policy statements, state employee



benefits handbooks, attorney-general published opinions, and current officeholder data. State-employee policies, AG actions, and DEI executive orders are sourced directly from state government publications.

## Economic and Demographic Data

**Bureau of Economic Analysis (BEA).** BEA's annual state GDP figures are the source for all dollar-denominated GDP analysis in the Economic Impact section. The 2026 Index uses BEA's 2025 annual state GDP, released April 9, 2026 as part of the Third Estimate of GDP, Industries, Corporate Profits, State GDP, and State Personal Income, 4th Quarter and Year 2025. URL: [bea.gov/data/gdp/gdp-state](https://bea.gov/data/gdp/gdp-state). Williams Institute's 3% gain estimate is applied to BEA's 2025 state GDP figures (current-dollar nominal) to compute potential GDP forgone in states without comprehensive nondiscrimination protections.

**Bureau of Labor Statistics (BLS).** BLS Occupational Employment and Wage Statistics provide the average-salary baseline used in the talent-replacement-cost calculations. URL: [bls.gov/oes](https://bls.gov/oes).

**U.S. Census Bureau, American Community Survey (ACS).** The American Community Survey provides demographic data, including LGBTQ+ population estimates by state, used in calibrating per-state economic impact figures. URL: [census.gov/acs](https://census.gov/acs).

**Fortune 500.** The Fortune 500 list of largest U.S. companies (by revenue) is used as the corporate-density input



to the Corporate-Policy Alignment indicator. URL: [fortune.com/fortune500](https://fortune.com/fortune500). Most recent published list as of the data cutoff.

**Society for Human Resource Management (SHRM).** Industry-standard estimates of employee-replacement cost (20% of annual salary for general workers; 213% for executives) used in the Index Economic Impact section. URL: [shrm.org](https://shrm.org).

**Gallup.** Gallup's polling on LGBTQ+ identification (including the 22%+ Gen Z figure) and Williams Institute population estimates inform the talent-impact narrative. URL: [gallup.com](https://gallup.com).

**HRC employee-preference surveys.** Generation-Z and Millennial preference data (76% Gen Z avoiding anti-equality states; 89% Millennials prioritizing LGBTQ+-inclusive healthcare) are sourced from HRC research surveys. URL: [hrc.org](https://hrc.org).

**Associated Press;** Visit Indy. Specific economic-impact case studies are sourced as follows: North Carolina HB2 (\$3.76B multi-year loss): Associated Press analysis; Indiana RFRA (\$60M annual Indianapolis convention loss): Visit Indy economic-impact reports.

## Methodological and Original Out Leadership Data

**Out Leadership Governor/Senator Codebook.** The Governor and Senator scoring is based on Out Leadership's original political-record codebook, which evaluates 10 questions for governors and 6 for senators across campaign positions, signed/vetoed legislation, public statements, and business-inclusion stances. The codebook draws on public records, voting databases, and HRC's Congressional Scorecard.

**Out Leadership Attorney General Coding.** The Attorney General Score uses an original Out Leadership coding of each state's sitting attorney general on a -10 to +10 raw scale (converted to 1-5), drawing on state litigation records, multistate amicus briefs, federal court filings, executive policy positions, public statements, and corporate-targeting actions. The corporate-targeting flag (TX, IN, FL) reflects publicly documented AG investigations or amicus filings against corporations over LGBTQ+ or DEI practices.

**Ropes & Gray.** Ropes & Gray provides pro bono legal review of all CEO Business Briefs and contributes legal-precedent and statutory citations throughout the Index, including the analyses of the *Chiles v. Salazar* (March 2026) and *U.S. v. Skremetti* (June 2025) decisions.

**Gill Foundation.** The Gill Foundation funded the original 2019 State LGBTQ+ Business Climate Index and continues to support the publication.

**Dr. Rachel Golden.** Dr. Rachel Golden contributed to the 2026 methodology expansion, particularly the framework for the 12 new 2026 indicators.

## Notes on Data Currency

The MAP, KFF, ALA, and other indicator data sources reflect policy and litigation status as of May 15, 2026. BEA state GDP data reflect the April 9, 2026 release of full-year 2025 figures (third estimate). HRC CEI ratings reflect the most recent published cycle. State-level GDP figures are sourced directly from BEA's SQGDP1 table (current-dollar nominal GDP, all 50 states and the District of Columbia) using the third estimate released April 9, 2026. All economic figures are presented in current-dollar (nominal) terms. Out Leadership will issue a corrigendum in the event that final BEA SQGDP1 state-level figures differ materially from the values shown.

Where MAP issues a refresh of its state Equality Profile data subsequent to publication of this Index, Out Leadership will note the data refresh date in the published methodology and re-run the Index calculations as needed for material changes.

# Business Markers

To represent the business impact of statewide support or marginalization of LGBTQ+ identities, the 2026 Index calculates three legacy business markers and introduces new supporting analyses under the expanded framework.

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 state 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 BLS May 2024 OEWS state-level mean annual wage data, we calculated the cost of replacement of a general worker in each state (20% of their salary, per SHRM) and the cost of replace-

ment of an executive (213% of their salary, per SHRM).

The third legacy marker tracks the difference in the number of married couples in each state over time, using tax data. We believe that couples are 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.

Under the 2026 expanded framework, two new markers are reported alongside these legacy measures: the Corporate-Policy Alignment classification (reported state-by-state in the rankings tables), and the Shield Law status (reported as part of the Health Access and Safety category). Together, these markers help business leaders understand where state policy and corporate operations are aligned and where they are in tension.

## 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. The 2026 edition additionally draws on data from the American Library Association, the Human Rights Campaign, and state government records.

## 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. Thank you also to Dr. Rachel Golden for her contributions to the 2026 methodology expansion, and to the many data partners, researchers, and reviewers whose work made this edition possible.

## Disclaimer

Out Leadership has made every effort to ensure that the information contained within this Index is accurate and up to date as of May 15, 2026. 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](mailto:info@outleadership.com).

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