



NC FAMILY
POLICY COUNCIL

SPOTLIGHT

Opposition Orchestration

Business opposition
not spontaneous

written by:
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While LGBT activist groups would like for us all to believe that the opposition to HB2 was a spontaneous uprising of indignation among the state and national business community, a closer examination reveals that it is actually part of a carefully orchestrated campaign by a national LGBT activist group, the Human Rights Campaign.

The Human Rights Campaign (HRC) is a national organization based in Washington, D.C. that self-identifies as “America’s largest civil rights organization working to achieve LGBT equality.” In conjunction with its partner foundation, HRC reported total combined revenue of \$53.7 million in 2015. They employ the expertise of 10 core executives who receive annual compensation exceeding \$200,000 each and provide grants to local LGBT organizations all over the country.

In fact, after the Charlotte City Council failed in 2015 to pass ordinance changes containing the much-publicized bathroom provision, HRC and other LGBT groups reportedly spent more than \$10,000 in the 2015 Charlotte City Council and mayoral races to elect LGBT allies. (As with many local elections, voter turnout was low: 8.8% for the primary and 14.76% for the general election.) A newly aligned Charlotte City Council pushed through the ordinance changes that prompted HB2, proving local elections do matter!

Each year since 2002, the Human Rights Campaign has produced what it calls a “Corporate Equality Index¹” to track and report efforts within corporate America to promote acceptance of the LGBT agenda. A review of this document for 2016 sheds quite a bit of light on the matter.

Targeting and rating companies

In its report, the HRC discusses how it targets and rates Fortune 1,000 companies and the nation's 200 largest grossing law firms on their friendliness to LGBT interests, and how it will penalize these entities for "a large-scale official or public anti-LGBT blemish on their recent records." It also highlights how businesses that supply or contract with these corporations and firms are pressured to adopt pro-LGBT policies, and how the HRC seeks to deny corporate philanthropic funding to nonprofits that don't share its view.

For a group that purports to support "tolerance," these ratings and pressure tactics seem far from accepting of other viewpoints.

Since 2002, the HRC's criteria for corporate ratings (on a scale of 0-100) have continued to become increasingly aggressive and stringent and now are based on three main criteria — a company's:

1. "global workplace non-discrimination policy and/or global code of conduct";
2. "requirements for contractors, vendors and suppliers (U.S.); and
3. "corporate giving guidelines."

(Please be sure to see the more detailed summary of the HRC's corporate rating criteria on page 22.)

Well before the invention of the Corporate Equality Index, HRC began working to organize LGBT employees within the nation's largest companies, establish "affinity groups" within these corporations, and identify well-placed "executive champions" to push the LGBT agenda within the corporate structure. As we have seen in other states—and now in North Carolina—when things happen that the HRC doesn't like, this network is

activated, and allied corporations and executives are unleashed to do the HRC's bidding.

While I am sure a handful of Fortune 1,000 corporate executives are personally supportive of HRC's agenda, I fully expect others feel pressured and compelled to act in order to avoid getting a black mark beside their company's name in the Corporate Equality Index and being targeted for boycotts and other forms of retaliation. As you can see in the summary of the HRC's corporate rating criteria below, it is not only the omission of internal pro-LGBT corporate policies, benefits and culture that can result in retribution against a business, but it is also a failure by corporate executives and others to demonstrate "public support

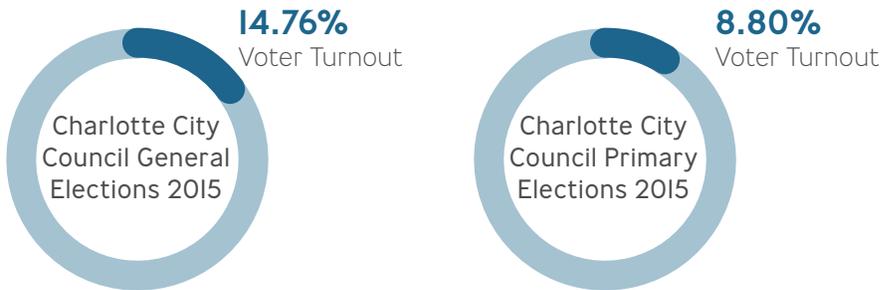
for LGBT equality under the law through local, state or federal legislation and initiatives."

This is exactly why we have been hearing some business representatives and others, who have clearly not read HB2 and who have no idea what the bill actually says, parroting the HRC's talking points over and over again. This is also why the delivery of a letter by the president of HRC to Governor McCrory bearing the signatures of a handful of well-positioned corporate executives decrying the passage of a pro-business bill doesn't pass the smell test.

How HRC rates companies

Far from an "organic" outrage by the business community, you have to hand it to the Human Rights Campaign for orchestrating a masterful PR and lobbying campaign against HB2. Good spin

Local Elections Matter!



(2) Above Source: http://er.ncsbe.gov/?election_dt=09/15/2015&county_id=60&office=ALL&contest=0

(3) Below Source: http://apps.meckboe.org/Upload/724/01_05_2016-2015%20Year%20End%20Semi-Annual%20Report.pdf

\$10,000+

The national Human Rights Campaign and other LGBT groups reportedly spent more than \$10,000 in the 2015 Charlotte City Council and mayoral races to elect LGBT allies.

CORPORATE EQUALITY INDEX 2016

Rating American Workplaces on Lesbian, Gay, Bisexual and Transgender Equality

2	Letter from HRC Foundation President
3	Executive Summary
4	Going Global
6	Equality at the Fortune-Ranked Companies
8	Rating System and Methodology
10	The Evolution of Criteria
11	Criteria



Appendix A

Employers With Ratings of 100 Percent

Corporate Equality Index Rating Criteria

- 1a Prohibits Discrimination Based on Sexual Orientation for All Operations (15 points)
- 1b Prohibits Discrimination Based on Gender Identity or Expression for All Operations (15 points)
- 1c Has Contractor/Vendor Non-Discrimination Standards that Include Sexual Orientation and Gender Identity (5 points)
- 2a Offers Partner Health/Medical Insurance (10 points)
- 2b Has Parity Across Other "Soft" Benefits for Partners (10 points) (half credit for parity across some, but not all benefits)
- 2c Offers Transgender-Inclusive Health Insurance Coverage (10 points)
- 3a Firm-wide Organizational Competency Programs (10 points)
- 3b Has Employer-Supported Employee Resource Group OR Firm-Wide Diversity Training (10 points)

does not make good policy, however, and despite all the noise, North Carolina should continue to resist the temptation to bow to bully tactics.

The following is a summary of the criteria used in the Human Rights Campaign "Corporate Equality Index 2016." Rating points are deducted if a company does not comply with each of the following:

- Internal corporate employment policies that include "sexual orientation" (15 points) and "gender identity" (15 points) and contractors and/or vendor standards that also include "sexual orientation" and "gender identity" (5 points);
- Equivalent medical benefits must be offered to different-sex spouses and same-sex partners or spouses (10 points); and other "soft" benefits like bereavement leave, supplemental life insurance for a partner, and adoption assistance, etc. (10 points);
- Transgender-inclusive health insurance coverage (10 points) including coverage for: sex reassignment surgery, pharmaceutical coverage for hormone replacement therapies, reconstructive surgical procedures related to sex reassignment, and "dollar maximums on this area of coverage must meet or exceed \$75,000";
- A "firm-wide, sustained and accountable commitment to diversity and cultural competency" (10 points) including:
 - new hire training that the company's "nondiscrimination policy includes sexual orientation and gender identity";
 - supervisor training on sexual orientation and gender identity;
 - integration of sexual orientation and gender identity in professional development, skills-based or other leadership training;
 - senior management/executive performance measures include LGBT diversity metrics;
 - gender transition guidelines with supportive restroom/facilities, dress code and documentation guidance; etc.
- LGBT employee group or diversity council (10 points);
- LGBT-specific engagement in the following (10 points):
 - LGBT employee recruitment efforts;
 - Supplier diversity program including LGBT suppliers;
 - Marketing or advertising to LGBT consumers ("e.g. advertising with LGBT content, advertising in LGBT media or sponsoring LGBT organizations and events");
 - "Philanthropic support of at least one LGBT organization or event";

- "Demonstrated public support for LGBT equality under the law through local, state or federal legislation and initiatives."
- Corporate giving guidelines "prohibiting philanthropic giving to non-religious organizations that have a written policy of discrimination on the basis of sexual orientation and gender identity..." (5 points).

Finally, the Criteria Rating System and Methodology states, "Employers will have 25 points deducted from their score for a large-scale official or public anti-LGBT blemish on their recent record." 

John L. Rustin is President of the North Carolina Family Policy Council. For a footnoted version of this article, please visit www.ncfamily.org.

Endnotes

1. <http://hrc-assets.s3-website-us-east-1.amazonaws.com/files/assets/resources/CEI-2016-FullReport.pdf>
2. http://er.ncsbe.gov/?election_dt=09/15/2015&county_id=60&office=ALL&contest=0
3. http://apps.meckboe.org/Upload/724/01_05_2016-2015%20Year%20End%20Semi-Annual%20Report.pdf



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