



Patchwork of Marriage Laws Costs Businesses Over \$1B Every Year

By John M. Becker

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Freedom to Marry and Out & Equal Workplace Advocates released a new report today about the negative economic impact of America's patchwork of state marriage equality laws on the country's business community.

The report estimates that marriage discrimination costs businesses in the private sector \$1.3 billion every year, and that over the next five years, businesses will likely spend \$6.6 billion in order to accommodate laws that allow marriage equality in some states, but block same-sex couples from marrying in others.



Via press release:

"This authoritative report shows that marriage discrimination not only harms America's families, but America's businesses, imposing an unwieldy, expensive, and unnecessary burden on companies, employees, and the economy," said Evan Wolfson, president of Freedom to Marry. "American companies are forced to navigate different marriage laws in different states as they try to do right by their employees and consumers. The country urgently needs national resolution in favor of the freedom to marry -- whether from the appellate courts or the Supreme Court -- to eliminate this drain on business resources and provide full and equal respect for employees and their families in all 50 states."

Same-sex couples will soon have the freedom to marry in 35 states plus the District of Columbia, representing nearly two-thirds of the American people, and are barred from marrying in the remaining 15. This disparity places an expensive burden on the US private sector in all 50 states, which is borne most heavily in those that are home to large multi-state employers, specifically California, Texas, Florida, New York, and Georgia. The largest portion of the financial burden is comprised of administrative and compliance-driven costs associated with establishing and maintaining benefits policies and systems for same-sex couples in states with differing marriage laws.

"Today, 91 percent of Fortune 500 companies have non-discrimination policies for LGBT employees," said Selisse Berry, Founder and CEO of Out & Equal Workplace Advocates. "Many of these businesses

also recognize that equal access to benefits is required to attract top talent. But same-sex partner benefits often come with additional tax burdens. We are grateful for companies that mitigate this cost to LGBT employees. Given the fact that lesbian, gay, bisexual, and transgender employees can still be fired in more than half of US states based on their sexual orientation or gender identity, the role of businesses as leaders of change is more important than ever."

An additional component of the burden is the taxation cost to the nation's employers. The national tax burden resulting from inconsistent marriage laws fell dramatically to \$27.5 million in 2014 from a peak of \$93 million in 2012 as a result of the landmark US Supreme Court ruling in *U.S. v. Windsor* in June 2013, but benefits offered to same-sex couples in states without the freedom to marry still trigger a tax penalty for both employers and employees.

The report -- which surveyed 5,000 employers across the country -- also found that inconsistent marriage laws cost the private sector \$3.5 million a day, and that if businesses no longer had to contend with this inconsistency, the \$1.3 billion they'd save could be put towards the creation of almost 20,000 new jobs.

Evan Wolfson is discussing the report today at the Out & Equal Workplace Summit in San Francisco.

http://www.bilerico.com/2014/11/patchwork_of_marriage_laws_costs_businesses_over_1.php