

Diversity, Equity, And Inclusion Matter: Why Some State Attorneys General Are Fighting To Defend These Values Authors: AG Studies Staff and Policy Fellows

Background

Diversity, equity, and inclusion (DEI) are under attack, as <u>President Donald Trump</u> has banned all DEI programs in <u>federal agencies</u> and vowed to dismantle them in <u>federally funded universities</u>. Amid this politically charged climate and a surge in <u>legal</u> and <u>social media</u> campaigns by conservative activists, high-profile companies, like <u>Walmart</u>, and prominent educational institutions, like the <u>University of Michigan</u>, are rolling back their DEI initiatives.

DEI policies have also received <u>increased scrutiny</u> following the U.S. Supreme Court's groundbreaking decision in <u>Students for Fair Admissions</u>, <u>Inc. v. President and Fellows of Harvard College</u>. That case overturned race-conscious affirmative action in admissions policies at non-military institutions aimed at promoting diversity.

As the <u>top legal officers</u> in their jurisdictions, state attorneys general (state AGs) can wield significant influence over DEI policies and initiatives. For example, <u>some state AGs</u> have used the Court's new ruling as an opportunity to <u>intimidate Fortune 100 companies</u> and <u>challenge influential organizations</u> that support these efforts. In contrast, many other AGs are <u>condemning</u> these practices and standing up for DEI values by <u>providing clarity</u> on the meaning, scope, and limits of the Court's new ruling. They have also leveraged their authority to advocate for DEI policies in court, launch state DEI initiatives, enforce state diversity laws, issue guidance to advance DEI, and support regulations that promote DEI values.

But what exactly is DEI and why should Americans care about whether state AGs fight to defend it? This publication answers those questions and addresses three common misconceptions about DEI. It also highlights key actions state AGs have taken since 2021 in support of DEI policies and initiatives.

What Is Diversity, Equity, And Inclusion?

<u>DEI</u> stands for diversity, equity, and inclusion and refers to a set of policies and initiatives aimed at attracting and retaining a diverse group of qualified individuals and fostering an equitable and inclusive environment for everyone.

1. Diversity Means Recognizing The Value In Our Many Differences:

Diversity runs deeper than our skin-deep differences and can manifest in a multitude of ways. For example, there are at least 39 types of diversity that include everything from characteristics that may appear more visible on the surface, such as race, gender, and age, to those that may not be as physically apparent, such as parental status, philosophical views, and geographical upbringing. Each of these characteristics offers a valuable and unique perspective that reflects the richness of our multifaceted experiences and our rapidly diversifying communities.

2. Equity Means Providing A Fair Opportunity For Each Individual To Succeed:

At its core, <u>equity</u> is about treating all people in a fair and just manner. Sometimes that involves addressing paycheck disparities by ensuring that individuals who perform the same work are <u>equally compensated</u>. Often, it requires <u>identifying potential barriers</u> and <u>allocating resources</u> to ensure that all individuals, including those who have been historically excluded or discriminated against, have an equal opportunity to thrive, collaborate, and reach their full potential.

"Providing mentorship support, a wheelchair ramp, or a private space for nursing moms are all examples of DEI initiatives that can help promote equity in an organization."

3. Inclusion Means Treating Everyone At The Table Like They Belong There:

No one wants to be invited to sit at a table where they are not truly respected, valued, or heard. Inclusion helps ensure that DEI efforts go beyond mere <u>virtue signaling</u> and <u>symbolic representation</u> to attaining meaningful participation, active engagement, and full-fledged membership. At the heart of inclusion is the recognition that, regardless of our differences, each person shares the same need to experience <u>acceptance and belonging</u> in their environment.

Diversity, Equity, And Inclusion Are Shared Common Values

The DEI label applies broadly to all policies and initiatives that seek to promote the values of diversity, equity, and inclusion. However, in practice, organizations can differ widely in terms of the <u>specific DEI policies and initiatives</u> they choose to adopt, the <u>types of approaches</u> they take to implement those policies and initiatives (some DEI practices are far <u>more successful</u> than others), and the <u>various methods</u> they select for gauging results.

For example, a company in a scientific field <u>dominated by men</u> might prioritize attracting more qualified female workers by implementing an <u>evidence-based college recruitment program</u>

targeting women and relying on quantitative hiring metrics to track progress. In contrast, a marketing firm struggling to connect with Hispanic consumers might focus on developing a workplace culture that encourages Hispanic workers to <u>openly express their ideas</u> by mandating short-term diversity training (a <u>popular</u> but <u>poorly performing</u> DEI initiative) and using subjective qualitative employee surveys to measure improvements.

DEI policies and initiatives are most effective when they are supported by <u>evidence-based</u> practices and <u>tailored</u> to the unique needs, priorities, and goals of the organization. Thus, contrary to popular belief, DEI is not a <u>fixed framework</u> that can be applied uniformly to all circumstances. Instead, DEI provides a useful language for identifying and discussing critical efforts to safeguard and promote shared common values in educational, business, and other key settings.

Why Defending Diversity, Equity, And Inclusion Matters

DEI is not just a lofty goal. In an increasingly diverse, complex, and competitive world, embracing DEI has become a necessity. Here are five key reasons why all Americans should care about defending DEI:

- 1. Diversity Saves Lives And Protects Our Health. When selecting a healthcare provider, most Americans give minimal priority to race. So, it may be surprising to learn that a diverse medical team generally leads to better patient outcomes. For example, a 2022 study found that giving birth in states with the highest proportion of racially and ethnically diverse registered nurses was associated with a significantly lower risk of severe adverse maternal outcomes compared to states with the lowest proportion. This was true for white, Black, Hispanic, and Asian and Pacific Islander pregnant individuals. Diverse physician representation also helps address critical healthcare disparities in the U.S. population. A 2023 study revealed that the presence of more Black physicians in a county resulted in a higher life expectancy for Black residents compared to counties without any Black physicians, reducing disparities in mortality between white and Black residents.
- 2. Diversity Empowers Us To Achieve Our Full Academic and Leadership Potential.

 Diversity helps fosters a sense of identity and belonging in learning environments, which is essential for student achievement. It also enhances student learning and performance outcomes by improving critical thinking, problem solving, and leadership skills. Beyond these benefits, diversity also helps students thrive in the real world and contribute positively to society by dismantling biases and increasing empathy and cultural awareness. This strengthens our government services by cultivating public servants and leaders who are adept at working with a diverse workforce and serving all the members of our communities. Additionally, there is also research suggesting that increasing teacher

representation from a variety of racial backgrounds can help students from those same backgrounds achieve higher <u>high school</u> and <u>college</u> graduation rates. In other words, diversifying our teacher workforce can offer more students a better chance to reach their full potential.

- 3. Equity Promotes Fairness in Both How We Are Treated And Paid. The horrific murder of George Floyd sparked national outrage, propelling DEI into the spotlight in 2020. However, the origins of DEI go all the way back to the Civil Rights Act of 1964, which prohibits discrimination based on race, sex, religion, color, or national origin. This landmark legislation reflects fundamental American ideals of fairness and equality, which are also enshrined in the 14th Amendment. Despite political differences, these same values continue to unite us. Indeed, 91 percent of Americans agree that everyone deserves the right to equal protection under the law. Equity initiatives help ensure that core American principles of fairness and equality, along with the laws that support them, are upheld rather than overlooked or neglected. Significantly, these initiatives go beyond promoting fairness in how government actors treat individuals. They also include efforts to ensure that companies compensate their employees fairly. This, in turn, could lead to considerably higher earnings for those of us who may currently be underpaid.
- 4. Inclusion Keeps Us Happier And More Productive. Inclusivity has a major impact on our overall well-being and performance. For example, research has shown that an impressive 81% of employees who feel included at work also feel happy in their jobs. That number drops all the way down to 27% percent for employees who do not feel included at work. When companies take steps to promote an inclusive culture, employees are also more likely to give their best at work, significantly increasing their performance as a result of those efforts. This can lead to greater success for both workers and businesses alike. Additionally, given that the average American spends about a third of their life at work, fostering happy, motivated, and productive workers through inclusion-centered DEI initiatives has enormous benefits for all of society.
- 5. DEI Helps Our Businesses And Economy Thrive: The business case for DEI is also compelling with some <u>studies</u> showing that companies exhibiting greater gender or ethnic and cultural diversity outperform their less diverse counterparts by a substantial profit margin. This is likely because DEI can help companies attract <u>top talent</u>, address <u>costly employee turnover rates</u>, <u>advance innovation</u>, <u>enhance customer service</u>, <u>strengthen employee engagement</u>, and <u>fuel business growth</u>. DEI also allows businesses to successfully adapt to an increasingly diversified <u>U.S. population</u>. After all, businesses must be represented and led by individuals who understand the distinct needs and perspectives of their customers and clients to succeed. When American businesses succeed, they <u>support the U.S. economy</u> and are better positioned to offer competitive

products and services to us, as well as invest in job creation and wage growth. Thus, DEI has the potential to improve our personal finances, not just the bottom line for entrepreneurs.

3 Key Misconceptions About Diversity, Equity, And Inclusion

Given how essential DEI is to the health, happiness, success, and overall wellbeing of our communities, it is crucial to understand the reasons people give for opposing it. Here is a critical look at three common misconceptions about DEI:

• Misconception #1: DEI Prioritizes Identity Over Qualifications.

One of the most harmful narratives about DEI is that it requires admitting and hiring unqualified individuals to meet fixed demographic quotas. In fact, some individuals use the term "DEI hire" to reinforce racial stereotypes and frame diversity initiatives as a handout to individuals who lack the skills, work ethic, and qualifications to get ahead on their own merit. This framing not only fuels resentment over DEI admission and employment practices that are allegedly unfair. It also incites public fear around DEI's purported compromising of safety and performance. Consequently, DEI has now become a scapegoat for a number of unrelated and high-profile tragedies, such as the latest California wildfires, the New Orleans terror attack, and the Baltimore bridge collapse.

This depiction of DEI misrepresents the underlying goal of diversity initiatives. That goal is not to use diversity quotas (which have been considered <u>illegal</u> for nearly half a century), but to attract and retain the most capable individuals by expanding the pool of *qualified* prospects to include people from a wide range of groups. The idea behind that goal aligns with basic common sense. Given that talent is not limited to any one group and can be found everywhere, using a hiring and admissions approach that is comprehensive enough to fairly consider qualified individuals from many different groups increases the likelihood of finding the best candidates.

Additionally, suggesting that DEI pits diversity against merit contradicts the previously referenced research linking increased diversity with significant improvements in patient safety, student success, and business profits. That research indicates that in certain settings a person's diverse identity is one of the very factors that allows them to achieve better results. In other words, a person's diverse identity can inform and enhance their ability to succeed in certain roles.

"Increasing diversity, therefore, does not entail prioritizing identity over qualifications. Rather, it entails casting a net wide enough to attract the most qualified talent pool."

• Misconception #2: DEI Fosters Division.

Some people believe that DEI fosters division by creating rigid classifications that overemphasize our differences. It is true that individuals have complex identities that do not fit neatly into any one category. However, the reality is that differences in gender, class, race, ethnicity, sexual orientation, disability status, and other factors, tend to influence and shape our experiences. Ignoring that fact is what ultimately keeps us apart.

Consider a bright high schooler from an impoverished family who lacks the means to pay for SAT prep courses or college application fees. Despite her high intelligence, she faces additional obstacles to getting into college compared to her middle-income classmates. If her school denies the impact of class on admission opportunities, she may feel increasingly excluded and marginalized. On the other hand, if her school recognizes class differences and takes meaningful steps to help low-income students overcome additional admissions challenges—such as by teaching families how to access free resources, waivers, and programs—she will undoubtedly feel more included and supported throughout her high school experience.

"Yes, DEI asks us to acknowledge our differences, but it also emphasizes the need to create an equitable and inclusive culture that allows all of us to come together by fostering a sense of respect, support, and belonging for everyone."

Accordingly, it is the political attacks against DEI and the many organizations and Americans who are committed to supporting diversity, equity, and inclusion that are inherently divisive, not DEI itself.

• Misconception #3: DEI Only Benefits Minorities And Woke Agendas.

Another false claim is that DEI is part of a so-called "woke" ideology that is centered only around race. Although some DEI programs focus on increasing racial and ethnic diversity in response to racial discrimination, DEI initiatives span a wide range of issues. They include programs that support working parents, facilitate women's leadership, provide enhanced accessibility for people with disabilities, expand medical care for veterans located in rural communities, and foster an inclusive environment for LGBTQ+ individuals.

Besides, evidence suggests that even initiatives that are primarily geared toward improving racial and ethnic diversity can also greatly benefit white individuals, not just people of color. For example, a study at Columbia University found that white women who give birth in states with the highest proportion of racially and ethnically diverse registered nurses experience a 32% reduced risk in severe adverse maternal outcomes compared to those in states with the lowest diversity.

Framing DEI as solely benefiting minorities obscures larger systemic inequities and ultimately serves the small group of ultra-wealthy elites who hold a disproportionate share of influence and power in this country. This group is not eager to open the doors of opportunities to all individuals, because that would risk diminishing their own concentrated power.

"It is precisely because the DEI banner is broad enough to include and empower all identities to succeed and reach their full potential that some individuals are threatened by it."

Role of State Attorneys General

As the <u>chief legal officers</u> in their jurisdictions, state AGs play a critical role in shaping the present and future of DEI policies and initiatives. Many AGs have chosen to leverage their authority to safeguard DEI values. Some of their efforts include launching DEI initiatives, holding violators of state diversity laws accountable, advocating for DEI policies in court, issuing state specific guidance to affirm and promote DEI efforts, clarifying the limits of new legal rulings on DEI initiatives, supporting federal rules that promote a more equitable workplace for pregnant workers, and defending organizations that uphold DEI against intimidation.

In contrast, some other AGs have chosen to undermine DEI efforts by opposing federal regulations that seek to promote those values and by investigating, filing lawsuits, and supporting legal challenges against organizations that have adopted DEI initiatives. They have also attempted to tie DEI initiatives to dangerous incidents involving manufacturing defects and sent warning letters to Fortune 100 CEOs, law firms, and the American Bar Association—claiming and asserting interpretations of legal rulings that other AGs argue are overly broad and unduly restrictive of DEI.

Supportive Actions By State Attorneys General

Below are key actions state AGs have taken in recent years to promote and defend DEI policies and initiatives:

1. Launching State DEI Initiatives. In 2021, California Attorney General Rob Bonta established a Diversity, Equity, and Inclusion Council within the California Department of Justice (DOJ) to help cultivate a work environment at DOJ that "respects the differences, talents, and abilities of all employees and fosters a culture where everyone has the opportunity to excel." Similarly, in 2022, New Jersey AG Matthew J. Platkin established the Office of Diversity, Equity and Inclusion within the Department of Law & Public Safety (Department). While sharing his goal of ensuring that the Department reflects the diversity of New Jersey residents, AG Platkin expressed his commitment to

creating a "stronger, fairer, and more equitable" state government. These state DEI initiatives are significant because they serve as a model for other state agencies and help attract and retain top talent to important public service positions. They also improve the ability of public servants to engage with and represent the diverse populations they serve, thereby enhancing public trust.

- 2. Holding Contractor Accountable For Violating State Diversity Requirements. In 2022, New York AG Letitia James settled a case her office brought against contractors who violated state diversity requirements in a public works project involving a billion-dollar school modernization program. The contractors falsely certified that they had procured materials from several businesses owned by minorities and women. AG James announced that she had secured a total of more than \$1.3 million in damages and penalties, and a requirement that one of the contractors be subject to "extensive, multi-year compliance, remediation, and training." This settlement agreement illustrates how AGs who hold violators of state diversity requirements legally and financially accountable help ensure that these laws have teeth.
- 3. Filing Amicus Briefs In Support Of DEI Policies In Education. In 2022, a coalition of 16 AGs, led by former Massachusetts AG Maura Healey, filed a multistate amicus brief in Coalition for TJ v. Fairfax County School Board. The brief supported a school board's decision to eliminate the use of standardized admissions tests in favor of a holistic review process that uses other race-neutral criteria to promote the benefits of greater student diversity. The coalition argued that the district court erred in inferring that "any race-neutral policy to increase diversity in public schools necessarily carries with it an invidious intent to discriminate."

The court of appeals <u>agreed</u>—finding that the organization that challenged the school board's policy could not establish any discriminatory intent. It reversed the district court's decision, allowing the school board's diversity policy to continue. This case shows how state AGs can help defend DEI policies in educational settings by offering persuasive legal arguments in major cases.

Likewise, in 2022, a <u>coalition of 20 AGs</u> filed a multistate amicus brief in *Students for Fair Admissions*. The brief urged the U.S. Supreme Court to reaffirm decades of legal precedent allowing colleges and universities to consider race and ethnicity as part of their holistic admissions evaluations for the purpose of promoting diversity in learning. The coalition argued that the states have a compelling interest in ensuring that students receive the benefits of diversity in higher education.

Additionally, the coalition described how selective institutions located in states that impose bans on race-conscious admissions have struggled to achieve meaningful student body diversity. While the <u>Court</u> struck down race-based affirmative action in admissions policies at non-military institutions, Justice Sotomayor incorporated parts of the AGs' arguments in her dissenting opinion. The brief helped frame key arguments in the dissent that could significantly influence future rulings and <u>public debates</u> on this issue.

- **4. Affirming And Promoting DEI Efforts Through State Guidance.** In 2023, following the Court's decision in *Students for Fair Admissions*, several AGs issued state-specific guidance on the legality of DEI efforts. Examples include:
 - A formal legal opinion by <u>Colorado AG Phil Weiser</u> concluding that DEI efforts to ensure individuals from all backgrounds are offered equal opportunities in the workplace remain legal in businesses and workplaces.
 - Joint guidance by <u>Massachusetts AG Andrea Campbell</u> and Governor Maura T. Healey clarifying what steps institutions of higher education can continue to take to advance DEI in higher education and K-12 schools.
 - Joint Guidance by <u>New York AG Letitia James</u> and New York State Education Department Commissioner Betty A. Rosa recommending that New York public schools and local education agencies focus on meeting their DEI obligations in the key areas of learning and teaching, student discipline, and bullying and harassment.

These examples demonstrate how state AGs can offer legal guidance to support DEI policies and initiatives during challenging times, providing clarity on the limits of new court decisions and strategic recommendations for legally advancing DEI.

5. Supporting Proposed Rule Promoting Equity For Pregnant And Postpartum Workers. In 2023, a coalition of 22 AGs, led by New York AG Letitia James, filed comments supporting a proposed rule by the U.S. Equal Employment Opportunity Commission (EEOC) to implement the Pregnant Workers Fairness Act. This Act provides groundbreaking protections for pregnant and postpartum workers, filling critical gaps in other federal laws that left many individuals, particularly low-income women and women of color, vulnerable to losing their job or facing health complications. The AGs noted that one of the benefits of the EEOC's proposed rule is that it would remove a significant obstacle to achieving gender equality for women in the labor force and thereby create a more equitable workplace. This example demonstrates how AGs can advance DEI values by supporting federal regulations that promote greater equity among people.

6. Defending Organizations That Uphold DEI Against Intimidation. In 2023, a group of 13 AGs who oppose DEI <u>sent a letter</u> to Fortune 100 CEOs warning them that companies "that engage in racial discrimination" by using the DEI label or otherwise "will face serious consequences." The AGs argued that the principles underlying the Court's ruling in *Students for Fair Admissions* also applied to corporate efforts to recruit a racially diverse workplace.

In response, a coalition of 21 other AGs, led by <u>Nevada AG Aaron D. Ford</u>, sent a separate letter to the CEOs. This larger AG coalition clarified that the Court's ruling did not create new restrictions on DEI initiatives in the private business sector, and that setting goals to increase workplace diversity remained legal. The 21 AGs <u>concluded their letter</u> by committing to strongly countering "any attempts to intimidate or harass businesses who engage in vital efforts to advance diversity and expand opportunities for the nation's workforce."

Additionally, in 2024, another group of AGs who oppose DEI sent a <u>letter</u> to the American Bar Association (ABA) claiming that an ABA accreditation standard promoting diversity and inclusion in law schools, and the proposed revisions to that standard, conflicted with *Students for Fair Admissions*. A coalition of 19 AGs, led by <u>Illinois AG Kwame Raoul</u>, issued a <u>letter</u> to the ABA, Fortune 100 company CEOs, and other organizations, rebutting that group's claims and reaffirming their ongoing commitment to guaranteeing that DEI programs remain effective in tackling discrimination across the private and philanthropic sectors. These letters exemplify how AGs who support diversity, equity, and inclusion can work together to ensure that organizations navigating DEI policies and initiatives are not unduly influenced by AGs who oppose those efforts.

Conclusion

While some state AGs are spearheading legal challenges against DEI policies and initiatives, many others have leveraged their authority to promote and defend them. As political and legal attacks against DEI intensify, it is crucial to look past common misconceptions and gain a clear picture of the true meaning and value of diversity, equity, and inclusion.

State AGs who champion diversity recognize that all our differences, whether physical, intellectual, cultural, or otherwise, have value. Boosting diverse representation across different sectors strengthens communities by allowing patients to receive better care, empowering students to achieve their full academic and leadership potential, and helping American businesses and the U.S. economy thrive.

When state AGs stand up for equity, they affirm the conviction that each of their constituents deserves a fair opportunity to succeed. Initiatives that promote equity in how we are treated and paid align with core American values of fairness and equality.

State AGs who support inclusion appreciate the importance of fostering environments where everyone can feel heard, respected, and welcomed. This allows all of us to make positive contributions that can greatly benefit our communities.

Diversity, equity, and inclusion are essential to the health, well-being, and success of our nation. By advocating for these values, state AGs play a vital role in building a healthier, happier, more just, and prosperous society for everyone.

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