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Media Contacts: press@oag.state.md.us 410-576-7009

Attorney General Brown Issues Multistate Guidance for Businesses on Diversity, Equity, Inclusion, and Accessibility Employment Initiatives in the Workplace

16 Attorneys General Emphasize Legality and Importance of Diversity, Equity, Inclusion and Accessibility Initiatives in Hiring, Retention and Employee Engagement

**BALTIMORE, MD** (February 13, 2025) – Attorney General Anthony G. Brown has joined a coalition of 16 attorneys general in issuing <u>guidance</u> to help businesses, nonprofits, and other organizations understand the viability and importance of diversity, equity, inclusion and accessibility policies and practices in creating and maintaining legally compliant and thriving workplaces.

The guidance comes in response to concerns from employers following a Trump Administration Executive Order that purportedly targets "illegal DEI and DEIA policies." Importantly, the coalition's guidance informs companies that efforts to seek and support diverse, equitable, inclusive and accessible workplaces are not illegal, and the federal government cannot prohibit these efforts in the private sector through an Executive Order.

"Diversity, equity, inclusion, and accessibility initiatives are not only legal, they are essential for creating fair, thriving workplaces. They help businesses comply with the law, prevent discrimination, and ensure equal opportunities for all employees," **said Attorney General Anthony Brown.** "DEI&A policies are critical for expanding talent pools, addressing bias, and fostering employee success. Far from being illegal, they are vital for business growth, retention, and engagement."

Diversity, Equity, Inclusion and Accessibility Initiatives are Consistent with Federal and State Law

The federal government has recently targeted private sector diversity, equity, inclusion and accessibility policies and practices through an Executive Order directing agencies to "combat illegal private-sector DEIA preferences, mandates, policies, programs, and activities." This order

conflates valid and legal programs and practices supporting diversity, equity, inclusion and accessibility with unlawful preferences in hiring and promotion. The coalition's guidance reminds organizations that these initiatives are not the same as illegal hiring or promotional preferences to individuals based on protected characteristics.

Instead, diversity, equity, inclusion and accessibility practices focus on ensuring that businesses can recruit, hire, and retain qualified employees, and that workplaces provide support needed for all employees to develop their skills and contribute to the success of the business.

For decades, state and federal courts have consistently recognized that diversity, equity, inclusion and accessibility policies do not amount to impermissible discrimination. In fact, employment discrimination laws generally require employers to pay attention to the impact their policies and practices have on different groups in order to avoid and limit liability for unlawful conduct.

Diversity, Equity, Inclusion and Accessibility Initiatives Help Businesses Prevent Workplace Discrimination

In their guidance, the coalition reminds businesses that state and federal law prohibits discrimination in the workplace on the basis of race, sex, national origin, and other protected characteristics. In order to effectively avoid liability for discrimination, employers must take steps to proactively prevent and address discrimination, including by identifying and remediating policies and practices that have an unlawful impact on current and prospective employees. Decades of research and data demonstrate that properly developed and implemented diversity, equity, inclusion and accessibility initiatives help prevent unlawful discrimination and ensure that discriminatory conduct is promptly identified, reported and addressed when it does occur.

Diversity, Equity, Inclusion and Accessibility Initiatives Foster Inclusive Recruiting, Hiring and Retention Practices

A <u>study</u> found that companies in the top quartile for diversity were 35% more likely to have financial gains above their respective industry counterparts. When diversity, equity, inclusion and accessibility principles are embedded within an organization's culture, they reduce bias, boost workplace morale, foster collaboration, and create opportunities for all employees. Diverse organizations that prioritize inclusivity tend to outperform their peers, with higher returns, lower turnover, and a more attractive workplace for top talent.

The coalition's guidance highlights best practices for recruitment and hiring, including:

- Prioritizing widescale recruitment efforts to attract a larger pool of applicants from a variety of backgrounds.
- Using panel interviews, which ensure that multiple people are involved in a hiring or promotion recommendation, helping to eliminate bias.
- Setting standardized criteria for evaluating candidates and employees, focused on skills and experience.
- Ensuring accessible recruitment and hiring practices and protocols, including reasonable accommodations as appropriate.

Additionally, organizations that offer benefits such as employee resource groups, mentorship programs, professionalism trainings, and work groups focused on diversity, equity, inclusion and accessibility are proven to have heightened employee retention and engagement. According to

<u>Culture Amp's 2024 Workplace DEI report</u>, employees who strongly believe their companies value diversity are 84% engaged, while those who strongly disagree are 20% engaged. Best practices for professional development and retention include:

- Ensuring equal access to all aspects of professional development, training and mentor programs that provide clear pathways for career growth.
- Setting up Employee Resource Groups ("ERGs") to create inclusive and supportive spaces where employees of particular backgrounds or common experiences feel valued and heard.
- Conducting training on topics such as unconscious bias, inclusive leadership and disability awareness to improve employee confidence and create a shared understanding around cultural norms.
- Ensuring equal access to all aspects of employment, including through reasonable workplace accommodations.

Joining Attorney General Brown in issuing this guidance are the attorneys general of Arizona, California, Connecticut, Delaware, Hawaii, Illinois, Maine, Massachusetts, Minnesota, Nevada, New Jersey, New York, Rhode Island, Oregon, and Vermont.

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