



DEI Policy Developments in 2023

Diversity, Equity, and Inclusion (DEI) refers to efforts made by organizations to create environments that value and respect differences among individuals. Over the past twenty years, there has been rapid growth in DEI investment. This is especially true within the past decade. Increased focus on DEI has primarily occurred in the private sector. However, public entities are increasingly considering DEI principles as well.

The growth of DEI policies has attracted the attention of lawmakers. Democrats have led the movement towards incorporating DEI principles into the public sector. At the same time, Conservatives have begun to push for the restriction of the use of DEI in certain settings.

Using Plural's unmatched open data, we analyzed DEI legislation across the United States in 2023. We sought to better understand where and how this legislative trend is taking shape.

Overall Activity

In 2023, legislators considered 146 bills that proposed changes to DEI policy. These bills spanned 36 states and U.S. Congress. Eighty of such bills sought to expand the use of DEI policies. On the other hand, 66 bills proposed to restrict or eliminate the use of DEI in certain settings. For ease of analysis, we consolidated Missouri's budget bills (HB 2-15) into one bill. These bills contained many restrictions on the use of DEI, especially in educational settings.

	Expanding the Use of DEI	Restricting the Use of DEI
Bills Introduced	80	66
Bills That Became Law	10	7
Passage Rate	12.5%	10.6%
Jurisdictions w/ Introduction	21	24
Jurisdictions w/ Passage	7	5

DEI in Education

The primary focus of anti-DEI efforts has been in educational settings. This includes bills seeking to eliminate DEI offices or initiatives at institutes of higher education. In 2023, 20 jurisdictions introduced 43 bills restricting DEI policies in education. Four bills became law. One example of such bills is Florida's SB 266. The law prohibits universities in the Florida College System from expending state or federal funds on programs that "advocate for diversity, equity, and inclusion." This bill was signed into law by Governor DeSantis in May.

Legislators on the other side of the debate introduced 31 bills in 11 states and the U.S. Congress. These bills sought to expand the use of DEI policy in the education space. In June, Nevada's Governor approved a modest expansion of DEI. The measure increased the required annual cultural competency and DEI training for medical professionals from two to six hours. View each of these 31 bills here.



In 2023, twenty jurisdictions introduced

43 bills

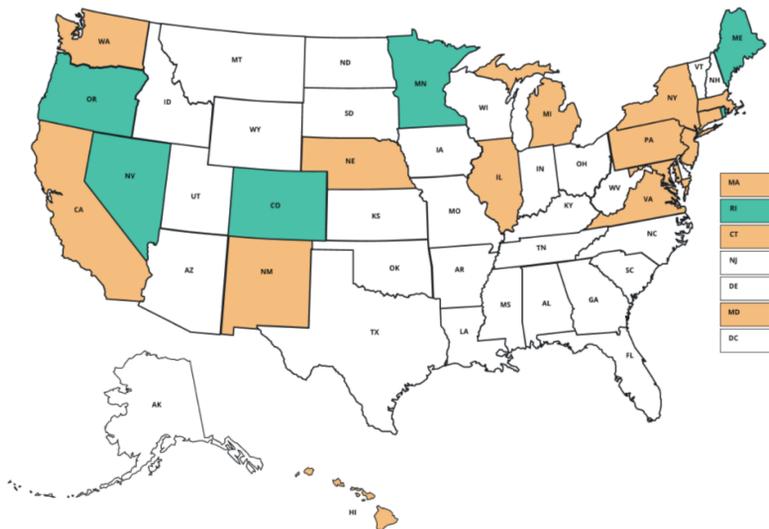
restricting DEI policies in education.



DEI in the Public Sector

Conservative efforts to limit DEI have not been limited to the education space. Bills introduced in Arizona, Texas, and Congress sought to prohibit other public funding of DEI. None of these bills have become law. However, Congress' H.R. 4366 passed out of the House in July. The bill prohibits the funding authorized in the act from being used for DEI.

Efforts to expand DEI in the public sector have been more prevalent and successful. Twenty-eight bills across 12 jurisdictions were introduced in 2023, and two have become law. One of such bills, Washington SB 5550, became law in April. The law seeks to address workforce shortages on state ferries by expanding the use of DEI directives.



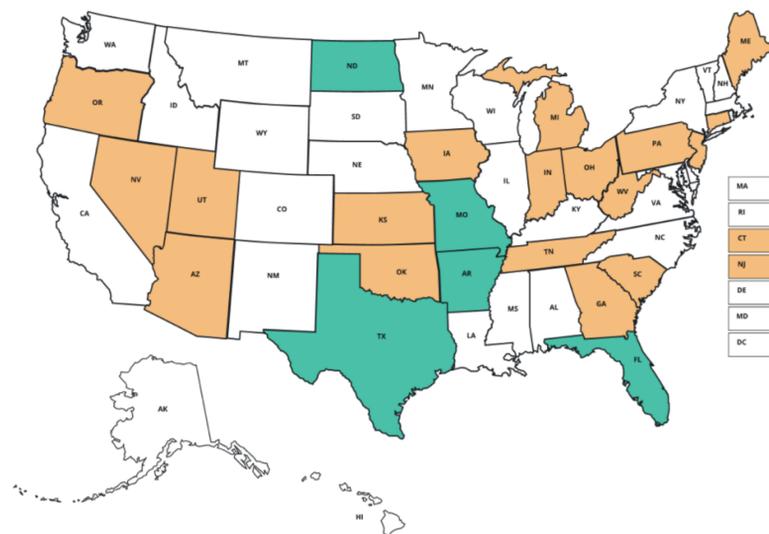
States that introduced (in orange) or passed (in teal) laws expanding DEI efforts and policies in 2023.

DEI in the Private Sector

The last major front in the fight over DEI is in the private sector. Here, efforts to curb the growth of DEI have aligned with anti-ESG policy. See our report on those efforts here. In Arkansas, a new anti-ESG law restricts the government's ability to consider a company's DEI practices while making contracting decisions. In all, eight states introduced 13 bills of this kind. Three of those bills have become law.

Legislation encouraging the use of DEI in the private sector has been introduced more frequently and with more success. Twelve jurisdictions introduced 21 bills encouraging private entities to adopt DEI. Four of those bills have become law.

Much of this legislation aims to increase DEI practices in renewable energy projects funded in part by the state. In Maine, LD 131 became law in July. The new law requires that the state promote DEI in the development of offshore wind power projects. It also requires that particular attention be paid to native tribes in the state.



States that introduced (in orange) or passed (in teal) laws restricting DEI efforts and policies in 2023.

Conclusion

DEI policy was a significant area of legislative focus in 2023. This year's legislative sessions have seen states move in both directions on DEI policy.

At Plural, we expect this trend to continue into and through 2024. In many jurisdictions, bills not passed in 2023 will carry over and be considered in 2024. Legislators will be aware of what has been introduced in other states and use this information to craft new legislation.

Plural will continue to track this developing trend, and report on the progress made by both sides.



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