

### GUIDE

# How Florida's STOP WOKE Act Will Impact DEI Trainings

March 8, 2022

#### What is the STOP WOKE Act?

On March 10, 2022, the Florida Senate passed the "STOP WOKE Act," which stands for "Wrongs to Our Kids and Employees." The bill bans the teaching of critical race theory under the guise that it exacerbates racial division. The STOP WOKE Act has implications for the way schools and businesses are allowed to discuss racial and gender discrimination. The bill was signed by Governor Ron DeSantis on April 25, 2022 and will go into effect July 1, 2022. The STOP WOKE Act affects companies operating in Florida, and there is potential for similar bills to be passed nationwide as part of the backlash to addressing systemic social issues.

The bill limits protected speech in workplaces with more than 15 employees and classrooms by banning lessons about gender identity and race that could make students and employees feel "discomfort."

### **About Seramount**

Seramount, now part of EAB, is a strategic professional services and research firm dedicated to advancing diversity, equity, and inclusion in the workplace. Over four decades, partnering with over 450 of the most iconic companies in the world, we've built a deep data-driven understanding of the employee experience which lays the groundwork for everything we do. Our comprehensive DEI toolkit includes actionable research and insights, membership, strategic guidance and consulting, and inspiring events. We meet each client's needs no matter where they are on their journey and guide them along an ever-changing talent landscape.

### **About Diversity Best Practices (DBP)**

DBP is the leading source of research and insights for corporate DEI teams providing expert advice, best practices, guides, and tools. DBP delivers four pillars of service that meet every member organization where they are, whether they are just getting started on their DEI journey or looking to accelerate and advance ongoing initiatives.

#### Why This Guide?

This guide was created because of concern by clients over the implication of the new law in Florida and the pending laws in other states. We will vigilantly monitor the legal implications and challenges as well as provide guidance to organizations on how to adapt to this evolvina issue.

## Implications for Companies Operating in Florida

The STOP WOKE Act would make it difficult for companies with operations in Florida to address DEI training specifically without opening themselves up to potential lawsuits. Under the law, employment practices or training programs that make an individual feel "guilty" could be considered an <u>unlawful employment practice</u>.

# The bill prohibits employers from "promoting, advancing, inculcating, or compelling" employees to "believe" that any of the following concepts constitute discrimination based on race, color, sex, or national origin:

- An individual, by virtue of his or her race, color, sex, or national origin, is **inherently** racist, sexist, or oppressive, whether consciously or unconsciously
- An individual's moral character or status as either **privileged or oppressed** is necessarily determined by his or her race, color, sex, or national origin
- An individual, by virtue of his or her race, color, sex, or national origin, bears responsibility for, or should be discriminated against or receive adverse treatment because of, actions committed in the past by other members of the same race, color, sex, or national origin
- An individual, by virtue of his or her race, color, sex, or national origin, **bears personal responsibility for and must feel guilt, anguish, or other forms of psychological distress because of actions**, in which the individual played no part, committed in the past by other members of the same race, color, sex, or national origin
- Virtues such as merit, excellence, hard work, fairness, neutrality, objectivity, and racial colorblindness are racist or sexist or were created by members of a particular race, color, sex, or national origin to oppress members of another race, color, sex, or national origin

#### **Changing Discrimination Statutes**

According to the <u>Human Rights Campaign</u>, the bill changes Florida's employment discrimination statutes to give employees the ability to file discrimination claims against an employer engaging in trainings or discussions about Black history, LGBTQ+ issues, and other issues relating to perceived injustice and discrimination. Lawmakers opposed to the bill raised concerns about how it would impact Florida's businesses. The author of the bill, Bryan Aliva, <u>pushed back</u>, asserting that "Florida was right to ban training programs by several national companies that talk about racism and white privileges."

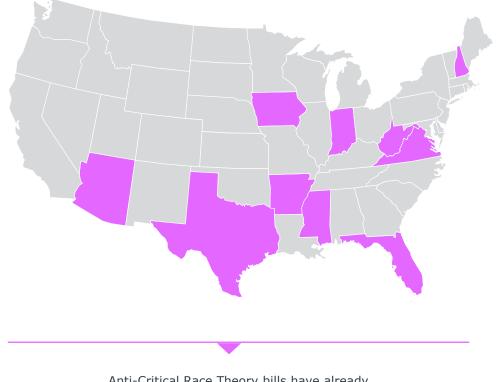
Any company with operations in Florida should pay special attention to this law, because it is likely they will be required to make specific changes for Florida employees even if their DEI trainings are national in scope. <u>Kelly-Ann Cartwright</u>, an employment lawyer based in the Miami office of Holland and Knight, expects the law will be challenged on grounds of constitutionality because of its vague nature. The text of the bill is broad, which would lead to uncertainty on how to enforce it. In the interim, she recommends that companies with offices in Florida go through their trainings and tailor the language to focus on antidiscrimination against protected classes (race, ethnicity, disability, etc.). Cartwright anticipates employers will be more susceptible to being sued when trainings discuss topics such as systemic racism, White privilege, and unconscious bias. Although it is unclear at the moment, there is potential for this to impact employee resource groups if employees are made to feel "uncomfortable" via events, guest speakers, topics of conversations, or other programming.

## Nationwide Implications

These laws are precedented by former President Trump's Executive Order 13950, which prohibited "divisive" concepts, race or sex stereotyping, and race or sex scapegoating for all federal agencies and government contractors and had a chilling effect on DEI trainings nationwide.

The Executive Order had similar language to the STOP WOKE Act, such as including "discussion of privilege or unconscious bias" as "divisive." Although the executive order was repealed by President Biden, opposition to discussing systemic discrimination is now being legislated on the state level.

Anti-CRT bills have been proposed in states including but not limited to <u>Arizona</u>, <u>Indiana</u>, <u>Mississippi</u>, <u>Texas</u>, <u>Virginia</u>, and <u>West Virginia</u>. Most of these acts are directed toward schools rather than employers. However, four states are currently in the process of passing bills like Florida that would target employers or state agencies. These states are Arkansas, Iowa, and New Hampshire.



Anti-Critical Race Theory bills have already been proposed in these states.

## What Companies Can Do

It is critical for employers to remain committed to DEI as these laws gain popularity, both publicly and by working to continue DEI efforts even if they have to be tailored to adjust to these laws. Recently, more than 150 companies signed on to a <u>statement</u> from the HRC opposing anti-LGBTQ+ legislation in Florida, including the STOP WOKE Act and <u>Don't Say Gay or Trans Bill</u>, passed on March 8<sup>th</sup>, and signed in to law by Governor DeSantis on March 28th, which blocks teachers from talking about LGBTQ+ issues or people and undermine existing protections for LGBTQ+ students. The law goes io effect July 1, 2022. These companies include:

#### Companies who have made statements opposing anti-LGBTQ+ legislation in Florida:

23andMe	Bounteous	GAP, Inc.	MassMutual	SunLife
Accenture	CNA Insurance	Gearbox	Medtronic PLC	Sustainable Food Policy Alliance, including member companies Danone North America; Mars, Incorporated; Nestlé USA;
Acxiom, LLC	CVS Health	General Mills	Meta	
Adobe Inc.	Capital One	GoDaddy	MetLife, Inc.	
Advance Auto Parts	Cardinal Health	Google	Micron	and Unilever United States
AEO Inc.	Cargill	Gusto	Microsoft	Symetra Life Insurance
Affirm	Cargo Transporters, Inc.	H&M	Mobilize	Company
Airbnb	Celanese	HP Inc.	Molson Coors Beverage	Synchrony Financial
AllianceBernstein	Center for Community Self-	HSBC Bank USA	Company	Target
Ally	Help	Hilton	Momentive	TechNet
Altria Group Inc.	Chobani	IBM Corp.	Mondelez International	Teva Pharmaceuticals
Amalgamated Bank	Citigroup, Inc.	ICM Partners	New Belgium Brewing	Thermo Fisher Scientific
Amazon	The College Board	IHG Hotels & Resorts	NextRoll, Inc.	T-Mobile
American Airlines	Corning Incorporated	IHS Markit	Nike, Inc.	Trillium Asset Management
American Express	CSAA Insurance Group	IKEA North America	Nuance Communications	Tripadvisor
American Honda Motor	Curology	Services, LLC	Oracle Corporation	Twitter Inc.
Company	Dechert LLP	Instacart	PNC Financial Services	Uber
Anaplan	Deckers Brands (UGG,	Intel	Group	Unilever United States
Apple	HOKA, Teva, Sanuk, and Koolaburra by UGG)	Interpublic Group	Patagonia	Union Pacific
Applied Materials, Inc.	Dell Technologies	Intuit	Patreon	United Airlines
Arcadis U.S. Inc.	Dow Inc.	Invitae Corporation	PayPal	Verizon
Asana, Inc.	Dropbox Inc.	Johnson & Johnson	Peloton Interactive, Inc.	VMLY&R
AT&T	Eastern Bank	Kellogg Company	PepsiCo	VMware
Atlassian	EMD Serono,	The Knot Worldwide	Pfizer Inc.	Warby Parker
Bayer US LLC	MilliporeSigma and EMD	The Kraft Heinz Company	REI Co-op	Warner Music Group
BASF Corporation	Electronics	Legalzoom	Randstad US	Wayside Youth & Family
BBVA USA	Early Warning Services, LLC	C Strauss & Co.	Red Hat, Inc.	Support Network
BCW (Burson Cohn &	Eastern Bank	LinkedIn	Redfin Real Estate	Wells Fargo
Wolfe)	Elanco Animal Health	Lush Fresh Handmade	Royal Bank of Canada	Workday, Inc.
Ben & Jerry's Homemade,	Equinix	Cosmetics	SAP	Xperi Holding Corporation
Inc.	Equitable	Lyft, Inc.	Salesforce	Xylem
Berkshire Bank	FactSet Research Systems, Inc.	Macy's, Inc.	Signet Jewelers	Yelp Inc.
Biogen	Fastly	Mailchimp	Silicon Labs	Yex
Bloomberg LP		Marriott International, Inc.	Square, Inc.	Zillow Group
Boehringer Ingelheim USA	Flexport, Inc.	Marsh McLennan	State Street Corporation	
Boston Scientific	GP Strategies Corporation			



Washington DC | Richmond | Birmingham | Minneapolis 202-747-1000 | seramount.com