



## Opinion Poll

### Small Business Owners Oppose Denying Services to LGBT Customers

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November 16, 2017

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## Executive Summary

As the U.S. Supreme Court is set to hear arguments in the *Masterpiece Cakeshop vs. Colorado Civil Rights Commission* case, addressing the rights of business owners to deny services to LGBT individuals, it's important to understand the perspective of small business owners nationally on this issue. New scientific opinion polling shows entrepreneurs strongly believe business owners should not be able to deny goods and services to LGBT customers based on their religious beliefs or because of their right to free speech or free artistic expression, and that nondiscrimination policies are good for their state's business climate and their own business's bottom line.

The poll, conducted for Small Business Majority by Chesapeake Beach Consulting from October 4 to October 23, 2017, found small business owners don't think business owners should be able to deny goods or services to someone who is LGBT based on their religious beliefs, right to free speech or right to free artistic expression. Additionally, the poll found small business owners support enacting federal and state laws to protect LGBT individuals from discrimination in places of public accommodation and in the workplace.

Specifically, the poll found nearly two-thirds (65%) of small business owners believe business owners should not be able to deny goods or service to someone who is LGBT based on the owner's religious beliefs. A majority (53%) strongly hold this belief. Similarly, 57% of entrepreneurs believe business owners should not be able to deny services related to a wedding for a same-sex couple based on the owner's religious beliefs.

Small business owners were asked about legislation considered in several states that would allow business owners to deny goods or services to LGBT customers based on their religious beliefs. Roughly 6 in 10 respondents (59%) feel that enacting such a law in their state would hurt the business climate.

Survey participants were also asked their opinions on denying goods or service based on a business owner's belief that the service violates their right to free speech. Half of small business owners (50%) believe a business owner should not be allowed to deny services to a customer because the owner claims that service violates their right to free speech, compared to just 34% who feel a business owner should be allowed to deny services for this reason. This sentiment grows when it comes to wedding-related services: more than 6 in 10 respondents (62%) don't think a business owner should be able to deny services related to a wedding for a same-sex couple because the owner believes it violates their right to free speech. Similarly, 55% of small business owners don't believe that a business owner should be able to claim an exemption to nondiscrimination laws if they believe serving a customer goes against their right to free artistic expression.

It should come as no surprise then that small business owners show strong support for state and federal laws that would protect against employment discrimination on the basis of sexual orientation or gender identity, as well as a federal law that would protect LGBT individuals from discrimination in places of public accommodation, such as restaurants, hotels and other businesses that are open to the public. Nearly two-thirds (64%) believe employers should not be able to fire or refuse to hire someone who is gay or transgender based on the employer's religious beliefs. Additionally, a majority of small business owners (55%) agree that nondiscrimination laws improve the business bottom line by attracting the best and brightest employees, regardless of whether the employee is gay, lesbian, bisexual or transgender.

It's important to note that respondents were politically diverse: 36% are Republican or Republican-leaning independent, 41% are Democrat or Democratic-leaning independent, and 19% are pure independent.

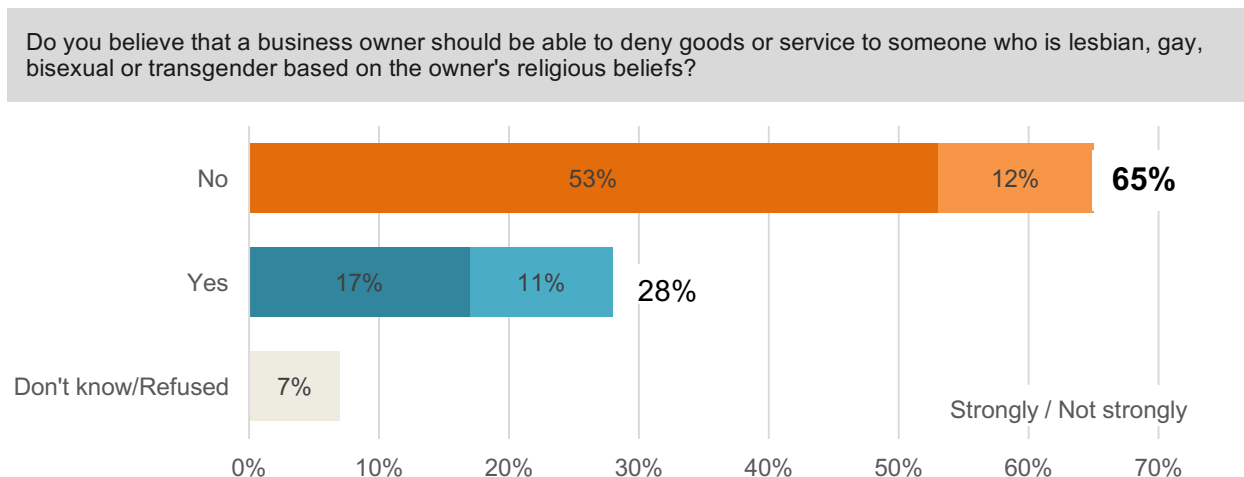
## Main Findings

- **Entrepreneurs believe business owners should not be able to deny goods or service to LGBT customers based on their religious beliefs:** 65% of small business owners do not think that a business owner should be able to deny goods or service to someone who is LGBT based on their religious beliefs. A 53% majority feel strongly about this.
- **Majority of small business owners don't think a business owner should be able to deny wedding services for a same-sex couple based on the owner's religious beliefs:** 57% of small business owners feel that a business owner should not be able to deny services related to a wedding for a same-sex couple based on their religious beliefs.
- **Small business owners think legislation that permits discrimination on religious grounds is bad for business:** Small business owners were asked about legislation considered in several states that would allow business owners to deny goods or services based on their religious beliefs. Fifty-nine percent of small business owners feel that such legislation would hurt the business climate in their state.
- **Entrepreneurs believe businesses should not be able to discriminate based on claims that service violates their right to free speech or their right to free artistic expression:** Half of entrepreneurs believe business owners should not be able to deny services to a customer because the owner believes that service violates their right to free speech. An even greater majority of 62% of small business owners think business owners shouldn't be able to deny services related to a wedding for a same-sex couple because the owner claims it violates their right to free speech. Additionally, 55% of small business owners believe small business owners should not be able to claim an exemption to nondiscrimination laws if they believe serving a customer goes against their right to free artistic expression.
- **Small business owners oppose employment discrimination against LGBT individuals based on religious grounds:** 64% of small business owners do not think an employer should be able to fire or refuse to hire someone who is gay or transgender based on their religious beliefs.
- **Small business owners support federal and state legislation to prevent employment discrimination against LGBT employees:** 64% of entrepreneurs would favor a federal law that protects LGBT individuals from discrimination in the workplace, while 67% would favor a state law protecting these individuals from employment discrimination.
- **Small business owners favor a federal law protecting against LGBT discrimination in places of public accommodations:** Nearly 7 in 10 small business owners (68%) would favor a federal law protecting LGBT people from discrimination in places of public accommodation, such as restaurants, hotels and other businesses open to the public.
- **Nondiscrimination laws improve businesses' bottom lines:** 55% of small business owners believe that laws protecting against discrimination improve the business bottom line by attracting the best and brightest employees, regardless of the employee's sexual orientation or gender identity.
- **Respondents are politically diverse:** 36% are Republican or Republican-leaning independent, 41% are Democrat or Democratic-leaning independent, and 19% are pure independent.

## Entrepreneurs Oppose Denying Goods or Service to LGBT People Based on Religious Beliefs and Freedom of Speech

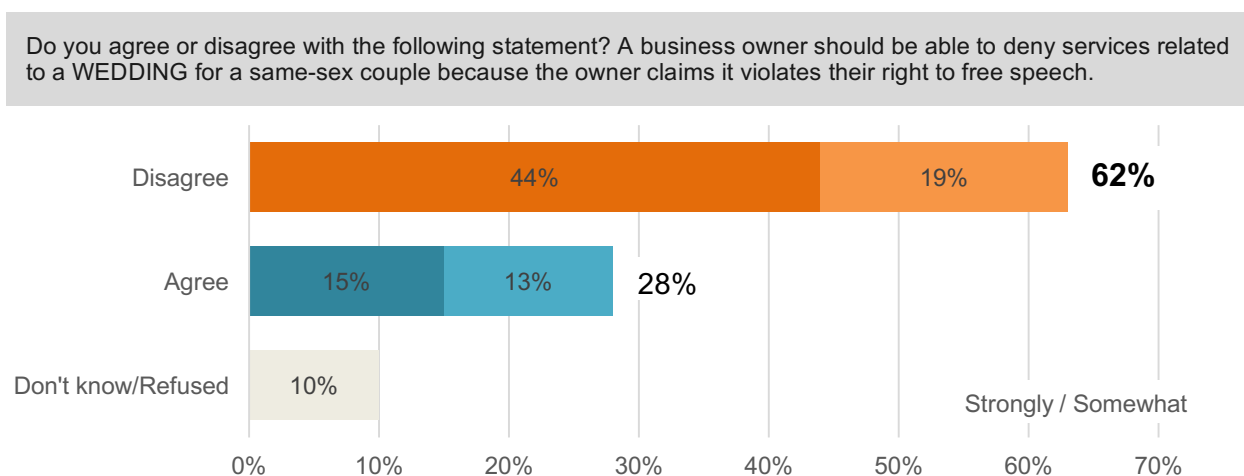
Small business owners believe business owners should not be able to deny goods or services to LGBT individuals, including services for same-sex weddings, based on a broad array of justifications. Nearly two-thirds of small business owners (65%) don't think a business owner should be able to deny goods or service to someone who is LGBT based on the owner's religious beliefs. A 53% majority are strongly opposed. Fifty-seven percent don't think that a business owner should be able to deny services related to a wedding for a same-sex couple based on the owner's religious beliefs.

**Figure 1: Small businesses oppose denying goods or service to LGBT customers based on religious beliefs**



Small business owners oppose denying services to LGBT individuals on other grounds beyond the religious beliefs of the business owner. Half of small business owners (50%) do not believe that a business owner should be able to deny services to a customer because the owner claims that service violates their right to free speech. A plurality of 34% are strongly opposed. This majority grows when asked about providing such services for the wedding of a same-sex couple—62% of small business owners do not think that a business owner should be able to deny services related to a wedding for a same-sex couple because the owner claims it violates their right to free speech.

**Figure 2: Small business owners oppose denying goods or service to LGBT on free speech grounds, especially for same-sex weddings**



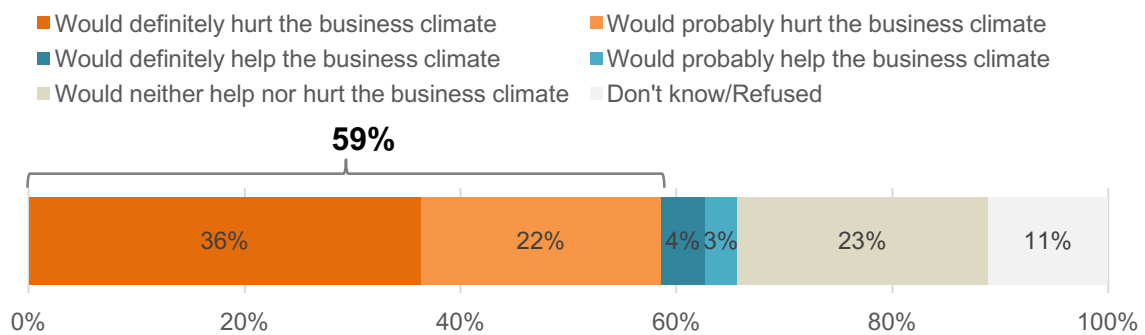
Opposition to this type of discrimination extends to potential justifications based on a business owner’s right to free artistic expression. A 55% majority of small business owners don’t believe that small business owners should be able to claim an exemption to nondiscrimination laws if they believe serving a customer goes against their right to free artistic expression. Nearly 4 in 10 are strongly opposed to such discrimination. Less than 3 in 10 (28%) believe a business owner should be able to deny services based on their right to free artistic expression.

## Small Business Owners Believe Religious Freedom Measures are Bad for Business, Support Federal Protections in Public Accommodations

Small business owners believe that laws allowing for discrimination based on religious beliefs are bad for business. Several states have considered legislation in recent years that would allow business owners to deny goods or services based on their religious beliefs. These bills are generally known as “religious freedom restoration” legislation, or RFRAs. Nearly 6 in 10 business owners (59%) feel that these laws would hurt the business climate in their state. A plurality of 36% feel strongly that such a law would hurt their state’s business climate.

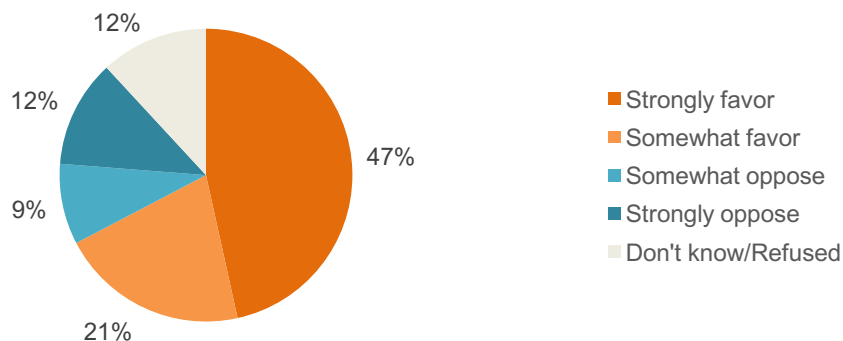
**Figure 3: Small business owners think religious freedom measures are bad for business**

Several states have considered legislation that would allow business owners to deny goods or services based on their religious beliefs. If a law like that was proposed and enacted in your state, what effect do you think it would have on the business climate in your state?



It may come as a surprise that while federal law prohibits discrimination in places of public accommodation, such as restaurants, hotels and other business that are open to the public, on the basis of race, national origin, religion or disability, it does not explicitly protect people based on sexual orientation or gender identity. Small business owners overwhelmingly favor legislation that would change this. Sixty-eight percent of small business owners would favor a federal law protecting LGBT people from discrimination in places of public accommodation.

**Figure 4: Small business owners favor federal nondiscrimination protections for LGBT individuals in places of public accommodations**

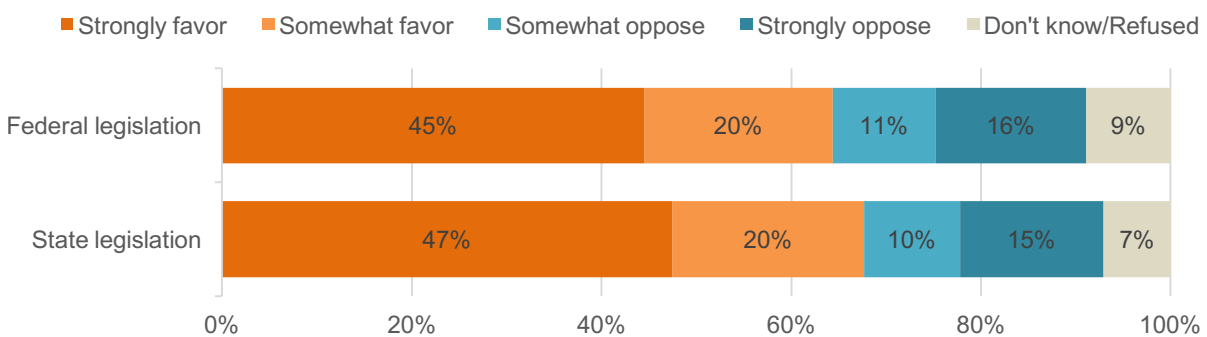


## Small Business Owners Support Laws Protecting Against LGBT Employment Discrimination

Small business owners are bottom line-oriented, and they know inclusive employment laws can help them attract and retain talented employees. As such, it should come as no surprise that the majority of small business owners in the poll (64%) oppose firing or refusing to hire LGBT employees based on an owner's religious beliefs.

While federal law prohibits employment discrimination on the basis of gender, age, race, religion or disability, there is no federal law that explicitly protects LGBT individuals when it comes to employment. Some states have taken matters into their own hands, but there are still currently 29 states without laws protecting LGBT individuals from discrimination. Sixty-four percent of small business owners would favor a federal law protecting LGBT people from discrimination in the workplace, while 67% would support a state law protecting LGBT individuals from employment discrimination.

**Figure 5: Small business owners support employment nondiscrimination legislation**



Again, small business owners know nondiscrimination policies are good for their bottom line. Fifty-five percent of respondents feel that laws that protect against discrimination improve the bottom line by attracting the best and brightest employees, regardless of the employee's sexual orientation or gender identity. Nearly 4 in 10 (38%) feel that such laws strongly improve their bottom line.

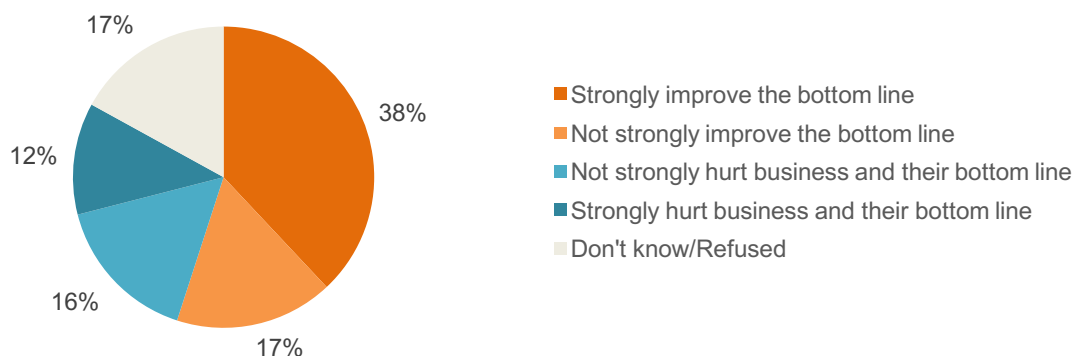
**Figure 6: Small business owners feel nondiscrimination laws help their bottom line**

Which of the following statements comes closest to your own personal point of view?

Laws that protect against discrimination improve the business bottom line by attracting the best and brightest employees, regardless of whether the employee is gay, lesbian, bisexual or transgender.

OR

Laws that require employers to hire gay and transgender people may be well intended, but the legal and implementation costs end up hurting businesses and their bottom line.



A majority of small business owners (57%) feel that laws that prohibit discrimination in the workplace based on sexual orientation and gender identity help attract and retain employees. Additionally, 56% of small business owners say that these laws contribute to a robust employee pool.

## Conclusion

The right to religious freedom and debate about LGBT nondiscrimination laws have been front and center in the media in recent years, and small businesses have been key to the discussion. As this survey shows, small business owners don't think it's right for LGBT people to be turned away from a business for any reason, including for wedding-related services for same-sex couples.

They also broadly support both federal and state legislation that would ensure nondiscrimination protections in places of public accommodation and in the workplace. Small business owners know that nondiscrimination laws are good for their business's bottom line and help them to attract and retain the best employees. As these findings make clear, it's crucial that these small business voices are heard as we debate these issues at the local and national levels.

## Methodology

This poll reflects an Internet survey of 500 small business owners nationwide with 1-100 employees. The poll was conducted by Chesapeake Beach Consulting for Small Business Majority between October 4 and 23, 2017. The margin of error is +/-4.5%.



## Toplines

National Survey of 500 Small Business Owners Nationwide  
October 4-23, 2017

- Q1.** Please indicate your gender
- |              |     |
|--------------|-----|
| Male .....   | 49% |
| Female ..... | 51% |
- Q2.** What state is your business in?
- |                |     |
|----------------|-----|
| West.....      | 23% |
| Midwest .....  | 22% |
| South .....    | 31% |
| Northeast..... | 24% |
- Q3.** Do you own your own for-profit business?
- |                          |      |
|--------------------------|------|
| Yes .....                | 100% |
| No .....                 | 0%   |
| Don't know/Refused ..... | 0%   |
- Q4.** How many people do you employ including yourself?
- |                 |     |
|-----------------|-----|
| One .....       | 25% |
| 2 to 9.....     | 53% |
| 10 to 29.....   | 14% |
| 30 to 49.....   | 2%  |
| 50 to 100 ..... | 7%  |
- Q5.** How many people do you employ part-time? These would be people you employ who require a W-2 form.
- |            |     |
|------------|-----|
| Zero.....  | 57% |
| One .....  | 10% |
| Two .....  | 10% |
| Three..... | 5%  |
| Four ..... | 3%  |
| 5+ .....   | 16% |
- Q6.** Approximately how many people have you employed as contractors or 1099 employees over the past year?
- |            |     |
|------------|-----|
| Zero.....  | 57% |
| One .....  | 9%  |
| Two .....  | 9%  |
| Three..... | 4%  |
| Four ..... | 4%  |
| 5+ .....   | 18% |

- Q7.** How long have you been in business?
- |                          |     |
|--------------------------|-----|
| Less than one year.....  | 5%  |
| One to three years ..... | 19% |
| Four to six years .....  | 20% |
| Seven to 10 years .....  | 14% |
| More than 10 years.....  | 41% |
| Don't know/Refused ..... | <1% |
- Q8.** As you may know, federal law prohibits discrimination in places of public accommodations, such as restaurants, hotels and other businesses that are open to the public on the basis of race, national origin, religion, or disability. However, federal law does NOT explicitly protect someone who is lesbian, gay, bisexual or transgender. Would you favor or oppose a federal law protecting lesbian, gay, bisexual or transgender people from discrimination in places of public accommodation?
- |                           |            |
|---------------------------|------------|
| Strongly favor.....       | 47%        |
| Somewhat favor.....       | 21%        |
| Somewhat oppose .....     | 9%         |
| Strongly oppose.....      | 12%        |
| Don't know .....          | 10%        |
| Refused.....              | 2%         |
| <b>TOTAL FAVOR.....</b>   | <b>68%</b> |
| <b>TOTAL OPPOSE .....</b> | <b>21%</b> |
- Q9.** Do you believe that a business owner should be able to deny goods or service to someone who is lesbian, gay, bisexual or transgender based on the owner's religious beliefs?
- |                        |            |
|------------------------|------------|
| Yes, strongly .....    | 17%        |
| Yes, not strongly..... | 11%        |
| No, not strongly.....  | 12%        |
| No, strongly .....     | 53%        |
| Don't know .....       | 6%         |
| Refused.....           | 1%         |
| <b>TOTAL YES .....</b> | <b>28%</b> |
| <b>TOTAL NO.....</b>   | <b>65%</b> |
- Q10.** Several states have considered legislation that would allow business owners to deny goods or services based on their religious beliefs. If a law like that was proposed and enacted in your state, what effect do you think it would have on the business climate in your state?
- |   |            |
|---|------------|
| Would definitely hurt the business climate.....       | 36%        |
| Would probably hurt the business climate.....         | 22%        |
| Would neither help nor hurt the business climate..... | 23%        |
| Would probably help the business climate.....         | 3%         |
| Would definitely help the business climate.....       | 4%         |
| Don't know .....                                      | 10%        |
| Refused.....  | 1%         |
| <b>TOTAL WOULD HURT THE BUSINESS CLIMATE .....</b>    | <b>59%</b> |
| <b>TOTAL WOULD HELP THE BUSINESS CLIMATE .....</b>    | <b>7%</b>  |

**Q11.** Do you agree or disagree with the following statement? A business owner should be able to deny services related to a wedding for a same-sex couple based on the owner’s religious beliefs.

Strongly agree.....	23%
Somewhat agree .....	15%
Somewhat disagree .....	14%
Strongly disagree.....	43%
Don’t know .....	4%
Refused .....	1%
<b>TOTAL AGREE .....</b>	<b>38%</b>
<b>TOTAL DISAGREE .....</b>	<b>57%</b>

**Q12.** Do you agree or disagree with the following statement? A business owner should be able to deny services to a customer because the owner claims that service violates their right to free speech.

Strongly agree.....	16%
Somewhat agree .....	17%
Somewhat disagree .....	16%
Strongly disagree.....	34%
Don’t know .....	15%
Refused .....	1%
<b>TOTAL AGREE .....</b>	<b>34%</b>
<b>TOTAL DISAGREE .....</b>	<b>50%</b>

**Q13.** Do you agree or disagree with the following statement? A business owner should be able to deny services related to a WEDDING for a same-sex couple because the owner claims it violates their right to free speech.

Strongly agree.....	15%
Somewhat agree .....	13%
Somewhat disagree .....	19%
Strongly disagree.....	44%
Don’t know .....	8%
Refused .....	2%
<b>TOTAL AGREE .....</b>	<b>28%</b>
<b>TOTAL DISAGREE .....</b>	<b>62%</b>

**Q14.** Do you agree or disagree with the following statement? Small business owners should be able to claim an exemption to nondiscrimination laws if they believe serving a customer goes against their right to free artistic expression?

Strongly agree.....	12%
Somewhat agree .....	16%
Somewhat disagree .....	17%
Strongly disagree.....	38%
Don’t know .....	16%
Refused.....	1%
<b>TOTAL AGREE .....</b>	<b>28%</b>
<b>TOTAL DISAGREE .....</b>	<b>55%</b>

**Q15.** Do you think that an employer should be able to fire or refuse to hire someone who is gay or transgender if working with a gay or transgender employee conflicts with the employer's religious beliefs?

Yes, strongly .....	17%
Yes, not strongly .....	12%
No, not strongly .....	17%
No, strongly .....	47%
Don't know .....	6%
Refused .....	1%
<b>TOTAL YES .....</b>	<b>29%</b>
<b>TOTAL NO .....</b>	<b>64%</b>

**Q16.** As you may know, federal law prohibits employment discrimination on the basis of gender, age, race, religion, or disability. However, federal law does NOT explicitly protect someone who is lesbian, gay, bisexual or transgender. Would you favor or oppose a federal law protecting lesbian, gay, bisexual or transgender people from discrimination when it comes to employment?

Strongly favor .....	45%
Somewhat favor .....	20%
Somewhat oppose .....	11%
Strongly oppose .....	16%
Don't know .....	7%
Refused .....	2%
<b>TOTAL FAVOR .....</b>	<b>64%</b>
<b>TOTAL OPPOSE .....</b>	<b>27%</b>

**Q17.** Currently, 29 states do not have laws protecting lesbian, gay, bisexual, and transgender individuals from discrimination. Would you favor or oppose a state law protecting lesbian, gay, bisexual or transgender people from discrimination when it comes to employment?

Strongly favor .....	47%
Somewhat favor .....	20%
Somewhat oppose .....	10%
Strongly oppose .....	15%
Don't know .....	6%
Refused .....	1%
<b>TOTAL FAVOR .....</b>	<b>67%</b>
<b>TOTAL OPPOSE .....</b>	<b>25%</b>

Thinking about laws which prohibit discrimination in the workplace based on sexual orientation and gender identity...

**Q18.** Would you say these laws definitely help attract and retain employees, probably help attract and retain employees, probably don't help attract and retain employees or definitely don't help attract and retain employees?

Definitely help attract and retain employees .....	29%
Probably help attract and retain employees.....	28%
Probably don't help attract and retain employees.....	20%
Definitely don't help attract and retain employees .....	6%
Don't know .....	16%
Refused.....	1%
<b>TOTAL HELP ATTRACT AND RETAIN EMPLOYEES .....</b>	<b>57%</b>
<b>TOTAL DON'T HELP ATTRACT AND RETAIN EMPLOYEES .....</b>	<b>26%</b>

**Q19.** Would you say these laws definitely contribute to a robust employee pool, probably contribute to a robust employee pool, probably don't contribute to a robust employee pool, or definitely don't contribute to a robust employee pool?

Definitely contribute to a robust employee pool .....	29%
Probably contribute to a robust employee pool .....	27%
Probably don't contribute to a robust employee pool .....	15%
Definitely don't contribute to a robust employee pool.....	10%
Don't know .....	19%
Refused.....	1%
<b>TOTAL CONTRIBUTE TO A ROBUST EMPLOYEE POOL .....</b>	<b>56%</b>
<b>TOTAL DON'T CONTRIBUTE TO A ROBUST EMPLOYEE POOL.....</b>	<b>25%</b>

**Q20.** Which of the following statements comes closest to your own personal point of view?

Laws that protect against discrimination improve the business bottom line by attracting the best and brightest employees, regardless of whether the employee is gay, lesbian, bisexual or transgender.

OR

Laws that require employers to hire gay and transgender people may be well intended, but the legal and implementation costs end up hurting businesses and their bottom line.

Strongly improve the bottom line.....	38%
Not strongly improve the bottom line .....	17%
Not strongly hurt business and their bottom line .....	16%
Strongly hurt business and their bottom line.....	12%
Don't know .....	16%
Refused.....	1%
<b>TOTAL IMPROVE THE BOTTOM LINE .....</b>	<b>55%</b>
<b>TOTAL HURT BUSINESS AND THEIR BOTTOM LINE .....</b>	<b>28%</b>

Now, I have just a few questions for statistical purposes...

**Q21.** How would you categorize your business?

Professional services, including finance, insurance, legal, accounting, IT.....	22%
Retail .....	15%
Real estate and construction.....	12%
Healthcare or education.....	6%
Recreation and leisure .....	5%
Wholesale and distribution of goods .....	5%
Manufacturing .....	4%
Restaurant or food service .....	3%
Other nonretail service.....	24%
Not sure .....	2%
Refused to answer .....	<1%

**Q22.** In what year were you born?

18-29 .....	13%
30-44 .....	31%
45-54.....	22%
55-64.....	22%
65+ .....	12%

**Q23.** Generally speaking, do you think of yourself as a Republican, a Democrat, or an Independent?

Democrat .....	28%
Independent .....	35%
Republican.....	28%
Other.....	5%
Don't know .....	2%
Refused.....	1%

**Q24.** If Independent, Other or Don't know, do you think of yourself as closer to the Republican or Democratic Party? **(N=215)**

Closer to Democrats.....	30%
Closer to Republicans .....	20%
Neither.....	45%
Don't know .....	5%
Refused.....	0%

**Q25.** Again, just for statistical purposes, what was the gross revenue of your business in 2016? Just stop me when I get to the right category.

Less than \$100,000 .....	47%
Between \$100,000 and \$250,000.....	14%
Between \$250,001 and \$500,000 .....	10%
Between \$500,001 and \$1 million.....	9%
Between \$1 million and \$2 million.....	5%
Between \$2 million and \$5 million .....	5%
More than \$5 million .....	2%
Don't know .....	1%
Refused.....	5%

**Q26.** What is your race?

White .....	76%
African American or Black.....	7%
Hispanic or Chicano.....	5%
Asian or Pacific Islander .....	4%
American Indian .....	2%
Other.....	2%
Biracial or multiracial .....	3%
Don't know .....	0%
Refused.....	1%