

The Real Costs of Erasing Diversity, Equity, and Inclusion Programs

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Written by: Alejandra Martinez



Since 2023, anti-DEI (diversity, equity, and inclusion) bills have become law across multiple states. These bills typically target restricting DEI offices and staff, DEI training, diversity statements, and identity-based hiring practices. On January 20, 2025, President Donald Trump signed [Executive Order 14151](#), titled "Ending Radical And Wasteful Government DEI Programs And Preferencing." The order directs the Office of Management and Budget (OMB) director to terminate all mandates, policies, programs, preferences, and activities relating to diversity, equity, inclusion, and accessibility. It also mandates that agencies must report a list of all employees in DEI and "environmental justice" positions to the OMB director within 60 days.

Utah is no stranger to the anti-DEI movement. In 2024, the Utah State Legislature passed [HB 261: Equal Opportunity Initiatives](#). This bill prohibited higher education institutions, the public education system, and any governmental employer from having DEI programs. Opponents of DEI programs argue that it focuses too much on identity characteristics like race and gender rather than on qualifications and achievement. These initiatives aim to limit the influence of DEI initiatives in hiring, admissions, and other educational practices, focusing instead on a version of equality that disregards personal characteristics. While it may sound like a great step towards fairness, it actually risks widening racial and economic disparities by

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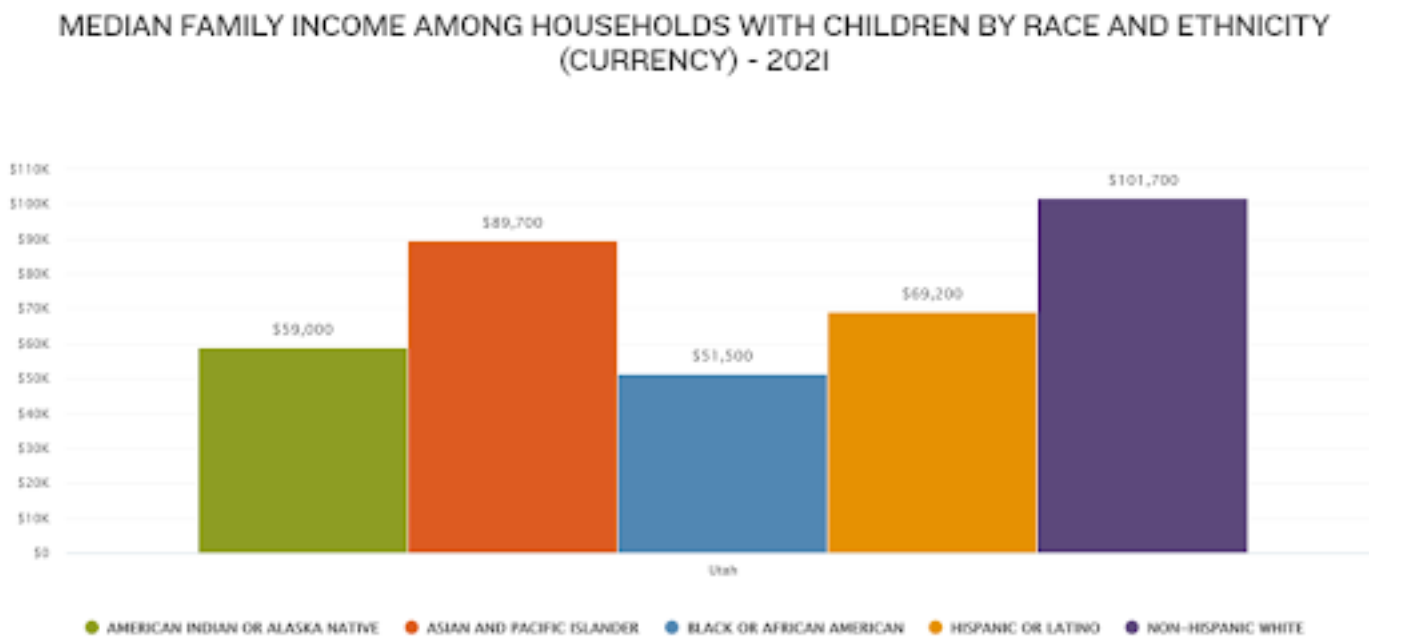
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removing support for underrepresented groups. Eliminating DEI initiatives ignores the ongoing need to address historical and systemic discrimination. Here's why it's bad for Utah and the whole country.

Disparities in Data

The data reveals significant income disparities that reflect broader patterns of racial and ethnic inequality in the labor market due to many contributing factors. Minority groups, particularly Hispanic and Black communities, often face barriers to accessing quality education and job training programs. This can limit their ability to secure well-paying jobs, thus affecting their families' economic security. Marginalized communities often lack access to comprehensive social services, job placement assistance, and healthcare. This creates a cycle where securing stable employment becomes even more difficult, as individuals may not have the resources to pursue career advancement or retraining opportunities. The graph in Figure A demonstrates that, rather than eliminating DEI programs such as special employment training, policymakers should expand access to job training, career development programs for underrepresented groups to bridge the opportunity gap.

Figure A.



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HB 261 also prevents “using an individual's certain characteristics in decisions regarding employment or admittance.” In a truly equal society, this might sound appropriate. But in our current reality, where diversity still lags in many institutions, it can limit progress. According to the Journal of Human Resource and Sustainability Studies (2023, 11, 780-794), companies began to prioritize diversity in the 1970s and 1980s. By the 1990s, more resources were dedicated to diversity in the workforce, such as DEI initiatives for hiring, training, and retaining a diverse workforce in government, companies, and schools. At Continental Airlines, for example, executives credit years of profitability and double-digit growth due to their diversity efforts: about 23% of its managers and 37% of its employees are minorities" (Fitzgerald, 2001), showing that diversity matters to customers.

The Need for DEI

Even with DEI programs implemented years ago, there are still employment gaps. Figure B highlights the percentage of children whose parents lack secure employment, showing the deep racial and ethnic disparities that presently exist in Utah's labor market. By focusing on systemic factors such as educational access, discrimination, and geographic inequality, policymakers and community leaders can take steps to address these disparities and move toward a more equitable and inclusive society.

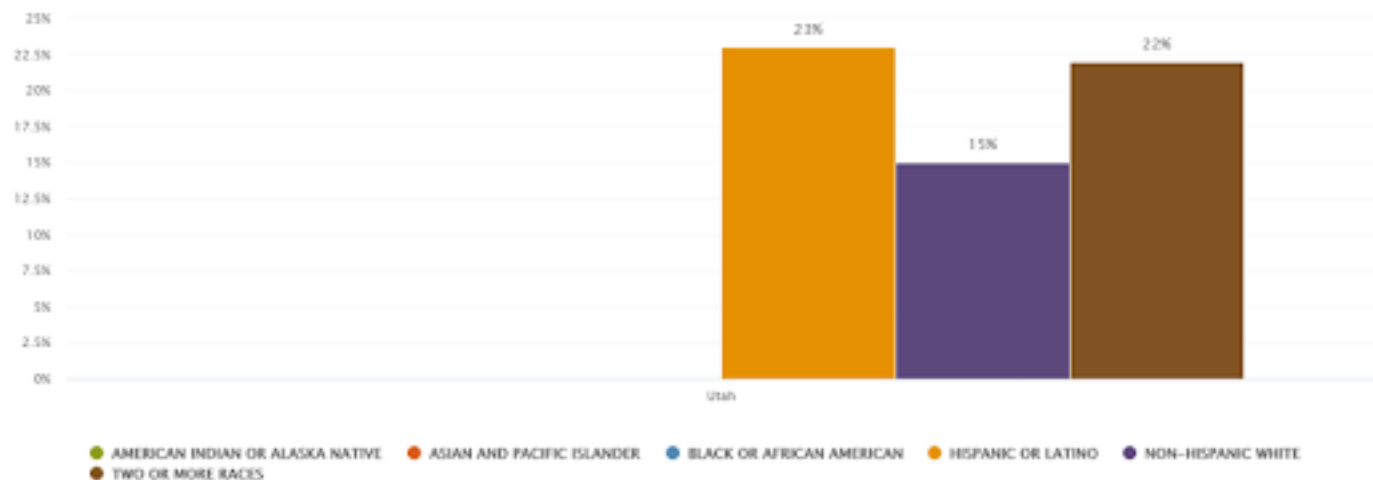
Figure B.

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CHILDREN WHOSE PARENTS LACK SECURE EMPLOYMENT BY RACE AND ETHNICITY (PERCENT) - 2022



One of the most concerning prohibitions in HB 261 prevents these institutions from establishing or maintaining an office that engages in DEI practices, such as cultural centers. These spaces are critical for underrepresented students and provide a space on campus to meet in solidarity and help schools better cater to the needs of these students. As Robin D. G. Kelley wrote, “You’ve got to be able to cross those lines of race, gender, sexual identity, sexual orientation - not to erase those lines or pretend they don’t exist but, on the contrary, make them hyper-visible. Radical empathy means working across identity lines by making them hyper-visible in order to recognize specific struggles that people on different sides of those lines experience. This recognition is fundamental for any change.”

Figure C reveals systemic inequities in higher education access. Hispanic/Latino young adults are underrepresented in higher education compared to their non-Hispanic White peers, highlighting potential barriers such as financial challenges, cultural factors, or unequal access to resources. Efforts to increase college enrollment and completion for underrepresented groups, particularly Hispanic/Latino populations, are necessary to bridge these gaps. One way to accomplish this is by implementing mentorship, financial aid, outreach and academic support programs tailored to Hispanic/Latino students and other underrepresented groups. Addressing these inequities requires collaboration among policymakers, educators, and

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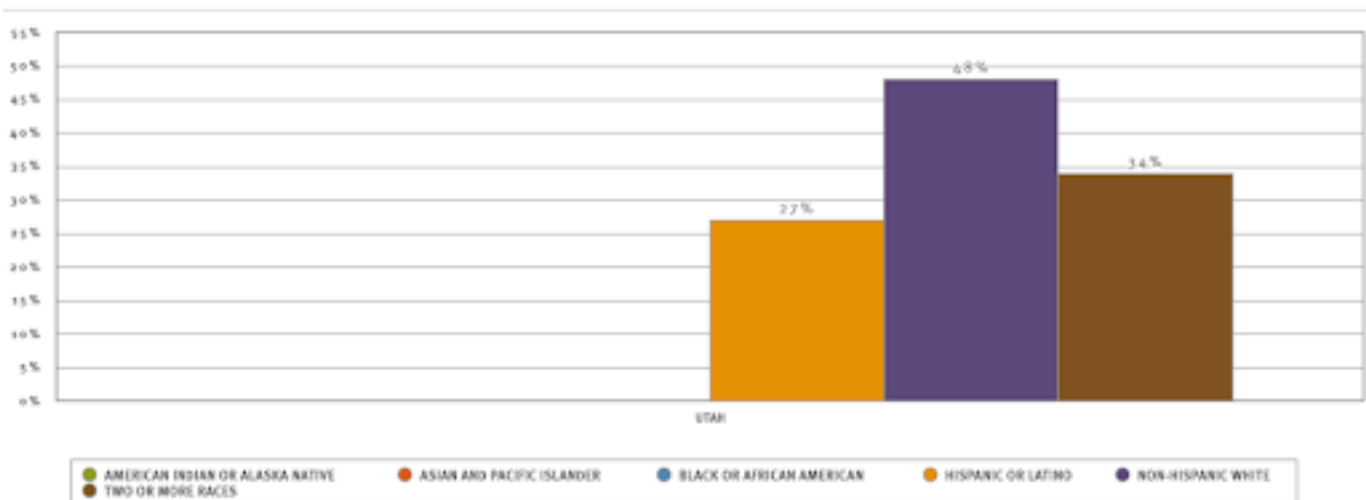
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community organizations to foster an inclusive and equitable higher education environment for students to succeed.

Figure C.

YOUNG ADULTS AGES 18 TO 24 WHO ARE ENROLLED IN OR HAVE COMPLETED COLLEGE BY RACE AND ETHNICITY (PERCENT) - 2022



Existing Inequalities

Utah's current regressive tax system disproportionately impacts low-income individuals. Figure D shows Utah's regressive tax system. Because minority racial groups earn less on average due to historic and systemic inequities, Utah's regressive tax system places a higher tax burden on communities of color. Sales tax takes a larger percentage of income from these marginalized groups, making it harder to buy essentials. A higher effective tax rate reduces disposable income for communities of color, widening the wealth gap and impacting intergenerational wealth transfer.




Figure D.

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Individual figures may not sum to totals due to rounding.

Income Group	Top 20%						
	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$29,900	\$29,900 to \$56,000	\$56,000 to \$93,600	\$93,600 to \$143,500	\$143,500 to \$294,600	\$294,600 to \$771,700	Over \$771,700
Average Income in Group	\$18,600	\$42,700	\$72,600	\$118,800	\$188,400	\$430,300	\$2,788,100
 Sales & Excise Taxes	6.3%	5.6%	4.9%	4.0%	3.3%	2.0%	0.9%
General Sales—Individuals	3.9%	3.6%	3.3%	2.7%	2.1%	1.2%	0.3%
Other Sales & Excise—Ind.	1.1%	0.8%	0.6%	0.5%	0.3%	0.2%	0.0%
Sales & Excise—Business	1.2%	1.1%	1.0%	0.9%	0.8%	0.6%	0.6%
 Property Taxes	2.8%	2.2%	2.4%	2.4%	2.2%	1.7%	1.5%
Home, Rent, Car—Individuals	2.2%	1.6%	1.9%	1.9%	1.6%	1.0%	0.2%
Other Property Taxes	0.5%	0.6%	0.5%	0.5%	0.5%	0.7%	1.3%
 Income Taxes	0.7%	2.1%	3.0%	3.8%	4.0%	3.8%	3.9%
Personal Income Taxes	0.7%	2.1%	3.0%	3.8%	4.0%	3.8%	3.8%
Corporate Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%

By reforming tax policies, governments can alleviate financial burdens on marginalized groups and foster a more equitable economic system. Some ways to reduce the impact of taxation on marginalized groups is by adopting a more progressive tax system, expanding existing tax credits such as the Earned Income Tax Credit to be refundable, reducing consumption taxes on essentials such as food, healthcare products, and education-related items, and investing in marginalized communities by funding programs that address system inequities.

EO 14151 aims to create fairness by providing individuals with the same access to resources, education, and jobs. However, in practice these policies will unintentionally widen racial gaps due to systemic inequities. Poverty harms children's physical health, mental well-being, education, and future opportunities. High rates of poverty among specific groups perpetuate cycles of generational poverty, limiting economic mobility.

Figure E illustrates notable disparities in poverty rates among children of different racial and ethnic groups in Utah in 2023. Just like the previous charts, the gap between Hispanic/Latino children and Non-Hispanic White children demonstrates significant inequality. It highlights disparities that stem from historical injustices,

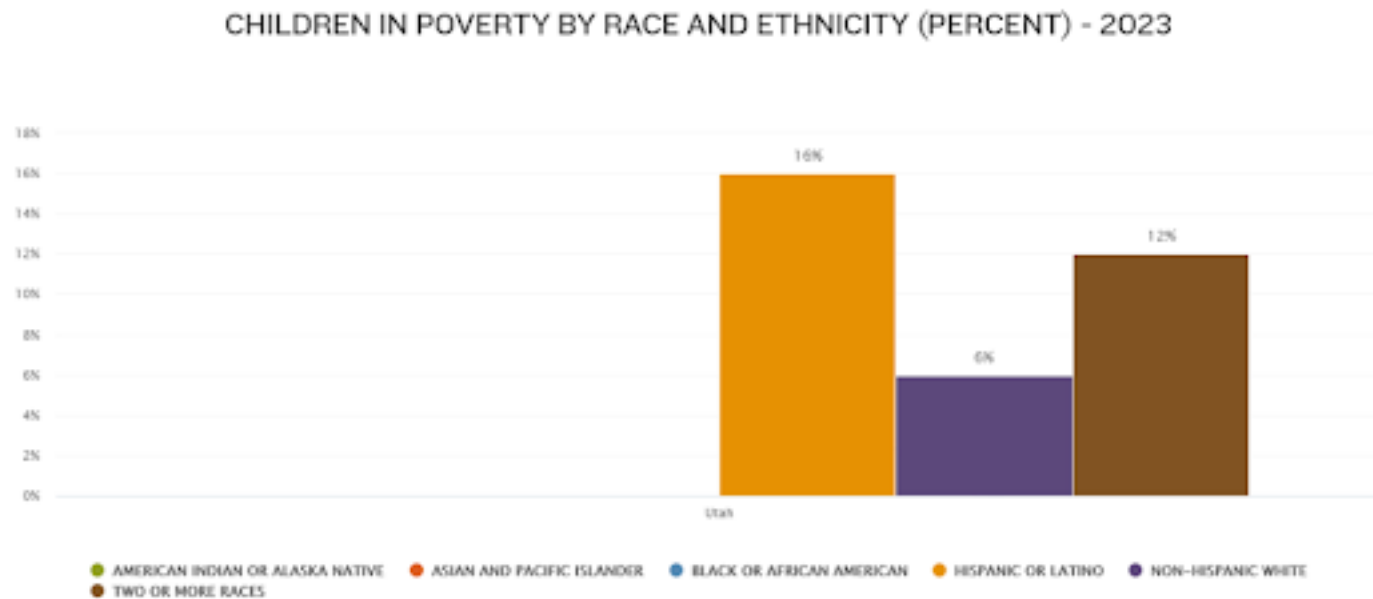
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structural racism, and unequal access to opportunities. Acknowledging the poverty gap is the first step toward addressing systemic inequalities that disproportionately affect marginalized groups. Addressing these disparities requires targeted policy interventions and resources to bridge the economic divide among children of different racial and ethnic backgrounds.

Figure E.



Lacking Disaggregated Data

As observed in almost every chart, there is a lack of state-level data on American Indian/Alaska Native, Asian/Pacific Islander, and Black/African American. The lack of information on these groups obscures disparities. Comprehensive data collection and reporting for all racial and ethnic groups is essential in order to better identify gaps and track progress among different ethnic groups. BIPOC communities are not homogeneous. By understanding which groups are disproportionately affected and in what areas, resources can be better allocated to ensure all children have an equal chance to succeed.

EO 14151 and HB 261 may unintentionally favor groups already well-positioned to succeed. Anti-DEI initiatives, in theory, have great goals, but, the reality is, there are marginalized communities and racial groups facing discrimination. The fact is not

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everyone has access to equal opportunities to succeed. That's why DEI exists. To close equity gaps, policies must account for the real-life racial gaps. One way to do this is by providing additional resources or support to underrepresented groups (e.g., mentorship, financial aid, or preparatory programs). No matter what program we support, the overall goal is shifting our focus from "equal opportunity" to equitable opportunity, where resources are distributed based on need rather than equally across all groups.

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