

**FOR IMMEDIATE RELEASE:**

April 25, 2023

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**\*\*\*PRESS RELEASE\*\*\***

**San Francisco Board of Supervisors Repeals 12X Boycott of 30 U.S. States**

*Supervisor Rafael Mandelman's legislation receives majority vote from the Board of Supervisors and support from Senator Scott Wiener, author of the original 12X Banned State policy*

SAN FRANCISCO — Today the San Francisco Board of Supervisors voted 7 to 4 to repeal Chapter 12X of the City's Administrative Code. A policy initially designed in 2016 to protest states that enact anti-LGBT laws, 12X's Banned State List has expanded to include states with restrictive abortion and voting rights laws. The policy currently prohibits City staff from traveling to and City departments from contracting with companies headquartered in 30 states.

“Repealing 12X will increase bidder competition and lower contracting costs, saving San Francisco millions when delivering major capital construction projects. And it will better advance our social policy goals by supporting the actual communities impacted by restrictive LGBTQ, abortion, and voting rights policies,” said **Supervisor Mandelman**. “I’ve said it before: The best pressure we can apply on red states is to show that San Francisco can be effectively governed.”

Supervisor Mandelman's ordinance was co-sponsored by Board President Aaron Peskin and Supervisors Catherine Stefani, Hilary Ronen, Ahsha Safai, Matt Dorsey, and Joel Engardio. The legislation will receive a final vote at the Board of Supervisors on May 2 before heading to Mayor London Breed, where it is expected to be signed in the coming weeks.

“This Administrative Code requirement, originally authored by former Supervisor Scott Wiener, was a well-intentioned effort at values-based contracting but ultimately did not accomplish the social change it sought to effect,” said **Board President Aaron Peskin**, who is a co-sponsor. “Instead, this onerous restriction has led to an uncompetitive bidding climate and created serious obstructions to everything from accessing emergency housing to being able to cost-effectively purchase the best products and contracts for the City. It will require some amount of political courage to finally untangle these layers of city bureaucracy, but this Board of Supervisors has shown a desire to tackle the unglamorous obstacles to an efficient government that works for all.”

“We have an obligation to run an effective city government— actualizing this means that we have to evaluate the utility of well-intentioned policies of the past, said **District 2 Supervisor Catherine Stefani**. I’m grateful for the leadership and fortitude that Supervisor Mandelman has shown in taking on this repeal. Now, we can enhance our spending power and more thoughtfully invest in causes that matter most to San Franciscans.”

#### **Endorsement from Senator Scott Wiener**

“When I authored 12X, we believed a coalition of cities and states would form to create true consequences for states that pass these despicable, hateful laws,” said **Senator Scott Wiener (D-San Francisco)**. “Yet, as it turned out, that coalition never formed, and the full potential impact of this policy never materialized. Instead, San Francisco is now penalizing businesses in other states — including LGBTQ-owned, women-owned, and people of color-owned businesses — for the sins of their radical right wing governments. Moreover, San Francisco city staff are unable to fly to a large number of states for critical needs, whether collaborating on HIV prevention and treatment strategies or working together on critical transportation strategy. Sadly, it’s time to acknowledge that this policy hasn’t worked and that we need to pull back.”

#### **Endorsements from Equity Voices in the City and County of San Francisco**

“Creating a more fair and equitable society isn’t just about enacting new policies and legislation, it’s also about undoing and repealing ineffective and counterproductive ones like 12X. Not only will the repeal of 12X help San Francisco’s bottom line, it also affords the City an opportunity to more strategically deploy its financial firepower to support communities most in need,” said **Kimberly Ellis, Director, Department on the Status of Women**. “ I applaud Supervisor Mandelman, Board President Peskin and the other co-sponsors for their courage and conviction to help San Francisco bring more efficacy to our City government while also promoting the social good.”

“Despite the intention to stand in solidarity with communities impacted by discriminatory laws, we’ve unintentionally created barriers to supporting those same communities and, in some cases, we’ve isolated and made it difficult for those doing the equity work on the ground. We shouldn’t abandon those impacted by restrictive laws in the states on the travel ban list, and we also stand to learn from their work through professional services engagement,” said **Sheryl Davis, Executive Director, Human Rights Commission**.

#### **City Administrator Analysis**

In October 2022, Supervisors Mandelman, Stefani, Peskin, Ronen, and Safai submitted a Letter of Inquiry to the City Administrator asking for a review of the 12X policy, its efficacy and impact on City contracting and operations, and a range of policy alternatives to reform 12X for the Board’s consideration.

The report, released on February 10, found that 12X is associated with high levels of administrative burden and significant opportunity costs for the City and its employees. The loss in bidder competition results in **increased contracting costs upwards of 20%** annually. Meanwhile, “no states with restrictive LGBTQ rights, voting rights, or abortion policies have cited the City’s travel and contract bans as motivation for reforming their law.”

The City Administrator concluded that a complete repeal of 12X would “reduce administrative complexities, increase competition for City contracts, thereby possibly lowering costs, and create more opportunities for engagement with communities impacted by restrictive LGBTQ, abortion, and voting rights policies.”

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