

File No. 110274

Committee Item No. _____
Board Item No. 22

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance FULL-Committee Date: 6/20/11, 6/24/11

Board of Supervisors Meeting

Date 7/19/11

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget & Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Ethics Form 126 |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |

OTHER

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Completed by: Victor Young
Completed by: Victor Young

Date: June 16, 2011
Date: 7-7-11

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Adjusting the Access Line Tax with the Consumer Price Index of 2011]

2
3 **Resolution concurring with the Controller's establishment of the Consumer Price Index**
4 **for 2011, and adjusting the Access Line Tax by the same rate.**

5
6 WHEREAS, The Electorate of the City and County of San Francisco passed
7 Proposition O in November 2008, establishing an Access Line Tax to be imposed upon every
8 person who subscribes to telephone communication services within the City and County of
9 San Francisco (Business and Tax Regulations Code Section 782); and,

10 WHEREAS, Section 782 (b) states, in part, that the cap established by this subsection
11 shall be adjusted annually in accordance with the increase in the Consumer Price Index; All
12 Urban Consumers for the San Francisco/Oakland/San Jose Area for all items as reported by
13 the United States Bureau of Labor Statistics, or any successor to that index, as of December
14 31st of each year; and,

15 WHEREAS, Section 782 also requires that this increase be approved, annually, by the
16 Board of Supervisors and the Mayor; and,

17 WHEREAS, On December 31, 2010, the Consumer Price Index for All Urban
18 Consumers for the San Francisco/Oakland/San Jose Area for All Items as reported by the
19 United States Bureau of Labor Statistics was stated to be 1.52%; and,

20 WHEREAS, the monthly rates are currently set at \$2.82 per Access Line, \$21.16 per
21 Trunk Line, and \$380.84 per High Capacity Line; and,

22 WHEREAS, the new monthly rates will be \$2.86 per Access Line, \$21.48 per Trunk
23 Line, and \$386.63 per High Capacity Line; and,

1 WHEREAS, The Controller's certification of the Consumer Price Index rate is on file
2 with the Clerk of the Board of Supervisors in File No. 110274, which is hereby declared to be
3 part of this resolution as if set forth fully herein; now, therefore, be it

4 RESOLVED, That the Board of Supervisors hereby approves the adjustment of the
5 Access Line Tax by the 2011 Consumer Price Index.



MEMORANDUM

TO: Members, Board of Supervisors
Clerk of the Board
FROM: Ben Rosenfield
DATE: May 17, 2011
SUBJECT: Notification of Access Line Tax Annual Rate Adjustment

In November 2008, San Francisco voters approved Proposition O to replace the Emergency Response Fee with the Access Line Tax. Prop O allows for annual inflationary adjustments to the per line tax rates, codified in San Francisco Business and Tax Regulations Code Section 784 as follows:

The amount of the tax shall be \$2.75 per month per access line, \$20.62 per month per trunk line and \$371.15 per month per high capacity line. These amounts shall be adjusted annually in accordance with the increase in the Consumer Price Index: All Urban Consumers for the San Francisco/Oakland/San Jose Area for All Items as reported by the United States Bureau of Labor Statistics, or any successor to that index, as of December 31st of each year, beginning with December 31, 2009.

In May 2011, the Controller's Office calculated the inflationary increase on fees effective July 1, 2011 to be 1.52%. Source data are from the US Department of Labor's Bureau of Labor Statistics website using the "Consumer Price Index (CPI) - All Urban Consumers for the San Francisco - Oakland-San Jose CA Area," using December factors from the end of the prior year. The website is:

http://data.bls.gov/PDO/servlet/SurveyOutputServlet?data_tool=dropmap&series_id=CUURA422SA0.CUUSA422SA0. The difference between the inflation index for December 2009 (224.239) and December 2010 (227.658) is 3.419, or 1.52%.

When applied to current rates per line, the new rates are as follows:

Table with 4 columns: Line Type, Current Rate Per Line, Adjustment Factor, New Rate Per Line. Rows include Access line, Trunk line, and High capacity line.

Please contact me or Michelle Allersma, Citywide Revenue Manager, Controller's Office Budget and Analysis Division, at 554-4792 if you have any questions regarding this information.