

1 [Settlement of Lawsuit - MCI Communications Services LLC; MCImetro Access Transmission  
2 Services LLC; Verizon Business Network Services LLC; and XO Communications Services,  
3 LLC - City to Receive \$2,280,000]

4 **Ordinance authorizing settlement of the lawsuit filed by the City and County of San**  
5 **Francisco ex rel. Roger Schneider against MCI Communications Services LLC;**  
6 **MCImetro Access Transmission Services LLC; Verizon Business Network Services**  
7 **LLC; and XO Communications Services, LLC (collectively “Verizon”) for \$2,280,000; the**  
8 **lawsuit was filed on January 29, 2020, in San Francisco Superior Court, Case No. CGC-**  
9 **20-582552; entitled City and County of San Francisco ex rel. Roger Schneider v. AT&T**  
10 **Corporation, et al.; the lawsuit involves allegations that the defendants knowingly**  
11 **under-collected and under-remitted amounts due under the access line tax in violation**  
12 **of the California False Claims Act.**

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14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby  
16 authorizes the City Attorney to settle the action entitled City and County of San Francisco ex  
17 rel. Roger Schneider v. AT&T Corporation, et al., San Francisco Superior Court, Case No.  
18 CGC-20-582552, with respect to MCI Communications Services LLC; MCImetro Access  
19 Transmission Services LLC; Verizon Business Network Services LLC; and XO  
20 Communications Services, LLC (collectively, “Verizon”), by Verizon’s payment of \$2,280,000,  
21 and mutual releases for past conduct and access line tax liability. The lawsuit involves  
22 allegations that the defendants knowingly under-collected and under-remitted amounts due  
23 under the access line tax in violation of the California False Claims Act.

24 Section 2. The above-named action was filed in San Francisco Superior Court on  
25 January 29, 2020, and the following parties were named in the lawsuit: Plaintiff-Relator Roger

1 Schneider; Real Party in Interest City and County of San Francisco; Defendants AT&T  
2 Corporation; Pacific Bell Telephone Company; U.S. Telepacific Corp., dba TPx  
3 Communications; MCI Communications Services LLC; MCImetro Access Transmission  
4 Services LLC; Verizon Business Network Services LLC; and XO Communications Services,  
5 LLC.

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8 APPROVED AS TO FORM AND  
9 RECOMMENDED:

RECOMMENDED:

10 DAVID CHIU  
11 City Attorney

Office of the Treasurer and Tax Collector

12 /s/ Sara J. Eisenberg  
13 SARA J. EISENBERG  
14 Chief of Complex and Affirmative Litigation

15 /s/  
16 JOSE CISNEROS  
17 Treasurer

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