

BOARD of SUPERVISORS



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## MEMORANDUM

### GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

#### SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Jackie Fielder, Chair  
Government Audit and Oversight Committee

FROM: Monique Crayton, Assistant Clerk

DATE: September 5, 2025

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, September 9, 2025

The following file should be presented as COMMITTEE REPORT at the regular Board meeting on Tuesday, September 9, 2025. This ordinance was acted upon at the Regular Government Audit and Oversight Committee meeting on Thursday, September 4, 2025, at 10:00 a.m., by the votes indicated.

Item No. 20

File No. 250778

**[Settlement of Lawsuit - U.S. Telepacific Corp., dba TPx Communications -  
City to Receive \$3,660,000]**

**Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco ex rel. Roger Schneider against U.S. Telepacific Corp., dba TPx Communications ("TPx") for \$3,660,000; the lawsuit was filed on January 29, 2020, in San Francisco Superior Court, Case No. CGC-20-582552; entitled City and County of San Francisco ex rel. Roger Schneider v. AT&T Corporation, et al.; the lawsuit involves allegations that TPx and other telecommunications companies knowingly under-collected and under-remitted amounts due under the Access Line Tax Ordinance in violation of the California False Claims Act; other material terms of the settlement are that TPx will collect and remit access line taxes in a certain manner in the future absent a material change in the law.**

#### RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Jackie Fielder - Aye  
Supervisor Danny Sauter - Aye  
Supervisor Stephen Sherrill - Aye

Cc: Board of Supervisors  
Angela Calvillo, Clerk of the Board

Alisa Somera, Legislative Deputy  
Brad Russi, Deputy City Attorney

File No. 250778

Committee Item No. 8

Board Item No. 20

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: September 4, 2025

Board of Supervisors Meeting:

Date: September 9, 2025

#### Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input type="checkbox"/>	<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU - FY2022-2024 - Clean
<input type="checkbox"/>	<input type="checkbox"/>	MOU - FY2022-2024 - Redline
<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 / DRAFT Mills Act Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

#### OTHER

<input type="checkbox"/>	<input type="checkbox"/>	
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Prepared by: Monique Crayton

Date: September 5, 2025

Prepared by: Monique Crayton

Date: August 29, 2025

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

1 [Settlement of Lawsuit - U.S. Telepacific Corp., dba TPx Communications - City to Receive  
2 \$3,660,000]

3 **Ordinance authorizing settlement of the lawsuit filed by the City and County of San**  
4 **Francisco ex rel. Roger Schneider against U.S. Telepacific Corp., dba TPx**  
5 **Communications (“TPx”) for \$3,660,000; the lawsuit was filed on January 29, 2020, in**  
6 **San Francisco Superior Court, Case No. CGC-20-582552; entitled City and County of**  
7 **San Francisco ex rel. Roger Schneider v. AT&T Corporation, et al.; the lawsuit involves**  
8 **allegations that TPx and other telecommunications companies knowingly under-**  
9 **collected and under-remitted amounts due under the Access Line Tax Ordinance in**  
10 **violation of the California False Claims Act; other material terms of the settlement are**  
11 **that TPx will collect and remit access line taxes in a certain manner in the future absent**  
12 **a material change in the law.**

13  
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 U.S. Telepacific Corp., dba TPx Communications (“TPx”), by  
19 TPX’s payment of \$3,660,000, TPXs’s agreement to collect and remit access line taxes in a  
20 certain manner in the future unless there is a material change in the law, and mutual releases  
21 for past conduct and access line tax liability. The lawsuit involves allegations that the  
22 defendants knowingly under-collected and under-remitted amounts due under the Access  
23 Line Tax Ordinance 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

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

APPROVED AS TO FORM AND  
RECOMMENDED:

DAVID CHIU  
City Attorney

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

RECOMMENDED:

Office of the Treasurer and Tax Collector

/s/ Jose Cisneros  
JOSE CISNEROS  
Treasurer

Member, Board of Supervisors  
District 9



City and County of San Francisco

JACKIE FIELDER

DATE:	August 28, 2025
TO:	Angela Calvillo Clerk of the Board of Supervisors
FROM:	Supervisor Jackie Fielder, Chair, Government Audit and Oversight Committee
RE:	Government Audit and Oversight Committee COMMITTEE REPORTS

Pursuant to Board Rule 4.20, as Chair of Government Audit and Oversight Committee, I have deemed the following matter is of an urgent nature and request that it be considered by the full Board on Tuesday, September 9, 2025, as a Committee Report:

1. File No. 250778 - Settlement of Lawsuit  
- U.S. Telepacific Corp., dba TPx  
Communications - City to Receive  
\$3,660,000

This matter will be heard in the Government Audit and Oversight Committee at a Regular Meeting on Thursday, September 4, 2025, at 10:00 a.m.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jackie Fielder".

Jackie Fielder