

1 [Settlement of Lawsuit - AT&T Corporation and Pacific Bell Telephone Company - City to
2 Receive \$15,400,000]

3 Ordinance authorizing settlement of the lawsuit filed by the City and County of San
4 Francisco ex rel. Roger Schneider against AT&T Corp. and Pacific Bell Telephone
5 Company (collectively, "AT&T") for \$15,400,000; the lawsuit was filed on January 29,
6 2020, in San Francisco Superior Court, Case No. CGC-20-582552; entitled City and
7 County of San Francisco ex rel. Roger Schneider v. AT&T Corporation, et al.; the
8 lawsuit involves allegations that AT&T and other telecommunications companies
9 knowingly under-collected and under-remitted amounts due under the Access Line Tax
10 Ordinance in violation of the California False Claims Act; other material terms of the
11 settlement are that AT&T will collect and remit access line taxes in a certain manner in
12 the future absent 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 AT&T Corp. and Pacific Bell Telephone Company
19 (collectively, "AT&T"), by AT&T's payment of \$15,400,000, AT&T's agreement to collect and
20 remit access line taxes in a certain manner in the future unless there is a material change in
21 the law, and mutual releases for past conduct and access line tax liability. The lawsuit
22 involves allegations that the defendants knowingly under-collected and under-remitted
23 amounts due under the Access Line Tax Ordinance in violation of the California False Claims
24 Act.

1 Section 2. The above-named action was filed in San Francisco Superior Court on
2 January 29, 2020, and the following parties were named in the lawsuit: Plaintiff-Relator Roger
3 Schneider; Real Party in Interest City and County of San Francisco; Defendants AT&T
4 Corporation; Pacific Bell Telephone Company; U.S. Telepacific Corp., dba TPx
5 Communications; MCI Communications Services LLC; MCImetro Access Transmission
6 Services LLC; Verizon Business Network Services LLC; and XO Communications Services,
7 LLC.

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10 APPROVED AS TO FORM AND
11 RECOMMENDED:

12 DAVID CHIU
City Attorney

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

RECOMMENDED:

Office of the Treasurer and Tax Collector

13 /s/ Jose Cisneros
14 JOSE CISNEROS
Treasurer



City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 250769

Date Passed: September 16, 2025

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco ex rel. Roger Schneider against AT&T Corp. and Pacific Bell Telephone Company (collectively, "AT&T") for \$15,400,000; 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 AT&T 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 AT&T will collect and remit access line taxes in a certain manner in the future absent a material change in the law.

September 04, 2025 Government Audit and Oversight Committee - RECOMMENDED AS COMMITTEE REPORT

September 09, 2025 Board of Supervisors - PASSED, ON FIRST READING

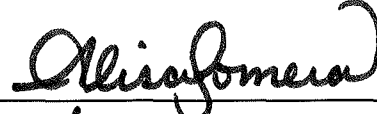
Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

September 16, 2025 Board of Supervisors - FINALLY PASSED

Ayes: 10 - Chan, Chen, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton
Excused: 1 - Dorsey

File No. 250769

I hereby certify that the foregoing
Ordinance was **FINALLY PASSED** on
9/16/2025 by the Board of Supervisors of the
City and County of San Francisco.



Angela Calvillo
Clerk of the Board



Daniel Lurie
Mayor

9.18.25

Date Approved