File No.	250769	Committee Item No.	7
		Board Item No.	12

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Over	sight Date: September 4, 2025				
Board of Supervisors Meeting: Date: September 16, 2025					
Cmte Board Motion	∟etter and/or Report e Agreement				
OTHER					
H H					
Prepared by: Monique Crayton Prepared by: Monique Crayton	Date: <u>September 5, 2025</u> Date: August 29, 2025				
Prepared by:	Date:				

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

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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

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

7 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.

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

Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby authorizes the City Attorney to settle the action entitled <u>City and County of San Francisco ex rel. Roger Schneider v. AT&T Corporation, et al.</u>, San Francisco Superior Court, Case No. CGC-20-582552, with respect to AT&T Corp. and Pacific Bell Telephone Company (collectively, "AT&T"), by AT&T's payment of \$15,400,000, AT&T's agreement to collect and remit access line taxes in a certain manner in the future unless there is a material change in the law, and mutual releases for past conduct and access line tax liability. The lawsuit involves allegations that the defendants knowingly under-collected and under-remitted amounts due under the Access Line Tax Ordinance in violation of the California False Claims

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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 RECOMMENDED:	RECOMMENDED:		
11		Office of the Traceurer and Tay Callector		
12	DAVID CHIU City Attorney	Office of the Treasurer and Tax Collector		
13	<u>/s/ Sara J. Eisenberg</u> SARA J. EISENBERG	<u>/s/ Jose Cisneros</u> JOSE CISNEROS		
14	Chief of Complex and Affirmative Litigation	Treasurer		
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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. 250769 - Settlement of Lawsuit

- AT&T Corporation and Pacific Bell Telephone Company - City to Receive \$15,400,000

Julie Files

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,

Jackie Fielder

BOARD of SUPERVISORS



City Hall 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco 94102-4689 Tel. No. (415) 554-5184 Fax No. (415) 554-5163 TDD/TTY No. (415) 554-5227

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. 19 File No. 250769

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

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.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Jackie Fielder - Ave

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