[Clerical Corrections to Article 10a of the Bus. & Tax Reg. Code]

Ordinance amending Article 10a of the San Francisco Business and Tax Regulations Code by making clerical corrections to Sections 750, 751, 753 and 755.1 and amending Section 10.100-67 of the San Francisco Administrative Code by making clerical corrections to omit text intended to be deleted by Ordinance Number 71-02.

Note: Additions are *single-underline italics* Times New Roman; deletions are *strikethrough italics* Times New Roman. Board amendment additions are double underlined. Board amendment deletions are strikethrough normal.

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

Section 1. The San Francisco Business and Tax Regulation Code is hereby amended by making clerical corrections to Sections 750, 751, 753 and 755.1 to read as follows:

SEC. 750. TITLE/PURPOSE.

(a) In order to substantially improve the performance of the City's 911 communication system, the City and County must impose a fee. This ordinance shall be known as the "Emergency Response Fee Ordinance" and the fee imposed herein shall be known as the "Emergency Response Fee."

(b) The purpose of this ordinance is to require subscribers to telephone service in the City and County to pay a fee which is directly related to the benefit subscribers derive from the improvements to and operation of the 911 communication system that will be financed by fee revenues.

(c) The emergency response fee is the most practical and equitable revenue mechanism to finance the acquisition and construction of land, equipment, software, and facilities which are needed to provide an adequate and reliable 911 communication system under a single uniform command structure and to operate that improved 911 communication system.
system. The fee is intended to recover all costs related to the benefits the improved system
will provide to nonexempt telephone subscribers. Benefits provided to exempt telephone
subscribers will be financed through other revenue mechanisms.

(d) The fee imposed by the provisions of this Article is intended solely to provide
revenue for eligible project costs and eligible operating costs, as defined in this Article. Fee
revenues shall be deposited by the Controller in the 911 Emergency Response Fund
authorized by Section 10.100-67 of the San Francisco Administrative Code. The
provisions of this Article are not enacted for regulatory purposes or for general revenue
purposes.

SEC. 751. ADDITIONAL DEFINITIONS.

Except where the context or particular provisions require otherwise, the following
definitions shall govern the construction of this Article.

(a) 911 Communication System. "911 communication system" means an enhanced
emergency telephone service which automatically connects a person dialing the digits 9-1-1 to
an answering point established within a City department and shall incorporate all aspects of
the call delivery system, the call processing system and the call dispatch system, including,
but not limited to, selective routing, automatic number identification (ANI), and automatic
location identification (ALI), and wireless 911. "911 communication system" includes the
functions of the Emergency Communications Department; however, it does not include the
Police Department and Fire Department staff who respond to requests for assistance by
traveling to a site to which they are dispatched as a result of an emergency call.

(b) Access Line. "Access line" means any connection from a customer location to a
provider of local telephone service offered to the public for compensation. Within the meaning
of this ordinance, and without limitation, access lines include connections providing residential
basic exchange service, business basic exchange service, PBX service (private branch exchange), foreign exchange service, and Centrex service.

(c) Eligible Operating Costs. "Eligible Operating Costs" means the portion of operating costs reflecting the benefit estimated to be provided by operation of the 911 Communication System to telephone subscribers who are required to pay the fee imposed by the provisions of this Article on access lines, trunk lines and high capacity trunk lines subject to the fee. Eligible Operating Costs shall not include Exempt Operating Costs.

(d) Exempt Operating Costs. "Exempt Operating Costs means the portion of Operating Costs reflecting the benefits estimated to be provided by operation of the 911 Communication System to telephone subscribers who are exempted from the fee by Section 754 of this Article or are otherwise not required to pay the fee imposed by the provisions of this Article.

(e) Eligible Project Costs. "Eligible project costs" means the portion of project costs reflecting the benefit estimated to be provided by the project to telephone subscribers who are required to pay the fee imposed by the provisions of this Article on access lines, trunk lines and high capacity trunk lines subject to the fee. Eligible project costs shall not include exempt project costs.

(f) Exempt Project Costs. "Exempt project costs" means the portion of project costs reflecting the benefits estimated to be provided by the project to telephone subscribers who are exempted from the fee by Section 754 of this Article or are otherwise not required to pay any fee imposed by the provisions of this Article.

(g) Fee. "Fee" means the Emergency Response Fee imposed under the provisions of this Article.
(h) High Capacity Trunk Line. "High capacity trunk line" shall mean a trunk line with a capacity of at least 24 channels over a high capacity service, such as a 1.544 Mb, T-1, or Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI) line.

(ii) Lifeline Service. "Lifeline service" means discounted telephone service available to eligible low-income residential customers.

(jj) Local Telephone Service. "Local telephone service" means access to a local telephone system, providing two-way telephonic quality communication with substantially all persons having telephone or radio telephone stations constituting a part of such local telephone system, whether or not such service uses transmission wires. "Local telephone service" shall not include land mobile services or maritime mobile services as defined in Section 2.1 of Title 47 of the Code of Federal Regulations, as said Section existed on January 1, 1970. Notwithstanding this exclusion, "local telephone service" shall include cellular wireless telephone service.

(k) Operating Costs. "Operating Costs" means any costs to operate, repair or maintain the 911 Communication System or backup 911 communication system, including but not limited to costs for personnel, training, software and hardware maintenance and upgrades, facility maintenance and repair and attorneys fees.

(ll) Project Costs. "Project costs" means any costs of: acquiring land on which to locate a 911 communication system facility or backup 911 communication system facility, acquiring and installing computerized call delivery processing and dispatch equipment and software, and/or any other acquisition or construction necessary to combine 911 communication staff, to the maximum extent consistent with the Charter, under a single uniform command structure and to house 911 communication system equipment and staff in a seismically safe and fireproof facility contiguous or proximate to the Central Fire Alarm Station on
SEC 753. IMPOSITION OF EMERGENCY RESPONSE FEE.

(a) There is hereby imposed an emergency response fee on every person who maintains access to the 911 communication system by subscribing to local telephone service within the City and County of San Francisco. For purposes of this Article, with respect to mobile telecommunications services, a person shall be construed to subscribe to local
telephone service within the City and County of San Francisco if he or she has a "place of primary use", as such term is defined in the Mobile Telecommunications Sourcing Act, 4. U.S.C. §124(8), within the geographic boundaries of the City.

(b) The amount of the fee imposed by this Section shall be paid, on a per line basis, by the person paying for such local telephone service; however, no fee shall be charged to more than 1,667 access lines or 333 trunk lines per account per service location, and in no circumstances shall any telephone subscriber be required to pay fees in excess of $10,000 per account per service location in any twelve-month period ending on or before December 31, 1997. Commencing in 1998, no telephone subscriber shall be required to pay fees in excess of $20,000 per account per service location in any calendar year. Commencing in 2002, no telephone subscriber shall be required to pay fees in excess of $25,000 per account per service location in any calendar year. The cost of wireless telecommunications services shall not be considered for purposes of this subsection (b). The amount of the cap established by this subsection shall be adjusted annually by 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.

(c) Only one payment of the fee herein imposed shall be required for any access line, trunk line or high capacity trunk line, notwithstanding that access lines of more than one person are used in furnishing local telephone service to a telephone subscriber.

(d) Revenues generated by the emergency response fee shall be deposited in the 911 emergency response fund authorized by Section 10.100-67 of the San Francisco Administrative Code and shall be used exclusively to pay for eligible project costs and eligible operating costs, including eligible operating costs accruing in Fiscal Year 2001-2002 before adoption of the ordinance in Board of Supervisors File Number 02-0193.

SEC. 755.1 REPORTS.
a) No later than April 1 each year, the Controller shall estimate the percentage of access lines that were subject to payment of the emergency response fee during the immediately prior calendar year. This percentage shall be identified as the percentage of Project Costs and Operating Costs that are Eligible Operating Costs and Eligible Exempt Operating Costs for the following fiscal year. The Controller’s report shall also identify the adjusted amount of the fee cap established by subsection (b) of Section 753 that will apply in the following calendar year.

b) No later than April 1 in each odd numbered year, the Controller will evaluate information from industry sources, regulatory bodies and City experience to determine whether the fee rates for trunk lines and high capacity trunk lines continue to reasonably reflect the increased estimated access to the 911 communication system provided to trunk line and high capacity trunk line subscribers relative to access line subscribers.

Section 2. The San Francisco Administrative Code is hereby amended by making clerical corrections to Section 10.100-67 to read as follows:

SEC. 10.100-67. EMERGENCY COMMUNICATIONS 911 EMERGENCY RESPONSE FUND.

(a) Establishment of Fund. The Emergency Communications 911 Emergency Response Fund is established as a category four fund to receive all monies collected pursuant to Article 10A of Part III of the San Francisco Municipal Code, those monies which are specifically set aside for deposit into the fund pursuant to the provisions of Section 720 of Article 10 of Part III of the San Francisco Municipal Code, and any other monies transferred into the fund.

(b) Use of Fund. The fund shall be used solely for the following purposes:

1. For the payment of costs of acquiring land on which to locate a 911 communication system facility or backup 911 Communication System facility, acquiring and installing computerized call delivery processing and dispatch equipment and software, and/or
any other acquisition or construction necessary to combine 911 communication staff under a
single uniform command structure and to house 911 communication system equipment and
staff in a seismically safe and fireproof facility or backup facility contiguous or proximate to the
Central Fire Alarm Station on Turk Street, including any debt service payments related thereto;

2. For the payment of "Conversion Costs as that term is defined in Section 751(d) of Part III of
the San Francisco Municipal Code, to telephone service suppliers;

3. For the payment of extensions, replacements and improvements to the 911 communication
system;

4. For the payment of operating, repair and maintenance expenses for the 911
communication system and backup 911 communication system, including but not limited to
costs for personnel, training, software and hardware maintenance and upgrades, facility
maintenance and repair and attorneys fees;

5. For the payment of personnel costs related to the operation and maintenance of a 911
communication system.

No expenditures for the purposes set forth in Subparagraphs (3), (4) and (5) shall be made from
the fund until the costs set forth in Subparagraphs (1) and (2) have been paid. The term "911
communication system" shall have the meaning set forth in Section 751(a) of Part III of the
San Francisco Municipal Code.

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(c) Administration of Fund. Expenditures for the purposes set forth in Subparagraphs (1) and (2) of Subsection (b) above shall be made upon the recommendation of the Director of Telecommunications and Information Services. Expenditures for the purposes set forth in Subparagraphs (3), (4) and (5) of Subsection (b) above from the fund shall be made upon the recommendation of the Director of Emergency Services Communications. Expenditures and encumbrances from this fund shall be subject to the budget and fiscal provisions of the Charter.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: [Signature]
JULIA M. C. FRIEDLANDER
Deputy City Attorney
Ordinance amending Article 10a of the San Francisco Business and Tax Regulations Code by making clerical corrections to Sections 750, 751, 753 and 755.1 and amending Section 10.100-67 of the San Francisco Administrative Code by making clerical corrections to omit text intended to be deleted by Ordinance Number 71-02.

March 25, 2003 Board of Supervisors — PASSED ON FIRST READING
Ayes: 11 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick, Newsom, Peskin, Sandoval

April 1, 2003 Board of Supervisors — FINALLY PASSED
Ayes: 11 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick, Newsom, Peskin, Sandoval
I hereby certify that the foregoing Ordinance was FINALLY PASSED on April 1, 2003 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.