December 13, 2021

Resolution No. 005-2021-SBC

Resolution to request the Board of Supervisors work with our Federal representatives to Support the ‘Disabled Access Credit Expansion Act of 2021’

Resolution

WHEREAS, the Small Business Commission’s mandate was established by the voters in 2003 and specifically authorizes the Small Business Commission to set policies for the City regarding small businesses, consistent with any overall objectives established by the Mayor and the Board of Supervisors through the adoption of legislation, in order to promote the economic health of the small business community in San Francisco, its employees, and its customers; and,

WHEREAS, San Francisco has a long history of activism in support of disability rights, including a successful 25 day sit-in in 1977 to demand that President Jimmy Carter implement Section 504 of the Rehabilitation Act of 1973 barring discrimination against people with disabilities in federally funded programs;¹ and,

WHEREAS, disability activists in San Francisco drew inspiration from the Civil Rights movement and garnered support from the Black Panther Party, as well as Harvey Milk, which demonstrates that disability rights were intricately linked to the civil rights and human rights movement;² and,

¹ https://americanhistory.si.edu/blog/sitting-disability-rights-section-504-protests-1970s
WHEREAS, the passage of the 1990 Americans with Disabilities Act (ADA) was a monumental achievement acknowledging the disability rights movement and the 61 million Americans living with disabilities; and,

WHEREAS, the Office of Small Business is committed to assisting small business owners in coming into compliance with disability access laws; and,

WHEREAS, removing existing architectural barriers to ensure accessibility and ADA compliance can be costly to small businesses, particularly at a time when they are in economic recovery; and,

WHEREAS, since the passage of the ADA in 1990, Section 44 of the Internal Revenue Code has provided tax incentives and credits to small businesses to help cover ADA-related eligible access expenditures; and,

WHEREAS, the maximum tax credit for access expenditures available to small businesses with gross receipts less than $1,000,000 is $5,000 and the maximum tax deduction is $15,000; and,

WHEREAS, the amount of the maximum tax credit and deduction for Section 44 of the Internal Revenue Code has not increased since 1990; and,

WHEREAS, on July 27, 2021 recognizing that small businesses need additional financial support to improve accessibility, Senator Tammy Duckworth of Illinois and Rep. Donald McEachin of Virginia introduced S2481/HR4714, the federal ‘Disabled Access Credit Expansion Act of 2021’ which would increase the existing tax credit amount and expand eligibility to those credits; and,

4 https://www.ada.gov/archive/taxpack.pdf
5 https://www.ada.gov/archive/taxpack.pdf
WHEREAS, the “Disabled Access Credit Expansion Act of 2021” would increase the ceiling on eligible expenses to 50% of $20,500 (the current ceiling is 50% of $10,250), index the ceiling to inflation, and would expand eligibility to businesses with gross receipts of $2,500,000; and,

WHEREAS, because previous versions of the ‘Disabled Access Credit Expansion Act’ were not successful in 2018 and 2019, there is still a need to expand such credits to increase compliance; and,

WHEREAS, the Department of Building Inspections has identified 11,398 properties with one or more commercial spaces that are places of public accommodation in San Francisco that may need to make accessibility accommodations; and,

WHEREAS, accessibility improvements are costly: the installation of power door operators, which are a common way for businesses to achieve compliance, can cost between $4,000 - $8,000, adding hand railings/contrasting striping to stairs can cost $1,000 - $3,000, and an estimated cost for a single entrance in a neighborhood commercial area to meet the SF Public Works Accessible Business Entrance Standard for sidewalk replacement and warping can range between $10,000 and 17,000; and now,

THEREFORE, be it resolved, the Small Business Commission requests that the Board of Supervisors adopt a resolution urging Congress to pass S.2481/H.R. 4714 the ‘Disabled Access Credit Expansion Act of 2021’ to provided small businesses with financial support to make necessary changes to their business that enhance accessibility for all.

I hereby certify that the San Francisco Small Business Commission ADOPTED the foregoing Resolution on December 13, 2021.

9 Estimates provided by the Mayor’s Office on Disability via email 12/6/2021
10 Estimates provided by the Mayor’s Office on Disability via email 12/6/2021
11 Estimates provided by SF Mayor’s Office on Disability via email 12/6/2021
Regina Dick-Endrizzi
Executive Director Office of Small Business

Vote: 7-0

Ayes: Adams, Dickerson, Dooley, Huie, Laguana, Ortiz-Cartagena, Zouzounis

Nays: 0