



Bay Area Commuter Benefits Program

Transportation is the largest source of air pollution in the Bay Area, and commute travel accounts for nearly half of total motor vehicle travel on an average weekday. By encouraging the use of commute modes such as transit, ridesharing, bicycling, and walking, the Bay Area Commuter Benefits Program will decrease motor vehicle travel and traffic congestion, and reduce emissions of greenhouse gases and other air pollutants, thus protecting public health and the climate.

Senate Bill 1339 (Yee, 2012) authorizes the Bay Area Air Quality Management District (Air District) and the Metropolitan Transportation Commission (MTC) to jointly adopt a regional commute benefit program. Pursuant to SB 1339, the Air District and MTC are developing a Bay Area Commuter Benefits Program (Program) to promote the use of alternative commute modes such as transit, ridesharing, bicycling, and walking.

The Program would require employers with 50 or more full-time employees in the Bay Area to offer their employees one of the following benefits:

- Option 1: The employer allows employees to exclude their transit or vanpool costs from taxable income, to the maximum extent permitted by federal law;
- Option 2: The employer provides a transit or vanpool subsidy to cover or reduce the employee's monthly transit or vanpool costs, to a maximum of \$75 per month;
- Option 3: The employer provides a free or low-cost bus, shuttle, or vanpool service for employees; or
- Option 4: The employer provides an alternative commuter benefit that is as effective as the other options in reducing single-occupant vehicle trips (and/or vehicle emissions).

Building on the success of similar requirements adopted in the cities of San Francisco, Berkeley and Richmond, the Bay Area Commuter Benefits Program would facilitate a regional approach to encourage the use of sustainable commute modes. In implementing the Program, the Air District and MTC would provide information and assistance to help employers develop effective commuter benefit programs for their employees. In cities where these policies are already in place, most employers have chosen Option 1, which has the potential to offer substantial financial savings by reducing payroll and/or income taxes for both employers and employees.

WHAT'S NEXT

On January 21, 2014, the Air District issued a Notice of Public Hearing inviting public comment on a proposed rule (Regulation 14, Rule 1) that would serve as the foundation for the Program. Written comments are due by February 21. The Air District Board of Directors will consider the proposed rule at a public hearing on March 19, and the MTC Commission will consider it on March 26. If the rule is approved by both governing boards, employers would then have six months to comply with the Program. For additional information, see: www.baaqmd.gov/commuterbenefits.

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Frequently Asked Questions

1. WHAT IS THE PURPOSE OF THE BAY AREA COMMUTER BENEFITS PROGRAM (PROGRAM)?

The purpose of the Program is to reduce emissions of air pollutants and greenhouse gases by promoting the use of alternative commute modes such as transit, ridesharing, bicycling, and walking. The Program would require employers with 50 or more full-time employees in the Bay Area to offer one of the following commuter benefits:

- Allow employees to exclude their transit or vanpooling costs from taxable income;
- Provide a transit or vanpool subsidy to reduce or cover employees' monthly transit/vanpool costs;
- Provide a low-cost or free shuttle, vanpool or bus service, operated by or for the employer; or
- Provide an alternative commuter benefit that would be as effective as the other options in reducing drive-alone commuter trips (and/or vehicle emissions).

The Program would **not** require employers to attain any specific standards or targets. The Program would **not** require any employees to take advantage of the commuter benefit or to change his/her commute mode.

2. WHEN WOULD THE PROGRAM GO INTO EFFECT?

A proposed rule (Regulation 14, Rule 1) that would serve as the foundation for the Program will be considered by the Air District's Board of Directors on March 19, 2014 and by the MTC Commission on March 26, 2014. The Program would take effect upon approval by both governing boards. Employers would have six months to implement the Program.

3. WHICH BUSINESSES WOULD BE AFFECTED BY THE PROGRAM?

The Program would apply to all employers with 50 or more full-time employees (at all Bay Area worksites combined) within the Air District's jurisdiction. This includes the entirety of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, plus the southwestern portion of Solano County and the southern portion of Sonoma County. For details, see

http://mapsengine.google.com/map/viewer?mid=zEtIldN2taQk.kBcuja_KVQNU.

4. WHAT IF AN EMPLOYER HAS MORE THAN ONE WORKSITE IN THE BAY AREA?

Employers with multiple Bay Area worksites that collectively employ 50 or more full-time employees would be subject to the Program. A multi-site employer would have the flexibility to offer the same commuter benefit at all of its Bay Area worksites, or to choose the most appropriate commuter benefit (see #1 above) for each worksite.

5. WHAT IF AN EMPLOYER IS LOCATED IN A CITY WITH A LOCAL COMMUTER BENEFIT ORDINANCE?

Several Bay Area cities have local commuter benefit ordinances that are similar to the proposed regional Program. In implementing the regional Program, the Air District and MTC will coordinate with the cities that have local commuter benefit ordinances. Employers affected by the Program will receive instructions on how and where to register, as well as where to go for assistance in implementing a commuter benefits program.

FOR MORE INFORMATION

For additional information on the proposed Program, please visit www.baaqmd.gov/commuterbenefits. To submit questions or comments on the proposed Program, please email commuterbenefits@baaqmd.gov or call 415-749-8671.