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13 A BILL  
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22 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
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26 To amend the Sustainable DC Omnibus Act of 2014 to require covered employers who provide  
27 parking benefits to an employee to offer the employee the option to instead receive an  
28 equivalently-valued benefit.

29 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this  
30 act may be cited as the “Transportation Benefits Equity Amendment Act of 2017”.

31 Sec. 2. The Sustainable DC Omnibus Act of 2014, effective December 17, 2014 (D.C.  
32 Law 20-142; D.C. Official Code § 32-151 *et seq.*), is amended as follows:

33 (a) Section 301 (D.C. Official Code § 32-151) is amended as follows:

34 (1) Designate the existing paragraph (1) as (1B) and insert a new paragraph (1A)  
to read as follows:

“(1A) “Commuter highway vehicle” shall have the same meaning as provided in  
section 132(f)(5)(B) of the Internal Revenue Code, approved July 18, 1984 (98 Stat. 877; 26  
U.S.C. § 132(f)(5)(B)) (“Internal Revenue Code”).”.

(2) Insert new paragraphs (3A) and (3B) to read as follows:

“(3A) “Parking benefits” means personal motor vehicle parking provided to an  
employee, either directly by the employer or through an employer subsidy, on or near the

35 business premises. The term “parking benefits” does not include parking that is provided to an  
36 employee who is required to use a personal vehicle in the regular performance of their work.

37 “(3B) “Qualified transportation fringe benefit” means commuter highway vehicle,  
38 transit, or bicycling benefits consistent with section 132(f) of the Internal Revenue Code.”.

39 (b) New sections 302a, 302b, and 302c are added to read as follows:

40 “Sec. 302a. Parking benefit equivalent.

41 “(a)(1) A covered employer who provides parking benefits to an employee shall also  
42 offer that employee the option of a qualified transportation fringe benefit in an amount equal to  
43 at least the market value of the parking benefit; provided, that if section 132(f) of the Internal  
44 Revenue Code caps the qualified transportation fringe benefit at a lower amount, the covered  
45 employer shall provide the maximum allowable qualified transportation fringe benefit.

46 “(2) For the purposes of this section, the market value of parking shall be  
47 determined following the rules promulgated under section 132(f)(5)(C) of the Internal Revenue  
48 Code.

49 “(b)(1) If the qualified transportation fringe benefit taken by the employee is of a lesser  
50 value than the parking benefit offered to that employee, the employer shall increase the  
51 employee’s taxable wages by the difference between the market value of the parking benefit and  
52 qualified transportation fringe benefit taken.

53 “(2) If the employee declines both the parking benefit and the qualified  
54 transportation fringe benefit, the employer shall increase the employee’s taxable wages by the  
55 full amount of the parking benefit offered.

56 “(c) If a covered employer:

57 “(1) Has a lease for parking that was executed prior to the effective date of this

58 section, this section shall apply at the end of the current lease, excluding lease extensions.

59 “(2) Owns the parking, prior to the effective date of this section, provided to an  
60 employee, this section shall apply 12 months after the effective date of this section.

61 “(d)(1) In lieu of compliance with subsections (a) and (b) of this section, an employer  
62 may elect to pay a Clean Air Compliance fee of \$100 per month for each employee who is  
63 offered parking benefits.

64 “(2) The fee shall be applied to the Transportation Demand Management Fund  
65 established by section 3 of the Employee Transportation Benefits Equity Amendment Act of  
66 2017, as introduced on March 6, 2017.

67 “(e) A covered employer who fails to comply with this section shall be subject to civil  
68 fines and penalties pursuant to the Department of Consumer and Regulatory Affairs Civil  
69 Infractions Act of 1985, effective October 5, 1985 (D.C. Law 6-42; D.C. Official Code § 2-  
70 1801.01 *et seq.*) (“Civil Infractions Act”). Enforcement and adjudication of an infraction shall be  
71 pursuant to the Civil Infractions Act.

72 “Sec. 302b. Annual compliance reporting.

73 “(a) Beginning March 1, 2018, each covered employer shall submit an annual compliance  
74 report to the Mayor that includes:

75 “(1) Total number of employees;

76 “(2) The number of employees:

77 “(A) Offered a parking benefit;

78 “(B) Utilizing a parking benefit;

79 “(C) Offered a qualified transportation fringe benefit; and

80 “(D) Utilizing a qualified transportation fringe benefit.

81                   “(3) Any other information required by the Mayor by rulemaking.

82                   “(b) Beginning October 1, 2018, the Mayor shall provide an annual report to the Council  
83 of aggregate data from the compliance reports.

84                   “Sec. 302c. Transportation Demand Management Fund.

85                   “(a) There is established as a special fund the Transportation Demand Management Fund  
86 (“Fund”), which shall be administered by the District Department of Transportation in  
87 accordance with subsections (c) and (d) of this section.

88                   “(b) Revenue from the following sources shall be deposited in the Fund:

89                   “(1) Funds appropriated by the District;

90                   “(2) Donations from the public;

91                   “(3) Grants and donations from private entities; and

92                   “(4) Clean Air Compliance fees collected pursuant to section 2(b) of the  
93 Transportation Benefits Equity Amendment Act of 2017, as introduced on March 7, 2017.

94                   “(c) Money in the Fund shall be used to implement and promote transportation demand  
95 management efforts, including:

96                   “(1) Promoting alternative transportation, including public transit, walking,  
97 biking, carpooling, and other options that reduce the demand for vehicular travel;

98                   “(2) Improving access to alternative transportation options;

99                   “(3) Educating the public on alternative transportation options;

100                   “(4) Reducing single-occupancy vehicle trips; and

101                   “(5) Developing transportation innovations.

102           “(d)(1) The money deposited into the Fund, and interest earned, shall not revert to the  
103 unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal  
104 year, or at any other time.

105           “(2) Subject to authorization in an approved budget and financial plan, any funds  
106 appropriated in the Fund shall be continually available without regard to fiscal year limitation.”.

107           (c) Section 303 (D.C. Official Code § 32-153) is amended as follows:

108                   (1) Designate the existing text as subsection (a).

109                   (2) A new subsection (b) to read as follows:

110           “(b) Within 90 days after the effective date of Transportation Benefits Equity  
111 Amendment Act of 2017, the Mayor shall issue rules to implement the provisions of sections  
112 302a and 302b.”.

113           Sec. 3. Fiscal impact statement.

114           The Council adopts the fiscal impact statement in the committee report as the fiscal  
115 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
116 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

117           Sec. 4. Effective date.

118           This act shall take effect following approval by the Mayor (or in the event of veto by the  
119 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
120 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
121 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
122 Columbia Register.