

Bill 23-148: Transportation Benefits Equity Amendment Act 2019

Flexible commuter benefits for transit, carpooling, biking and walking is good sense policy for a growing city.

[Bill 23-148](#): The Transportation Benefits Equity Amendment Act 2019 builds on the existing pre-tax transit benefit employers offer to employees at no cost. This bill requires that if an employee turns down a parking space offered by their employer, they would be provided the equivalent value in an alternative commute benefit.

B23-148 is largely the same as [B22-175](#), applying to employers with 20 or more employees that choose to subsidize employee car parking. One change in the reintroduced bill is it exempts employers that currently *own* their parking spaces. While the Coalition for Smarter Growth is disappointed in this provision, overall, B23-148 is an important bill to reduce traffic and pollution, encourage more sustainable commuting, and give employees better transportation choices.

Clean and healthy alternative commute benefits options offered by the bill include:

- Employer-paid transit benefits
- Taxable cash for employees who walk, bicycle, or ride in a carpool to work, or who take transit (where cash would make up any difference between the value of the parking and transit cost)
- Increased employer contribution to the employees' healthcare benefit

The employer can also comply with the proposed law by:

- Not offering subsidized parking benefits
- Developing a Transportation Demand Management (TDM) plan to reduce vehicle commute trips to make progress towards the [moveDC](#) goal of 25% or less of employees' commute trips made by car or taxi
- Paying a sizeable Clean Air Compliance fee to support TDM measures for each parking benefit offered.

The law would go into effect, as follows:

- Employers that own the parking used for employees are exempt from this law.
- Existing leased parking: if an employer has an existing lease for parking provided to employees, the employer must comply with the new rules at the end of the current lease.
- If an employer pays for parking but does not lease it or own it, the employer would need to offer the alternative benefit 60 days after the effective date of the law.

Employers covered by existing and proposed law:

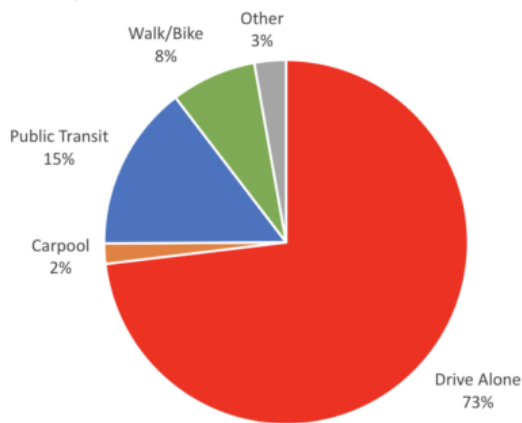
- The Transportation Benefits Equity Amendment Act 2019 amends the Sustainable D.C. Omnibus Act of 2014 which requires D.C. employers with 20 or more employees to offer pre-tax transit benefits to their employees.

The bill would require employers to register once to provide information on how they comply with the law, and then provide updates every two years.

Enabling an employee to “cash-out” their parking benefit would give them alternatives to a parking-only commute benefit. This would reduce traffic, bus delays, pollution, greenhouse gas emissions, and crashes. It would also incentivize more sustainable and healthier commutes. Finally, it would help lower-income and District residents. Low income and D.C. residents are more likely to ride transit, bicycle or walk, and less likely to drive to and park at work than their higher-income and Maryland- and Virginia-resident counterparts.

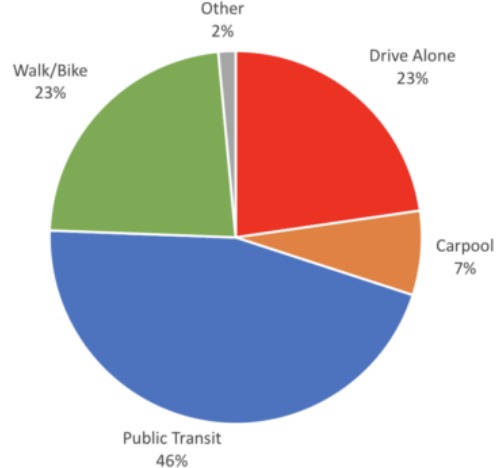
Availability of Free Parking Affects Commuting Choices for DC Residents

Transport Modes for DC Residents with Free Parking



22% of Total Residents

Transport Modes for DC Residents without Free Parking



78% of Total Residents

Source: Calculations by Ken Joh, Senior Statistical Survey Analyst, Metropolitan Washington Council of Governments, using the 2007/2008 DC Household Travel Survey
Sample: 987 DC residents working in Washington, DC with reported commute mode; Regional sample weights applied

Contact: Cheryl Cort

Coalition for Smarter Growth, T. 202-251-7516, E. cheryl@smartergrowth.net

Learn more at: www.smartergrowth.net/parkingcashout