



NEWS

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Governor signs regional commuter benefit bill

SAN FRANCISCO – Yesterday, Governor Brown signed into law Senate Bill 1339, which allows the Bay Area Air District and the Metropolitan Transportation Commission to implement a regional Bay Area commuter policy benefiting employees who work at least 20 hours per week for an employer with 50 or more full-time employees in the San Francisco Bay Area.

The bill authorizes the two regional agencies to adopt ordinance rule establishing a regional commute benefit pilot program beginning January 1, 2013 for up to four years.

“This bill will reduce payroll taxes, cut commute costs, reduce traffic congestion and improve air quality in the Bay Area,” said Jack Broadbent, executive officer of the Air District. “It also offers a win-win approach to regional environmental concerns that will help California meet its climate goals laid out in AB 32 and SB 375 while saving Bay Area businesses money.”

Authored by Senator Leland Yee and sponsored by the Air District, SB 1339 would authorize the Air District and the Metropolitan Transportation Commission to jointly adopt a regional commute benefit requirement. The pilot program will provide Bay Area employers the flexibility to offer employees their choice of commute benefits such as:

- The option to pay for transit, vanpooling or bicycling expenses with pre-tax dollars, as allowed by federal law
- A transit or vanpool subsidy up to \$75 per month
- A free shuttle or vanpool operated by or for the employer
- Their own customized commuter benefit program

“We are thrilled that Governor Brown has approved this new policy tool to encourage Bay Area commuters to consider alternatives to driving alone. When implemented, this benefit has the potential to save employees hundreds of dollars per year, while helping reduce traffic congestion and improve ridership on our region’s extensive public transit system. We are excited to be carrying this idea forward from the local level to the regional level, where it will benefit over a million Bay Area workers,” said MTC Chair Adrienne Tissier.

Building on the success of similar ordinances adopted in the cities of San Francisco, Berkeley and Richmond, as well as the San Francisco International Airport, the bill provides employers and employees with strong financial incentives to consider alternatives to driving alone. With about 1.5 million Bay Area workers employed by employers with more than 50 employees, the bill has the potential to significantly reduce driving-related air pollution and greenhouse gas emissions.

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Most employers in the Bay Area cities that have already adopted a commuter benefit requirement have chosen the pre-tax option, which provides a significant financial benefit to the employer by reducing the amount they owe in payroll taxes (primarily Social Security and Medicare) *and* to the employee by lowering his or her commute costs by between \$500- \$1,000 per year

Transportation is the largest source of pollution and the second largest source of greenhouse gas emissions in the Bay Area. A regional commute benefit policy will give the Bay Area a powerful and economically viable new tool to cut traffic congestion, improve air quality and reduce greenhouse gas emissions.

The Bay Area Air Quality Management District (www.baaqmd.gov) is the regional agency responsible for protecting air quality in the nine-county Bay Area. The Metropolitan Transportation Commission is the transportation planning, coordinating and financing agency for the nine-county San Francisco Bay Area.

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