



Department of Employment Services
Washington, DC's lead workforce development and labor agency

SUSTAINABLE DC OMNIBUS AMENDMENT ACT OF 2014

DC COMMUTER BENEFITS LAW

PUBLIC EDUCATION CAMPAIGN

**D.C. Office of Wage-Hour
Labor Standards Bureau**

accompanied by

**District Department of Transportation
goDCgo**

**District of Columbia
Muriel Bowser, Mayor**

**Department of Employment Services
Deborah A. Carroll, Director**

**District Department of Transportation
Leif A. Dormsjo, Director**





Department of Employment Services

Washington, DC's lead workforce development and labor agency

AGENDA

- I. Purpose of the DC Commuter Benefits Law
- II. Employer Requirements
- III. Employee's Rights
- IV. FAQ's



DC Commuter Benefits Law

- Sustainable DC Act of 2014
- Reduce traffic and pollution by encouraging transit use
- Make commuting more affordable



As of January 1, 2016, employers with 20 or more employees in DC must offer access to one or more transit benefit options:

- 1) Employee-paid pretax benefit (most popular)
- 2) Employer-paid direct benefit
- 3) Employer-provided transit



What are Commuter Benefits?



Public Transit & Vanpool

Pre-tax or subsidized,
up to \$255/month



Bicycle

Reimburse or provide
voucher of \$20/month



Shuttle/ Vanpool

Provide Service at
no cost to employees

- IRS-approved transportation fringe benefits
- Allow as a pre-tax deduction, provide a tax-free subsidy, or mix and match
- Tax savings and satisfied employees

Option 1: Employee-paid, pre-tax benefit



Public Transit & Vanpool

Allow employees to deduct up to \$255/month, pre-tax, from their paychecks for transit fares



Bicycle

Reimburse or provide voucher up to \$20/month, tax-free

- Employees use their own pre-tax funds, saving up to 40%
- Employers save on payroll taxes
- Funds can be used on buses, Metro, commuter rail and vanpools
- **Be prepared to offer subsidized \$20/month bike benefit to employees who do NOT elect any other commuter benefit**

Option 2: Employer-paid, direct benefit



Public Transit & Vanpool

Subsidize up to \$255/month,
tax-free



Bicycle

Reimburse or provide voucher
up to \$20/month, tax-free

- Provide a *transit* subsidy of your choosing, up to \$255/month
- Can mix-and-match Options 1 & 2
- Also choice of offering a \$20/month tax-free *bicycle* commuter subsidy

Option 3: Employer-provided transportation

- Provide shuttle service to/from nearby transit OR provide vanpool service at no cost to employees
- Start by contacting shuttle and/or vanpool providers



Shuttle & Vanpool

Provide service at no
cost to employees

Parking (NOT compliant)



Parking

Pre-tax or subsidized,
up to \$255/month

- Providing free/subsidized/pre-tax parking alone does NOT make your organization compliant with the Act
- To comply with the Act, employers must provide transit benefits as outlined in Options 1-3



Department of Employment Services

Washington, DC's lead workforce development and labor agency

WHO DOES THIS LAW AFFECT?

- All **employers** with 20 or more employees
- All full-time and part-time **employees...**
 - Performing 50% of their work in the District of Columbia
 - 90 days of employment





Department of Employment Services

Washington, DC's lead workforce development and labor agency

FOR EMPLOYERS

As an employer, what am I supposed to do?

- Notify employees of the available transit benefit program
- Provide information to covered employees on how to apply and receive benefits
- Issue benefits to covered employees that request or apply for them
- Maintain records to establish compliance with the requirements
 - Record that notice was given to employees
 - Records showing that elected benefits were provided





Department of Employment Services

Washington, DC's lead workforce development and labor agency

FOR EMPLOYEES

As an employee, what do I need to know?

- Your employer must notify you of your options for commuter benefits
- Your employer must notify you of a contact person for transit benefit information
- You must elect to use the transit benefit option that the employer offers
- You should notify the Office of Wage-Hour if you have a complaint....
 - Not receiving notice of Transit Benefit Options
 - Not receiving the Transit Benefit that you have elected





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Setting up your program

SmartBenefits is Metro's free, easy-to-administer online benefits platform for organizations managing benefits in-house.

Visit the SmartBenefits table today and view a training webinar at goDCgo.com.

Third-party benefits administrators are also available to manage your program for you, listed at:

wmata.com/smartbenefits

Do you know about DC's Commuter Benefits Ordinance?

The District of Columbia passed an ordinance requiring businesses with 20 or more employees to offer access to commuter transit benefits through one of these THREE OPTIONS:

- Option 1**
Employee-Paid Pre-tax Benefit
Employees use pre-tax funds for transit fares up to \$130/month.
- Option 2**
Employer-Paid Direct Benefit
Subsidize employee transit and vanpool fares up to \$130/month.
- Option 3**
Employer-Provided Transit
Provide complimentary shuttle or vanpool service to employees.

Work one-on-one with a goDCgo consultant to learn how the ordinance benefits you:

- Save on payroll taxes
- Attract and retain talent
- Reduce parking needs
- Promote sustainability
- Earn LEED credits
- Help reduce traffic and pollution


info@goDCgo.com
202-299-2186

goDCgo
powered by d.

Fill out our client form for free assistance



goDCgo Customized Materials



Basic Commute Information

- What is the PRIMARY mode of transportation used in your current commute to work? If more than one mode, check only the final mode used to reach your current worksite. Do not check "walked" if you walked to or from your car, bus, train station, etc.
 - Walked (as my only mode from home to work)
 - Drove Alone (including motorcycle/moped)
 - Carpool (Including being dropped off)
 - Vanpool (Including being dropped off)
 - Metrobus
 - Metrorail
 - Amtrak
 - MARC
 - VRE
 - Local bus (ART, DASH, Fairfax Connector, etc.)
 - Commuter bus (Loudon County, OmniRide, etc.)
 - Bicycle (as my only mode from home to work)
 - Casual carpool/slug (I was picked up by someone with whom I do not have a regular carpool arrangement)
 - Other (please specify) _____
- If you car/vanpool, including yourself, how many people are in the car/van? (Please write the correct number.)
- If you car/vanpool, were you the: _____

Insert Company Logo Here

Organization's name is introducing a new commuter benefits program beginning on [date]. Full-time part-time employees are eligible to enroll. You can save an average of 1/3 on your commuting expenses by participating in this pre-tax transit benefit.

If you do not work by bus, Metro, commuter rail or vanpool, you can elect to withhold up to \$130 per month from your pay, tax-free, toward commuting costs. That means you can set aside a total of \$1,560 per year, before taxes, for transit and vanpool fares.


Here is an example of how you can save money:

Employee's Annual Pre-Tax Salary Deduction for Transit	\$1,560
Federal Income Tax Saved (25%)	(\$390)
Employee FICA Saved (7.65%)	(\$119.34)
State Income Tax Saved (6%)	(\$93.60)
Total Annual Cost to Employee	\$957.06
Total Annual Savings to Employee	(\$602.94)

Assumptions: Employee pays 25% in federal income tax; employee pays 6% in state income tax

Our benefit requires a SmartTrip card, available at most Metro stations and other vendors. You can use your benefits on commuter rail, express buses and vanpools that do not accept SmartTrip cards. To learn more, visit [www.does.gov/commuterconnections](#) or simply creating a personal account with [SmartBenefits](#) or [Commuter Direct](#).

Sign up is easy – see [Name and Contact Info](#) in [Insert department or office location](#) for more information.



Transportation Options

Company ABC
Washington, DC

Commuter Connections
www.commuterconnections.org

Company ABC is introducing a new commuter benefits program beginning on [date]. Full-time part-time employees are eligible to enroll. You can save an average of 1/3 on your commuting expenses by participating in this pre-tax transit benefit.

If you do not work by bus, Metro, commuter rail or vanpool, you can elect to withhold up to \$130 per month from your pay, tax-free, toward commuting costs. That means you can set aside a total of \$1,560 per year, before taxes, for transit and vanpool fares.


Here is an example of how you can save money:

Employee's Annual Pre-Tax Salary Deduction for Transit	\$1,560
Federal Income Tax Saved (25%)	(\$390)
Employee FICA Saved (7.65%)	(\$119.34)
State Income Tax Saved (6%)	(\$93.60)
Total Annual Cost to Employee	\$957.06
Total Annual Savings to Employee	(\$602.94)

Assumptions: Employee pays 25% in federal income tax; employee pays 6% in state income tax

Our benefit requires a SmartTrip card, available at most Metro stations and other vendors. You can use your benefits on commuter rail, express buses and vanpools that do not accept SmartTrip cards. To learn more, visit [www.does.gov/commuterconnections](#) or simply creating a personal account with [SmartBenefits](#) or [Commuter Direct](#).

Sign up is easy – see [Name and Contact Info](#) in [Insert department or office location](#) for more information.



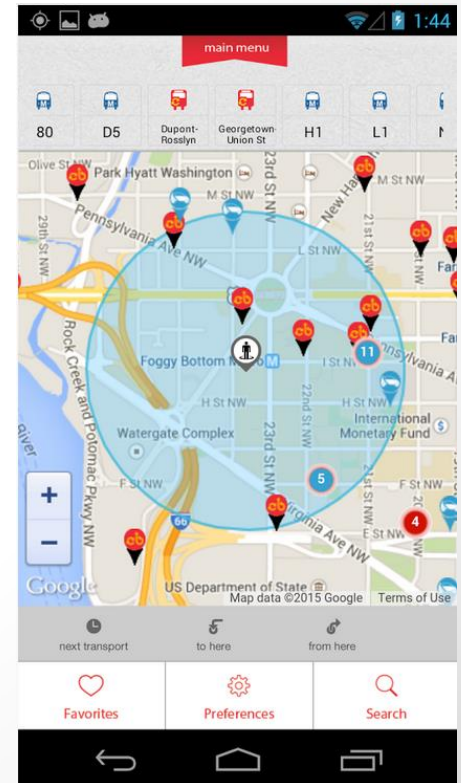
- Employee commute survey
- Templates for announcing the program, benefits policies, enrollment forms
- Transportation options poster

Education & Information for Your Employees

We'll get you home. Guaranteed.



ride dc
trip planner



BIKE

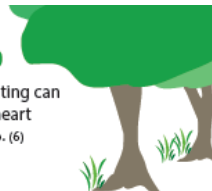
540

Commuting by bike burns an average of 540 calories per hour. (7)



50%

Bicycle commuting can reduce risk of heart disease by 50%. (6)





Department of Employment Services

Washington, DC's lead workforce development and labor agency



Question:

Can you provide more guidance on how to determine if an employer has 20 or more employees? Must all full-time and part-time employees be included in the count?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

Yes, both Full-time and Part time employees should be counted to determine if an employer is covered.



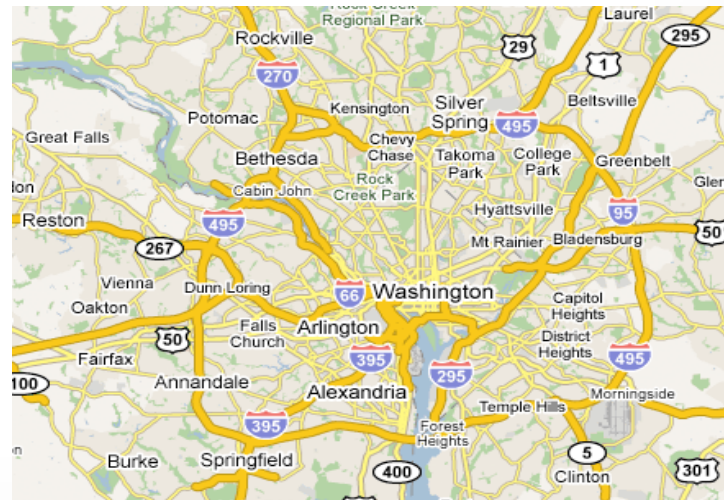


Department of Employment Services

Washington, DC's lead workforce development and labor agency

Question:

If an employer has employees in multiple states, are all the employees included in the count to determine 20 or more?
If so, must all the employees receive the transit benefit?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

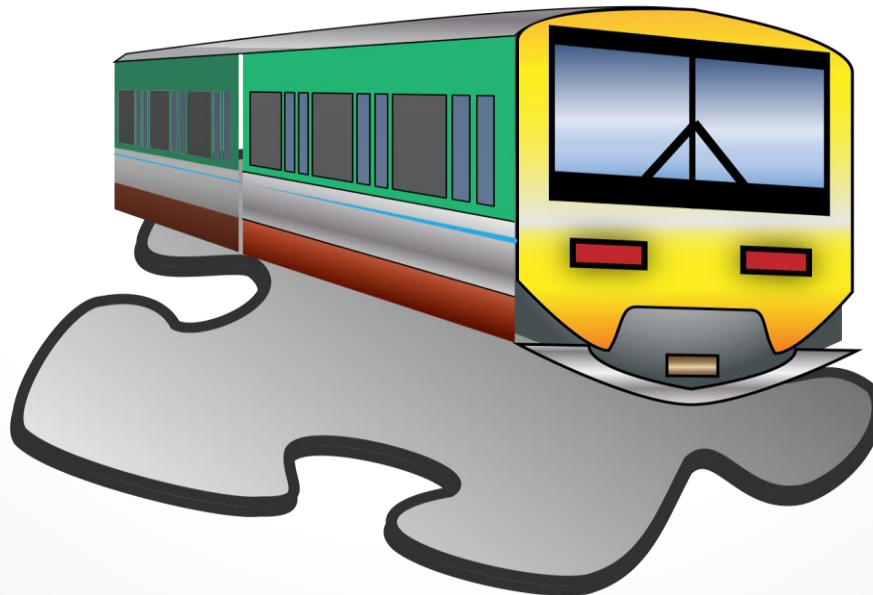
Answer:

No, only covered employees should be included in the count or offered transit benefits. Covered employees are those that perform 50% of their work in DC or whose employment is based in DC and performs a substantial amount of their work in DC and less than 50% in any other state.



Question:

Can transit benefits be redeemed for wages or paid leave?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

No. Transit benefits cannot be redeemed for wages or paid leave.



Question:

I am an employee that already receives a “bikeshare” benefit from my employer. Am I also eligible for one of the other three options?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

Yes. If you are an employee receiving “bikeshare” benefits, you are eligible for additional benefits under one of the 3 options.

However, if you are receiving the “bicycle commuting reimbursement” allowed by the IRS, then you cannot choose any additional DC Commuter Benefit option in the same month.





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Question:

How will DOES enforce the law on January 1, 2016?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

DOES recognizes that this is a new law and many companies and employees do not fully understand its implications. However, when a complaint is received DOES will investigate using their normal process.





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Question:

Will DOES provide a Notice that employers can offer to their employees in order to be in compliance with the notice provision of the DC Commuter Benefits Law?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

Yes, a notice will be provided by DOES that can be used as a template for providing notices to covered employees.





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Question:

Can we limit enrollment in our transit benefits to our regular open enrollment period?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

No, enrollment for commuter benefits needs to be open and available to covered employees throughout the year.

Employers should notify employees of the benefit and provide information to covered employees about how to apply for and receive the benefit. Benefits begin after 90 days of employment.



Question:

We will not set up transit benefits! What happens?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

Enforcement and adjudication of a failure to provide a transit benefit program shall be pursuant to the Civil Infractions Act, DC Official Code § 2-1801.01 *et seq.*



Question:

We already comply with this ordinance. What do we need to prove our compliance? Who do we inform of our compliance?





Department of Employment Services

Washington, DC's lead workforce development and labor agency

Answer:

Employers shall maintain all records, files and documentation to establish compliance with the requirements of the Act for a minimum of 3 years and make the records available upon request by the Mayor or DOES.





Department of Employment Services

Washington, DC's lead workforce development and labor agency

ADDITIONAL INFORMATION

For the complete text of the Sustainable DC Omnibus Amendment Act
please visit: www.does.dc.gov

For questions or concerns, please contact the D.C. Office of Wage-Hour at
Phone: **202-671-1880** Email: **OWH.ASK@dc.gov**

Office hours:

8:30 a.m. to 4:30 p.m. – Monday through Thursday

9:30 a.m. to 4:30 p.m. – Friday





Department of Employment Services

Washington, DC's lead workforce development and labor agency

ADDITIONAL INFORMATION

For complimentary help with setting up a Commuter Benefits program, please reach out to the goDCgo representative or visit

godcgo.com/employer

Grace Oran
Business Development Manager
Employer Services
goDCgo | Capital Bikeshare | DC
Circulator
Office: (703) 247-6984
Main: (202) 299-2186
grace.oran@godcgo.com
www.godcgo.com

Marina Budimir, MPA
Transportation Planner (T.D.M.)
Policy, Planning, & Sustainability Administration
District Department of Transportation
55 M Street SE, Suite 400
Washington, DC 20003

- o. 202.478.1458
- m. 202.409.9189
- e. marina.budimir@dc.gov
- w. ddot.dc.gov

