

# **Chapter 16 - Transit Incentive Program**

## **Transit Incentives**

Overview

Transit Incentives

Transit Subsidy Reimbursement Claims

## **Vanpool Incentives**

Overview

Vanpool Incentives

Vanpool Rider Reimbursement Claims

Vanpool Driver Reimbursement Claims

## **Bicycle Commuter Program**

Overview

Eligibility

Bicycle Commuter Reimbursement Claims

## Transit Incentives

References: [California Code of Regulations \(CCR\), Administration, Title 2 Section 599.936](#), [Bargaining Unit Contracts](#), and [California Department of Human Resources \(CalHR\) PML 92-100](#)

### OVERVIEW

A transportation incentive program was developed to encourage employees to use alternate means of transportation when commuting to and from work. This program promotes air quality, reduces traffic congestion, and conserves energy by reducing the number of single occupancy vehicles on the road.

Employees using an authorized transportation method, which includes public transportation and vanpools, may receive a subsidy to apply toward their monthly transportation cost. Transportation subsidies for transit are currently not taxable to the employee.

When purchasing transit passes, employees are certifying they are the sole recipient and user of the passes. Transit passes are not to be given or sold to other parties, including family members or friends.

### TRANSIT INCENTIVES

Employees working in areas served by mass transit, including rail, bus, or other commercial transportation licensed for public conveyance shall be eligible for a discount on monthly public transit passes based on the Bargaining Unit.

All Bargaining Units and Non-Represented Employees: (BU 1, 3, 4, 9, 11, 14, 15, 17, 20 and 21 through October 31, 2019) (All Non-Represented Employees through January 31, 2020)	75% discount up to maximum \$65 per month
Represented Employees in Bargaining Units 1, 3, 4, 9, 11, 14, 15, 17, 20 and 21 - Effective November 1, 2019	75% discount up to maximum \$100 per month
All Non-Represented Employees – Effective February 1, 2020	75% discount up to maximum \$100 per month
Represented Employees in Bargaining Units 2 and 12 – Effective July 1, 2021	75% discount up to maximum \$100 per month

<p>Represented Employees in Bargaining Units 2, 9 and related excluded employees - Effective October 1, 2022</p> <p>Represented Employees in Bargaining Units 13 and related excluded employees - Effective August 2, 2022</p> <p>Represented Employees in Bargaining Units 1, 3, 4, 6, 7, 11, 12, 14, 15, 17, 19, 20, 21, and all excluded employees regardless of CBID - Effective October 1, 2023</p> <p>Represented Employees in Bargaining Unit 10- Effective October 1, 2024</p>	<p>100% discount up to the current monthly exclusion amount provided by the Internal Revenue Service.</p>
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**Note: For 2022, the IRS monthly exclusion amount is \$300. For 2023, the IRS monthly exclusion amount is \$300. For 2024, the IRS monthly exclusion amount is \$315. Public transit passes and vanpool reimbursements may be combined up to the maximum IRS exclusion amount per employee per month.**

A transit incentive is available in one of two ways:

Discounted transit passes/tickets are available for purchase at local Caltrans cashiering offices. These passes are discounted at the time of purchase; therefore, reimbursement through the Travel Expense Claim (TEC) process is prohibited. For detailed information regarding discounted transit passes, contact the local cashiering office.

OR

Employees purchasing transit passes/tickets\* from local transit agencies at regular price shall be eligible for a discount on monthly public transit passes based on the Bargaining Unit. Employees can submit the receipt on a TEC for reimbursement. \*Note: Employees are encouraged to purchase a full month of tickets at the beginning of the month for ease of reimbursement at the full allowable amount.

Reimbursement for passes/tickets (e.g. RT, BART) will be based on the date of the receipt. If the employee purchased the passes/tickets in the current month of incentive reimbursement, he/she can request transit reimbursement for the current month or future month. The employee cannot be reimbursed for prior months if the date of receipt is current month of reimbursement.

For example:

If an employee bought tickets on April 25th, he/she can claim for the month of April or May. The employee cannot claim reimbursement for the month of March. No reimbursement for prior month with current month receipt.

If an employee hasn't claimed the maximum on his/her transit reimbursement for the month, he/she can claim the difference if the receipt shows within the month that the employee hasn't claimed the maximum amount.

### **TRANSIT SUBSIDY REIMBURSEMENT CLAIMS**

Employees purchasing transit passes from local transit agencies at regular price shall be eligible for a discount on monthly public transit passes based on the Bargaining Unit. To claim a transit subsidy, submit the following:

A Travel Expense Claim (TEC) Form [FA-0302](#), approved by the supervisor. The transit subsidy expenditures should be charged to:

Unit	Your new Unit Code
Object	9134
Sub Object	8152
Amount	Up to allowable reimbursement amount

A valid receipt that includes:

Month, day, and year of payment.

Printed name of employee.

Amount of payment.

Send the complete TEC package, original plus one copy, to the Division of Accounting, [Travel Payments and Policy Section](#), MS-25.

## Vanpool Incentives

References: [California Code of Regulations \(CCR\), Administration, Title 2 Section 599.936](#), [Bargaining Unit Contracts](#), and [California Department of Human Resources \(CalHR\) PML 2002-064, PML 2002-069](#).

### OVERVIEW

A transportation incentive program was developed to encourage employees to use alternate means of transportation when commuting to and from work. This program promotes air quality, reduces traffic congestion, and conserves energy by reducing the number of single occupancy vehicles on the road.

Employees using an authorized transportation method, which includes public transportation and vanpools, may receive a subsidy to apply toward their monthly transportation cost. Transportation subsidies for vanpool are currently not taxable to the employee.

### VANPOOL INCENTIVES

Eligible employees riding in qualified commuter highway vehicles (vanpools) may claim a vanpool rider subsidy of 75% reimbursement of their monthly vanpool fees up to a maximum of \$65 per month. Effective November 1, 2019, represented employees in Bargaining Units 1, 3, 4, 9, 11, 14, 15, 17, 20 and 21 are reimbursed 75% of their monthly vanpool fees up to a maximum of \$100 per month. Effective February 1, 2020, all non-represented employees are reimbursed 75% of their monthly vanpool fees up to a maximum of \$100 per month. Effective July 1, 2021, represented employees in Bargaining Units 2 and 12 are reimbursed 75% of their monthly vanpool fees up to a maximum of \$100 per month. Effective August 2, 2022, represented employees in Bargaining Units 13 and related excluded employees are reimbursed 100% of their monthly vanpool fees up to the current monthly exclusion amount (\$280) provided by the Internal Revenue Service (IRS). Effective October 1, 2022, represented employees in Bargaining Units 2, 9 and related excluded employees are reimbursed 100% of their monthly vanpool fees up to the current monthly exclusion amount (\$280) provided by the IRS. Effective October 1, 2023, represented employees in Bargaining Units 1, 3, 4, 6, 7, 11, 12, 14, 15, 17, 19, 20, 21, and all related excluded employees are reimbursed 100% of their monthly vanpool fees up to the monthly exclusion amount (\$300) provided by the IRS.

In lieu of the vanpool rider subsidy, eligible employees driving over 50% of the time in qualified vanpools may claim a vanpool driver incentive of \$100 per month. Effective November 1, 2019, represented employees in Bargaining Units 1, 3, 4, 9, 11, 14, 15, 17, 20 and 21 can claim a vanpool driver incentive of \$135

per month. Effective February 1, 2020, all non-represented employees can claim a vanpool driver incentive of \$135 per month. Effective July 1, 2021, represented employees in Bargaining Units 2 and 12 can claim a vanpool driver incentive of \$135 per month. Effective August 2, 2022, represented employees in Bargaining Units 13 and related excluded employees are reimbursed 100% of their monthly vanpool fees up to the current monthly exclusion amount (\$300) provided by the Internal Revenue Service (IRS). Effective October 1, 2022, represented employees in Bargaining Units 2, 9 and related excluded employees are reimbursed 100% of their monthly vanpool fees up to the current monthly exclusion amount (\$300) provided by the IRS. Effective October 1, 2023, represented employees in Bargaining Units 1, 3, 4, 6, 7, 11, 12, 14, 15, 17, 19, 20, 21, and all related excluded employees are reimbursed 100% of their monthly vanpool fees up to the monthly exclusion amount (\$300) provided by the IRS.

A qualified commuter highway vehicle is defined with the following criteria:

A group of seven (five or more for Bargaining Unit 2 employee only) or more people who commute together in a vehicle (State or non-state) specially designed to carry an appropriate number of passengers.

At least 80% of the mileage will be used transporting employees in connection with travel between their residences and their places of employment.

The number of employees transported for such purposes must be at least 50% of the adult seating capacity, not including the driver.

For Bargaining Unit 9, a qualified commuter highway vehicle is defined with the following criteria:

The seating capacity of the vehicle is at least 6 adults(not including the driver).

At least 80% of the mileage will be used transporting employees in connection with travel between their residences and their places of employment.

The number of employees transported for such purposes must be at least 50% of the adult seating capacity, not including the driver.

## **VANPOOL RIDER REIMBURSEMENT CLAIMS**

To claim a vanpool subsidy reimbursement, employees must participate in a qualified vanpool and submit the following:

A Travel Expense Claim (TEC) Form [FA-0302](#), that has been approved by the supervisor. The vanpool subsidy expenditures should be charged to:

Unit	Your new Unit Code
Object	9134
Sub Object	8152
Amount	Up to allowable reimbursement amount

A completed Vanpool Subsidy Certification Form [FA-2135](#).

A valid receipt that includes:

Amount of payment.

Month, day, and year of payment.

Printed name and signature of person receiving the payment.

Printed name of employee.

Purpose of payment.

Send the complete TEC package, original plus one copy, to the Division of Accounting, Travel Payments and Policy Section, MS-25.

### **VANPOOL DRIVER REIMBURSEMENT CLAIMS**

Note: During the current COVID-19 telework requirement, when vanpools are suspended and non-operational, vanpool drivers are not entitled to reimbursement. If the vanpool is still operational, vanpool driver incentive is reimbursable.

To claim a vanpool driver subsidy reimbursement, employees must participate in a qualified vanpool and submit the following:

A Travel Expense Claim (TEC) Form [FA-0302](#) that has been approved by the supervisor. The vanpool subsidy expenditures should be charged to:

Unit	Your new Unit Code
Object	9134
Sub Object	8152
Amount	Up to allowable reimbursement amount

Attach a completed Vanpool Driver Certification Form [FA-2136](#).

Send the complete TEC package, original plus one copy, to the Division of Accounting, [Travel Payments and Policy Section](#), MS-25.



# Bicycle Commuter Program

References: [California Department of Human Resources \(CalHR\) Bicycle Commuter Program](#), [Division of Human Resources PIB 18-21R](#) and [PIB 20-05](#)

## OVERVIEW

The Bicycle Commuter Program is a taxable benefit administered by California Department of Human Resources (CalHR). This benefit is voluntarily provided by the State of California and encourages active state employees to consider bicycle commuting as a means of active transportation to and from their residences and places of employment. The Program promotes health and wellness and sustainable commuting practices by encouraging employees to use bicycles as their primary means of commuting.

The Program allows the employer, the State of California, to provide a taxable benefit to eligible employees who use their bicycles as a primary means of commuting. For the purposes of this Program, a bicyclist is any person riding a bicycle or tricycle, including Class I and II e-bikes, cargo bikes, recumbent bikes, bikes with trailers, handcycles, or other variations. Motorized scooters or mopeds are not considered bicycles.

## ELIGIBILITY

Effective May 1, 2018, any active state employee whose salary is paid directly by the State of California is eligible to participate in the Program. Employee participation in the Program is voluntary. Participants are eligible to receive the taxable bicycle commuter benefit if they:

- Regularly commute by bicycle a substantial portion (at least 50 percent of the days employees are scheduled to work) of the calendar month.

  - Active fractional time base employees must commute by bicycle at least 50 percent of the days they are scheduled to work in a calendar month.

  - Active intermittent employees must commute by bicycle at least 50 percent of the days they are scheduled to work in a calendar month.

The bicycle commuter benefit may be claimed by employees who combine using transit passes for a portion of their commutes with bicycling for a portion of their commutes.

Employees may change their participation in the Program on a monthly basis. There is no enrollment process to participate in the Program.

CalHR strongly encourages participating employees to wear helmets.

## BICYCLE COMMUTER REIMBURSEMENT CLAIMS

Employees may claim \$20 for each calendar month in which they commute a substantial portion (at least 50 percent of the days employees are scheduled to work in a calendar month) by bicycle, up to a maximum of \$240 per calendar year. This is a taxable benefit.

Employees can submit their claims on a quarterly basis. Employees are **required** to submit claims by the end of the quarter as follows:

January-March: Claims must be submitted by June 30

April-June: Claims must be submitted by September 30

July-September: Claims must be submitted by December 31

October-December: Claims must be submitted by March 31 of the following year

Employees must document their bicycle commutes on the self-certification form ([CalHR 873 - Bicycle Commuter Program Quarterly Self-Certification](#)). The employees' signature on this form certifies that they meet the above mentioned eligibility criteria. (Open the form in Internet Explorer to use the drop-down calendar feature).

Submit the following documents to the employee's supervisor for review and approval:

CalHR 873 – Bicycle Commuter Program Quarterly Self-Certification

A Travel Expense Claim (TEC) Form [FA-0302](#)

The Program should be charged to:

Unit	Your new Unit Code
Object	9134
Sub Object	8152
Amount	Up to allowable reimbursement amount

If the supervisors approve the employee's claims, then employees or their supervisors submit the signed FA-0302 and the CalHR 873 to the Division of Accounting, [Travel Payments and Policy Section](#).