Title 2. Administration Division 1. Administrative Personnel Chapter 3. Department of Human Resources Subchapter 1. General Civil Service Rules Article 26. Employee Benefits – Excluded Employees Section 599.936 Transit and Vanpool Incentives – Excluded Employees

Text of Proposed Regulation

§ 599.936. Mass Transit, and Vanpool, and Bicycle Commuter Incentives – Excluded Employees.

The goal of the Commute Programs is to reduce the number of vehicles on the road by encouraging employees to explore and use alternate means of transportation to commute to and from work.

- (a) This regulation applies to excluded employees as defined in section 599.615.1(b) of these regulations.
- (b) Excluded employees working in areas served by mass transit, including rail, bus, or other commercial transportation or licensed public conveyance, who use public transit passes shall be eligible for a 75 percent discount or reimbursement of the cost on monthly public transit passes at a rate determined by the Department, up to a maximum of \$65 per month the applicable monthly exclusion amount for qualified transportation fringe benefits provided under sections 132(f)(2)(A) and (6) of the Internal Revenue Code. This shall not be considered compensation for purposes of retirement contributions.
- (c) Excluded employees riding participating in vanpools shall be eligible for a 75 percent reimbursement of the cost of the monthly rider fee at a rate determined by the Department, up to a maximum of \$65 per month the applicable monthly exclusion amount for qualified transportation fringe benefits provided under sections 132(f)(2)(A) and (6) of the Internal Revenue Code. In lieu of the van pool rider reimbursement, the state shall provide \$100 per month to each excluded employee who is the primary driver of a vanpool and works in a facility served by one or more congested commute routes as identified by the state. This shall not be considered compensation for purposes of retirement contributions.
- (d) For the purpose of this regulation, a vanpool is defined as a group of seven to fifteen people, including the vanpool driver, who commute together in a vehicle (state or non-state), specifically designed to carry that number of passengers. Eligibility for reimbursement under subdivision (c) of this section requires participation in a vanpool using a vehicle meeting the minimum requirements of a "commuter highway vehicle" as defined in section 132(f)(5)(B) of the Internal Revenue Code. The passengers may be either state or non-state employees.
- (e) The combined maximum allowable monthly discount and/or reimbursement amount for each eligible employee pursuant to subdivision (b) or subdivision (c) of this section or a combination of the two, shall not exceed the monthly exclusion amount provided in sections 26 USC S 132(f)(2)(A) and 26 USC S 132(f)(6) of the Internal Revenue Code.

(e) (f) Excluded employees headquartered out of state are eligible for transit and vanpool reimbursements described in this regulation.

(g) An active state employee whose salary is paid directly by the State of California may be eligible to participate in the Bicycle Commuter Program. Employee participation in the program is voluntary. The Bicycle Commuter Program is a taxable benefit administered by the Department and is intended to encourage active state employees to consider bicycle commuting as a means of active transportation to and from their residences and places of employment. The Bicycle Commuter Program promotes health and wellness and sustainable commuting practices by encouraging employees to use bicycles as their primary means of commuting.

Note: Authority cited: Sections 3539.5 and 19815.4(d), Government Code. Reference: Section 3539.5, Government Code.