

MEMORANDUM

DATE: October 24, 2001

TO: PERSONNEL MANAGEMENT LIAISONS REFERENCE CODE: 2001-046

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Accounting Officers  
Employee Relations Officers  
Personnel Officers  
Travel and Relocations Liaisons

FROM: Department of Personnel Administration  
Policy Development Division

SUBJECT: Vanpool Incentives

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The purpose of this memorandum is to inform departments that transit subsidies have been extended to eligible vanpool riders in Bargaining Units 10, 12, 16, 18, and 19, effective October 1, 2001. These provisions also apply to eligible excluded employees.

For other bargaining units that may subsequently agree to this new benefit, their respective Memorandums of Understanding will determine the effective date.

Employees riding in vanpools may now be eligible for a State-paid 75 percent (75%) reimbursement of the monthly fee, up to a maximum of \$65 per month. For the primary vanpool driver, and in lieu of the vanpool rider reimbursement, the State shall continue to provide \$100 per month to each State employee who is a primary vanpool driver.

Employees headquartered out-of-State and eligible for subsidies may participate in the vanpool program. To qualify for the vanpool subsidy, a vanpooler must participate in a vanpool that meets both the Internal Revenue Code (IRS) Section 132 and Department of Personnel (DPA) Rule 599.936 criteria:

- To meet the IRS Code definition of "commuter highway vehicle," the seating capacity of the van must be at least six adults (not including the driver), and at least 80 percent of the mileage use must reasonably be expected to be for purposes of transporting employees in connection with travel between their residences and their places of employment on trips, during which the number of employees transported for such purposes is at least one-half of the adult seating (not including the driver).
- Consistent with IRS law, the DPA rule specifies that a vanpool is a group of seven to 15 people who commute together. This criteria applies to both rank-and-file and excluded employees. Therefore, to qualify for the vanpool subsidy, the vanpool must have enrolled at least seven (7) riders, including the driver.

If you have any questions regarding transit or vanpool subsidies, please contact Charlotte Gehringer at (916) 323-6938 or email her at [CharlotteGehringer@dpa.ca.gov](mailto:CharlotteGehringer@dpa.ca.gov).



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