

MEMORANDUM

DATE: September 27, 2002
TO: PERSONNEL MANAGEMENT LIAISONS REFERENCE CODE: 2002-064

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 for Bargaining Units 9, 13, 14, 17, and 20

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Transit subsidies have been extended to eligible vanpool riders in Bargaining Unit (BU) 9 (effective April 1, 2002); BU 13 (effective August 30, 2002); and BUs 14, 17, and 20 (effective July 31, 2002).

All other BUs have agreed to this new benefit. Their respective Memorandums of Understanding determined the effective dates.

Excluded employees are eligible for vanpool incentives, as well as employees headquartered out of state.

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

To qualify for the vanpool subsidy, a vanpooler must participate in a vanpool that meets the Internal Revenue Service (IRS) requirements (IRS Code Section 132) and Department of Personnel Administration (DPA) Rule 599.936 criteria:

- To meet the IRS Code definition of "commuter highway vehicle," the van's seating capacity of the van must be at least six

adults (not including the driver), and it must be reasonable to expect that 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 one-half of the adult seating capacity (not including the driver).

- Consistent with IRS law, the DPA rule specifies that a vanpool is a group of seven to fifteen people who commute together. This criterion applies to both rank-and-file and excluded employees. Therefore, to qualify for the vanpool subsidy, the vanpool must enroll at least seven riders, including the driver.

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



Bob Painter, Chief
Policy and Operations Division