HOUSE CONCURRENT RESOLUTION

REQUESTING THE COMPTROLLER TO ESTABLISH A VOLUNTARY PUBLIC TRANSIT BENEFIT PROGRAM FOR STATE EMPLOYEES.

WHEREAS, section 132(f) of the Internal Revenue Code, known as the Transportation Equity Act for the 21st Century, allows employers to offer qualified parking and transit expenses on a pre-tax basis, providing employees with an opportunity to save money on FICA, federal, and state income taxes; and

WHEREAS, currently, state employees may choose to participate in the Flex Park benefit program that allows eligible parking fees to be deducted before federal, state, and FICA taxes are calculated; and

WHEREAS, although City and County of Honolulu employees may participate in TheBus Tax Saving Bonus program and receive similar pre-tax savings for monthly bus passes or transit vouchers for Vanpool Hawaii, TheHandi-Van, and LOTMA TransHawaii commuter bus service, there is no program that provides the same public transit benefit program to state employees; and

WHEREAS, it would both encourage the use of alternative transportation and benefit state employees to have a voluntary public transit benefit program similar to Flex Park that allows state employees to purchase a monthly bus pass with pre-tax payroll deductions, as allowed by section 132(f) of the Internal Revenue Code; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006, the Senate concurring, that the Comptroller is requested to establish a voluntary public transit benefit program (program) for state employees that allows for the purchase of monthly bus passes with monthly payroll deductions before state, federal, and FICA taxes are deducted for transport in the City and County of Honolulu; and

BE IT FURTHER RESOLVED that in developing the program, the Comptroller is requested to coordinate with the City and County of Honolulu; and

BE IT FURTHER RESOLVED that the Comptroller is requested to implement the program beginning on January 1, 2007; and

BE IT FURTHER RESOLVED that the Comptroller is requested to submit a report to the Legislature no later than twenty days before the convening of the Regular Session of 2007 on the progress made toward implementing the program; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Comptroller and the Mayor and Managing Director of the City and County of Honolulu.