A BILL FOR AN ACT

RELATING TO THE COMMUTER BENEFITS PROGRAM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

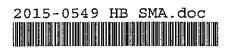
1 SECTION 1. The legislature finds that commuter benefits 2 programs promote the reduction of traffic congestion, greenhouse 3 gas emissions, air pollution, and the State's reliance on imported fossil fuel. Commuter benefits will help the State to 4 5 meet the Hawaii clean energy initiative standards and achieve 6 the greenhouse gas reduction target established by Act 234, Session Laws of Hawaii 2007. 7 Commuter benefits are employer-provided benefits that allow 8 employees to reduce their transportation costs for transit, 9 10 vanpooling, and biking under section 132(f) of the Internal 11 Revenue Code of 1986, as amended, by permitting employees to use 12 pre-tax dollars, subject to monthly limits, to pay for their 13 commuting expenses.

14 The purpose of this Act is to authorize the counties to 15 adopt an ordinance requiring employers to offer employees 16 specified commuter benefits options.

2015-0549 HB SMA.doc

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1	SECTI	CON 2. Chapter 46, Hawaii Revised Statutes, is amended
2	by adding	a new section to be appropriately designated and to
3	read as fo	ollows:
4	" <u>§46</u> -	Commuter benefits program. (a) The counties may
5	adopt an c	ordinance establishing a commuter benefits program that
6	consists c	of one or more of the following commuter benefit
7	options:	
8	(1)	A program, consistent with section 132(f) of the
9		Internal Revenue Code of 1986, as amended, allowing
10		covered employees to elect to exclude from taxable
11		wages costs incurred for transit passes, vanpool
12		charges, and bicycle commuting costs up to the maximum
13		amount allowed by federal tax law;
14	(2)	A program whereby the employer offers employees a
15		subsidy to offset the monthly cost of commuting via
16		transit or by vanpool. The subsidy shall be equal to
17		the lesser of the monthly cost of a transit pass or
18		the monthly cost of a vanpool. An employer may
19		provide a subsidy for bicycle commuting costs in
20		addition to subsidies for transit and vanpool costs;
21		or



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1	(3) Transportation furnished by the employer at no cost or
2	low cost, as determined by the designated authority,
3	to employees in a vanpool, bus, or similar multi-
4	passenger vehicle operated by or for the employer.
5	(b) Nothing in this section shall prevent a covered
6	employer from offering a more generous commuter benefit that is
7	otherwise consistent with the requirements of the applicable
8	commuter benefits ordinance. Nothing in this section shall
9	require employees to change their method of commute. This
10	section shall not be construed to absolve any employer or other
11	party from any obligation required by an existing collective
12	bargaining agreement with employees or any provision of law.
13	(c) For purposes of this section:
14	"Employee" means any person who is on the employer's
15	payroll and works in a full-time or part-time position. The
16	term includes any person who is entitled to payment of a minimum
17	wage from an employer under the Hawaii minimum wage law.
18	"Employer" means any person, including corporate officers
19	or executives, who directly or indirectly or through an agent or
20	any other person, including through the services of a temporary
21	services or staffing agency or similar entity, employs or



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1	exercises control over the wages, hours, or working conditions		
2	of an employee.		
3	"Transit pass" means any pass, token, fare card, voucher,		
4	or similar item entitling a person to transportation on public		
5	transit, including but not limited to travel by bus or train.		
6	"Vanpool" means any highway vehicle that:		
7	(1) Has the seating capacity of at least six adults, not		
8	including the driver; and		
9	(2) Is reasonably expected to use at least 80 per cent of		
10	the mileage for the purpose of transporting a number		
11	of employees equal to at least 50 per cent of the		
12	seating capacity of the vehicle, not including the		
13	driver, in connection with travel between the		
14	residence and place of employment of employees."		
15	SECTION 3. The counties shall be responsible for the		
16	creation and implementation of any commuter benefits programs		
17	established pursuant to this Act following the enactment of this		
18	Act.		
19	SECTION 4. New statutory material is underscored.		
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1 SECTION 5. This Act shall take effect on October 1, 2015.

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INTRODUCED BY:

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JAN 2 9 2015



Report Title: Commuter Benefit Program; County Powers; Vanpool

Description:

Allows the counties to adopt and offer one or more of three commuter benefit options: a pre-tax program, an employer-paid benefit program, and an employer-provided transit program. Defines terms used within the section. Takes effect on 10/1/2015.

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