

FILE NO. 990508

RESOLUTION NO. 365-99

1 [Tax-Favored Commuter Choice Program]

2 AUTHORIZING THE DEPARTMENT OF ADMINISTRATIVE SERVICES/COMMUTE

3 ASSISTANCE PROGRAM TO CREATE AND IMPLEMENT ^{a one-year pilot} COMMUTER CHOICE

4 PROGRAMS ENABLING EMPLOYERS TO OFFER EMPLOYEES THE OPTION TO "PRE-

5 TAX" COMMUTE-RELATED TRANSPORTATION EXPENSES UNDER SECTION 132 OF

6 THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

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8 WHEREAS, It is the policy of the City and County of San Francisco to promote the use
9 of public transportation in order to reduce vehicle emissions, traffic congestion and the need
10 for parking availability, and to improve air quality; and,

11 WHEREAS, Federal legislation signed by the President of the United States in June,
12 1998 (namely, the Transportation Equity Act of the 21st Century) amended section 132 of the
13 Internal Revenue Code of 1986 to allow employers to offer employees the choice to take a
14 pre-tax salary deduction to subsidize commute related transit expenses; and,

15 WHEREAS, This new law creates a number of opportunities for persons employed by
16 the City and County of San Francisco to reduce such persons' commuter transportation
17 expenses by approximately 30-40 percent; and

18 WHEREAS, Such pre-tax salary deductions would reduce employer-paid taxes, such
19 as FICA and Medicare, possibly providing tax savings for the City and County of San
20 Francisco; and

21 WHEREAS, Transit ticket subsidies could result in new public transit riders and
22 possibly increase MUNI revenues; and

23 WHEREAS, The Purchaser of the City and County of San Francisco has authorized the
24 creation of a pilot program to analyze the logistics, costs, and savings of such a salary
25 deduction program for employees of the City and County of San Francisco; and

SUPERVISOR AMMIANO, NEWSOM, BIERMAN
BOARD OF SUPERVISORS

1 WHEREAS, The Department of Administrative Services/Commute Assistance Program
2 is coordinating the effort to implement this program; and

3 WHEREAS, This program is consistent with other ongoing efforts of the City and
4 County of San Francisco to improve air quality in the San Francisco Bay Area; now, therefore,
5 be it

6 RESOLVED, That the Board of Supervisors urges all affected departments and
7 programs of the City and County of San Francisco to use savings in salary and fringe benefit
8 appropriations resulting from employer participation in the program authorized by this
9 resolution to fund any costs associated with this program; and be it

10 FURTHER RESOLVED, That the Controller transfer any savings realized by the
11 various departments of the City and County of San Francisco resulting from the
12 implementation of this program to defray the cost of such implementation and/or other related
13 efforts to promote the use of transit, and the Controller is so authorized to offset such
14 transfers; and be it

15 FURTHER RESOLVED, That the Mayor and Board of Supervisors review the budget
16 implications of this pilot project after a period of one year; to determine if the program
17 shall be permanently established; and be it

18 FURTHER RESOLVED, That the Board of Supervisors urges the Mayor to urge all
19 employers in the City and County of San Francisco, to offer their employees the opportunity to
20 deduct pre-tax salary for subsidized transit.

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SUPERVISOR AMMIANO
BOARD OF SUPERVISORS



City and County of San Francisco

City Hall
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San Francisco, CA 94102-4689

Tails

Resolution

File Number: 990508

Date Passed:


Resolution authorizing the Department of Administrative/Commute Assistance Program to create and implement a one-year pilot commuter choice program enabling employers to offer employees the option to "pre-tax" commute-related transportation expenses under Section 132 of the Internal Revenue Code of 1986, as amended.

April 26, 1999 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

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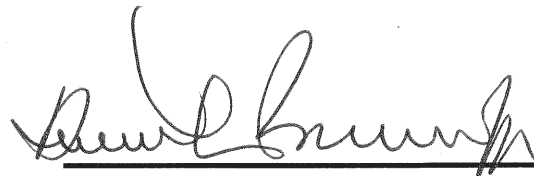
I hereby certify that the foregoing Resolution was ADOPTED on April 26, 1999 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

MAY - 7 1999

Date Approved



Mayor Willie L. Brown Jr.

File No. 990508 continued...