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CITY GEARS UP FOR THE EXPANSION OF PRE-TAX COMMUTER BENEFITS WITH LAUNCH OF PUBLIC EDUCATION AND OUTREACH CAMPAIGN

NYC Commuter Benefits Law Saves Employers and Employees Money; Straphangers Can Save up to Approximately \$400 a Year on Monthly Metrocards using Pre-Tax Income

Campaign Ads Play on Humorous and Relatable Commuting Situations to Inform Employers and Employees that "There's a Better Way to Work" with Commuter Benefits

NEW YORK—Mayor Bill de Blasio and Department of Consumer Affairs Commissioner Julie Menin today announced the launch of the City's public education and outreach campaign to help employers and employees understand their responsibilities and rights under the NYC Commuter Benefits Law. The law, which goes into effect January 1, 2016, requires for-profit and nonprofit employers with 20 or more full-time employees in New York City to offer commuter benefits. Employers can save by reducing payroll taxes and employees can lower their monthly expenses by using pre-tax income to pay for their commute.

"The Commuter Benefits Law is a smart and easy way for both businesses and straphangers to save at a time when affordability is key. New Yorkers purchasing monthly passes can hold onto over \$400 a year – which amounts to meaningful savings for working families across our city," said **Mayor Bill de Blasio**. "By expanding pre-tax commuter transit benefits, we make using mass transportation a more affordable option, save companies money and make our city more sustainable."

The multi-phased advertising campaign, titled *There's a Better Way to Work (Hay una Mejor Manera de Llegar al Trabajo*), plays on humorous and relatable commuting situations. The first phase of the campaign aims to provide employers with information and resources to help them establish a commuter benefits program and to educate both employers and employees about the law and how it will save both of them money. Ads will run on subways and subway stations, buses and bus shelters, Long Island Railroad, MetroNorth, New Jersey Transit, Staten Island Ferry, and telephone kiosks. The campaign will also include outreach at public events and a mailing to more than 350,000 businesses.

The NYC Commuter Benefits Law is the first piece of legislation passed in the city requiring NYC employers to offer pre-tax transit benefits to employees. Federal tax law gives businesses the opportunity to provide pre-tax benefits to employees, but the program has been voluntary until this point. As a result of the law, pre-tax transit benefits will be extended to over 450,000 more working New Yorkers, who can save up to \$420 a year by using pre-tax income to purchase monthly transit passes. All employees of the City of New York are eligible for pre-tax transit benefits. According to the Riders Alliance, New Yorkers who are newly-eligible for this benefit will save approximately \$63 million dollars annually in taxes.

Employees can currently use up to \$130 pre-tax income to pay for qualified transportation. This pre-tax money can be used for mass transit (MTA subway and bus, Long Island Rail Road, Metro-North, New Jersey Transit and Amtrak), eligible ferry, water taxi, vanpool and commuter bus services, and Access-A-Ride. Qualified parking expenses are not covered by NYC's Commuter Benefits Law, but employees may use pre-tax income to

pay for qualified parking expenses under federal tax law. Because it is not covered by the federal tax law, employees cannot use pre-tax income for the qualified bicycle commuting reimbursement benefit.

"Commuter benefits is a win-win for employers and employees," said **DCA Commissioner Julie Menin**. "We are committed to working with businesses to make sure employers know how to comply with this law before it goes into effect. With this humorous campaign, we hope to inform employers and commuters alike that there may be situations on your commute that you can't be saved from but you can save with commuter benefits."

"This law will give transit riders the relief they need," said **Council Speaker Melissa Mark-Viverito**. "With this new campaign, we'll help educate New Yorkers about the economic benefits of their daily commute, while simultaneously promoting mass transit use. The Council is proud to support innovative policies that improve the daily lives of New Yorkers across the five boroughs."





The law does not apply to employers whose employees are covered by a collective bargaining agreement, United States, New York State, and New York City governments, and employers who are not required to pay federal, state, or City payroll taxes.

The Commuter Benefits Law gives employers a six-month grace period – from January 1 to July 1, 2016 – to begin offering a commuter benefits program. Employers will not be subject to penalties for violations that take place before July 1, 2016. The law also gives employers 90 days to cure a violation before DCA imposes fines.

Employers and employees can visit nyc.gov/CommuterBenefits or call 311 for more information in multiple languages, including who the law applies to, a flyer, FAQs, and events. New Yorkers can also follow DCA's handle @NYCDCA on Twitter, Facebook, YouTube, and Instagram using the hashtag #CommuterBenefits.

"First, I would like to commend Council Member Garodnick for sponsoring such a common sense piece of legislation that will help commuters and businesses alike save some money on commuting costs through the transit benefits program. NYC has one of the best public transportation systems in the world and we should be encouraging everyone to use it to get to work because it is cost effective and environmentally friendly. The transit benefits public awareness campaign, led by Commissioner Menin and her team at the Department of Consumer Affairs, will help spread the word about the new law and its many benefits. Given DCA's track record with effective campaigns for Paid Sick leave and the Earned Income Tax Credit, I'm sure that this campaign will also be a huge success," said Council Member Rafael L. Espinal, Jr., Chair of City Council's Consumer Affairs Committee.

"This program will give a much needed break to 450,000 more transit riders, without harming small businesses," said **Council Member Daniel Garodnick**. "It's a win-win – both commuters and their employers can save money with every person who signs up."

"By expanding commuter benefits to more than 450,000 more New Yorkers, we not only incentivize more of our residents to use public transit, but also put more money back into the pockets of small business owners and employees. It is now incumbent on the City to ensure New Yorkers know about these incredibly important

benefits so they can choose to participate. I congratulate Council Member Dan Garodnick for introducing the legislation that enabled this initiative to become law and look forward to its smooth implementation," said Council Member Ydanis Rodriguez, Chair of the New York City Council Committee on Transportation.

"Transit riders and employers can save hundreds of dollars a year with commuter benefits, but only if they know about the program," said **John Raskin, Executive Director of the Riders Alliance**. "Commissioner Menin and the Department of Consumer Affairs are taking the right steps now to guarantee that when the transit benefits law goes into effect in January, the entire city will be ready to take advantage of it. We urge subway and bus riders to take note of these eye-catching ads and ask their employers for pre-tax transit benefits as soon as possible. There's no reason to delay on saving money!"

"You can't change the weather, but you can save hundreds of dollars a year on your subway and bus costs," said **Gene Russianoff of the NYPIRG Straphangers Campaign**, a transit riders group. "So buy a nice umbrella or two and talk to your employer about commuter benefits and how they help everybody save."

About the Department of Consumer Affairs

The Department of Consumer Affairs (DCA) licenses, inspects, and educates businesses, assists and informs consumers, mediates complaints, and offers free financial counseling and safe banking products. DCA enforces the Consumer Protection Law, the Paid Sick Leave Law and other related business laws throughout New York City and licenses nearly 80,000 businesses in 55 different industries. For more information, call 311 or visit DCA online at nyc.gov/consumers or on its social media sites, Twitter, Facebook, Instagram and YouTube.

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