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MAYOR DE BLASIO, SENATOR SCHUMER, COMMISSIONERS MENIN AND TROTTENBERG REMIND EMPLOYERS, STRAPHANGERS – COMMUTER BENEFITS LAW IN EFFECT AS OF JANUARY 1

City mandating employers with at least 20 full-time employees offer pre-tax commuter savings program, saving straphangers up to \$800 a year

Commuters can now use up to \$255 pre-tax income per month for transit expenses thanks to recent federal action

NEW YORK—Mayor de Blasio, Senator Charles Schumer, Department of Consumer Affairs Commissioner Julie Menin, Department of Transportation Commissioner Polly Trottenberg and local elected officials today took to the subway terminal at Atlantic Avenue - Barclays Center to remind New Yorkers that the City's Commuter Benefits Law is now in effect as of January 1, 2016.

Under the law, signed by Mayor de Blasio on October 20, 2014, employers with 20 or more full-time, nonunion employees are now required to offer a commuter benefits program to employees, allowing them to contribute pre-tax income to purchase monthly transit passes. As a result, more than 450,000 additional city workers will be able to save up to \$800 a year in annual expenses.

Last month, the federal government permanently increased the Mass Transit Commuter Benefit to allow employees to use up to \$255 of their pre-tax income per month for qualified transit expenses, up from the previous \$130 cap – helping nearly one million New York region commuters save even more. The City had long advocated for the permanent increase.

"At a time when so many New Yorkers are struggling to stretch their hard-earned dollars, we are saving them hundreds every year and encouraging a greener way to travel," said **Mayor Bill de Blasio**. "Through powerful advocacy on the local and federal level to support our city's straphangers, NYC employees and employers alike will feel the benefits of this law in their pocketbooks."

"It is rare that by filling out a simple sheet of paper you can save over \$800 a year. We worked very hard to double the mass transit deduction for commuters and now it is up to them to take advantage by asking employers how to sign up. This is easy to do and costs the employer nothing. It is getting more and more expensive to commute and this now permanent benefit provides some real relief," said **Senator Charles Schumer.**

"The commuter benefit program is a win-win for both employers and employees," said **Consumer Affairs Commissioner Julie Menin**. "With the Commuter Benefits Law now in effect, we will continue working with employers across the five boroughs to ensure that its implementation is as smooth as possible and to encourage employees to sign up for this cost-saving benefit." "Thanks to the leadership of the Mayor and the Council, thousands of New Yorkers will save money on their commutes," said **Transporation Commissioner Polly Trottenberg**. "Thanks to Senator Schumer, New York commuters riding express buses, LIRR and Metro North who pay more than the cost of a regular Metrocard will save even more."

Under the Commuter Benefits Law, for-profit and nonprofit employers with 20 or more full-time, non-union employees in New York City must offer employees the opportunity to use pre-tax income to pay for their commute. By participating, employees can lower their monthly expenses, and the more employees who sign up for transportation benefits, the more money employers can save by reducing payroll taxes.

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.

Employers must comply by January 1, 2016 or four weeks after an employee begins full-time work, whichever is later. The law also provides employers with a six-month grace period – from January 1, 2016 until July 1, 2016 – before DCA may issue a notice of violation for failing to comply with the law. After July 1, 2016, employers will have an additional 90 days to cure violations before penalties are imposed.

DCA has mailed information to approximately 365,000 businesses and sent an email blast to another 110,000 businesses to inform them of their responsibilities under this new law. DCA is conducting extensive outreach to educate employers about the law, and the second phase of the campaign will launch in the spring. DCA's robust multi-lingual outreach team has participated in approximately 450 events and workshops this year, distributing 30,000 pieces of material to inform business owners of key city labor laws, including the commuter benefits and paid sick leave laws.

Additionally, DCA's multi-phased advertising and public awareness campaign, <u>There's a Better Way to</u> <u>Work</u> (Hay una Mejor Manera de Llegar al Trabajo), launched this October and plays on humorous and relatable commuting situations. The ads and <u>video</u> (Spanish) aim 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 them money. Ads ran through the end of December on subways and subway stations, buses and bus shelters, Long Island Railroad, MetroNorth, New Jersey Transit, Staten Island Ferry, and telephone kiosks.

Employees can report noncompliance with DCA by emailing<u>commuterbenefits@dca.nyc.gov</u> or calling 311. Employers and employees can visit <u>nyc.gov/CommuterBenefits</u> or call 311 for more information in multiple languages, including who the law applies to, a <u>flyer</u>, <u>FAQs</u> and a <u>model compliance form</u>. New Yorkers can also follow DCA's handle @NYCDCA on <u>Twitter</u>, <u>Facebook</u>, <u>YouTube</u>, and <u>Instagram</u> using the hashtag <u>#CommuterBenefits</u>.

"It's time to cut straphangers a break and they are getting it big time with this expanded tax benefit," said **Council Member Dan Garodnick**. "It should not be so unusual that we are making policy that promotes mass transit, and helps to support those who use it every day."

"Today, hard-working New Yorkers will have the opportunity to save hundreds when commuting to work," said **Council Member Ydanis Rodríguez, Chair of the Council Committee on Transportation**. "The City Council worked diligently last year to ensure these benefits were expanded to thousands more and with federal action our pocketbooks will receive a considerable lift in the new year. This is about letting folks know that the City is working to save them money and we hope they take advantage of this great opportunity."

John Raskin, Executive Director of the Riders Alliance, said, "Signing up for transit benefits is a no-brainer for New Yorkers who want to save hundreds of dollars a year on commuting costs. With this new law, hundreds

of thousands more New Yorkers will have access to a valuable tax break, which is a quick and easy way to make public transit more affordable. Special thanks to Mayor de Blasio and his team for hitting the streets with us to guarantee that New Yorkers know about this opportunity to save money, and to Council Member Garodnick for championing the legislation that made it possible."

"The New Year brings great news for the many millions who rely on subways, buses and suburban rail," said **Gene Russianoff of the NYPIRG Straphangers Campaign**. "The federal government is nearly doubling its national tax break for commuters from Los Angeles to Long Island. And New York City is also doing its part, by requiring businesses with 20 or more full-time employees to offer pre-tax commuter benefits."

"Thanks to the Mayor de Blasio's leadership, New Yorkers – the nation's most transit-dependent population – will be able to keep more of their hard-earned money as they pay the MTA's rising fares," said **Paul Steely White, Executive Director of Transportation Alternatives**. "This expanded benefit will give a boost to the local economy and promote environmentally sound transportation."

"With this dramatic expansion of the number of New Yorkers who can save money on the transit they take to work, those who earn the least will benefit the most. New York runs on transit and the commute to the daily grind just got more affordable, thanks to Mayor de Blasio and the City Council. This law demonstrates smart leadership by the City to support workers, employers, and the environment," said **Elena Conte, Director of Policy at Pratt Center for Community Development.**

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