

COMMUTER BENEFITS ORDINANCE OVERVIEW

The [San Francisco Commuter Benefits Ordinance](#) was adopted in 2009 to encourage commuters to walk, bike, take transit and rideshare by requiring their employers to offer commuter benefits.

Who needs to comply?

The following businesses are subject to the Ordinance:

- Businesses with a location in San Francisco (including non-profit organizations); and
- Businesses with 20 or more employees nationwide
- **NEW** in 2014 - If your business has more than 50 employees across all sites in the Bay Area*, you will need to comply with the Bay Area Commuter Benefits Program, adopted in March 2014 by the Bay Area Air Quality Management District and Metropolitan Transportation Commission. You **will not** need to comply with the San Francisco Ordinance or report to SF Environment

How to comply

The San Francisco Commuter Benefits Ordinance requires businesses to offer one of the following employee benefits:

1. **Pre-tax Transportation Benefits** – A monthly pre-tax deduction, up to \$130/month, to pay for transit or vanpool expenses.
2. **Employer-Paid Transportation Benefits** – A monthly subsidy for transit or vanpool expenses equivalent to the price of the San Francisco Muni Fast Pass (including BART travel), currently \$76/month.
3. **Employer-Provided Transportation** – A company-funded bus or van service to and from the workplace.
4. Any combination of the above.

HOW TO SET UP A COMMUTER BENEFITS PROGRAM

1. Download the full [Employer Guide](#) for step-by-step directions.
2. Research the type of program that best suits the needs of most of your employees and company. A sample employee interest survey is [here](#).
3. Decide whether you wish to administer the program in-house or use a third-party vendor. This list of [vendors](#) is a good starting point to determine how your company would like to administer the benefit.
4. Call us for advice anytime: 415-355-3727 or email: commutesmart@sfgov.org. We are available for free consultations in-person or over the phone.
5. Set up the system for deductions or subsidy payments, and advise your employees of their options and the sign up procedure. Download sample internal communications in [English, Spanish and Chinese](#) to adapt for your company.
6. Complete the [Compliance Reporting Form](#) by April 30th each year: www.sfenvironment.org/CBOcompliance

More detailed information on these steps is available in the [2014 Employer Guide](#)

*The Bay Area is defined as including all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, as well as the western portion of Solano County (including Fairfield and points west) and the southern portion of Sonoma County (including Windsor and points south).

Where to report

If you have 50 or more employees across all sites in the Bay Area*, you will register and report to the new Bay Area Commuter Benefits Program at <http://commuterbenefits.511.org>.

If you have fewer than 50 employees in the Bay Area but more than 20 nationwide, and a location in San Francisco, you will continue to report to the San Francisco Commuter Benefits Program at SFEnvironment.org/CBOcompliance. To avoid penalties, please submit the Compliance Reporting Form by April 30, 2014.

Key Exemptions

A limited number of companies are exempt from the Ordinance. You can notify us of your exempt status when completing the annual Compliance Reporting Form.

- Businesses with fewer than 20 employees nationwide
- Businesses that do not operate in San Francisco
- Contractors with headquarters located outside of San Francisco if project assignments in San Francisco are less than 6 months, or employees are required to drive specialty vehicles to project sites.

Annual compliance reporting forms are due by **April 30** every year. Businesses that are not in compliance with the Commuter Benefits Ordinance will have 90 days to implement a benefits program, and will be notified by the CommuteSmart team.

Enforcement

The goal of the San Francisco Ordinance is to reduce congestion and greenhouse gas emissions from drive alone commuting trips. Therefore, the Department of Environment's priority is to assist companies implement a low-cost benefit by providing free consultations and tools for easy compliance. However, for companies that do not comply with the Ordinance, the Department of Environment will take the following steps as necessary:

1. Warning – A written notice of violation.
2. Fines – Fines will be levied 90 days after the initial written notice. Employers will be subject to a fine of \$100 for the first violation, \$200 for the second violation and \$500 for the third violation, up to a maximum of \$800.

ADVICE AND ASSISTANCE

For advice about setting up a commuter benefits program, contact the CommuteSmart team at commutesmart@sfgov.org or 415-355-3727 for free assistance. CommuteSmart is also available for in-person consultations to help you set up your commuter benefits program. Request a consultation using the [CommuteSmart consultation form](#).