
Federal Initiative Rewards Employers Who Provide Commuter Benefits

Getting to work is one of the leading frustrations among employees in the U.S. Lengthening commutes have become like a second job—a job with no pay, no benefits, and a whole lot of stress. According to *U.S. News and World Report*, the length of the combined morning-evening commute during rush hour in major American cities has doubled from less than three hours in 1982 to almost six hours today.

To ease the burden of traffic on quality of life and the environment, the U.S. Environmental Protection Agency (EPA) and U.S. Department of Transportation (DOT) are teaming up with employers nationwide through a new voluntary business-government partnership, the Commuter Choice Leadership Initiative, which recognizes employers that make an exceptional commitment to offering commuter benefits to their employees. By providing solutions to daily commuting challenges, companies that participate in the initiative, called “Commuter ChoiceSM Employers,” ensure that their employees get to work safely, on time, and stress-free. In return, EPA and DOT offer participating employers national recognition, technical assistance, and forums for exchanging ideas and best practices.

Commuter Benefits Offer a Better Way to Work

Companies that minimize the stress and expense of commuting for their employees are seen as more attractive places to work. According to a survey conducted by the Metropolitan Transportation Commission, eight out of ten employees reported a higher opinion of their employer as a result of receiving commuter benefits.

Besides helping employees enjoy a safer, healthier, and more environmentally responsible way to get to work, employers that offer commuter benefits do a better job of keeping their workforce happy. And employees who are satisfied with their jobs stay put.

The uncertainty of today’s economy is leading many employers to consider measures to control costs. “Retaining qualified staff should not be overlooked as a way to weather the economic storm,” said Margie Robertson, a professional recruiting specialist at GEICO Direct, a Commuter Choice Employer in Chevy Chase, Maryland.

Human resource professionals see commuter benefits as low-cost solutions to some of the toughest challenges they face today, including recruiting top talent and distinguishing their companies from the competition.

"Corporate-sponsored commuter benefits create a positive workplace for Duke Energy in numerous ways," said Jim Haynes, director of transmission services for Duke Energy in Houston. "These benefits support our company-wide environmental stewardship, allow

Duke Energy to contribute to the reduction in traffic congestion in the Greater Houston metropolitan area, and, when combined with our competitive salaries and base benefits, may be a contributing factor in attracting and retaining top-notch employees for Duke Energy."

Commuter Benefits Are User-Friendly

To earn the Commuter Choice Employer designation, a company must offer a comprehensive set of commuter benefits. The initiative provides employers with a number of options to select from, and this range of choices makes it easy to establish a commuter benefits program that satisfies the special commuting needs of an entire workforce.

Angela Maglione, Employee Programs Specialist for Alaska Airlines, describes the initiative's diverse selection of commuting options: "Gridlock is a fact of life in the Puget Sound [Seattle] area, which has the second-highest traffic volume in the nation. To alleviate commute-related stress, we offer our employees several incentive programs that include free transit on buses and commuter trains, monthly subsidies for cars and vanpools, and a Guaranteed Ride Home, which provides employees with a ride home at no charge if they need emergency transport due to special circumstances. With so many different commuting options from which to choose, employees can easily find a transportation method that best suits them."

Commuter Benefits Help Mother Nature

Offering employees choices about how they get to work has a number of advantages, including reducing pollution. According to Margo Oge, director of EPA's Office of Transportation and Air Quality, "Reducing the amount of time workers spend in traffic is a tangible way that employers in America can help improve our environment. If just half of all commuters worked for Commuter Choice Employers, air pollution and traffic would be cut by the equivalent of taking 15 million cars off the road every year."

Since the launch of the initiative's pilot phase, the number of participating employers has soared from 11 pilot partners to more than 200 Commuter Choice Employers. A sampling of participating companies includes: Aetna US Healthcare, Eddie Bauer, Pitney Bowes, University of Washington, Verizon Wireless, and many more. Currently, nearly half a million employees in 21 states are covered by employer-provided commuter benefits.

Smart Companies Make Dollars and Business Sense Out of Commuter Benefits

Because Commuter Choice Employers can offer most commuter benefits as pre-tax incentives, companies save on payroll taxes and employees have lower federal income taxes. Recent tax law changes (starting January 2002) raised the amount of pre-tax transit and vanpool benefits that employees may be offered from \$65 to \$100. Furthermore, seven states (Connecticut, Delaware, Georgia, Maryland, Minnesota, New Jersey, and Oregon) offer tax credits to employers that have commuter benefit programs.

In addition, by substantially reducing parking demand, Commuter Choice Employers realize even more savings. In fact, Walt Disney credits its commuter benefits program with eliminating the need for \$2 million in new parking.

Want to become popular with your company's employees? Help them save money and reduce their stress levels by offering them outstanding commuter benefits. When the numbers start rolling in for your company's bottom line—savings through employee retention, payroll taxes, and parking costs, you can bet that you'll be popular with your company's management as well.

—Reported by Stephen Offutt, Manager, Commuter Choice Leadership Initiative, U.S. EPA

To see how you can get the most mileage out of your commuter benefits, or to learn how to become a Commuter Choice Employer, please call the Commuter Choice voicemail request line at 1-888-856-3131 or email commuterchoice@epa.gov.