DC's Parking Cash-out Law

Employers that provide free or subsidized parking to employees must offer those same employees a "clean air transportation fringe benefit" that includes

- Transit benefit
- Bicycle benefit
- Vanpool benefit
- Taxable cash that pays difference between parking benefit value and clean air transportation fringe benefit
- Increased employer contribution to employee's healthcare benefit

Employers also have the option to

- Develop a Transportation Demand Management (TDM) Plan
- Pay Clean Air Compliance fee ($100/mo./employee)
- Cease subsidized parking

Exemptions

- Employers with 20 or fewer employees
- Currently owned parking (grandfathered)
- Existing leased parking -- but cannot renew without complying
- Employers that do not provide subsidized parking
- Employers with existing TDM plans or Campus Plans, until expiration or 5 years, which ever is sooner

Rush hour on the 15th Street cycletrack. Credit: Beyond DC on Flickr

The DC Campaign
(bill: 2017-2020; regs. 2021)

- Pre-tax transit benefits in Sustainable DC Omnibus Act of 2013
- Councilmember champions on the committee
- Natural allies (walk, bike, enviro)
- Businesses with a sustainability interest
- DC Department of Transportation
- Communications: factsheets, blog, connecting to city policy goals, responding to critics, gathering business support
- Earned media
- Councilmembers on committee outreach

- Education and research on pre-tax transit benefits & parking cash-out from TransitCenter

Focus Group – tested idea of parking cash-out

- "Parking cash-out" vs. "flexible commuter benefits"
- Inclusive language, flexibility & choice
- Emphasize "cash" in messaging
- Emphasize reducing congestion
- Balancing needs of employers & employees
- Keep it simple – parking cash-out can be complicated
- Avoid "fairness" – depends on perspective
- Walk or bike commute benefits are perceived as unfair
- Focus on low-income & POC bus riders stuck in traffic
- Don't demonize drivers
- Surveyed employers – didn't like

(See our report on Flexible Commuter Benefits, smartergrowth.net/parkingcashout)