AN ACT

RELATING TO LABOR AND LABOR RELATIONS -- ESTABLISHING THE "COMMUTER TRANSPORTATION BENEFITS ACT"

Introduced By: Senators Lawson, Ciccone, Lombardi, Lombardo, and Metts
Date Introduced: February 27, 2020
Referred To: Senate Labor

It is enacted by the General Assembly as follows:

SECTION 1. Title 28 of the General Laws entitled "LABOR AND LABOR RELATIONS" is hereby amended by adding thereto the following chapter:

CHAPTER 60
THE COMMUTER TRANSPORTATION BENEFITS ACT

28-60-1. Short title.
This chapter shall be known and may be cited as the "Commuter Transportation Benefits Act."

As used in this chapter:
(1) "Covered employer" means an employer with five hundred (500) or more employees assigned, scheduled to work, working or situated at the employer's place of business or work site(s) located within the state.
(2) "Director" means the director of the department of labor and training.
(3) "Employee" shall have the same meaning as provided in § 28-12-2.
(4) "Employer" shall have the same meaning as provided in § 28-12-2.
(5) "Pre-tax transportation fringe benefit" means a pre-tax election transportation fringe benefit that provides commuter highway vehicle and transit benefits, consistent with the provisions and limits of § 132(f)(1) of the Internal Revenue Code of 1986 (26 U.S.C. §132(f)(1)) at the
maximum benefit levels allowable under federal law, to be deducted for those programs from an
employee's gross income pursuant to § 132(f)(2) of the Internal Revenue Code of 1986 (26 U.S.C.
§ 132(f)(2)).

(6) "Transit pass" means a pass for travel by bus or vehicle operated by the Rhode Island
public transit authority (RIPTA).

28-60-3. Commuter employee transportation benefit.

(a) Except as provided in subsection (b) of this section, every covered employer with five
hundred (500) or more employees shall offer employees at least one of the following benefit
programs:

(1) A pre-tax transportation fringe benefit program that provides commuter transit benefits
consistent with § 132(f)(1) of the Internal Revenue Code of 1986 (26 U.S.C. § 132(f)(1)) at the
maximum benefit levels allowable under federal law, to be deducted from an employee's gross

(b) Subsection (a) of this section shall not apply to:

(1) The government of the United States;

(2) The state of Rhode Island including any office, department, agency, authority,
institution, association, society or other body of the state;

(3) Any local government or entity;

(4) Any group of employees covered by a collective bargaining agreement in effect on
January 1, 2021, until the expiration of the collective bargaining agreement; or

(5) Any employer who has demonstrated to the satisfaction of the director that the offering
of such benefits would result in a severe financial hardship for the employer.


The director shall promulgate rules and regulations as he or she deems necessary to
effectuate the provisions of this chapter.

28-60-5. Civil penalty.

Any employer found to be in violation of the provisions of this chapter shall be liable for
a civil penalty of not less than one hundred dollars ($100) and not more than two hundred fifty
dollars ($250) for a first violation. An employer shall have ninety (90) days to offer a pre-tax
transportation fringe benefit before the civil penalty is imposed. After ninety (90) days, each
additional thirty (30) day period in which an employer fails to comply with the provisions of this
chapter shall constitute a subsequent violation and a civil penalty of two hundred fifty dollars
($250) shall be imposed for each subsequent violation. A civil penalty shall not be imposed on any
single employer more than once in any thirty (30) day period.
28-60-6. Public awareness campaign.

The department of transportation, in conjunction with the department of labor and training, shall conduct a public awareness campaign encouraging the public to contact employers about commuter transportation benefits.

SECTION 2. This act shall take effect on January 1, 2021.
This act would establish the commuter transportation benefit act. Employers with five hundred (500) or more employees would provide a pre-tax transportation fringe benefit program or provide transportation to the employees.

This act would take effect on January 1, 2021.