



BICYCLE COMMUTER ACT OF 2019

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The bicycle is the most efficient form of urban transportation ever devised. Cycling reduces carbon emissions, provides enormous physical and mental health benefits, and is one of the most cost-effective modes of transportation available. Communities across the country have realized these benefits and substantially invested in building better bike networks and improving facilities for biking to work. Across America, more than 100 communities of all sizes have installed or permitted bikeshare systems, supporting a nationwide network of nearly 5,000 stations, more than 100,000 bikes, and more than 120 million trips since 2010. These investments are one of the reasons that rates of biking to work have nearly doubled since 2000 while driving and public transportation rates have increased by 16 percent and 26 percent, respectively.

THE PROBLEM—NO CURRENT INCENTIVE TO COMMUTE BY BIKE

Despite these impressive developments, there is no commuter tax benefit for biking to work—like we have for parking and transit. First enacted in 2009, the bicycle commuter benefit was a tax benefit that employers could offer to provide a reimbursement of up to \$20/month for expenses relating to bicycle commuting expenses. But if an employee elected to take advantage the bicycle commuting reimbursement, they were not eligible to receive transit or parking commuter benefits. The Tax Cuts and Jobs Act (PL 115-97), suspended the bicycle commuting reimbursement benefit through 2025, taking away a valuable financial incentive for people who choose to bike to work.

THE SOLUTION—REINSTATE, MODIFY, AND EXPAND THE BICYCLE COMMUTER TAX BENEFIT

With more employees choosing to bike to work, it is critical that Congress reinstates the bicycle commuter benefit and also uses this opportunity to improve the benefit to reflect present-day commuting options. The Bicycle Commuter Act of 2019 reverses the bicycle commuter benefit's suspension in Public Law 115-97 and changes the structure of the benefit by:

- 1) Making the benefit a pre-tax benefit, like parking and transit, rather than a reimbursement;
- 2) Allowing employees to receive a bicycle benefit of up to 20% of the parking benefit (currently equals \$53/month for bicycling, indexed to inflation);
- 3) Allowing the bicycle benefit to be used in concert with the transit and parking benefits;
- 4) Adding bikeshare as eligible for the benefit and clarifying that electric bikes are eligible.

Employees don't commute the same way every day. They might bike into work on a Monday, take transit in inclement weather on Tuesday, and then drive into work on Wednesday to run errands after work. Alternatively, some employees take bikeshare from their house to a transit station and then take the train or bus into work. Present-law doesn't provide a benefit for all of these scenarios, but it should. The Bicycle Commuter Act provides the flexibility that people need while also incentivizing a clean and healthy mode of transportation: the bicycle.

The Bicycle Commuter Act of 2019 is endorsed by: *Coalition for Smarter Transportation (CoaST), The League of American Bicyclists, New York City Department of Transportation, PeopleForBikes, The Safe Routes to Schools Partnership.*