



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2533

by Rep. Theresa Mah

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.886 new

Creates the Transportation Benefit Program Act. Provides that an employer that is situated in Cook County and for which an average of 20 or more full-time employees work for compensation shall offer a program that allows a covered employee to elect to exclude from taxable wages and compensation the employee's commuting costs incurred for the purchase of a transit pass to use public transit up to a maximum level allowed by federal tax law. Provides that a covered employer may comply by participating in a program offered by the Chicago Transit Authority or the Regional Transit Authority. Provides that all transit agencies shall market the existence of the program to their riders. Establishes penalties for violations of the Act. Amends the State Finance Act to create the Transportation Benefits Program Fund. Effective January 1, 2020.

LRB101 00176 KTG 45190 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Transportation Benefit Program Act.

6 Section 5. Definitions. As used in this Act:

7 "Covered employee" means any person who performs an average
8 of at least 35 hours of work per week for compensation on a
9 full-time basis.

10 "Covered employer" means an employer that is situated in
11 Cook County for which an average of 20 or more full-time
12 employees work for compensation in the geographic area.

13 "Employer" means any individual, partnership, association,
14 corporation, limited liability company, government, non-profit
15 organization, or business trust that directly or indirectly, or
16 through an agent or any other person, employs or exercises
17 control over wages, hours, or working conditions of an
18 employee.

19 "Public transit" means any transportation system within
20 the authority and jurisdiction of the Regional Transportation
21 Authority.

22 "Transit pass" means any pass, token, fare card, voucher,
23 or similar item entitling a person to transportation on public

1 transit.

2 "Transportation benefit program" means any of the
3 following provided by an employer to an employee:

4 (1) Any transit pass.

5 (2) Cash reimbursement by an employer to an employee
6 for a benefit described in item (1).

7 Section 10. Transportation benefit program. A covered
8 employer shall provide a transportation benefit program that
9 allows a covered employee to elect to exclude from taxable
10 wages and compensation the employee's commuting costs incurred
11 for the purchase of a transit pass to use public transit up to
12 the maximum exclusion or deduction allowed to an employee by
13 federal tax law. A covered employer may comply with this
14 Section by participating in a program offered by the Chicago
15 Transit Authority or the Regional Transportation Authority.

16 This benefit must be offered to all employees starting on
17 the employees' first full pay period after 120 days of
18 employment. All transit agencies shall market the existence of
19 this program and this Act to their riders in order to inform
20 affected employees and their employers.

21 Section 15. Penalties.

22 (a) A covered employer that fails to offer a transportation
23 benefit program to covered employees as required by this Act is
24 subject to: (i) a civil penalty of not more than \$100 for a

1 first violation; (ii) a civil penalty of not more than \$200 for
2 a second violation within the same year; and (iii) a civil
3 penalty of not more than \$500 for each additional violation
4 within the same year.

5 (b) The Department of Labor shall enforce this Act and
6 shall adopt rules concerning: (i) the issuance of citations to
7 any covered employer that fails to provide a transportation
8 benefits program to covered employees as required by this Act;
9 (ii) the amount of penalties; and (iii) the procedure for the
10 imposition, collection, and administrative review of citations
11 issued and penalties imposed to enforce this Act.

12 (c) Penalties collected under this Section, which may
13 include recovery of enforcement costs, shall be deposited into
14 the Transportation Benefits Program Fund created under Section
15 20.

16 Section 20. Transportation Benefits Program Fund. The
17 Transportation Benefits Program Fund is created as a special
18 fund in the State treasury. The Fund shall consist of any
19 moneys deposited into the Fund as provided in subsection (c) of
20 Section 15. Moneys in the Fund shall be used for the
21 administration of this Act and for no other purpose. All
22 interest earned on moneys in the Fund shall be deposited into
23 the Fund.

24 Section 25. Application of Act. Nothing in this Act shall

1 be deemed to interfere with, impede, or in any way diminish the
2 right of employees to bargain collectively with their employers
3 through representatives of their own choosing in order to
4 establish wages or other conditions of work in excess of the
5 applicable minimum standards of the provisions of this Act.
6 Nothing in this Act shall be deemed to affect the validity or
7 change the terms of bona fide collective bargaining agreements
8 in force on the effective date of this Act. After the effective
9 date of this Act, requirements of this Act may be waived in a
10 bona fide collective bargaining agreement, but only if the
11 waiver is set forth explicitly in such agreement in clear and
12 unambiguous terms.

13 Section 35. The State Finance Act is amended by adding
14 Section 5.886 as follows:

15 (30 ILCS 105/5.886 new)

16 Sec. 5.886. The Transportation Benefits Program Fund.

17 Section 99. Effective date. This Act takes effect January
18 1, 2020.