

114TH CONGRESS
2D SESSION

H. R. 5647

To amend the Internal Revenue Code of 1986 to treat certain ride-sharing services provided by transportation network companies as excludable transportation fringe benefits, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 6, 2016

Mr. MEADOWS (for himself and Mr. CONNOLLY) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to treat certain ride-sharing services provided by transportation network companies as excludable transportation fringe benefits, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 Congress finds the following:

5 (1) The Washington Metropolitan Area Transit
6 Authority (“WMATA”) provides approximately 2.3

1 million Metrorail and Metrobus trips per year across
2 the National Capital Region to Federal employees,
3 commuters, and millions of visitors to the Nation’s
4 capital.

5 (2) Approximately 40 percent of WMATA peak-
6 hour commuters are Federal employees.

7 (3) WMATA began building its rail system in
8 1969 and currently serves 91 stations and has 117
9 miles of track.

10 (4) The Federal Transit Administration
11 (“FTA”) and the National Transportation Safety
12 Board (“NTSB”) have found significant safety con-
13 cerns resulting from a backlog of deferred mainte-
14 nance.

15 (5) By closing the system earlier on weekends
16 and expanding weekday maintenance, SafeTrack will
17 address FTA and NTSB safety recommendations
18 and deferred maintenance backlogs.

19 (6) The plan includes 15 “Safety Surges” with
20 around-the-clock single tracking or segment shut-
21 downs that will impact rush hour commutes.

22 (7) SafeTrack is scheduled to conclude in
23 March 2017.

1 (8) During the course of SafeTrack, WMATA
 2 is encouraging customers to utilize other commuting
 3 options, including ride-sharing services.

4 (9) The Federal Government, which is nega-
 5 tively affected when its employees cannot easily com-
 6 mute to and from work, has an interest in assisting
 7 employees with alternate commuting options during
 8 the course of SafeTrack.

9 **SEC. 2. RIDE-SHARING SERVICES PROVIDED BY A TRANS-**
 10 **PORTATION NETWORK COMPANY.**

11 (a) IN GENERAL.—Paragraph (1) of section 132(f)
 12 of the Internal Revenue Code of 1986 is amended by add-
 13 ing at the end the following: “, or through the qualified
 14 use of services provided by a transportation network com-
 15 pany,”.

16 “(E) Any qualified ride-sharing service
 17 provided after the date of the enactment of this
 18 subparagraph and before June 1, 2017.”.

19 (b) QUALIFIED RIDE-SHARING SERVICES.—Para-
 20 graph (5) of section 132(f) of such Code is amended by
 21 adding at the end the following:

22 “(G) QUALIFIED RIDE-SHARING SERV-
 23 ICE.—

24 “(i) IN GENERAL.—The term ‘quali-
 25 fied ride-sharing service’ means transpor-

1 tation provided through a transportation
2 network company if—

3 “(I) such transportation is in
4 connection with travel between the
5 employee’s residence and place of em-
6 ployment, both of which are located
7 within the Washington Metropolitan
8 Area,

9 “(II) the employee is an em-
10 ployee of a Government agency and
11 receives transit benefits from the
12 agency, and

13 “(III) such transportation is
14 through the use of services that utilize
15 innovative mobility technologies to
16 provide alternatives to driving alone,
17 including car-share, bike-share, car-
18 pool or vanpool, multimodal fare pay-
19 ment system, app-based mobility pro-
20 vider, and other innovative projects.

21 “(ii) WASHINGTON METROPOLITAN
22 AREA.—The term ‘Washington Metropoli-
23 tan Area’ means the District of Columbia;
24 Montgomery, Prince George’s, and Fred-
25 erick Counties in Maryland; Arlington,

1 Fairfax, Loudon, and Prince William
2 Counties in Virginia; and all cities now or
3 hereafter existing in Maryland or Virginia
4 within the geographic area bounded by the
5 outer boundaries of the combined area of
6 said counties.”.

7 (c) LIMITATION ON EXCLUSION.—Paragraph (2) of
8 section 132(f) of such Code is amended by striking “sub-
9 paragraphs (A) and (B)” and inserting “subparagraphs
10 (A), (B), and (D)”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to payments made after the date
13 of the enactment of this Act.

14 **SEC. 3. TRANSIT BENEFITS FOR SERVICES OF TRANSPOR-**
15 **TATION NETWORK COMPANIES.**

16 (a) IN GENERAL.—During the period beginning on
17 the date of enactment of this Act and ending on June 1,
18 2017, or a date determined under subsection (d), which-
19 ever is earlier, the head of any agency that has a program,
20 including any program established under section 7905 of
21 title 5, United States Code, or Executive Order 13150
22 (April 21, 2000; 65 Fed. Reg. 24613), to provide transit
23 benefits to employees of the agency shall provide transit
24 benefits to employees who use the services of transpor-
25 tation network companies within the Washington Metro-

1 politan Area in the same manner as such head provides
2 transit benefits to employees who use public transpor-
3 tation services within the Washington Metropolitan Area.

4 (b) REQUIREMENTS.—

5 (1) ELECTION.—An employee may receive
6 transportation network companies benefits under
7 this section only if the employee agrees in writing
8 not to accept any other transit benefit, including any
9 parking benefit, offered by the applicable agency
10 head while receiving such transportation network
11 companies benefits.

12 (2) LIMIT.—The amount of the transit benefit
13 provided to an employee under this section during
14 any month for the use of the services of transpor-
15 tation network companies may not exceed the
16 amount of the transit benefit that would have been
17 provided to the employee during the month for the
18 use of public transportation services.

19 (c) DEFINITIONS.—In this section—

20 (1) the term “transportation network company”
21 means a corporation, limited liability company, part-
22 nership, sole proprietor, or any other entity that uti-
23 lizes innovative mobility technologies to provide al-
24 ternatives to driving alone, including car-share, bike-
25 share, carpool or vanpool, multimodal fare payment

1 system, app-based mobility providers, and other in-
2 novative projects; and

3 (2) the term “Washington Metropolitan Area”
4 means the District of Columbia; Montgomery, Prince
5 George’s, and Frederick Counties in Maryland; Ar-
6 lington, Fairfax, Loudon, and Prince William Coun-
7 ties in Virginia; and all cities now or hereafter exist-
8 ing in Maryland or Virginia within the geographic
9 area bounded by the outer boundaries of the com-
10 bined area of said counties.

11 (d) EARLY COMPLETION OF SAFETRACK.—If the
12 program conducted by the Washington Metropolitan Area
13 Transit Authority (commonly referred to as “SafeTrack”)
14 is completed on a date before June 1, 2017, an agency
15 head shall, beginning on such date, discontinue the provi-
16 sion of transit benefits for the use of transportation net-
17 work companies under this section.

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