

PDR



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

June 8, 1994

The Honorable Federico Peña
Secretary of Transportation
Washington, D.C. 20590

Dear Mr. Secretary:

I am writing in response to your May 10, 1994 letter on implementing the Federal Employee Clean Air Incentives Act (the Act). The Commission fully supports your efforts and agrees that the Federal Government should take a leadership role to reduce traffic congestion and improve air quality.

The Nuclear Regulatory Commission actively promotes the use of public transportation, car pools, van pools, bicycling, and walking through transportation fairs, employee announcements, and newsletters. These efforts have been instrumental in achieving the goals of our traffic mitigation agreement with Montgomery County, Maryland.

Our transportation program includes the following strategies listed under the major provisions of the Act:

- Provision of monthly Metrocheks to employees for commuting to and from work using public transportation.
- Use of non-monetary incentives such as flexitime and compressed work schedules and parking assignment priority for employees who use car pools or van pools to commute to work.
- Provision of facilities for bicyclists, including locker rooms and showers.

Additionally, an agency-provided child-care center will begin operation this fall in our new headquarters building in Rockville, Maryland, and we are exploring whether a long-term, expanded work-at-home program would be feasible. We are also active participants in the Transportation Action Partnership, a non-profit organization of area developers, employees, and local government officials working cooperatively on transportation demand management strategies.

We look forward to working with you and the General Services Administration in achieving future goals to reduce traffic congestion and improve air quality.

Sincerely,

Ivan Selin

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CORRESPONDENCE PDR

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THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

MAY 10 1994

The Honorable Ivan Selin
Chairman
Nuclear Regulatory Commission
One White Flint North Building
11555 Rockville Pike
Rockville, Md 20852

Dear Chairman Selin:

I am writing to urge you to take an important leadership role in improving our environment by promoting a fuller implementation of the Federal Employees Clean Air Incentives Act (the Act), P.L. 103-172, which became effective on January 1, 1994 (summary of the Act enclosed). The Act permits Federal agencies to establish programs to encourage employees to commute by means other than single-occupancy motor vehicles, reflecting the policy of the Administration and Congress to improve air quality and reduce traffic congestion. The Act authorizes Federal agencies to provide employees with transit passes; space, facilities, and services for bicyclists; and other non-monetary incentives.

The Federal Government, as the Nation's largest employer, is uniquely positioned to help reduce traffic congestion and air pollution through programs such as this, and to provide an example for State, local, and private sector employers to follow.


The Federal transit benefit program has already demonstrated its ability to encourage use of public transportation and remove automobiles from our congested roads and highways. It has also successfully led local policy makers nationwide to establish transit benefit programs that included modernization of transit fare systems to make transactions easier for employers and workers to participate, such as Metrochek in Washington, D.C. Please see the enclosure on this program.

At this time, 91 Federal agencies representing approximately 22,000 employees in the Washington, D.C., area alone, participate in the transit benefit program. Within the Department of Transportation, over 46 percent of Headquarters employees are participating in the program. Since the benefit was increased to \$60, over 175 government-subsidized parking passes have been turned in, and 50 percent of the new participants left their vehicles and shifted to transit.

As you participate or increase your organization's participation in this program, you should find that it enhances employee recruitment, morale, and retention; saves energy; reduces congestion; improves the environment; and supports public transportation goals.

The General Services Administration is currently seeking delegation of authority from the President as the lead agency for implementing the Federal Employees Clean Air Incentives Act governmentwide. Should you have any questions regarding the Act prior to such designation, please contact Steven Mertin, Office of Management and Budget, Federal Services Branch, General Management Division at (202) 395-4935.

Sincerely,

A handwritten signature in cursive script, appearing to read "Federico Peña".

Federico Peña

Enclosures

cc: Metropolitan Planning Organizations

How Can The Federal Employees Clean Air Incentives Act Help The Environment?

FEDERAL AGENCIES RESPONSIBILITY TO THE ENVIRONMENT

- Under the Clean Air Act Amendments (CAAA) of 1990, both private and public employers in several of the Nation's largest cities will soon be required to implement trip reduction programs to reduce emissions produced by motor vehicles. The Federal Employees Clean Air Incentives Act is one of the ways in which Federal agencies in these and other cities may satisfy the CAAA requirements and help clean up the environment.
- Federal agencies are required by the Clean Air Act to comply with state regulations regarding the control of air pollution. This provides a statutory basis for an agency's use of appropriated funds to comply with a state regulation under which employers are required to provide financial incentives to employees for commuting to work by means of public transportation, carpooling and vanpooling, bicycling, and walking.

IMPACT OF AUTOMOBILES

(The commute benefit program can be an effective approach in reducing traffic congestion, pollution, and use of the single occupant vehicle.)

- Use of motor vehicles for home-to-work commuting produces, according to the Environmental Protection Agency (EPA), the highest concentration of toxic emissions in the average urban area.
- The Institute of Transportation Studies at the University of California at Berkeley estimates that motor vehicle emissions cost the nation \$4 billion or more in damage to human health annually.
- Highway traffic will increase 65 percent over 1991 levels in the next 20 years and continued increases in vehicle miles traveled could lead to an increase in the overall emissions caused by motor vehicles, unless more stringent measures to reduce automobile use are implemented.
- Traffic congestion costs the economy over \$39 billion a year.

How Can Federal Agencies Afford To Fund A Commute Benefit Program?

✓ FUNDING ACCOUNTS

- Two thirds of agencies surveyed by the General Accounting Office (GAO) reported that they obtained funding from their civilian personnel benefit accounts. Agencies also obtained funding from personnel compensation accounts, travel accounts, and other services accounts. The Federal Transit Administration cut its travel to cover the costs of this program.
- At \$21 per month, the annual cost is only about one-third of a percent of a fully loaded work year. At \$60 per month, the annual cost is only about one percent of the total cost of a work year.
- Federal agencies committed to the equity between parking and transit benefits to their employees have several options for funding the costs of the transit benefit program including:
 - Absorption of an amount that is less than one percent of an agency's administrative expense budget;
 - Build the program's cost into an agency's basic budget as many agencies already have; or
 - Option of providing commute benefits below the fully authorized amount of \$60 per month.

MAJOR PROVISIONS OF THE FEDERAL EMPLOYEES CLEAN AIR INCENTIVES ACT

✓ **ROLE AND COMMUTE OPTIONS FOR FEDERAL AGENCIES**

- The head of each agency may establish a program to encourage their employees to use means other than single-occupancy motor vehicles to commute to or from work.
- To encourage such a program, Federal agencies may provide their employees with:
 - Tax-free transit passes up to \$60 a month for commuting to and from work via transit or vanpools;
 - Cash reimbursements up to \$60 a month to employees only where vouchers that can be exchanged for a transit pass are not readily available;
 - Non-monetary incentives such as flex-time; preferential parking for those employees who commute in carpools or vanpools; and preference for utilization of agency provided child-care facilities, and
 - Space, facilities, or services to bicyclists which include locker rooms or showers. (Agencies are permitted to use the money allocated for the program to provide bicycle racks, lockers, or other facilities for the use of bicyclists. Agencies may also choose to provide a subsidy to those employees who commute by bicycle for use toward the cost of agency-provided locker rooms or showers.)

✓ **FEDERAL EMPLOYEES/AGENCIES ELIGIBLE**

- An employee as defined by section 2105 and a member of a uniformed service are eligible to participate in the commute benefits.
- The executive agency, an entity of the legislative branch, and the judicial branch are eligible agencies.

NOTE:

The Act makes permanent Federal participation in a program that has existed for the private sector under Section 132 of the Internal Revenue Code of 1986, whereby employers could provide employees with transit benefits that were both tax deductible to employers and tax exempt to employees. The Energy Policy Act of 1992 provided for maximum monthly tax free benefits of \$60 for transit and \$155 for parking.

Metrochek...

The Commuting Card.

Introducing the new transit card just for employees. It's called Metrochek and it gives you everything you need to "go public" because it provides universal ridership on just about every transit system in the Washington area.

What is Metrochek?

Metrochek is a new kind of transit voucher. It looks and works like a Metrorail farecard. Only, Metrochek is accepted by all the public transit systems identified in this pamphlet.



How Does It Work?

As a federal or private-sector employee, you may receive public transportation benefits tax-free from your employer, up to \$60 per month.

Your employer must join MetroPool, a program making transit fares directly available to employees. MetroPool is administered by the Washington Metropolitan Area Transit Authority. Your employer purchases Metrochek farecard vouchers in preset denominations (\$1, \$5, \$10, \$20, \$21 and \$30) and distributes them each month to you.

You can use your Metrochek as a farecard on Metrorail or exchange it for fares on participating area transit systems. On Metrorail, you get a bonus of five percent on Metrocheks valued at \$10 to \$19.95 and ten percent on Metrocheks of \$20 or more. To use another transit system, you just exchange the Metrochek, before use only, with that carrier.

When exchanged, Metrocheks are not redeemable for cash and no change is returned. You receive equivalent value or greater value if you pay extra cash for any participating transit provider's fares less Metrorail bonus. An exchange chart may be found on the back of each Metrochek. Transit providers may refuse to accept Metrocheks that are damaged or altered. For additional information call 202-962-1326. Ask for Metrochek, *The Commuting Card*.

(Information in this publication is subject to change without notice.)