Metropolitan Planning Council

June 14, 2013

Congressman Randy Hultgren 1797 W. State Street Suite A Geneva. IL 60134

Dear Congressman Hultgren:

I write to ask for your support of HR 2288, the Commuter Parity ACT of 2013, and ask that you co-sponsor this important legislation. The Commuter Parity act was introduced by Congressmen Grimm (R-NY), McGovern (D-MA), King (R-NY) and Blumenauer (D-OR). Similar to legislation you have championed in the past it would create permanent parity between the parking and transit portions of the Section 132(f) transportation fringe benefit by establishing a monthly cap of \$220 for both parking and transit. Currently, parity between the transit and parking sections exists only on a temporary basis. If Congress fails to act by the end of 2013, the monthly cap on the transit benefit will be half that of the parking benefit. HR 2288 would establish permanent parity and is designed to avoid increasing the Federal debt.

Beginning January 1st, 2014, transit riders who use the transit benefit will see their monthly paycheck's get smaller because the monthly cap on the transit benefit will be reduced from \$245/month down to \$125/month. Meanwhile, people who drive to work and park will see their monthly benefit increase from \$245/month to \$250/month. In effect, Congress' failure to act is the equivalent of pursuing a policy which rewards drivers and punishes transit riders.

If Congress fails to act quickly, millions of transit and vanpool riders will be taxed more than their fellow commuters who drive to work. This inequity will force many commuters out of trains, buses, and vanpools, and back into their cars which will only lead to increases in congestion, fuel consumption, lost production and wasted time that could be spent with family.

Establishing permanent parity will avoid providing American workers with a direct financial benefit to driving to work and instead will serve to support continued usage of public transportation and vanpools for commuting. Transit benefit parity will continue to help ease traffic congestion, reduce our nation's dependency on foreign sources of oil and provide small businesses and job creators with a financial incentive to help their employees increase their disposable income. In this way, the transit benefit is a perfect example of how targeted and effective Federal policy can provide employers with an opportunity to help their employees save money on their commute.

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Edward J. Wehmer Wintrust Financial Finally, losing parity will have an impact on businesses of all shapes and sizes. Congress' failure to act will result in increased taxes on small businesses and corporations who have chosen to provide their employees with the pre-tax transit benefit. So again, Congress is pushing a policy which seems to punish those businesses who are trying to do the right thing by providing their employees with transportation alternatives by taxing them more. While it may seem marginal, this additional tax burden may impact the ability of employers to expand and create new jobs.

Congress' inaction will impact millions of Americans who take transit every day. I urge you to support swift passage of legislation championed.

Thank you in advance for your support.

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Sincerely,

Peter Skosey

Executive Vice President