



Office of Chair Burke
Senate Committee on Labor & Gaming
82 Smith Street
Providence, Rhode Island 02903

March 3, 2026

Subject: Letter of **Support for Rhode Island S2323** – Commuter Transportation Benefits Act

Dear Chair Burke and Committee members,

I am writing to express my strong support for Senate Bill 2323, the "Commuter Transportation Benefits Act." As the CEO of a company specializing in commuter benefits, I have witnessed firsthand the profound positive impact these programs have on employees, businesses, and their broader communities.

This legislation, which mandates employers with five hundred or more employees to establish a pre-tax commuter transportation fringe benefit program, is a critical step forward for the State of Rhode Island. Implementing S2323 is not merely an administrative requirement; it is an investment in the state's economic vitality, environmental health, and the well-being of its workforce.

Why is S2323 in Rhode Island's best interest?

1. Economic Growth and Financial Well-being

The bill leverages the existing federal tax code to allow employees to use pre-tax dollars for eligible transit and parking expenses. Employees save on average 30% of the value of their commute. This immediately translates into tangible savings for employees, effectively increasing their net disposable income, boosting employee recruitment and retention, which is essential for a competitive state economy.

Employers save money, too. When employees set aside their income pre-tax, employees reduce their obligation for FICA and payroll taxes. Employers save at least 7.65% of the value of their employees' commutes.

This creates a win-win scenario without placing a burden on state funds.

2. Improved Air Quality and Reduced Traffic Congestion

By making public transit and vanpooling more affordable and accessible, S2323 will directly incentivize a shift away from single-occupancy vehicle commuting. This reduction in vehicle miles traveled will alleviate traffic congestion, saving commuters time and boosting overall productivity. Furthermore, fewer cars on the road will lead to a quantifiable decrease in harmful emissions, improving air quality and advancing the state's environmental goals.



3. Enhanced Equity and Access

Transportation costs are often a significant financial barrier for low- and moderate-income workers. This legislation guarantees more equitable access to more affordable commuting options. By promoting the use of existing public transit infrastructure, the bill helps connect workers to job centers more reliably and affordably, supporting greater economic mobility across the state.

4. Alignment with National Best Practices

Similar legislation has been successfully enacted in major metropolitan areas across the country, including New York City, Washington D.C., and San Francisco, demonstrating its feasibility and effectiveness. These predecessor bills are even more restrictive than Rhode Island's proposed bill – they all require employers with 20 to 50 employees or more to participate. Adopting HB 7363 positions Rhode Island as a balanced and progressive leader committed to sustainable urban planning and modern workforce benefits.

For these reasons, I urge you to support and pass S2323. It represents a smart, cost-effective policy that delivers immediate and long-term benefits to the people and infrastructure of Rhode Island.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Stade".

Jeff Stade

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