

## FISCAL NOTE FOR NON-CAPITAL PROJECTS

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**Legislation Title:**

AN ORDINANCE relating to City employment; amending Seattle Municipal Code Section 4.20.370 to reconcile it with planned changes to the public transit subsidy benefit offered to City employees; authorizing the execution of a Memorandum of Understanding between the City and certain City labor unions to amend collective bargaining agreements to reflect the benefit provided in Seattle Municipal Code Section 4.20.370; and ratifying and confirming prior acts.

**Summary of the Legislation:**

This legislation amends the Seattle Municipal Code (SMC) to reflect planned changes to the City's transit pass subsidy program. This legislation also authorizes a Memorandum of Understanding (MOU) between the City and certain unions to amend collective bargaining agreements to reflect planned changes to the City's transit pass subsidy program.

**Background:**

In support of the Washington Clean Air Act, the City has subsidized employee costs associated with using public transit to commute to and from work. In 2010, City employees who received subsidized bus passes moved to ORCA cards, a "smart card" system that enabled transit agencies to better track bus ridership. Based on the data generated from employee use of City subsidized ORCA cards, the City determined that it could realize considerable savings by switching from a monthly fixed cost model ("Business Choice") to an annual model that is priced by actual ridership ("Passport"). Under Passport, some City employees will also realize savings; City employees who now pay out of pocket for a monthly bus transit product greater than the City subsidy (currently \$90 per month) will be fully subsidized for their bus trips.

The legislation amends the SMC to reflect the reality that the City cannot subsidize both bus and ferry transit using the Passport product (the employee must choose one or the other). Additionally, this legislation removes reference to "the established rate" in the SMC as it does not accurately describe the transit subsidy under an annually priced model. Finally, the legislation authorizes an MOU between the City and non-public safety unions to amend collective bargaining agreements to align with changes to the SMC.

Please check one of the following:

**This legislation does not have any financial implications.**

**\_\_\_ This legislation has financial implications.**

**Other Implications:**

- a) **Does the legislation have indirect financial implications, or long-term implications?**  
No.
- b) **What is the financial cost of not implementing the legislation?**  
None.
- c) **Does this legislation affect any departments besides the originating department?**  
This legislation applies to a citywide transit pass benefit.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**  
None.
- e) **Is a public hearing required for this legislation?**  
No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No.
- g) **Does this legislation affect a piece of property?**  
No.
- h) **Other Issues:** None

**List attachments to the fiscal note below: None**