

Parking cashout results for downtown & commuters: less traffic and more choices

Repeal generates costs, more traffic congestion, worsened commutes

Mayor Bowser has proposed repealing DC's parking cashout law. The law requires employers with 20 or more employees that choose to subsidize employee commute parking to offer a "cashout" option at the full market value of the parking benefit, or to implement an alternative compliance strategy. A repeal would undermine DC's efforts to reduce traffic congestion and increase access to downtown. Repeal would also require additional budget cuts to make up for the \$1 million in fees generated by the program last year.



Rush hour on the 15th Street cycletrack by [Beyond DC](#)

The parking cashout law provides greater flexibility to employees who want healthier commutes and reduces the traffic generated and incentivized by inflexible parking-only commuter benefits. Perpetuating parking-only benefits increases unnecessary traffic congestion and pollution. It also undermines DC's leading attributes - easy and affordable bike, walk and transit commutes!

Parking cashout law is off to a good start - workers are swapping drive alone for sustainable commutes

The parking cashout law was launched in 2022. The second parking cashout reporting cycle ended in January 2025, with this key positive result:

More than 800 workers shifted from a drive alone to a transit, bike, walk or carpool/vanpool commute! 126 employers chose to offer parking cashout to a total of 5,350 employees. On average, 18% of these employees, or 1,559 in total, chose to forego parking for a sustainable commute (rising to 23% among organizations with over 100 employees). 52% of those accepting the Clean Air Transportation Fringe Benefit (a transit benefit, cash, an increased healthcare subsidy, or a combination of these, at the value of the forfeited parking space) previously drove alone.

Other results:

- **1,094 employers** completed the reporting process due January 15, 2025. This represents an increase of 401 additional compliant employers from the last major reporting year in 2023.
 - 65% were exempt due to not offering parking benefits (a great approach!), owning instead of leasing their parking (an unfortunate loophole in the law), being party to a lease beginning before October 2020 that has not yet expired, or being party to an approved Campus Plan.
 - 14% offered parking cashout, 10% implemented a performance-driven Transportation Demand Management (TDM) Plan, and 5% chose to pay the Clean Air Compliance Fee.
- 40 employers chose to pay the Clean Air Compliance Fee, **generating revenue of \$1,004,000 for the District's General Fund**. While employers are welcome to choose whichever compliance option works for them, DDOT prefers employers pursue compliance options that incentivize travel mode shift and provide their employees additional benefits.
- From 2024 to 2025, 38 Transportation Demand Management (TDM) Plans created as part of the Parking Cashout Law resulted in:
 - 40 new transit commuters
 - 113 fewer car commuters
 - 56% of employers either achieved for the first time or maintained a drive alone rate of less than 25% (one TDM Plan compliance pathway), and all but 4 employers with a higher drive alone rate reduced their rate by 10% over the previous year (a second TDM Plan compliance pathway).

(All results data source: DDOT)

Learn more about the [DC parking cashout law](#) at GoDCgo.com.

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Photo by Jada Thomas