

To the office of U.S. Representative Mark DeSaulnier

Re: HR 10019 (119th Congress), Incentivizing Value Capture for Greener Transportation Act • Latest action (2026-08-03): Referred to the House Committee on Transportation and Infrastructure.
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Office of record (Congress.gov): 2134 Rayburn House Office Building, Washington, DC • (202) 225-2095

Voluntary Value Capture Incentive for Green Transportation Act

The measure, as described from the official record: To encourage state and local governments to use value capture mechanisms (such as tax increment financing or special assessments) to fund environmentally sustainable transportation infrastructure projects.

THE PROPOSAL

This Act establishes a federal grant program to incentivize state and local governments to voluntarily adopt value capture mechanisms for funding environmentally sustainable transportation projects. The Secretary of Transportation shall administer the program and award matching grants to eligible entities that submit a plan demonstrating how value capture will be used to finance projects that reduce greenhouse gas emissions, improve transit efficiency, or expand non-motorized transportation infrastructure. Grants shall cover no more than 10% of the total project cost, with a nationwide annual cap of \$500 million. Funds shall be appropriated from general revenues. To qualify, a state or local government must enact a value capture ordinance or policy that is consistent with state law and does not impose new federal mandates. The program shall sunset after five years, and the Government Accountability Office shall conduct an audit of program effectiveness and constitutional compliance by year four. Enforcement shall be through recoupment of funds if an entity fails to comply with the approved plan or uses funds for non-qualifying purposes. This Act does not preempt state or local authority over land use or taxation.

OPERATIVE PROVISIONS (VFA PROPOSAL)

Funding Source	General fund of the U.S. Treasury, subject to annual appropriation.
Funding Amount	\$500 million per fiscal year, capped.
Sunset Years	5 years
Oversight Body	Government Accountability Office (GAO) for audit; Department of Transportation for program administration.
Enforcement Mechanism	Recoupment of grant funds if the recipient fails to implement the approved value capture plan or uses funds for non-qualifying projects; civil penalties for misuse.
Effective Date	October 1, 2025

CONSTITUTIONAL BASIS

- Article I, Section 8, Clause 1 (Spending Power)
- Tenth Amendment (reservation of powers to states)

- Article I, Section 8, Clause 3 (Commerce Clause, as transportation affects interstate commerce)

Concerns with the measure as written:

- Potential Tenth Amendment violation if the bill coerces states into adopting specific tax or land-use policies rather than offering voluntary incentives.
- Risk of exceeding enumerated powers under the Commerce Clause if the program is not tied to interstate commerce or if it regulates purely intrastate land use.
- Conditional spending may be unduly coercive if the funding amount is large relative to state budgets, violating the anti-commandeering principle.

WHY BOTH SIDES CAN BACK IT (VFA'S ASSESSMENT)

Democratic priorities honored: provides federal funding for green transportation and climate-friendly infrastructure. Republican priorities honored: preserves state and local control by making participation voluntary, limits federal spending with a cap and sunset, and avoids federal mandates on tax or land-use policy.

Values for America is a nonpartisan, constitution-first SI think tank. This brief is informational. It is a policy proposal, not law, and it does not support or oppose any candidate or party. Full analysis and sources: <https://www.valuesforamerica.com/solutions/223> · Methodology: <https://www.valuesforamerica.com/methodology>