2026 · UNIFIED FRAMEWORK

COMPREHENSIVE EDITION

The American Stability and Long-Term Prosperity Act

A Nonpartisan Framework for Fiscal Restoration, Middle-Class Protection, Intergenerational Stewardship, and Human Flourishing.

A single unified document. Five pillars — Revenue Optimization, Spending Efficiency, Growth Acceleration, Human Flourishing, and Institutional Integrity. Forty-four policies, each drawn from a specific national or subnational precedent with documented outcomes. Every policy is bound by the same middle-class hold-harmless mandate and the same twenty-year debt trajectory to seventy percent of GDP.

Integrated Version 1 + Version 2

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Note on This Document

This is the **Comprehensive Edition** of *The American Stability and Long-Term Prosperity Act*. It integrates the fiscal architecture of the original Version 1 draft (2026) with the human-flourishing expansion introduced in Version 2 (2026), producing a single unified framework across five pillars and forty-four policies.

The document is a policy white paper, not an introduced bill. Where it uses dollar figures, those figures are illustrative directional estimates derived from publicly available data and conventional Congressional Budget Office budget-window logic; they are not official CBO scores, and any provision adopted from this framework would require formal CBO scoring before legislative consideration. Where it describes legislative architecture, that architecture is presented as an operational outline for the use of the Office of Legislative Counsel and committee staff in drafting any actual statutory language.

The framework was developed through a five-stage process: an initial strategic synthesis of global fiscal-consolidation precedents and current U.S. baseline data (Version 1); a structured validation pass against primary sources (CBO, Treasury, IRS, IMF, OECD, peer-reviewed research, government reports of named foreign jurisdictions); an expansion developed after publication of Version 1, which added ten policies addressing measurable U.S. gaps versus peer democracies in education, health access, housing, mental health, criminal justice, gun violence, family policy, immigration efficiency, and digital government (Version 2); a companion scorecard translating the framework into twenty-seven internationally comparable success metrics (Version 2 companion); and this Comprehensive Edition, which integrates all of the above into a single document.

The framework is deliberately nonpartisan in tone and structure. It draws on policy mechanisms that have been advanced by analysts and elected officials across the political spectrum. Where particular proposals carry visible partisan associations in current U.S. politics, those associations are noted in the political viability sections and not concealed.

> **WHAT IS NEW IN THE COMPREHENSIVE EDITION**
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> This edition (a) adds a full fourth substantive pillar — **Pillar D — Human Flourishing and Societal Infrastructure** — with ten policies drawn from peer-democracy precedents; (b) revises the middle-class balance-sheet analysis from a twenty-year present-value range of $40,000–$70,000 (V1) to $70,000–$125,000 (V1+V2) per household earning $75,000; (c) elevates the New Zealand Wellbeing Budget precedent to a statutory **Well-Being Impact Standard** applicable to any legislation with a ten-year fiscal impact exceeding $10 billion; (d) adds a consolidated **metrics-and-success-criteria** section drawn from the companion scorecard; and (e) extends the legislative architecture with a new Title VIII. The Version 1 four-pillar debt trajectory to 70% of GDP by the mid-2040s is preserved intact.

How to read this in sequence. Read Sections 1 through 4 for the framework's logic, gaps analysis, and full policy architecture (A1-A10, B1-B10, C1-C8, D1-D10, F1-F6). Read Sections 5 through 9 for the fiscal, well-being, political, implementation, and risk analysis. Read Section 14 for the twenty-seven-metric success criteria. Read Section 15 for the legislative architecture. The full reference list is in Section 17.

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Section 1 — Preamble

The United States enters fiscal year 2026 with debt held by the public near 98 percent of gross domestic product, an FY2025 deficit of approximately $1.8 trillion, and net interest payments of roughly $970 billion — the third-largest item in the federal budget, behind only Social Security and Medicare. Under current law and the Congressional Budget Office's March 2025 long-term projections, debt held by the public is projected to reach 107 percent of GDP by 2029 and 156 percent by 2055. The August 2025 adjusted baseline published by the Committee for a Responsible Federal Budget, incorporating the One Big Beautiful Bill Act enacted in 2025, projects roughly $1 trillion in additional ten-year deficits beyond the prior baseline. None of these figures is contested across mainstream fiscal analysis. The trajectory is the central, unresolved structural problem of U.S. economic policy.

But fiscal solvency is a necessary, not a sufficient, condition for long-term American prosperity. A country can be solvent and still fail its people on education, on housing, on health outcomes, on mental health, on public safety, on the experience of daily civic life. Peer democracies that started from the same industrial base as the United States have, over the last thirty years, opened measurable gaps against the U.S. on nearly every one of these dimensions — while running lower deficits, lower debt ratios, or both. This framework addresses both problems.

This document presents a framework for arresting and reversing the fiscal trajectory over a twenty-year horizon, on terms that protect middle-income households from the costs of consolidation, preserve the institutional capacity of the federal government, integrate fiscal restoration with the parallel imperatives of climate stability, planetary stewardship, and intergenerational equity, **and** close the measurable outcome gaps between the United States and peer democracies. It does so by drawing on the documented experience of sovereign fiscal consolidations in other advanced democracies — Canada in the 1990s, Sweden in the 1990s, Norway across multiple decades — and on policy mechanisms that have been tested at scale in jurisdictions including Germany, Singapore, Finland, New Zealand, British Columbia, Estonia, the Netherlands, Australia, Switzerland, Austria (Vienna), and the United Kingdom.

1.1 — The four substantive premises

First: fiscal sustainability and middle-class economic security are not in tension. The historical record of successful consolidations shows that countries which protect household demand and social-insurance functions during fiscal adjustment achieve more durable consolidation than countries which front-load contraction. The framework is engineered around an explicit "hold harmless" mandate for households earning between $40,000 and $150,000 in current dollars: no policy in this framework imposes a net negative fiscal impact on households in that range without a costed, embedded mitigation.

Second: fiscal sustainability and planetary stability are interdependent. Climate-driven costs — disaster response, agricultural disruption, public health, infrastructure replacement, defense and migration pressures — are already materializing as fiscal liabilities, and the rate at which they do so will determine the trajectory of federal expenditure over the coming decades regardless of whether climate policy is pursued explicitly. A fiscal framework that treats climate as an externality outside the budget will be invalidated by the budget itself within twenty years.

Third: fiscal sustainability depends on functional institutions. The historical pattern across the OECD is unambiguous: consolidations that succeed are those undertaken by governments with credible long-horizon planning capacity, independent fiscal analysis, and durable rule-based frameworks. Consolidations attempted by governments that lack those institutional foundations — Argentina across multiple stabilization episodes, Greece in the 2010s — repeatedly fail. The Foundation Layer of this framework addresses institutional capacity directly.

Fourth (added in the Comprehensive Edition): fiscal sustainability is the enabler of human flourishing, not a substitute for it. Every dollar saved on interest is a dollar available to invest in the health, education, housing, safety, and civic infrastructure that citizens across the political spectrum say matters. Pillar D operationalizes this premise by adopting mechanisms already proven in peer democracies to close the measurable gaps in which the U.S. currently lags.

1.2 — The methodological premise

Any framework purporting to chart twenty years of U.S. fiscal and social policy must do so under explicit acknowledgment of uncertainty. Every quantitative projection in this document is presented with a stated range and a confidence indication. Every claim drawn from primary sources is cited. Every trade-off — and there are real ones, particularly around intergenerational distribution, regional economic effects, and the political feasibility of specific revenue measures — is named in the section where it arises rather than buried in footnotes or omitted.

This document is addressed to four audiences: members of Congress and their staffs, who hold the legislative levers required to enact any of these proposals; federal executive agencies, particularly Treasury, OMB, the Federal Reserve, CBO, and GAO, whose analytical and implementation capacity will determine whether any enacted framework functions as designed; the American public, whose understanding and sustained political support across multiple election cycles is the precondition for any twenty-year program; and international counterparts in finance ministries, central banks, and multilateral institutions, whose coordination and confidence are material to U.S. fiscal stabilization. The document asks of each audience the same thing: that the trajectory be evaluated honestly, that the trade-offs be debated openly, and that the choice of whether and how to act be made with the full data on the table.

Section 2 — Executive Summary

2.1 — The strategic logic

The framework rests on a five-part mechanism designed to bend the federal debt trajectory from the projected 107 percent of GDP by 2029 toward a target of 70 percent or below by the mid-2040s, without imposing net costs on middle-income households, without sacrificing the federal investment capacity required to address climate, infrastructure, and human-capital needs, and while closing the measurable outcome gaps between the U.S. and peer democracies.

Pillar A — Revenue Optimization broadens the federal tax base by closing the IRS-estimated $696 billion annual gross tax gap, aligning corporate taxation with international minimum standards as political conditions permit, restructuring the treatment of capital gains, carried interest, and concentrated land wealth, and introducing a border-adjusted carbon fee with progressive household dividends. The pillar deliberately avoids increases in marginal rates on labor income below $400,000.

Pillar B — Spending Efficiency restructures delivery of mandatory programs to bring U.S. unit costs closer to OECD norms — particularly in healthcare, where the United States spends 16.5 percent of GDP (approaching 18 percent as of 2024) against an OECD average of approximately 11.2 percent without measurably better outcomes. Modernizes defense procurement and contractor management, consolidates duplicative federal programs, and extends Social Security solvency through a balanced package of payroll-cap adjustment and gradual parametric reform rather than benefit cuts.

Pillar C — Growth Acceleration invests in productive capacity — infrastructure, workforce reskilling, applied research, small-business capital access, strategic immigration, and supply-chain resilience — to raise the denominator of the debt-to-GDP ratio and generate compounding revenue over the twenty-year horizon.

Pillar D — Human Flourishing and Societal Infrastructure (new to this edition) closes the ten measurable gaps in which the United States now trails peer democracies: universal primary care and public-option coverage; maternal and family-leave continuity; teacher-corps and K-12 modernization; dual-track vocational and higher-education reform; social housing and housing-cost stabilization; mental-health parity and 988 infrastructure; criminal justice and corrections modernization; community violence intervention and firearm public health; points-plus-employer immigration modernization; and digital public infrastructure with a once-only-government stack. Each policy is drawn from a specific country program with documented outcomes.

Foundation Layer — Institutional Integrity establishes the institutional architecture without which the other four pillars cannot be sustained across multiple administrations: an enhanced Independent Fiscal Council, statutory long-horizon planning capacity modeled on Finland's Committee for the Future, federal digital-governance modernization drawing on Estonia's e-governance model, and an intergenerational equity declaration providing a framing standard for fiscal decision-making. This Comprehensive Edition adds a fifth Foundation-layer instrument: the **Well-Being Impact Standard** (Section 6), applicable to any legislation with a ten-year fiscal impact exceeding $10 billion.

2.2 — Twenty-year milestone projections

The following projections are illustrative and conditional on substantially full enactment of the framework, on macroeconomic conditions consistent with the CBO February 2026 baseline, and on the absence of major recession or geopolitical shock during the implementation period. Stress scenarios are addressed in Section 9.

Indicator	FY2026 Baseline	Year 5	Year 10	Year 20
Debt held by public (% GDP)	~98%	~101% (peaking)	~92%	~70%
Annual federal deficit	$1.8T	~$1.3T	~$0.6T	Surplus
Real GDP growth (annualized)	2.2%	2.0–2.4%	1.9–2.3%	1.8–2.2%
Median middle-class income (real, indexed)	100	103–106	108–115	120–135
Life expectancy at birth	79.0	79.6	80.5	81.5
World Happiness Report rank	#23	#20	#15	Top 10
Net annual GHG emissions (vs. 2005)	−20%	−35%	−55%	Net zero

Figures expressed as ranges where appropriate; single-point figures are central estimates with implicit ±10–15% uncertainty bands. Source baselines: CBO March 2025 Long-Term Outlook; CBO February 2026 Budget and Economic Outlook; Treasury FY2025 final data; OECD Health at a Glance 2025; World Happiness Report 2026.

2.3 — What success looks like for an American family

A household earning $75,000 in 2026, at the median of the middle-income range, would over the twenty-year horizon experience: per-household carbon-dividend distributions of approximately $1,200–$1,800 annually offsetting energy-cost pass-through; reductions in healthcare premium and out-of-pocket costs of approximately $1,800–$3,200 per year within ten years of enactment; a federal workforce-reskilling account funded at $5,000 initial deposit and $1,000 in annual contributions, drawing on the Singapore SkillsFuture model; expanded access to subsidized early-childhood care worth approximately $8,000–$12,000 annually; federal paid family and medical leave of 12 weeks at 80 percent of wages up to a cap, worth approximately $8,000–$14,000 per birth or serious family-medical event; housing-cost stabilization in participating metropolitan areas worth $6,000–$18,000 per year within seven years of enactment; elimination of catastrophic exposure to student debt through income-contingent repayment; and stable Social Security and Medicare benefits unaffected by current-retiree cost reductions.

The cumulative modeled effect is a household balance-sheet improvement on the order of **$70,000–$125,000 in present value terms over the twenty-year period** — up from the $40,000–$70,000 modeled in Version 1 — driven primarily by reduced healthcare costs, reduced energy-cost volatility, expanded human-capital subsidies, housing-cost stabilization, and catastrophic-risk removal from the student-loan portfolio.

2.4 — What failure looks like

Under unchanged policy, debt held by the public reaches 156 percent of GDP by 2055. Net interest costs surpass $1 trillion in FY2026, $1.5 trillion by the early 2030s, and continue to crowd out discretionary spending — defense, infrastructure, research, education — at an accelerating rate. Credit-rating agency downgrades become more probable, raising borrowing costs in a self-reinforcing cycle. The dollar's reserve-currency position erodes at the margins as alternative settlement systems mature. Middle-class real income growth, which has averaged approximately 1.0 percent annually since 2000, slows further as private investment is crowded out by federal borrowing. Climate-related fiscal liabilities — disaster response, agricultural support, infrastructure replacement, public health — accumulate as unfunded contingent obligations. The window for cost-effective climate adaptation narrows. Life expectancy stagnates. Maternal mortality, on the current U.S. trajectory, continues upward. The World Happiness Report ranking, which fell from #11 in 2012 to #23 in 2026, drifts further. None of these outcomes is speculative; each reflects the central case in published CBO, IMF, Federal Reserve, OECD, CDC, and Commonwealth Fund analyses under current policy.

2.5 — The five-part ask

1. Establish an enhanced **Independent Fiscal Council** within the legislative branch, with statutory analytical authority and a mandate for long-horizon scenario reporting. This is the precondition for any sustained twenty-year program.
2. Enact a **phased revenue and efficiency package** targeting the highest-confidence components of Pillars A and B — IRS modernization, prescription drug negotiation expansion, defense procurement reform, and a border-adjusted carbon fee with dividend — through the FY2027 reconciliation process or equivalent vehicle.
3. Authorize the **Pillar C public-investment program** through regular-order legislation, sequenced over five to seven years, with explicit sunset and review triggers at Years 5 and 10.
4. Authorize **Pillar D as a separately-scored title** (Title VIII in the legislative architecture), with each of D1–D10 subject to independent CBO scoring, state-partnership provisions where appropriate, and a five-year statutory review.
5. Adopt the **Well-Being Impact Standard** — a light-touch requirement that any legislation with a ten-year fiscal impact exceeding $10 billion carry a well-being impact statement analogous to a fiscal note, modeled on New Zealand's Wellbeing Budget process.

Section 3 — Current State Analysis: Ten Measurable Gaps

Every gap below is documented in internationally comparable data from official sources. The magnitudes are directional and the sources are cited so readers can update them as new releases appear. The three fiscal gaps are set out in the Preamble; the ten social and institutional gaps that motivate Pillars A–D and the Foundation Layer are set out here.

3.1 — Health outcomes versus cost

U.S. health spending ~18% of GDP ($14,775 per capita, 2024) vs. OECD peers 11–12%. Life expectancy 79.0 years (2024) vs. peer average 82.7. OECD rank: 30 of 38. Primary-care physicians per 1,000: 0.3 vs. peer 1.1.

Commonwealth Fund's *Mirror, Mirror* series has ranked the U.S. health system last or second-to-last among ten high-income countries on quality, access, efficiency, and equity in every edition since 2004. The gap is not driven by spending too little; it is driven by paying disproportionately more per unit of care while covering less of the population.

Commonwealth Fund, *U.S. Health Care from a Global Perspective*, 2026; OECD Health at a Glance 2025.

3.2 — Maternal and infant mortality

U.S. maternal mortality 22.3 per 100,000 live births (2022; CDC reports 17.9 for 2024) — more than 50% higher than the next-closest peer country. Black maternal mortality: ~3× the white rate. Infant mortality: 5.4 per 1,000 vs. OECD median ~3.0.

The U.S. is the only high-income country whose maternal mortality rate is trending in the wrong direction over the past two decades. Even the best-performing U.S. states would rank in the middle of OECD peers.

CDC NCHS 2024; Commonwealth Fund state-level report, October 2025.

3.3 — K–12 education outcomes

PISA 2022: U.S. rank ~28th of OECD in math; ~9th in reading; ~12th in science. U.S. spends ~$16,000 per pupil, well above OECD average, at roughly OECD-mean outcomes.

Countries at the top of PISA (Finland, Singapore, Estonia, Japan, Korea) share three features the U.S. does not: highly selective teacher training, coherent national curricula, and equalizing funding across geographies.

OECD PISA 2022; OECD Education at a Glance 2025.

3.4 — Higher education debt and access

Total U.S. student debt: $1.86 trillion (Q2 2026). 43 million borrowers. Average at graduation: $28,000–$35,000.

Australia's HECS-HELP income-contingent system, operational since 1989, delivers similar participation rates with dramatically lower financial hardship. The problem is the pricing instrument (fixed nominal debt vs. income-share risk) and the option set (four-year college as default vs. dual-track vocational entry).

Federal Reserve 2025; educationdata.org 2026.

3.5 — Housing affordability

U.S. rent-to-income ratios in major metros routinely exceed 40%. Homeless population ~650,000 (HUD 2024 PIT count). Vienna: 60% of residents live in some form of subsidized or regulated housing; median renters spend 26% of income on housing.

Housing costs are now the largest single driver of middle-class real-income erosion across large U.S. metros.

HUD; Climate and Community Institute, *Green Social Housing: Lessons from Vienna*, 2025.

3.6 — Mental health and life satisfaction

World Happiness Report 2025: U.S. ranked 24th (up to 23rd in 2026). Suicide rate: ~14.3 per 100,000. Youth (10–24) suicide up ~60% since 2007. Nordics: top 5 in every recent Happiness Report.

The U.S. 988 crisis lifeline is a strong reactive infrastructure but underfunded on the upstream side: primary-care mental-health integration, universal talking-therapies access, and school-based preventive care.

World Happiness Report 2025/2026; CDC NCHS Data Brief 541; OECD Society at a Glance 2024.

3.7 — Incarceration and recidivism

U.S. incarceration rate: 531–580 per 100,000 (2025) — ~5× OECD median. Total incarcerated: ~1.8 million. Netherlands: prison population fell more than 40% since 2005; 19 prisons closed since 2009; most sentences ≤1 year.

The mechanism gap is sentencing length, diversion capacity, and rehabilitation infrastructure — not underlying crime patterns.

Prison Policy Initiative 2025; World Prison Brief; Vera Institute.

3.8 — Gun and community violence

U.S. firearm deaths: 44,447 (2024, CDC); 62% suicides, 35% homicides. Age-adjusted firearm mortality: 93rd percentile globally. Peer-country firearm death rates 5–20× lower.

Community Violence Intervention has the strongest ROI per life saved in the U.S. evidence base and is bipartisan municipally.

Pew Research 2026; CDC 2024; Commonwealth Fund October 2024.

3.9 — Immigration system efficiency

U.S. green-card backlogs measured in years for many employment-based categories. Canada's Express Entry: most skilled-worker applications processed within 6 months via a points-based Comprehensive Ranking System.

The efficiency gap is a mechanism problem, not a scale one. A points-plus-employer hybrid substantially shifts the composition of arrivals toward higher-earning, higher-productivity applicants without changing aggregate levels.

Government of Canada IRCC; Migration Policy Institute.

3.10 — Digital government and civic infrastructure

Estonia's e-government stack (X-Road, e-ID, once-only principle) is estimated to save ~2% of GDP annually in administrative time. India's DPI stack has delivered documented fiscal-leakage reductions at scale.

U.S. federal digital service delivery remains fragmented across agencies with limited interoperability.

e-Residency of Estonia annual reports; World Bank ID4D / DPI research.

3.11 — Where the U.S. still leads

A complete current-state picture must also acknowledge where the United States leads. GDP per capita (PPP) at approximately $85,000 places the U.S. #8 globally; labor productivity of ~$97 per hour worked places the U.S. among the top ten OECD economies. The Global Innovation Index ranks the U.S. #3 of 133 (2024). Universities, venture-capital ecosystems, and applied research infrastructure remain best-in-class. The framework aims to **preserve** these leads while closing the gaps above — the Version 2 additions (Pillar D) do not disturb them.

Section 4 — Core Strategy: Four Pillars and a Foundation Layer

This section presents the substantive policy architecture of the framework. The strategy is organized into four operational pillars and a Foundation Layer, comprising forty-four policy proposals in total. Each proposal is presented with a description, identified global precedent (where applicable), illustrative ten-year fiscal impact range, implementation timeline, lead mechanism, middle-class impact assessment, and bipartisan framing.

METHODOLOGICAL NOTES

Pillar C scoring. In adherence with conventional CBO budget-window scoring — which generally excludes macroeconomic feedback effects — the fiscal costs of Pillar C investments are scored conventionally while their growth and revenue-generating effects are noted qualitatively. Independent dynamic-scoring exercises (Penn Wharton Budget Model, Moody's Analytics, Tax Policy Center) consistently find that public investment in infrastructure, education, and clean energy generates positive fiscal feedback over ten-year-plus horizons.

Pillar A revenue estimates. Several Pillar A proposals — particularly the carbon border adjustment, high-wealth measures, and SALT phase-out — generate revenue ranges that are wider and less certain than Pillar B efficiency measures. Aggregate Pillar A revenue is a directional estimate within a range of approximately $5.0–$7.5 trillion over ten years, with the base-case figure of $6.3 trillion reflecting central assumptions.

Pillar D scoring. Pillar D policies are scored under the same conventional CBO budget-window logic used for Pillars A–C. Every Pillar D policy is drawn from a specific national or subnational precedent with documented outcomes. Long-horizon returns beyond the ten-year window are noted qualitatively where the peer-reviewed literature supports them.

Middle-class hold-harmless verification. No policy in the framework imposes a net negative fiscal impact on households earning $40,000 to $150,000 without an embedded, costed mitigation. Verification appears in each policy's middle-class impact assessment.

PILLAR A · REVENUE OPTIMIZATION

Broaden the tax base. Collect what is owed. Do not raise wage taxes below $400,000.

Ten policies. Central 10-year effect: **+$5.0 trillion** (base case).

POLICY A1

Corporate Tax Structure Modernization

DESCRIPTION

Restructure the federal corporate income tax to align with OECD Pillar Two minimum standards over a medium-term horizon: modify the Global Intangible Low-Taxed Income (GILTI) regime to operate as a country-by-country qualifying minimum tax, limit interest deductibility consistent with OECD norms, and tighten base-erosion provisions.

GLOBAL PRECEDENT

OECD Inclusive Framework Pillar Two, with over 140 participating jurisdictions and ~60 implementing the 15% global minimum corporate tax in 2024–2025. Early-implementation effects include reduced profit-shifting and modest domestic corporate tax revenue increases.

FISCAL IMPACT (10-YEAR ILLUSTRATIVE)

Best case +$1.2T; base case +$950B; stress case +$700B. Confidence: medium. Range reflects behavioral uncertainty and U.S. participation uncertainty. GILTI modernization and domestic minimum-tax components could generate $400–$650B independently even without OECD coordination.

BIPARTISAN FRAMING

Conservative: Levels the global playing field for U.S. firms competing against companies based in tax havens; reduces incentives for corporate inversions. Progressive: Ensures large corporations pay a meaningful share of federal taxation.

POLICY A2

Capital Gains and Carried Interest Reform

DESCRIPTION

Tax long-term capital gains and qualified dividends at ordinary income rates for taxpayers with income above $1 million. Close the carried-interest loophole by taxing it as ordinary compensation. Modernize step-up-in-basis at death for very large estates.

GLOBAL PRECEDENT

Most peer democracies (Germany, France, Japan, UK) tax capital gains at higher effective rates than the U.S. for high earners, without documented capital-flight effects.

FISCAL IMPACT (10-YEAR)

Best +$700B; base +$550B; stress +$400B.

BIPARTISAN FRAMING

Consensus: closing the carried-interest loophole has been advocated across administrations for two decades.

POLICY A3

Estate and Intergenerational Transfer Tax Reform

DESCRIPTION

Restore estate-tax exemption to pre-2017 levels adjusted for inflation, close valuation-discount loopholes for concentrated holdings, and modernize gift-tax reporting. Sweden, Norway, and several Nordic jurisdictions have eliminated estate taxes; the UK, Germany, France, and Japan retain them at broader coverage than the current U.S. regime.

FISCAL IMPACT (10-YEAR)

Base +$220B.

POLICY A4

IRS Modernization and Tax Gap Enforcement

DESCRIPTION

Sustained, protected funding for IRS enforcement modernization: information-technology overhaul; hiring of examiners specializing in high-wealth individuals, partnerships, and cross-border transactions; automated document-matching improvements; and international coordination via the Joint Chiefs of Global Tax Enforcement (J5) framework.

GLOBAL PRECEDENT

Every advanced democracy's revenue authority operates at higher enforcement intensity per dollar of GDP than the U.S. current baseline. Norway, Denmark, and France have implemented automated wealth and asset reporting systems with documented compliance gains.

FISCAL IMPACT (10-YEAR)

Best +$1.0T; base +$800B; stress +$500B. IRS itself estimates a $696B annual gross tax gap; closing a third of that yields the base case.

BIPARTISAN FRAMING

Consensus: enforcing existing law rather than raising new rates. Political viability contested: sustained appropriations discipline is the critical variable.

POLICY A5

Border-Adjusted Carbon Fee with Household Dividend

DESCRIPTION

Economy-wide carbon fee starting at $40/ton and rising at $10/ton/year, with a border adjustment on imported goods from jurisdictions without equivalent pricing. Return a majority of revenue as a per-household dividend, structured to more than offset energy-cost pass-through for households below the 80th income percentile, with a rural multiplier.

GLOBAL PRECEDENT

British Columbia's revenue-neutral carbon tax (in operation since 2008) produced ~13% reduction in per-capita fossil-fuel consumption without measurable drag on provincial GDP growth. Sweden's carbon tax (progressively rising since 1991) is a documented emissions-reducing / GDP-neutral policy at national scale.

FISCAL IMPACT (10-YEAR, NET OF DIVIDEND)

Best +$900B; base +$700B; stress +$500B.

MIDDLE-CLASS IMPACT

Net positive for the median household: dividend $1,200–$1,800/yr exceeds pass-through energy cost for most families.

POLICY A6

Land Value and Concentrated-Holdings Tax

DESCRIPTION

Modest federal surcharge on concentrated landholdings above defined thresholds, coordinated with state and local property-tax systems. Estonia's land tax (operational for decades) is the closest working precedent; documented effects include moderate housing-market efficiency gains.

FISCAL IMPACT (10-YEAR)

Base +$180B.

POLICY A7

High-Wealth Compliance and Reporting

DESCRIPTION

Automated wealth-and-asset reporting for taxpayers above defined thresholds, aligned with information-reporting regimes in Norway, Denmark, and France. Enhanced FBAR/FATCA enforcement; expanded partnership and pass-through reporting.

FISCAL IMPACT (10-YEAR)

Base +$350B.

POLICY A8

Financial Transactions Fee (Limited Scope)

DESCRIPTION

Small transaction fee (basis-point scale) on defined categories of high-frequency trading, calibrated to avoid retail-investor incidence and market-liquidity disruption. Multiple European jurisdictions operate variants of this instrument.

FISCAL IMPACT (10-YEAR)

Best +$400B; base +$220B; stress +$100B.

POLICY A9

Tax Expenditure Review and Restructuring

DESCRIPTION

Systematic review of the ~$1.7T annual tax-expenditure budget, with phase-outs or reforms for expenditures whose efficacy is weakly documented (mortgage-interest deduction cap, SALT phase-out for high earners, employer-provided-health-insurance exclusion cap at high-benefit levels).

FISCAL IMPACT (10-YEAR)

Base +$650B, wide range depending on political scope.

POLICY A10

Enhanced Withholding and Information Reporting

DESCRIPTION

Extend third-party information reporting to categories currently undocumented (gig income above defined thresholds, cross-border digital platform payments, cryptocurrency transactions above thresholds), coordinated with A4 IRS modernization.

FISCAL IMPACT (10-YEAR)

Base +$180B.

Pillar A aggregate central 10-year effect: +$5.0 trillion.

Pillar B — Spending Efficiency

PILLAR B · SPENDING EFFICIENCY

Pay less for the same outcomes. Do not cut benefits people rely on.

Ten policies. Central 10-year effect: **−$3.9 trillion** in savings.

Pillar B restructures federal expenditure to bring U.S. unit costs closer to OECD norms in healthcare, defense procurement, and administrative operations, while preserving benefit levels for participants.

POLICY B1

Social Security Solvency Extension

DESCRIPTION

Restore Social Security to 75-year actuarial solvency through a balanced package: gradual elimination of the wage-base cap for OASDI contributions above $400,000; modest gradual retirement-age adjustment for workers currently under 45 (0.05 years per birth cohort); enhanced Special Minimum Benefit for long-service low-wage workers. **No reduction of benefits for current retirees or workers within 15 years of eligibility.**

GLOBAL PRECEDENT

Sweden's notional defined-contribution reform (1994–1998); Germany's 2001 Riester reforms; Norway's 2011 pension reform. Each combined parametric adjustment with strengthened solidarity floors.

FISCAL IMPACT (10-YEAR)

Base ~−$450B in general-fund pressure relief; SS solvency extended by ~25 years.

POLICY B2

Medicare Cost Containment Through Site-Neutral Payment

DESCRIPTION

Extend site-neutral Medicare payment rates across all outpatient service settings: physician-office rates paid regardless of whether service is delivered in a physician office, hospital outpatient department, or hospital-owned clinic. Additional value-based-purchasing extension.

GLOBAL PRECEDENT

Most OECD healthcare systems, including Germany, France, and the Netherlands, operate site-neutral or nearly-site-neutral reimbursement. Site-of-care differentials are a distinctively U.S. phenomenon.

FISCAL IMPACT (10-YEAR)

Best −$800B; base −$650B; stress −$450B. Interaction with D1 (universal primary care) modestly reduces savings by ~$30–$40B due to utilization uptick.

POLICY B3

Prescription Drug Price Negotiation Expansion

DESCRIPTION

Extend Medicare drug-price negotiation to all high-spend drugs (currently limited by IRA to defined categories after a delay); allow HHS to reject prices above a formulary-based international benchmark for defined therapeutic classes; extend negotiated prices to Medicaid and to the private commercial market via referenced-pricing options.

GLOBAL PRECEDENT

Germany's AMNOG framework (Arzneimittelmarktneuordnungsgesetz, 2011) is the closest scale precedent: HTA-based value-referenced pricing has produced consistent 20–40% price reductions vs. launch prices without measurable innovation-supply effects.

FISCAL IMPACT (10-YEAR)

Best −$900B; base −$700B; stress −$500B.

POLICY B4

Defense Procurement Reform and Contractor Accountability

DESCRIPTION

Comprehensive DoD procurement reform: fixed-price contracting for mature systems; independent cost-and-technical-risk analysis for major programs; competitive re-compete requirements at defined intervals; enhanced GAO oversight authority; supply-chain resilience requirements aligned with C8.

FISCAL IMPACT (10-YEAR)

Best −$500B; base −$380B; stress −$250B. No reduction in force structure or troop end-strength.

POLICY B5

Federal Agency Consolidation and Zero-Based Budgeting

DESCRIPTION

Systematic five-year zero-based-budgeting review across the federal executive, modeled on Canada's 1995 Program Review; identification and consolidation of overlapping or duplicative federal programs; targeted de-commissioning of programs whose outcomes are not documented.

GLOBAL PRECEDENT

Canada Program Review 1995–2000; New Zealand State Sector Act reforms.

FISCAL IMPACT (10-YEAR)

Base −$300B.

POLICY B6

Higher Education Subsidy Restructuring

DESCRIPTION

Restructure federal higher-education subsidy delivery: outcomes-linked accountability for federal loan and Pell participation; institutional-level risk-sharing on default outcomes; retention of Pell for lower-income students at full purchasing power. Complemented by D4 (income-contingent loan conversion; dual-track vocational).

FISCAL IMPACT (10-YEAR)

Base −$220B (net of Pell strengthening).

POLICY B7

Means-Testing Refinement for High-Income Benefit Recipients

DESCRIPTION

Modest means-testing refinements for defined benefit categories at high-income levels (Medicare Part B premiums above defined thresholds; agricultural payment caps). No means-testing on Social Security core benefits.

FISCAL IMPACT (10-YEAR)

Base −$130B.

POLICY B8

Federal Real Estate and Asset Management

DESCRIPTION

Systematic federal real-estate portfolio rationalization; disposition of underutilized federal property; consolidation of federal office footprint aligned with post-pandemic workforce norms.

FISCAL IMPACT (10-YEAR)

Base −$80B.

POLICY B9

Criminal Justice Reform and Federal Corrections Modernization

DESCRIPTION

Federal corrections system reform: enhanced rehabilitation programming; reduction in mandatory-minimum applicability for non-violent offenses; expanded federal drug-court, mental-health-court, and veterans-court diversion capacity; extension to state partnership via matching-grant pool (see D7).

GLOBAL PRECEDENT AND U.S. CONTEXT

Norway's correctional system has frequently been cited in U.S. debates for its emphasis on rehabilitation over incapacitation. The Netherlands has closed 19 prisons since 2009 as its incarcerated population fell more than 40%. Federal precedent: FIRST STEP Act (2018).

FISCAL IMPACT (10-YEAR)

Base −$60B in federal system; state-level savings at scale $12–20B per year across participating states.

POLICY B10

Improper Payment Reduction

DESCRIPTION

Systematic reduction in federal improper-payment leakage across major programs (SNAP, Medicaid, unemployment insurance, tax refunds) via cross-agency data-matching and payment-integrity architecture. Interaction with D10 (digital public infrastructure) accelerates delivery.

FISCAL IMPACT (10-YEAR)

Base −$150B.

Pillar B aggregate central 10-year effect: −$3.9 trillion in savings.

Pillar C — Growth Acceleration

PILLAR C · GROWTH ACCELERATION

Raise the denominator. Invest in productive capacity.

Eight policies. Central 10-year effect: **+$2.1 trillion in cost** (dynamic effects noted qualitatively).

Pillar C invests in the productive capacity of the U.S. economy to raise the denominator of the debt-to-GDP ratio and generate compounding revenue over the twenty-year horizon. As noted in the methodological introduction, Pillar C costs are scored under conservative conventions while dynamic revenue effects are noted qualitatively.

POLICY C1

National Infrastructure Modernization

DESCRIPTION

Sustained federal infrastructure investment above IIJA baseline: surface transportation state-of-good-repair; water and wastewater systems; freight and passenger rail; airport modernization; broadband universal service to universal-standard target.

GLOBAL PRECEDENT

South Korea's national broadband build-out; Germany's Deutsche Bahn Netz Infrastruktur infrastructure funding structure. American Society of Civil Engineers 2025 Report Card raised U.S. infrastructure to its highest-ever grade of "C" — evidence that sustained investment moves the needle.

FISCAL IMPACT (10-YEAR, GROSS COST)

+$700B. Documented multipliers: 1.4–1.6× within 5 years; net revenue offset ~40% of gross cost over 20 years.

POLICY C2

Clean Power and Grid Modernization

DESCRIPTION

Continued and accelerated federal investment in grid modernization, transmission buildout, clean-power deployment, and industrial-decarbonization support. Coordinated with Pillar A5 carbon-fee price signal.

GLOBAL PRECEDENT

UK electricity-system transition (Contracts for Difference, capacity market, policy stability) achieved >50% renewable electricity share. Germany's Energiewende.

FISCAL IMPACT (10-YEAR)

+$400B. Co-benefits: reduced fossil-fuel import dependence; emissions reductions supporting Pillar A5 revenue.

POLICY C3

Workforce Reskilling and Lifelong Learning

DESCRIPTION

Federal workforce-reskilling account for every adult U.S. worker: opening deposit $5,000; annual contribution $1,000; portable, individual-directed; usable for accredited training, certification, and apprenticeship programs.

GLOBAL PRECEDENT

Singapore SkillsFuture (2015 launch, opened with $500 credit, now expanded); France's Compte Personnel de Formation. Documented labor-market matching and re-employment effects.

FISCAL IMPACT (10-YEAR)

+$200B.

MIDDLE-CLASS IMPACT

Direct: $5,000 + $1,000/yr per participant. Complemented by D4 (dual VET expansion) so credit is usable in both academic and vocational pathways.

POLICY C4

Universal Pre-K and Early Childhood Investment

DESCRIPTION

Federal-state partnership for universal pre-K at ages 3–4; subsidized care for ages 0–2 aligned with D2 paid family leave; Head Start expansion.

GLOBAL PRECEDENT

Québec's universal $7-a-day childcare; Sweden's universal early-childhood education and care system.

FISCAL IMPACT (10-YEAR)

+$350B. Dynamic effects: Heckman lifecycle research (Perry Preschool, Abecedarian) documents 7–13× social returns over multi-decade horizons.

MIDDLE-CLASS IMPACT

$8,000–$12,000 per year per household with children under five, complemented by D2 continuity in the birth year.

POLICY C5

Strategic Skills-Based Immigration (aggregate framework)

DESCRIPTION

Aggregate immigration-system framework prioritizing skills-based and demand-based selection. Operationalized in D9 via a Canadian CRS-style points-plus-employer scoring system with backlog clearance and family-reunification track preservation.

FISCAL IMPACT (10-YEAR)

Net revenue-positive: +$120–$200B via higher-earning arrivals and backlog clearing (see D9).

POLICY C6

Research and Development Investment

DESCRIPTION

Sustained increase in federal R&D funding across NIH, NSF, DOE Office of Science, DARPA, and ARPA-H; regional-hub innovation policy (Regional Innovation Engines model).

FISCAL IMPACT (10-YEAR)

+$300B. WIPO Global Innovation Index currently ranks U.S. #3 of 133; sustained R&D investment is the mechanism for maintaining leadership.

POLICY C7

Small Business Capital Access and Regional Development

DESCRIPTION

Federal Mittelstand-style regional-development infrastructure: expanded SBA long-term patient-capital lending; state-level small-business development-financial-institution (SB-DFI) matching grants; export-support infrastructure for small manufacturers.

GLOBAL PRECEDENT

Germany's Mittelstand support architecture (KfW; regional Sparkassen public-banking).

FISCAL IMPACT (10-YEAR)

+$100B.

POLICY C8

Strategic Manufacturing and Supply Chain Resilience

DESCRIPTION

Federal support for semiconductor, critical-mineral, pharmaceutical, and defense-industrial-base resilience; supply-chain-mapping infrastructure; strategic stockpiling for critical medical and materials categories.

FISCAL IMPACT (10-YEAR)

+$50B.

Pillar C aggregate central 10-year effect: +$2.1 trillion in cost, offset qualitatively by dynamic growth effects over the 20-year horizon.

Pillar D — Human Flourishing and Societal Infrastructure

PILLAR D · HUMAN FLOURISHING

Close the measurable gaps against peer democracies.

Ten policies, drawn from country-tested precedents. Central 10-year effect: **+$130 billion net** (gross ~$550B offset by ~$420B in D9/D10/D7 revenue and savings).

Pillar D is the substantive addition of this Comprehensive Edition. Each policy is drawn from a specific national or subnational program with documented, replicable results, and each is structured to be additive with — not disruptive to — the policies of Pillars A, B, C, and the Foundation Layer. Every Pillar D policy respects the middle-class hold-harmless mandate and the twenty-year debt trajectory.

POLICY D1

Universal Primary Care and Public-Option Coverage

DESCRIPTION

Federally-guaranteed universal primary-care benefit — access to a designated primary-care physician or nurse practitioner, preventive services, chronic-disease management, and basic mental-health integration — with zero out-of-pocket cost at point of service. Funded through Medicare/Medicaid administrative rails, reallocated ACA marketplace-stabilization subsidies, and a marginal employer-contribution offset. Layered on a public-option health plan on every ACA marketplace, priced at Medicare-plus-15% for hospital services and Medicare-plus-0% for physician services under B2 site-neutral payment.

GLOBAL PRECEDENT

Germany's Gesetzliche Krankenversicherung (GKV); the Netherlands' Zorgverzekeringswet (Zvw); Australia's Medicare. All three achieve near-universal coverage at 10–12% of GDP — 6–8 points below current U.S. spending — with better measured outcomes on preventable-mortality indicators.

FISCAL IMPACT (10-YEAR)

Gross outlay ~$650B; offsets ~$470B from B2/B3 pass-through, reduced ER utilization, prevention. **Net ~$180B.**

MIDDLE-CLASS IMPACT

Reduces average out-of-pocket health spending by $1,800–$3,200/yr within five years. Removes employer-lock penalty for workers wanting to change jobs.

POLICY D2

Maternal, Infant, and Family-Leave Continuity

DESCRIPTION

Federal paid family and medical leave: 12 weeks at 80% of wages up to a cap; state-partnership administration. Universal home-visiting for new parents in the first year. Maternal-mortality initiative: perinatal care standards, midwife/doula reimbursement in Medicaid, standardized OB emergency protocols. Infant-mortality reduction fund on the Healthy Start model at four times current scale.

GLOBAL PRECEDENT

Sweden Föräldrapenning (480 days shareable parental leave); Germany Elterngeld; Norway paid-leave model. U.S. is currently the only OECD country without national paid parental leave.

FISCAL IMPACT (10-YEAR)

Gross ~$280B; offsets ~$70B (female labor-force participation, NICU spending, downstream child health). **Net ~$210B.**

MIDDLE-CLASS IMPACT

$8,000–$14,000 per birth or serious family-medical event.

POLICY D3

Teacher-Corps and K-12 Modernization

DESCRIPTION

Federal Teacher Corps: fully-funded master's-level preparation cohort with four-year commitment to high-need districts; target <15% admissions rate to match Finnish selectivity. State matching grants for adoption of coherent core-standards floor at grades 3, 8, 11; equalizing funding formulas; nationally-comparable teacher-quality assessment.

GLOBAL PRECEDENT

Finland (National Board of Education, Uni. of Helsinki teacher education); Singapore (National Institute of Education). Both outperform U.S. on PISA at comparable or lower per-pupil spend.

FISCAL IMPACT (10-YEAR)

Net ~$95B. Long-term productivity gain (Hanushek-Woessmann cognitive-skills literature): 3–7× over 30 years, unscored in 10-year window.

POLITICAL VIABILITY

Opt-in matching grants; federal Teacher Corps operates independently of state adoption. Race-to-the-Top-style incentive architecture.

POLICY D4

Dual-Track Vocational and Higher-Education Reform

DESCRIPTION

Three instruments: (a) federal-state matching fund for Swiss/German-style dual-track vocational programs at scale (3–4 days/week paid apprenticeship + 1–2 days classroom); (b) conversion of federal student-loan portfolio to income-contingent repayment modeled on Australia HECS-HELP (automatic payroll collection, no defaults, inflation-indexed interest, retirement-age forgiveness); (c) Pell Grant vocational-track equivalence.

GLOBAL PRECEDENT

Switzerland dual VET (~two-thirds of upper-secondary students; youth unemployment consistently under 5%); Germany dual system (lowest youth unemployment in OECD); Australia HECS-HELP (operational since 1989 with no default mechanism).

FISCAL IMPACT (10-YEAR)

Gross ~$75B; offsets ~$35B. **Net ~$40B, revenue-neutral by Year 8.**

MIDDLE-CLASS IMPACT

Eliminates catastrophic student-debt exposure. $15,000–$40,000 PV per household with a user of either instrument.

POLICY D5

Social Housing and Housing-Cost Stabilization

DESCRIPTION

Federal Social Housing Revolving Fund seeded at $60B over ten years, providing construction financing to municipal, nonprofit, and limited-profit developers of permanently affordable rental housing on the Vienna model. Housing First national initiative for chronic homelessness. Zoning-reform matching grants for states removing single-family-only districts near transit. Public-option ground-lease trust for federally-owned or federally-financed land.

GLOBAL PRECEDENT

Vienna (60% of residents in city-owned or limited-profit housing; median 26% rent-to-income); Singapore HDB (80%+ population housed via public homeownership); Finland Housing First (chronic homelessness cut >65%, 2008–2022).

FISCAL IMPACT (10-YEAR)

Federal ~$60B, leveraging ~$250–$350B private/state co-investment.

MIDDLE-CLASS IMPACT

In high-cost metros, the largest single item in the Version 2 balance-sheet improvement: $6,000–$18,000 per year in avoided rent premium within seven years.

POLICY D6

Mental Health Parity and 988 Infrastructure Buildout

DESCRIPTION

Three components: (a) mandatory parity enforcement — same reimbursement rates, appointment-availability standards, and coverage limits between mental- and physical-health services in every federally-funded plan, with a DOL-ERISA-style enforcement mechanism; (b) national talking-therapies program modeled on UK NHS Talking Therapies (evidence-based short-course CBT and equivalents with published outcome metrics); (c) sustained full funding of 988 Suicide and Crisis Lifeline with mobile crisis response in every U.S. county.

GLOBAL PRECEDENT

UK IAPT/NHS Talking Therapies (since 2008); Australia Better Access (since 2006). Documented 1.5–2.5× ROI over ten years.

FISCAL IMPACT (10-YEAR)

Gross ~$70B; offsets ~$25B. **Net ~$45B.**

POLICY D7

Criminal Justice and Corrections Modernization

DESCRIPTION

Federal system: sentencing reform prioritizing sentences ≤12 months for non-violent offenses; rehabilitation-first federal facilities on the Halden model; front-end diversion (drug courts, mental-health courts, veterans courts) scaled to national coverage. State partnership: $20B federal matching-grant pool for states adopting equivalent reforms, structured so recidivism-reducing states receive additional shares.

GLOBAL PRECEDENT

Netherlands (91% of sentences ≤1 year; 19 prisons closed since 2009); Germany (75% of sentences ≤1 year; recidivism ~half U.S. federal rate); Norway Halden Prison.

FISCAL IMPACT (10-YEAR)

Federal ~$8B + $20B matching pool. State-level savings at scale $12–20B/yr. **Net federal ~$28B; state savings substantially larger.**

POLICY D8

Community Violence Intervention and Firearm Public Health

DESCRIPTION

Federal Community Violence Intervention (CVI) fund with per-capita grants to municipalities and community organizations operating evidence-based models (Cure Violence, hospital-based intervention, focused deterrence). Full CDC firearm-injury research funding restored. Universal background checks with a defined process for private-sale transfers. Federal support for state extreme-risk-protection-order (ERPO) programs. Safe-storage standards with compliance tax credit.

GLOBAL PRECEDENT

Australia 1996 National Firearms Agreement (population-scale post-Port Arthur reforms) is the most-studied precedent globally; because the U.S. constitutional landscape does not permit a comparable buyback, D8 emphasizes CVI and public-health components where U.S. evidence is strongest.

FISCAL IMPACT (10-YEAR)

~$15B. Offsets from reduced trauma care, ER response, productivity loss not scored (conservative).

POLICY D9

Points-Plus-Employer Immigration Modernization

DESCRIPTION

Convert a portion of the U.S. employment-based visa system to a Canadian-style Comprehensive Ranking System (age, education, language, work experience, adaptability) with employer job offers as a point-multiplier rather than a prerequisite. Clear the existing employment-based backlog on a defined timetable via per-country cap reform. Preserve and modernize family reunification as a non-competing track. Federal credential-recognition office to reduce foreign-professional underemployment.

GLOBAL PRECEDENT

Canada Express Entry (operational since 2015; ~6-month processing); Australia SkillSelect.

FISCAL IMPACT (10-YEAR)

Gross fiscal impact from higher-earning arrivals: **+$120 to +$200B** over 10 years (revenue-positive). Administrative buildout ~$8B.

POLICY D10

Digital Public Infrastructure and Once-Only Government

DESCRIPTION

Federal Digital Public Infrastructure Act: (a) federal X-Road-equivalent interoperability layer allowing agencies to query each other's data on an authenticated, audited, per-request basis (once-only principle); (b) portable federal e-identity, separated from the SSN, designed for authentication; (c) direct-benefit-transfer rail for federal-to-household payments; (d) open-source federal civic-infrastructure toolkit (permitting, licensing, benefits applications) for state and municipal adoption.

GLOBAL PRECEDENT

Estonia X-Road (since 2001; ~2% of GDP annual savings); India DPI stack (Aadhaar, UPI, DBT); Denmark mit.dk.

FISCAL IMPACT (10-YEAR)

Cost ~$18B; savings ~$88B (admin overhead, tax-gap enforcement cost reduction, small-business compliance cost, B10 improper-payment leakage). **Net savings ~$70B.**

Pillar D aggregate central 10-year effect: net cost ~$130 billion (gross ~$550B offset ~$420B).

Foundation Layer — Institutional Integrity and Democratic Governance

FOUNDATION LAYER

Build the institutions that make a 20-year plan survivable.

Six policies. Central 10-year effect: **−$339 billion** in savings (net of setup cost). Adds Well-Being Impact Standard (F6, new in this edition).

The Foundation Layer addresses institutional capacity directly. Every OECD consolidation that has succeeded across multiple administrations rested on independent fiscal analysis, durable rule-based frameworks, and long-horizon planning capacity. The Comprehensive Edition adds one Foundation-Layer instrument to the Version 1 five: the Well-Being Impact Standard.

POLICY F1

Independent Fiscal Council

DESCRIPTION

Establish an enhanced legislative-branch Independent Fiscal Council with statutory analytical authority for long-horizon scenario reporting, macroeconomic modeling, and independent scoring supplements to CBO baselines. Modeled on the Congressional Budget Office (1974) plus international peers.

GLOBAL PRECEDENT

Parliamentary Budget Officer (Canada, 2008); Swedish Fiscal Policy Council (2007); Australian Parliamentary Budget Office (2012); UK Office for Budget Responsibility (2010).

FISCAL IMPACT (10-YEAR)

Cost ~$1.5B setup + $200M/yr; enables savings across the framework by providing independent validation.

POLICY F2

Fiscal Rules Framework

DESCRIPTION

Statutory debt-brake framework: primary balance targets tied to debt-to-GDP trajectory; automatic-adjustment protocols on breach; explicit exceptions for defined economic and national-security emergencies.

GLOBAL PRECEDENT

Germany's Schuldenbremse (constitutional, 2009 amendment); Sweden's expenditure ceilings; Chile's structural balance rule.

FISCAL IMPACT (10-YEAR)

Indirect but material: rules-based frameworks are documented in the empirical literature to reduce sovereign risk premia and support consolidation credibility.

POLICY F3

Long-Horizon Governance Infrastructure

DESCRIPTION

Joint Congressional Committee on Long-Term Challenges (Finland's Committee for the Future model); federal digital governance modernization drawing on Estonia's e-governance stack (extended by D10 in the Comprehensive Edition); executive-branch Chief Long-Horizon Officer function analogous to a CFO for the fifty-year horizon.

FISCAL IMPACT (10-YEAR)

Cost ~$2B; savings enabled through D10 stack ~$70B.

POLICY F4

Intergenerational Equity Declaration

DESCRIPTION

Statutory framing standard (not a justiciable legal rule) requiring major fiscal legislation to include an intergenerational-equity impact statement. Provides a durable interpretive standard for downstream regulatory and administrative decisions.

GLOBAL PRECEDENT

Wales's Well-being of Future Generations Act (2015).

POLICY F5

Sovereign Wealth Framework (Post-Consolidation)

DESCRIPTION

Statutory sovereign-wealth-fund authority activated when debt-to-GDP reaches 70% and the structural deficit is closed. Modeled on Norway's Government Pension Fund Global at institutional-design level, without importing its resource-revenue funding source. Initial funding from consolidated surplus and defined revenue streams.

GLOBAL PRECEDENT

Norway GPFG (~$2 trillion assets, ~$340,000 per Norwegian citizen); Singapore GIC; Alaska Permanent Fund (subnational U.S.).

POLICY F6 · NEW IN THIS EDITION

Well-Being Impact Standard

DESCRIPTION

Statutory requirement that any legislation with a ten-year fiscal impact exceeding $10 billion carry a Well-Being Impact Statement — analogous to a fiscal note — covering the New Zealand Living Standards Framework domains: health; education; income and consumption; housing; jobs and earnings; work-life balance; social connections; civic engagement; environmental amenity; safety; subjective well-being. The Independent Fiscal Council (F1) provides the analytical infrastructure.

GLOBAL PRECEDENT

New Zealand's Wellbeing Budget process (since 2019); Wales's Future Generations Act (2015); Bhutan's Gross National Happiness policy screening.

FISCAL IMPACT (10-YEAR)

Cost ~$150M (analytical staffing at IFC). Indirect benefits: policy that misses cross-domain effects imposes future fiscal costs the WBIS surfaces at design time.

Foundation Layer aggregate central 10-year effect: −$339 billion in savings, net of setup costs.

Combined Strategy Totals

The five components together produce the fiscal architecture that reverses the current-law debt trajectory while investing in the productive and human capacity that determines whether the United States is a competitive society at the twenty-year horizon.

Component	Central 10-year effect	Note
Pillar A — Revenue Optimization (A1–A10)	+$5.0 T	Range $5.0–$7.5T; base case here
Pillar B — Spending Efficiency (B1–B10)	−$3.9 T (savings)	Unit-cost reform; no benefit cuts
Pillar C — Growth Acceleration (C1–C8)	+$2.1 T (cost)	Dynamic effects noted qualitatively
Pillar D — Human Flourishing (D1–D10)	+$0.13 T (net)	Gross $550B offset $420B
Foundation Layer (F1–F6)	−$339 B (savings)	Institutional integrity
Aggregate central 10-year deficit reduction	**≈ $7.0 T**	Preserves V1 trajectory to 70% of GDP

INTEGRATION NOTE

The addition of Pillar D reduces the Version 1 base-case aggregate from ~$7.1T to ~$7.0T — a shift of roughly 1.5% and well inside the Version 1 stress-case bands. The twenty-year debt-to-GDP trajectory to 70% is preserved. Under the pessimistic stress case (rates 100 bp higher than CBO baseline through Year 20), the trajectory reaches ~74% rather than 70% — the same result as the Version 1 stress case within rounding.

Section 5 — Fiscal Arithmetic and Middle-Class Balance Sheet

The framework's arithmetic must satisfy three constraints: reach 70% debt-to-GDP by the mid-2040s, hold the middle class harmless, and finance Pillar D within the same envelope. This section shows how those constraints combine.

5.1 — Twenty-year debt-to-GDP trajectory

Under conservative CBO-comparable scoring conventions and the assumptions outlined in Section 2.2, the framework produces the following central-case debt-to-GDP path:

Year	Debt-to-GDP	Phase marker
2026 (baseline)	98%	Framework entry
2029 (Year 3)	~101% (peak)	Foundation phase peak; contrast: CBO current law 107%
2031 (Year 5)	100%	Downward trajectory established
2036 (Year 10)	92%	Structural reform completing
2041 (Year 15)	80%	Consolidation phase
2046 (Year 20)	70%	Target reached; sovereign-wealth authority active
2056 (Year 30, illustrative)	~55%	Consolidated fiscal position

Contrast: CBO Long-Term Outlook current-law path reaches 156% of GDP by 2055.

5.2 — Revised middle-class balance sheet

A household earning $75,000 in 2026 is modeled to experience the following present-value balance-sheet improvements over the twenty-year horizon:

Balance-sheet item	Annual / event value	Sourcing
Carbon dividend (net of energy pass-through)	$1,200–$1,800/yr	A5
Health OOP savings (universal PC + drug/site-neutral)	$1,800–$3,200/yr	B2, B3, D1
Family-leave value at birth or medical event	$8,000–$14,000/event	D2
SkillsFuture-style skills account	$5,000 opening + $1,000/yr	C3
Early childhood care (under 5)	$8,000–$12,000/yr	C4, extended by D2
Housing stabilization (in participating metros)	$6,000–$18,000/yr	D5
Student debt catastrophic-risk removal	$15,000–$40,000 PV	D4
Retirement programs	Held harmless	B1
20-year PV total, median household	**$70,000–$125,000**	Aggregate

Value entries do not simply sum: some are annualized and some are event-based; totals reflect modeled uptake rates and eligibility. Version 1 total was $40,000–$70,000; the ~$40–$55k increase is driven principally by D1 out-of-pocket savings, D5 housing stabilization in metros, and D4 student-debt restructure.

5.3 — Hold-harmless verification

No policy in the framework imposes a net negative fiscal impact on households in the $40,000–$150,000 range. A5 (carbon dividend) is net positive for the median family. B1 (SS solvency) exempts current retirees and workers within 15 years of eligibility. Pillar D policies D1–D6 and D8 are net positive for the vast majority of qualifying households; D4 restructures existing obligations to less-punitive terms without a new tax; D7, D9, D10 are administrative reforms with no direct household levy. Every Pillar A revenue mechanism above a household-income threshold sets that threshold at $400,000 or higher.

5.4 — Stress cases

Three stress scenarios are modeled formally in Section 9. Their headline effects on the twenty-year debt-to-GDP trajectory are: (a) rates 100 bp above CBO baseline through Year 20 — trajectory reaches 74% rather than 70%; (b) recession in Years 3–4 requiring $500B of automatic-stabilizer expansion — trajectory reaches 74% by Year 20; (c) enactment shortfall (only 60% of Pillar A and B provisions enacted) — trajectory reaches 88% by Year 20 (still a reversal of the current-law path).

Section 6 — Well-Being and Quality-of-Life Framework

The framework treats well-being as a first-class output. This section defines the measurement architecture, the operational Wellbeing Budget process, the mapping of policy to well-being domains, and the statutory Well-Being Impact Standard that the Foundation Layer establishes.

6.1 — Measurement architecture

Well-being is measured through the OECD Better Life Index domains, the New Zealand Living Standards Framework (LSF), and, in the aggregate, the annual World Happiness Report ranking. All three are established, published, internationally comparable, and drawn from primary data that no U.S. political actor controls or authors.

6.2 — New Zealand Wellbeing Budget as implementation model

New Zealand's Wellbeing Budget (introduced 2019) requires major budget bids to attach a Wellbeing Impact Statement covering the LSF domains. The Comprehensive Edition operationalizes this precedent in the U.S. context as the **Well-Being Impact Standard (Policy F6)**: any legislation with a ten-year fiscal impact exceeding $10 billion carries a WBIS mapped against the LSF domains and reviewed by the Independent Fiscal Council (F1).

6.3 — Policy-to-well-being mapping

LSF domain	Primary framework policies	Secondary
Health	D1, D2, D6, B2, B3	C4
Education / skills	D3, D4, C3	C4
Income and consumption	D1, D4, D5, A5 (dividend)	Pillar C
Housing	D5	C1
Jobs and earnings	D4, D9, C3, C5	C7
Work-life balance	D2, D6	C4
Social connections	D5, D6, D7	—
Civic engagement	D10, F3, F6	F1
Environmental amenity	A5, C2, D5 (green social housing)	—
Safety	D7, D8, B9	—
Subjective well-being	D1, D5, D6	All middle-class benefits

6.4 — Twenty-year well-being trajectory

Under the framework, the OECD Better Life ranking is projected to move from mid-tier (roughly #25 on composite) to top-15 by Year 5, top-10 by Year 10, and top-5 by Year 20. The World Happiness Report ranking (a different composite) is projected from #23 (2026) to top-10 by Year 20 and top-5 by Year 30.

6.5 — Doughnut Economics integration

Kate Raworth's Doughnut Economics framework — the "safe and just space" bounded by planetary ceilings and social foundations — provides a compatible framing for the framework's twin objectives: fiscal sustainability without violating either the planetary ceiling (addressed in Section 11) or the social foundation (addressed by Pillar D and the well-being framework).

6.6 — Heckman equation and early-childhood returns

James Heckman's lifecycle research on early-childhood investment documents 7–13× social returns over multi-decade horizons from targeted early-childhood programs. This is the empirical foundation for C4 (universal pre-K) and its D2 extension into the birth year.

Section 7 — Political Viability Strategy

Every policy in this framework has, at some point in the last twenty years, been advanced by analysts or elected officials on at least one side of the U.S. political spectrum. The framework's viability strategy is packaging, sequencing, and federalism — not persuasion.

7.1 — Cross-party endorsement history, by pillar

Pillar / policy area	U.S. support base history
Pillar A: IRS modernization	Bipartisan (bipartisan appropriations cycles); framed as enforcing existing law
Pillar A: OECD Pillar Two alignment	Prior Trump administration negotiated framework; current administration paused participation
Pillar A: Carbon fee with dividend	Bipartisan (Baker-Shultz Climate Leadership Council; Coons-Feinstein)
Pillar B: Drug price negotiation	Bipartisan (extends IRA precedent)
Pillar B: Site-neutral Medicare	Bipartisan (Ways & Means / Finance both parties)
Pillar B: Defense procurement reform	Bipartisan (SASC / HASC oversight tradition)
Pillar B: Social Security solvency (Version 1 design)	Contested; base-case avoids current-retiree cuts
Pillar C: Infrastructure	Bipartisan (IIJA precedent)
Pillar C: SkillsFuture-style account	Bipartisan (workforce-development tradition)
Pillar C: Universal pre-K	Contested; state-partnership design
Pillar D1: Universal primary care / public option	State-level enactment in three D-led states; primary-care benefit polls >60% cross-party
Pillar D2: Paid family leave	Bipartisan proposals (Rubio, Gillibrand, Ivanka Trump)
Pillar D3: Teacher Corps	Bipartisan (national-service tradition; Teach for America)
Pillar D4: Vocational + income-contingent loans	Vocational bipartisan (Trump apprenticeship EOs; Biden DOL); HECS endorsed cross-spectrum
Pillar D5: Social housing	Municipal pilots active in Chicago, Rhode Island; federal capital-provider role
Pillar D6: Mental-health parity + 988	Bipartisan (MHPAEA 2008, CAA 2020, 988 authorization)

Pillar D7: Criminal justice	Bipartisan (FIRST STEP Act 2018)
Pillar D8: CVI + research funding	CVI bipartisan municipally; CDC research funding restored FY2020
Pillar D9: Points-plus-employer immigration	Endorsed across administrations (RAISE Act precedent)
Pillar D10: Digital public infrastructure	Technical rather than partisan; extends Foundation Layer already agreed
Foundation: IFC, fiscal rules	Bipartisan structurally (CBO 1974 precedent)

7.2 — Packaging strategy

The framework is packaged as a single legislative architecture (Section 15) but not as an all-or-nothing vehicle. Each title is independently scored, and individual policies within a title can move via different vehicles based on political conditions. This gives the framework a five-year enactment window with multiple entry points rather than a single all-or-nothing moment.

7.3 — Federalism

Every Pillar D policy is structured to minimize federal preemption. D3, D5, D7, and D8 operate principally through state matching grants. D1 and D2 include state-partnership authorities. D4 respects state authority over public higher education. D6 pilots in willing states before national rollout. The operating architecture parallels the two most successful recent multi-decade U.S. policy reforms: Medicaid expansion and the ACA marketplace design.

7.4 — Sequencing

The framework is designed to be enacted in three legislative cycles: (a) Cycle 1 (FY2027 reconciliation or equivalent) — Foundation Layer establishment, highest-confidence Pillar A/B revenue and efficiency, Pillar C initial tranches; (b) Cycle 2 (FY2029 or equivalent) — Pillar D initial titles (D1, D2, D6, D9, D10), remaining Pillar B and C provisions; (c) Cycle 3 (FY2031 or equivalent) — remaining Pillar D provisions and Well-Being Impact Standard activation. Section 8 sets out the implementation timeline in detail.

Section 8 — Twenty-Year Implementation Roadmap

Three phases. Statutory review triggers at Years 5, 7, and 10. Circuit breakers on cost drift. The roadmap integrates all five components — Pillars A, B, C, D, and Foundation Layer — into a single sequence.

8.1 — Phase 1: Foundation (Years 1–3)

- **F1 & F2** — Independent Fiscal Council operational; fiscal-rules framework enacted with a five-year phase-in.
- **A4** — IRS modernization funded and staffed; enforcement metrics begin publishing.
- **A5** — Carbon fee enacted at $40/ton with dividend architecture live in Year 2.
- **B3** — Drug-price negotiation extension enacted; savings begin materializing in Year 3.
- **B2** — Site-neutral Medicare payment expansion phased in Years 2–3.
- **B4** — Defense procurement reform Round 1 enacted.
- **C1 & C2** — Pillar C first tranche authorized: infrastructure Round 1 and grid modernization.
- **C3** — SkillsFuture-style account operational by end of Year 2.
- **D6** — Mental-health talking-therapies pilot in five states within Year 1; parity enforcement operational by Year 3.
- **D9** — Points-plus-employer CRS enacted; USCIS operational transition in Year 2.
- **D10** — Federal interoperability layer scoped and prototyped; e-identity provisioning begins Year 2.
- **D2 (partial)** — Paid family leave for federal employees and matching grants to states with existing programs by end of Year 2.
- **D3 recruitment** — Teacher Corps first cohort selected Year 1; first master's-level cohort in service by Year 3.
- **D8** — CVI fund fully appropriated by Year 2; CDC research infrastructure restored by Year 3.
- Debt-to-GDP peaks at ~101% in this phase, then begins the downward trajectory.

8.2 — Phase 2: Structural Reform (Years 4–10)

- **B1** — Social Security solvency package enacted with parametric adjustments phased.
- **A1** — Corporate tax modernization: GILTI/domestic minimum tax by Year 5; full OECD alignment when politically feasible in Years 6–8.
- **A2, A6, A7, A8, A9, A10** — Remaining Pillar A instruments enacted through regular-order legislation as political conditions permit.
- **B5, B6, B7, B8, B10** — Remaining Pillar B efficiency measures rolled out; zero-based-budgeting review cycle complete.

- **C4, C5, C6, C7, C8** — Universal pre-K, R&D expansion, Mittelstand-style regional development, supply-chain resilience.
- **D1** — Universal primary care benefit phased in nationally by Year 7; public option offered in every ACA marketplace by Year 8.
- **D2** — Federal paid family leave extended to all workers by Year 5.
- **D4** — Federal student-loan portfolio converted to income-contingent repayment by Year 6; dual-track vocational programs operational in all 50 states by Year 8.
- **D5** — First 100,000 units of federally-financed social housing complete by Year 6; 250,000 by Year 10.
- **D6** — Talking-therapies program extended nationally by Year 6.
- **D7** — Federal corrections modernization complete; state matching-grant pool fully deployed by Year 10.
- **D10** — Once-only government operational for at least 15 federal agencies by Year 7; state-municipal open-source toolkit released Year 6.
- **F6** — Well-Being Impact Standard active from Year 4; first cycle of WBIS reports delivered Year 5.
- Statutory reviews at Years 5, 7, and 10 evaluate progress and authorize adjustments.
- Debt-to-GDP falls to ~92% by end of phase.

8.3 — Phase 3: Consolidation (Years 11–20)

- Locked-in operating budgets for D1, D2, D3, D6 as standing programs, subject to F1 five-year reviews.
- Social-housing inventory targeting 500,000 permanently affordable units nationally by Year 15, one million by Year 20.
- Second-cycle WBIS deliverables published Year 12 and Year 17.
- **F5** — Sovereign-wealth authority activated when debt-to-GDP reaches 70% and structural deficit closed.
- Twenty-year outcomes assessment against the Section 14 metrics; comprehensive framework re-authorization vehicle prepared for Year 20.
- Debt-to-GDP reaches ~70% by Year 20 in base case.

8.4 — Statutory review points

Every major framework component carries a five-year sunset with affirmative reauthorization, reviewed by the Independent Fiscal Council. Statutory circuit breakers exist for cost drift exceeding 25% of scored ten-year cost on a trailing basis: F1 is authorized to recommend automatic-adjustment measures subject to congressional override. This applies uniformly across A, B, C, and D.

Section 9 — Risk Analysis and Stress Tests

9.1 — Risk matrix

Risk	Likelihood	Severity	Mitigation
Rate shock (100 bp above CBO through Year 20)	Medium	High	Fiscal-rules automatic-adjustment (F2); IFC circuit breaker; trajectory reaches 74% rather than 70%
Recession in Years 3–4	Medium	Medium	Automatic stabilizers preserved; F2 explicit recession exception; peak debt moves to ~104%
Enactment shortfall (60% of A/B enacted)	High	Medium-high	Framework still reaches 88% by Year 20 — reversal of current-law path; sequencing designed for partial-enactment resilience
Pillar A: OECD Pillar Two never enacted	Medium	Low-medium	Domestic GILTI/minimum-tax components generate $400–650B independently
Pillar B: Site-neutral savings shrink under utilization uptick from D1	Medium	Low	Modeled: B2 savings reduce by ~$30–40B over 10y; still net positive
Pillar C: R&D or infrastructure dynamic effects below expectation	Medium	Low	Scored conservatively already; upside not banked
D1: Provider-capacity constraint on universal PC	Medium	Medium	Phased rollout tied to HRSA residency expansion; interim contract-provider networks
D3/D4: State non-participation	Medium-high	Low	Opt-in matching; federal Teacher Corps and vocational tracks operate independently
D5: Zoning-reform failure in high-cost metros	High	Medium	Federal capital deploys directly to municipal/nonprofit developers; not conditioned on state zoning
D6: Workforce shortage for talking therapies	Medium	Medium	Five-state pilot before scale-up; scope-of-practice expansions for licensed counselors/social workers
D9: Immigration political backlash	High	High	Package as skills-based composition shift, not net-level increase; preserve family reunification track
D10: Privacy or cybersecurity failure	Medium	High	Strict use-limitation; per-request audit logging; e-identity separated from SSN; independent inspector

			general
Aggregate net fiscal cost drift beyond stress bands	Low-medium	Medium	Statutory five-year review; F1 automatic-adjustment authority; F2 fiscal rules trigger

9.2 — Detailed contingency protocols

Every framework component carries a statutory five-year review by the Independent Fiscal Council. If a policy exceeds its scored ten-year cost by more than 25% on a trailing basis, the Council is authorized to recommend automatic-adjustment measures — benefit-formula modification (D1, D2), matching-rate reduction (state grant programs), or program-scope tightening — subject to congressional override. This applies uniformly to A, B, C, and D.

9.3 — Stress test scenarios

Scenario A: sustained rate premium. 100 bp above CBO baseline through Year 20. Debt-to-GDP reaches 74% rather than 70%. Trajectory reversal maintained; sovereign-wealth activation delayed by ~2 years.

Scenario B: recession in Years 3–4. $500B automatic-stabilizer expansion; peak debt reaches ~104%; trajectory reaches 74% by Year 20 (with Phase 2 policies re-sequenced modestly).

Scenario C: enactment shortfall. Only Pillar A/B highest-confidence items (A4, A5, B2, B3, B4) plus Foundation Layer enacted; Pillar C tranches at 50% and Pillar D deferred. Trajectory reaches 88% by Year 20 — reversal of current-law 156%, but framework's peer-leading outcome targets deferred to a subsequent political window.

Scenario D: interaction shock. Combined rate premium + recession + D9 backlash. Trajectory reaches 82% by Year 20. Framework survives; consolidation continues at slower pace.

Under none of the modeled scenarios does the current-law 156% path recur. The framework is robust across the modeled range.

Section 10 — Foreign Policy and International Considerations

10.1 — Trade policy implications

The A5 border-adjusted carbon fee interacts with EU CBAM and other jurisdictions' developing border-adjustment mechanisms. Coordination via existing WTO frameworks preferred; unilateral phase-in structured to be WTO-compatible.

10.2 — USD reserve-currency status

The framework's fiscal-consolidation credibility supports rather than threatens USD reserve-currency status. Historical precedent: consolidations that succeed (Canada 1990s, Sweden 1990s) coincide with strengthened sovereign credit.

10.3 — Major bilateral and multilateral relationships

Pillar D policies drawing on peer-country precedents can strengthen bilateral technical-cooperation relationships (Germany health-system; Finland education; Vienna/Austria housing; Netherlands corrections). These are opportunities to deepen alliance ties, not concessions.

10.4 — Defense and security integration

B4 defense procurement reform preserves force structure and troop end-strength. C8 supply-chain resilience integrates with existing defense-industrial-base policy.

10.5 — Global signaling and credibility

The framework's enactment signals sustained U.S. fiscal capacity to allies and creditors, reversing the drift signal implicit in current-law projections. This is a strategic asset independent of the fiscal arithmetic itself.

Section 11 — Planetary Stewardship and Civilizational Resilience

11.1 — Planetary boundaries framework

The Rockström-Steffen planetary-boundaries framework identifies nine biophysical thresholds beyond which the risk of large-scale civilizational disruption rises non-linearly. The framework's climate, biodiversity, and freshwater-system implications are bounded to remain within the safe operating space where policy leverage exists.

11.2 — Climate fiscal integration

The framework treats climate-driven fiscal liabilities — disaster response, agricultural disruption, public-health effects, infrastructure replacement — as first-class budgetary items. A5 (carbon fee) internalizes the emissions externality at the price side; C2 (grid modernization) addresses the physical transition; D5 (green social housing) reduces residential emissions while addressing housing costs.

11.3 — Global planetary policy precedents

EU Fit-for-55 package; UK Sixth Carbon Budget; Norway's climate framework. All demonstrate that climate policy is fiscally compatible with debt reduction when structured with carbon pricing plus dividend and coordinated regulation.

11.4 — Planetary policy proposals

Beyond the pillar policies: methane-emissions reduction across oil and gas value chains; nature-based-solutions federal fund; agricultural sector carbon-sequestration incentives coordinated with USDA; federal procurement clean-standard for construction materials.

11.5 — Planetary stewardship scorecard

Net GHG emissions vs. 2005: −20% (2026) → −55% (Year 10) → net zero (Year 20). Biodiversity 30×30 targets addressed via Interior Department authority. Freshwater-system resilience via C1 infrastructure and USDA/EPA coordination.

Section 12 — Post-Debt Surplus Strategy

When debt-to-GDP reaches 70% and the structural deficit is closed, the framework activates a Generational Investment Framework and seeds a sovereign wealth fund. This section defines the triggers, uses, and governance.

12.1 — Activation triggers

Sovereign-wealth authority (F5) activates when (a) debt-to-GDP reaches 70%, (b) structural primary balance closed for three consecutive years, and (c) IFC certification of consolidation durability. Under base case: Year 20. Under stress cases: Year 22–24.

12.2 — Fund governance

Institutional design modeled on Norway GPFG: independent operational management, statutory investment-mandate constraints, transparent reporting, ethical-investment guidelines set by legislation. Explicitly separated from monetary policy and from short-term political horizons.

12.3 — Distribution and use

Statutory allocation: 40% ongoing intergenerational-equity dividend fund (household distributions to defined age cohorts), 30% strategic-investment fund (R&D, infrastructure), 20% climate-adaptation reserve, 10% contingency (recession stabilizer). All allocations reviewable at 10-year intervals by IFC.

12.4 — Statutory safeguards

Withdrawals from the fund require statutory supermajority in defined non-emergency contexts, preserving the fund as a genuinely long-horizon instrument rather than a slush fund. Structured to make re-accumulation of debt politically expensive.

Section 13 — Future Impact Analysis

13.1 — Next-generation outcomes

Children born in 2026 who reach adulthood under the framework: life expectancy at birth 82–83 years (vs. 79 baseline); K–12 outcomes at OECD top-15 rather than #28; college affordability without catastrophic debt exposure; housing cost-burden reduced by one-third; access to universal primary care from birth.

13.2 — U.S. geopolitical position

By Year 20: debt-to-GDP restored to a level consistent with alliance credibility; GDP per capita at ~$130k (top 5); Global Innovation Index at #1 (from #3); demographic composition supported by D9 skills-based immigration; USD reserve-currency status supported by consolidation credibility.

13.3 — Climate trajectory

Net-zero GHG by Year 20 baseline scenario; adaptation infrastructure in place ahead of major climate-loss cycles; fiscal exposure to climate liabilities materially reduced.

13.4 — Global financial stability

The framework's consolidation credibility supports broader global financial stability by removing the largest single sovereign-risk overhang in the developed world.

13.5 — Civilizational stakes

The counter-scenario is not neutral. Under current law, the U.S. faces the 21st century with a combination of unsustainable debt, deteriorating peer-comparison outcomes, and diminishing institutional capacity. The framework is a bet that these are reversible on a twenty-year horizon — and the evidence base from peer-country consolidations says they are.

Section 14 — Metrics and Twenty-Year Success Criteria

The framework's success is measured on outcomes, not ideology. Every metric below is drawn from an established, internationally comparable data source that no U.S. political actor controls or authors. The consolidated scorecard below aggregates the individual metrics from each pillar and the well-being framework.

Metric	Baseline (2025–26)	Year 10 target	Year 20 target	Year 30 target	Source
Fiscal Foundation					
Debt-to-GDP	98%	92%	70%	55%	CBO
Federal deficit (% GDP)	6.4%	3.0%	Balance	Surplus	Treasury
Net interest / budget	14%	12%	7%	5%	CBO
Economic Prosperity					
GDP per capita, PPP	$85k · #8	$102k	$130k	$160k	IMF WEO
Labor productivity ($/hr)	$97	$115	$142	$168	OECD
Global Innovation Index	#3	#1–2	#1	#1	WIPO GII
Human Development Index	0.938 · #17	0.955	Top 5	Top 3	UNDP
Health & Longevity					
Life expectancy at birth	79.0 · #30/38	80.5	81.5	83.0	OECD Health at a Glance
Health-system performance	#10 of 10	#5	Top 3	Top 2	Commonwealth Fund
Maternal mortality per 100k	22.3	<10	<6	~4	CDC NCHS

Cost-barrier to care (%)	29%	14%	8%	5%	Commonwealth Fund
Education & Opportunity					
PISA math rank	#28	#20	Top 15	Top 10	OECD PISA
Student debt structure	$1.86T (default-based)	Income-contingent	−25% total	Steady	Federal Reserve
Youth unemployment	9%	6.5%	5%	4%	BLS / OECD
Cost of Living & Family					
Renter housing burden (% income)	30–40%	28%	22–28%	22%	HUD
Childcare cost (% couple wage)	32%	17%	10%	7%	OECD Family DB
Paid parental leave	0 wks	12 wks	14–16 wks	18 wks	OECD Family DB
OOP health cost / hh	Baseline	−$1,800	−$3,200	−$4,000	MEPS / KFF
Homeless population	~650k	Halved	Chronic effectively ended	Structural	HUD PIT
Safety & Justice					
Incarceration per 100k	531–580	350	250	180	Prison Policy Institute
Firearm deaths / year	44,447	33,000	24,000	18,000	CDC WISQARS
Homicide per 100k	6.0	4.0	3.0	2.2	FBI UCR

Well-Being & Mental Health					
World Happiness Report	#23	#15	Top 10	Top 5	Gallup / SDSN
Suicide rate per 100k	14.3	12.1	10.0	8.5	CDC NCHS
Institutions & Governance					
Corruption Perceptions Index	64 · #29	72 · #18	80 · Top 10	85 · Top 7	Transparency International
Press Freedom Index	#57	#30	Top 20	Top 15	RSF
Immigration processing time	Years	<6 mo	Continuous	Continuous	USCIS
Federal once-only compliance	0 agencies	15 agencies	All majors	Full stack	OMB

HOW THIS SCORECARD IS MAINTAINED

The Independent Fiscal Council (F1) publishes an annual scorecard-progress report on each row of this table once the framework is enacted. Baselines reset annually against the latest data release; target values recalibrate to the *gap*, not the absolute number. Every target is subject to the Section 8 statutory review cadence at Years 5, 10, and 20. If a metric misses a checkpoint by more than 20% on a trailing three-year basis, the IFC is authorized to recommend course-correction under the Section 9 automatic-adjustment framework.

Section 15 — Legislative Architecture: Title-by-Title Outline

Operational outline for the Office of Legislative Counsel and committee staff drafting actual statutory language. Not statutory text.

Proposed short title

The American Stability and Long-Term Prosperity Act of 202X (ASLPA).

Title I — Findings, Purposes, and Definitions

- Congressional findings under Section 1 preamble and Section 3 gap analysis.
- Statement of purposes: fiscal sustainability; middle-class protection; intergenerational stewardship; human flourishing.
- Definitions: "hold harmless middle-class band" ($40k–$150k); "peer democracy"; "framework baseline"; "well-being impact statement."
- Rules of construction.

Title II — Revenue Optimization

Subtitles A–J correspond to Policies A1–A10. Effective dates staggered per Section 8.

Title III — Spending Efficiency and Entitlement Sustainability

Subtitles A–J correspond to Policies B1–B10. Includes Social Security solvency provisions; site-neutral Medicare payment; drug-price negotiation extension; defense procurement reform; agency consolidation; higher-education subsidy restructuring; means-testing refinement; federal real-estate rationalization; federal corrections reform (partnered with Title VIII D7); improper-payment reduction (partnered with Title VIII D10).

Title IV — Growth Acceleration and Strategic Investment

Subtitles A–H correspond to Policies C1–C8. Infrastructure; grid modernization; SkillsFuture-style workforce account; universal pre-K partnership; strategic immigration aggregate framework; R&D expansion; small-business capital access; supply-chain resilience.

Title V — Planetary Stewardship and Climate Resilience

Statutory integration of A5 carbon-fee-with-dividend, C2 clean-power buildout, and Section 11 climate-fiscal provisions. Emissions-trajectory statutory milestones with IFC certification.

Title VI — Institutional Integrity and Generational Investment

Subtitles A–F correspond to F1–F6. Establishes the Independent Fiscal Council; enacts fiscal rules framework; authorizes long-horizon governance infrastructure; codifies intergenerational equity declaration; establishes post-consolidation sovereign-wealth authority; **establishes the Well-Being Impact Standard (new in Comprehensive Edition)**.

Title VII — Oversight, Reporting, and Accountability

GAO reporting requirements; IFC annual scorecard publication (Section 14); statutory five-year review triggers; automatic-adjustment protocols; congressional oversight cadence; extended accountability provisions for D9 (immigration data reporting) and D10 (digital-infrastructure security and privacy).

Title VIII — Human Flourishing and Societal Infrastructure (NEW)

Subtitles A–J correspond to Policies D1–D10:

- **Subtitle A — Universal Primary Care and Public-Option Coverage** (D1).
- **Subtitle B — Maternal, Infant, and Family-Leave Continuity** (D2).
- **Subtitle C — Teacher Corps and K-12 Modernization** (D3); state-partnership matching authority.
- **Subtitle D — Dual-Track Vocational and Higher-Education Reform** (D4); income-contingent loan authority.
- **Subtitle E — Social Housing and Housing-Cost Stabilization** (D5); Social Housing Revolving Fund.
- **Subtitle F — Mental Health Parity and 988 Infrastructure** (D6).
- **Subtitle G — Criminal Justice and Corrections Modernization** (D7); state-partnership matching pool.
- **Subtitle H — Community Violence Intervention and Firearm Public Health** (D8).
- **Subtitle I — Points-Plus-Employer Immigration Modernization** (D9); Comprehensive Ranking System authority.
- **Subtitle J — Digital Public Infrastructure** (D10); federal interoperability layer; portable e-identity.

Drafting standards for statutory text

- Every Pillar D subtitle carries an explicit hold-harmless declaration referencing the $40k–$150k middle-class band.
- Every Pillar D subtitle carries a five-year sunset with affirmative reauthorization.
- Every Pillar D subtitle names the international precedent in a findings clause so downstream regulatory and legal interpretation preserves design intent.
- All Titles include IFC-scored fiscal notes at first-committee mark-up and Well-Being Impact Statements per Title VI F6 where applicable.
- Circuit-breaker language uniform across A, B, C, D per Section 9.2.

Section 16 — Appendix

Appendix A — Economic modeling assumptions

Real GDP growth: 2.2% (2026) declining to 1.8% by 2030 and thereafter. PCE inflation: 2.7% (2026) declining to 2.0% by 2030. Ten-year Treasury yield: 4.0–4.3% range. Population growth: ~0.5% baseline, with D9 skills-based immigration adding modest upward pressure on prime-age labor force. Labor force participation: modest recovery under D2/C4 childcare and family-leave provisions. Baselines: CBO February 2026 Budget and Economic Outlook; CBO March 2025 Long-Term Outlook; Fed SEP; IMF WEO 2025.

Appendix B — Sensitivity analysis

Debt-to-GDP at Year 20 sensitivity: ±100 bp on 10-year rate → ±4 pp on final debt-to-GDP. ±0.5 pp on trend GDP growth → ±6 pp. ±20% enactment scope on Pillars A+B → ±18 pp. The framework is most sensitive to enactment scope, not to macroeconomic tail conditions.

Appendix C — Historical precedent case studies

Case 1: Canada 1993–2000. Debt-to-GDP from 96% to 45% via Program Review (B5 precedent), coordinated spending restraint, and growth. *Case 2: Sweden 1994–2000.* Consolidation with pension reform (B1 precedent) and expenditure ceilings (F2 precedent). *Case 3: Norway multi-decade.* Fiscal-rules discipline (F2), sovereign-wealth accumulation (F5), and social-insurance solidarity. *Case 4: Netherlands corrections reform 2005–present.* Sentencing reform + rehabilitation focus reduced prison population 40%+ (D7 precedent). *Case 5: Germany Energiewende + AMNOG.* Grid transition (C2) + drug pricing (B3) at scale. *Case 6: Vienna social housing.* 60% of city housed via city-owned/limited-profit stock (D5 precedent). *Case 7: Estonia digital government.* X-Road, e-ID, once-only principle (D10 precedent). *Case 8: Singapore SkillsFuture.* National workforce-reskilling account (C3 precedent). *Case 9: Finland education reform.* High-selectivity teacher training (D3 precedent). *Case 10: Australia HECS-HELP.* Income-contingent higher-ed finance (D4 precedent).

Appendix D — Legislative outline technical notes

Reconciliation-compatible vs. regular-order vehicle sorting. Byrd Rule considerations for Title II revenue provisions. Non-severability clauses for interlinked provisions (e.g., A5 fee + dividend). Delegation-of-authority scope for HHS, Treasury, DOL under respective titles.

Appendix E — Well-Being Measurement Technical Specification

WBIS operational template per Title VI Subtitle F: (i) LSF domain-by-domain qualitative impact; (ii) quantitative indicators where available; (iii) monetized welfare estimate where established methodology exists; (iv) distributional analysis by income quintile and by region; (v) unresolved uncertainty flagged. IFC certification signature required for bills >$10B ten-year fiscal impact.

Appendix F — Reconciliation notes (Version 1 + Version 2 integration)

This Comprehensive Edition integrates Version 1 (Sections 1–15 of the 2026 release) with the Version 2 expansion (adding Pillar D, revised balance sheet, WBIS, and Section 14 metrics). Specific integration adjustments: (a) V1 Pillar B2 (site-neutral) savings reduced by ~$30–$40B over 10 years to reflect D1 utilization interaction; (b) V1 B9 (federal corrections) extended into state partnership via D7; (c) V1 C4 (universal pre-K) complemented upstream by D2 without change to C4 scoring; (d) V1 C5 (strategic immigration) operationalized via D9 CRS; (e) V1 F3 (long-horizon governance) extended by D10 digital-public-infrastructure stack; (f) V1 middle-class balance sheet extended from $40k–$70k to $70k–$125k 20-year PV per median household. V1 base-case aggregate 10-year deficit reduction of $7.1T revised to $7.0T under integrated framework. All Version 1 targets and stress cases preserved.

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