

The New American Accord

A country built to thrive.

Debt down. Climate funded. Lives free to thrive.

The Accord forms a new democracy for a new century — capable, fair, and built to earn its place in every generation. It clears away what holds people back, so every citizen has the opportunity to contribute and thrive. Three commitments anchor it; above them rises what a free people builds once the way is open.

GOVERNMENT'S JOB

Remove what blocks people. **Remove friction. Remove rage. Remove disinformation. Remove rigged votes. Remove rent-seeking. Remove discrimination.** Then let a free people build.

Three commitments anchor it

COMMITMENT I

Pay down the debt

\$39 trillion owed, and \$170 trillion in promises to living citizens that cannot be met. Automatic rules retire the debt within fifty years — and move the money back into productive use.

COMMITMENT II

Fund the climate task

A ten-trillion-dollar reserve, built while the carbon price is high and spent over two centuries as the damage arrives.

COMMITMENT III

Secure the floor, open the way

Health, children, retirement, housing — delivered automatically. A job in a growing economy. A voice in a fair democracy.

Under even the most cautious official estimates, the plan retires the debt — leaving room to lower taxes or to fund what the budget now holds flat, including defense.

DETAIL & CAVEATS

The automatic debt rules are the Debt Sunset Governor. Benefits arrive on a Treasury-issued payment card (FedCard); a neighborhood gauge (COMPASS) directs help where shortages appear. This summary uses plain descriptions; the engineered names appear throughout the full architecture at the website.

Our government is divided and adrift. China's is unified and driving.

Today's system asks ordinary work to pay on time, while wealth, monopoly fees, medical paperwork, climate damage, and housing scarcity push their costs onto everyone else. Meanwhile China is poised to lead the industries that will define the century — sectors Americans once assumed were theirs by default. China now builds more than half the world's ships, processes more than 80 percent of its rare-earth minerals, and makes about three-quarters of its batteries; America's share of computer-chip making has fallen from 37 percent in 1990 to about 10 percent today. A focused rival spent thirty years building while we deferred maintenance. The window to answer is closing.

The scale of the hole, and the answer to each part

\$170T

PROMISES THAT CAN'T BE MET

Obligations to living citizens far beyond what the current system can fund. The plan puts them on a path that is actually payable.

\$39T

FEDERAL DEBT

Interest now crowds out everything else. Automatic rules retire it within fifty years.

28M

WITHOUT COVERAGE

Universal coverage replaces the gaps and the medical-bankruptcy trap. No premium on day one.

11.5%

CHILDREN IN DEPRIVATION

A monthly child payment, child care, and a savings bond at birth answer it directly.

6×

HOME PRICE TO INCOME

Up from 3× in 1980, as homes became assets to hoard. A land charge and the end of the mortgage-interest deduction push housing back toward shelter.

\$10.2T

PROJECTED CLIMATE DAMAGE

Carbon money builds a reserve to pay for adaptation before the disasters, not after.

The answer is fewer, simpler national systems — not more programs

What people are owed arrives automatically. Harms are charged where they start. Independent experts hold costs inside limits Congress sets. Automatic rules keep the debt falling. The aim is less overhead, not more — direct delivery in place of paperwork, one set of rails in place of many. Government clears the obstacles; a free people does the building.

DETAIL & CAVEATS

Manufacturing figures are each rival's share of world output (ships, rare-earth processing, batteries); the chip figure is the U.S. share of fabrication, 37% (1990) to ~10% (2024). The \$170 trillion is the gap between long-run promises to current citizens — chiefly health and retirement — and the revenue the present system can raise to meet them.

Three commitments. Each a ten-trillion undertaking.

These are the floors that anchor the aspiration. They are necessary, costly, and payable — and above them, a free people builds.

1 • Pay down the debt — and put the money to work

\$39 trillion in debt, and \$170 trillion in promises to living citizens the current system cannot fund. Automatic rules tie long-run forecasts to small scheduled adjustments inside limits Congress sets, retiring the debt from 2030 to 2079. The point is not to hoard: revenue must circulate into a productive economy — growth, enterprise, defense, and the jobs that let America out-build its rivals — not sit idle.

2 • Fund the climate task

A ten-trillion-dollar reserve, walled off from the regular budget. The carbon price starts at \$80 a ton and rises \$30 a year to a \$680 ceiling; households receive an energy rebate up to a set cap, and money above it fills the reserve, spent over two centuries as the damage arrives. The window to build it from carbon revenue exists only once.

3 • Secure the floor, open the way

A floor of essentials arrives automatically: health, children, retirement, and housing. But a good life is more than a floor — it is **a job** in a growing economy where money circulates, and **a voice** through fair elections, civic life, and trustworthy information. Meeting the country's labor needs takes both more work for Americans and a calibrated immigrant workforce — for care, construction, agriculture, and the coming demographic gap.

The rule for budgets and rhetoric. Every program must cut the debt, fund resilience, or open the way to a fuller life. Privacy and choice are built in. The three commitments set the floor; results set the emphasis; the aspiration sets the direction.

DETAIL & CAVEATS

Independent budget-office method projects, in the central scenario, about \$0.79 trillion a year to spare by year ten — and the debt retires under the more conservative scenarios as well, which is the source of the headroom. The walled-off climate reserve is the Climate Adaptation Trust.

The floor that lets people build — delivered automatically.

Six supports run from birth to retirement. Each arrives automatically when you qualify — no application, no caseworker deciding your fate. Because everyone is eligible, almost no one is missed, and the overhead of means-testing disappears. The floor is not the end; it is what frees people to work, raise families, and take risks.

Universal health care

Medical, dental, vision, hearing, mental-health, and long-term care. You keep your doctor; optional coverage sits on top; an independent board holds costs to a limit. Phased in over four to six years.

Child care, ages 0 to 5

Public sites, private centers in short-supply areas, and support for family caregivers. The gap is closed by year eight; cost is shared three ways.

Retirement security

Social Security placed on permanent footing. Today's trust fund still runs out on schedule; the plan prevents the roughly 23 percent cut that would follow, and guarantees \$1,150 a month for thirty-year contributors.

Family support

A monthly child payment starting at \$800 a child — more in high-cost areas — phased in over three years; a \$19,000 savings bond, drawable from age 18.

A lifetime retraining account

Up to \$20,000 for approved training in fields short of workers — health, the trades, infrastructure — following the worker, not the employer.

A public payment card

A no-fee Treasury debit card carrying the child payment, savings bond, a monthly cash rebate of about \$290 an adult, and emergency help. Benefits arrive directly, with no middleman.

CARE IS DELIVERED FOUR WAYS AT ONCE

The public hospital system that already serves veterans, scaled up for the rural and underserved places private providers avoid; large integrated systems paid to keep people healthy; independent hospitals and doctors on a national fee schedule; and optional private coverage on fair, guaranteed terms.

DETAIL & CAVEATS

The public hospital system that serves veterans is the Veterans Health Administration, expanded as one delivery lane. The payment card is FedCard. Retirement: today's combined trust fund exhausts on the 2025 official long-term schedule (around 2034); the plan holds long-run solvency through the automatic debt rules and prevents the post-exhaustion cut. Child-care cost split: roughly half from the plan, a quarter from employer or host, a quarter from family.

Tax value where it appears. Close the escape routes.

The plan collects across the whole life of value — pay, income, spending, land, inheritance, wealth, and priced harms. What a payment is called does not change whether it is taxed; what it is does.

Pay

A single payroll tax of 28 percent — 10.5 from the worker, 17.5 from the employer — on all pay, including bonuses and stock. For most workers the worker's share is smaller than now, because what the employer spends on health insurance moves into wages.

Spending

A 10 percent broad sales tax — 15 on luxuries — paired with a monthly cash rebate of about \$290 an adult that more than covers it for lower-income households.

Inheritance & wealth

Inherited gains settle at transfer. Large estates may prepay during life. A small continuing tax on what each heir receives; 40 percent on gifts that skip a generation. Wealth measures apply only above \$10 million for an individual, \$20 million for a couple.

Income

Rates from 10 to 55 percent across thirteen brackets. Investment gains are taxed like ordinary income above a \$10 million lifetime amount. The "buy, borrow, die" strategy ends.

Land & housing

A charge on land value, and the end of the mortgage-interest deduction. Together they stop the use of homes as appreciating investments and push housing back toward shelter.

Priced harms

Harms charged at the source — carbon, methane, financial speculation, the biggest banks' risk, market concentration, public-health costs, the immigration surcharge, road wear, water depletion.

On the estate prepayment, plainly. Large estates pay the same bill early, in today's dollars. The time value of that money passes to the public instead of compounding in private hands — by design, with no discount to the taxpayer. It is a substitute for a standing wealth tax, not a favor.

More than enough — and what to do with the room. Under even the most cautious official estimate, the plan retires the debt. That leaves real room — to lower taxes, to fund what the budget holds flat such as defense, and above all to keep money circulating into a productive economy: growth, enterprise, and jobs, rather than idle balances. Its problem is the opposite of most plans': it collects more than it strictly needs. The tax on what heirs receive, for one, is set deliberately low and can fall further as the surplus proves out.

DETAIL & CAVEATS

The single payroll tax replaces the existing one (FICA). Companies paying where their sales occur is sales-factor apportionment. Inheritance settings are under calibration: an estate-prepayment escalator and graduated estate brackets; the tax on each heir's lifetime receipts is held near 20 percent and indefinite for now; 40 percent on generation-skipping gifts. A three-year window invites undeclared wealth to be disclosed, then standard rates and back tax, then penalties, with recovery reaching the holder's life plus two heir generations. Carried interest is taxed as ordinary income.

What you will not find in any other plan.

Many of these have been proposed before, one at a time — and most stalled. Senator Van Hollen wrote bills to end the inherited-gains break and to return carbon money to households; Senator Warren proposed a wealth tax and a corporate minimum; Senator Booker proposed savings bonds for children. The pieces are not all new. The machine — how they fund and discipline one another — is. These eleven mechanisms exist nowhere else.

Automatic rules that pay down the debt by themselves. The payroll tax and top income-tax rate move together in small scheduled steps tied to the debt forecast, inside limits Congress sets. No president or Congress can knock the debt off course without changing the law.

An immigrant surcharge that pays the host community. The employer pays the local going wage, so no American is undercut; the newcomer earns up toward it over nine years; the difference funds the town absorbing them, from the first paycheck.

A neighborhood gauge that triggers help automatically. Eleven shortage measures, published quarterly for each small area; where one crosses the line, the matching program switches on — by formula, not by a spending fight in Washington.

A no-fee public debit card from the Treasury. Every benefit arrives on it automatically, with no application and no middleman taking a cut; credit cards continue as a private choice alongside.

Paying the estate tax in installments during life. Large estates settle the same bill early, in today's dollars — the time value passing to the public, by design — while the disclosure catalogs the wealth so it cannot vanish. It stands in for a standing wealth tax.

Using the veterans' hospital system where markets won't. The public network that already serves veterans scales up as the public option for rural and underserved places.

Public-service academies loyal to the Constitution. Federal academies that train civil servants as the military trains officers — to professional standards and the Constitution, not to any administration.

Independent expert boards, like the Federal Reserve — beyond money. The same independence that shields interest rates, extended to health-care quality, statistics, housing, and financial stability.

A reserve the biggest banks pre-pay for their own risk. A risk-based fee builds a walled-off fund used only on set triggers — the banks pre-pay, not the taxpayer.

Public campaign vouchers. A federal voucher every voter can direct to candidates, answering big money with many small contributions.

Public-broadcasting funding for a wider range of voices. Through independent producers only — broadening viewpoints and protecting children's programming, with funding that never lets government decide what is true.

DETAIL & CAVEATS

Proper names, in order: the Debt Sunset Governor; the Parity Wedge; COMPASS; FedCard; the Estate Tax Prepayment Plan; the expanded Veterans Health Administration; the independent expert panels; the pre-funded systemic-risk reserve; democracy vouchers; the public-broadcasting expansion. Further distinctive mechanisms appear at the website: taxing company profit by where sales occur, the land-value charge, the two-hundred-year climate reserve, the combined child supports on one card, a federal project-management corps, and a price on attention-harm.

Build the physical future. Clear the way for everything else.

Two kinds of work. What the country must build itself — a climate reserve and the resilience the next century demands. And what government must clear away, so a free people can build the rest.

What the country builds — about ten trillion in physical future

A two-hundred-year climate reserve, walled off from the regular budget and sized to the projected repair bill. Four resilience priorities come first, in years 1–6: a grid hardened against blackout, attack, and storm; rural trauma care kept viable; maternity care restored where it vanished; and standing readiness for the next pandemic. Alongside, a fixed floor of just under half a percent of the economy clears about three-quarters of the \$3.7 trillion repair backlog in twenty-five years — making essential infrastructure a constant, not a yearly fight. Grid hardening and national defense are paid from the general budget, never from the walled-off reserves.

The institutions, repaired before they fail

Fair elections — ranked-choice voting, independent district-drawing, a federal floor for security and audits. **A Supreme Court on a schedule** — eighteen-year terms, so its makeup no longer turns on chance. **Independent expert boards** inside limits Congress sets. **A civic commons** — post offices as community anchors, a public-media floor, local-news grants. **Safeguards against capture** — conflict rules, cooling-off periods, audit trails. **Privacy by design** — the card's records private, every official look logged.

THEN LET A FREE PEOPLE BUILD

Captured markets fail the test free markets exist to pass. So government clears the obstacles — **friction, rage, disinformation, rigged votes, rent-seeking, discrimination** — and removes the hidden subsidies, private tolls, monopoly pricing, and zoning scarcity that block supply. **Then let the private sector build — for productivity, defense, technology, energy, innovation, communication, and AI.** Trade and supply-chain priority go to allies by how they govern, treat workers, and curb carbon. Government sets the floors, prices the harms, and clears the way; a free people does the building.

DETAIL & CAVEATS

The fourteen conventional infrastructure categories run on a four-stage twenty-five-year schedule; the floor is 0.45 percent of gross domestic product, protected from the automatic debt adjustments without a supermajority. The expert boards are the National Statistics Board, the Healthcare Quality Board, the Climate Resilience Panel, and the financial-stability board; the civic commons includes Post Office 2.0 and a federal community platform. The two walled-off reserves are the Climate Adaptation Trust and the Financial Stability Reserve.

One sentence, the path, the questions, the ask.

The New American Accord forms a new democracy for a new century — it clears what holds people back, anchors itself in three commitments, and lets a free people build, so every citizen can contribute and thrive.

The path — from enactment to a debt paid off

2029 · ENACTMENT

Passed and signed; effective at the 2030 budget year. A setup year for federal systems, the payment card, and board appointments.

2030 · YEAR 1

The new payroll tax replaces the old. Child payment at half rate. Carbon at \$80. The wealth-disclosure window opens.

2034 · YEAR 5

Child payment at full rate. Disclosure window closes. Retraining accounts hold about \$5,000 a worker.

2039 · YEAR 10

Child-care gap closed; retirement transition complete; about \$0.79 trillion a year to spare; debt firmly falling.

2049 · YEAR 20

Carbon at its ceiling; further carbon money compounds the reserve; the backlog is three-quarters cleared.

2079 · YEAR 50

The national debt is paid off; the climate reserve funded to the task; a high standard of life sustained.

Four questions you will be asked

Isn't this just Denmark?

Denmark built generous floors for a small, homogeneous country. The Accord shares some of those floors but attempts what Denmark never did: at continental scale, across 340 million people, financed by pricing harms and closing escape routes rather than high broad taxes — and aimed at clearing the specific things breaking American democracy. Same floors, a different project: not a welfare state, but the clearing of obstacles so a free and varied people can out-build an autocracy.

Is this just bigger government?

It is more public capacity where markets fail, paired with simpler systems and fewer private tolls — delivered automatically, with less overhead, not more. Most of what it does is remove what blocks people, then get out of the way.

How does it treat large fortunes and big firms?

It closes the escape routes and asks the largest fortunes and firms to pay for the public platform they rely on.

What if a future Congress wants to change it?

Every part can be changed by normal law. Its durability comes from working well, not from being locked in.

If you are a voter or civic leader

Walk a neighbor through the three commitments and the aspiration above them. Ask your legislator whether their next vote moves the debt down, funds the climate task, or opens the way to a fuller life.

If you are in office, or running

Name the problem honestly: the old settlement is failing on debt, on climate, and on the conditions for a good life. Then show how the plan answers it. The architecture invites every coalition; the specific settings are the offering.

A new democracy for a new century — capable, fair, and built to earn its place in every generation. Anchored by three commitments; open to what a free people builds; so every citizen can contribute and thrive.

The New American Accord · version 10.3 · A fifty-year plan for a country built to thrive. Author: Bill Hersman. Publisher: LiDAR Space LLC, Durham, New Hampshire. Full architecture, calculators, neighborhood data, scoring, and source documents at newamericanaccord.org. Public summary for discussion.