The Leviticus 25 Plan

An Economic Acceleration Plan
for America 2026

"PROCLAIM LIBERTY THROUGHOUT ALL THE LAND
UNTO ALL THE INHABITANTS THEREOF"
Leviticus 25:10

- *A Novel Economic Initiative* –
Advancing the cause of economic liberty for all Americans

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"He who will not apply new remedies must expect new evils."
- Sir Francis Bacon

Overview:

The **Leviticus 25 Plan** is a novel economic initiative granting the same direct liquidity benefits to American families that were provided by the Fed and U.S. Treasury Department to major U.S. and foreign financial institutions during the 2007-2010 financial crisis – to advance the cause of economic liberty and scale back the role of government in managing and controlling the affairs of citizens. This comprehensive plan will produce long-term economic and social benefits for citizens and government. The inspiration for this plan is based upon the Biblical principle set forth in the *Book of Leviticus*, tendering direct economic liberties to the people.

The legitimacy of The Leviticus 25 Plan is derived from five foundational principles:

1. The Biblical precedent set forth in the *Book of Leviticus, Chapter 25*, commands a direct, periodic restoration of economic liberty for bond servants (debtors).

2. Liquidity must be restored first at the family level for genuine economic revitalization.

3. The true U.S. fiscal deficit, on a Net Present Value (NPV) basis is beyond containment.

4. American families should be granted the same access to direct liquidity extensions from the Federal Reserve / U.S. Treasury Department that were so generously provided to major U.S. financial institutions and foreign banks during the Great Financial Crisis.

5. Federal Reserve monetary policy, in coordination with the U.S. Treasury Department, must include a channel for direct liquidity extensions to U.S. citizens in the form of a *Citizens Credit Facility*, to advance the cause of economic liberty for U.S. citizens and revitalize free market dynamics in America.

Benefits - The Leviticus 25 Plan will:

Provide direct liquidity extensions to U.S. citizen families residing in the United States.

Optimize the allocation of primary health-care services funding (including Medicare and Medicaid).

Improve the economic climate for U.S. small businesses; vastly expand employment opportunities; eliminate debt; restore financial health across the nation for all American families.

Generate dynamic, long-term, tax revenue growth cycles for government (federal, state, local).

Reduce the cost of government, strengthen U.S. housing market and stabilize the banking system.

Reduce the scope of social programs, reduce government control over the daily affairs of U.S. citizens.

Generate $36.568 billion budget surpluses each of its first five years of activation, pay for itself entirely over a 10-15 year period, and set the U.S. Dollar on course for long-term strength and stability.

The Leviticus 25 Plan will revitalize economic growth and re-establish free market principles with positive economic and social incentives for all Americans.

<u>The Plan – liquidity extension details</u>:

The Leviticus 25 Plan will provide substantive economic and social benefits to individual American families by granting U.S. citizens direct access to liquidity through a *Citizens Credit Facility* to be established by the Federal Reserve. This *Citizens Credit Facility* will grant American families the same privileged access to liquidity that was extended to scores of major U.S. and foreign banking institutions and insurers during the critical years of the financial crisis (2007 – 2010), the very institutions whose leveraged risk profiles with concentrated positions in Mortgage Backed Securities (MBS), Credit Default Swaps (CDS), Collateralized Debt Obligations (CDOs), and other related derivative products triggered the U.S. financial crisis.

U.S. citizens deserve nothing less than the same direct access to liquidity that was granted to these financial institutions through the Federal Reserve Discount Window, and numerous funding facilities created by the Federal reserve, including the *Term Auction Facility (TAF), Commercial Paper Funding Facility (CPFF), Primary Dealer Credit Facility (PDCF),* the *Term Securities Lending Facility (TSLF), Single-Tranche Open Market Operations (ST OMO),* the *Asset-Backed Commercial Paper Money Market Mutual Funding Liquidity Facility (AMLF)* and several other credit facilities.

The Leviticus 25 Plan restores financial stability for American families and the freedom for citizens to directly allocate resources in managing their daily affairs – rather than requiring submission to central planning and government allocation of resources. **The Plan** is voluntary – participation is not mandated by government.

1. <u>$90,000 per U.S. Citizen</u>

Participating American families would qualify for a direct credit extension from the Federal Reserve, channeled through the U.S. Treasury Department, amounting to $90,000 per family member, $60,000 of which would be directed into a qualified Family Account (FA) and $30,000 into a qualified Medical Savings Account (MSA).

To activate their participation in **The Leviticus 25 Plan**, individual families would be required to open up both a Family Account (FA) and a Medical Savings Account (MSA) at an authorized bank or financial institution of their choice. Participants would be required to prove U.S. citizenship. They would be required to acknowledge that they understand and agree to the liquidity recapture provisions of the program. And they would be required to name beneficiaries for their accounts and select any other specific options for disbursements available within the plan.

A family of four, upon opening their two qualified accounts, would receive an electronic credit extension from the Federal Reserve of $360,000, of which $240,000 would be deposited into the qualified Family Account, and $120,000 would be deposited into the family's qualified Medical Savings Account.

The primary goal of this targeted credit extension is to restore economic liberty, provide massive debt relief at the family level, and strengthen America's financial health from the ground up.

The Plan would reignite sustainable economic growth. It would reestablish individual freedom and liberty by allowing citizens to allocate resources, rather than government. It would pay for itself over a 10-15 year period and set America on course for long term economic stability.

The Leviticus 25 Plan must become America's top economic priority: 1) Eliminating massive federal and state budget deficits; 2) Reversing the citizenry's growing dependence on government; 3) Setting America back on course for a prosperous future.

2. <u>Medical Savings Account (MSA)</u> – *U.S. Health Care Freedom Plan*

The sum of $30,000 would be electronically deposited into a family's Medical Savings Account for each participating family member under a new *U.S. Health Care Freedom* plan. These qualified accounts, opened through participating financial institutions, would allow families the freedom to allocate their healthcare dollars in a manner that best meets their needs.

Participating families would be granted exemption from Affordable Care Act, if desired, and allowed to directly allocate their own health care resources. Families would be allowed to enroll in high-deductible ($10,000 - $15,000) major medical plans, which would substantially lower costs for consumers and employers. Employers would be allowed to share cost savings employees through incentive-based employer MSA contributions under the *U.S. Health Care Freedom* provisions.

Qualifying medical policies must include a primary option that allows families the freedom to select a basic, no-frills, major medical plan with optional coverage riders (e.g. alcohol treatment coverage, mental health counseling, etc.), as selected on a family-by-family basis. Policies would not be automatically loaded with expensive government healthcare mandates.

Premium costs would be significantly lower with the high-deductible feature and the elimination of expensive government mandates.

Families would pay directly (MSA debit card) for normal, week-to-week healthcare purchases, up to a level of $6,000 per individual family member, for example. Primary health care access would no longer be under the 'management' and control of a big government bureaucracy. Insurance coverage would be utilized for medical expenditures above the deductible limits.

With the elimination of millions of minor insurance claims across the nation over the course of each month, efficiencies would improve, medical costs would drop significantly, and the direct patient-provider relationship would be restored. Medical professionals would not have to answer to HMOs, insurance companies, or government agencies in providing basic day-to-day healthcare access for their patients.

Those with extraordinary medical issues may be included in a high-risk category, with such plans being eligible for a government subsidy (similar to current Medicare Advantage).

Individuals enrolled in Medicare / Medicaid / VA / TRICARE / FEHB programs would be required to pay an annual deductible ($6,000 per year per enrolled family member) for a period of five years for those benefits. The dedicated MSA funds would fully fund the offset for the higher ($6,000) deductible feature. MSA funds could also be used to pay Medicare supplement premiums and other potential co-pay obligations.

3. <u>Family Account (FA)</u>

For each participating member of a family, $60,000 would be deposited into the Family Account. There would be no income tax assessed on the credit extensions received under **The Leviticus 25 Plan**. And there would be no penalty (reduction of **Leviticus 25 Plan** funds) for additional new income earned by family members. Incremental installments (quarterly or semiannually) may be required for those with substandard credit / job histories – in lieu of a full disbursement of funds to the Family Account during the initial funding phase.

4. Recapture provision – Income tax refunds

Those individuals / families choosing to participate in **The Plan** would agree, under the *Recapture Provisions*, to give up their individual income tax refunds for a period of 5 years.

Individual members of a given family may choose not to participate if their anticipated income tax refunds substantially exceeded the value of the plan benefits.

Income tax obligations each year of the five-year period would be maintained at a level not less than the average sum of income tax withheld for each year of the past 3 years prior to plan's inauguration date, or the average sum of taxes paid annually for the past 3 years prior to the plan's inauguration date – whichever is greater.

For example, if a family of 4 had $5,000 in income tax withheld, on average, each of the past 3 years, and received an average of $2,500 refund each of those 3 years, the tax obligation for this family would be not less than $5,000 per year. Taxes beyond the $5,000 average would be owed only if/when additional new income, in an improving economy, triggered a higher tax obligation.

Where an individual or family paid more income tax than that amount withheld on one or more of the past 3 years prior to the plan's inauguration date, and the average for total taxes paid exceeded the average for income taxes withheld, then the tax obligation would be the greater average. Again, total income taxes paid may be more, based upon additional income earned.

The Plan assumes that government would not impose unanticipated new tax obligations which would undermine the commitments to, and major benefits of, **The Plan**.

Funds deposited in the Family Accounts of participating U.S. citizens would be "protected" from any legal confiscation by creditors or courts. Any funds withdrawn from the Family Account would be allowed to be repatriated within 30 days to retain "protected" status. Additional deposits into the Family Account, above and beyond the original **Leviticus 25 Plan** deposit, would not be allowed.

Funds deposited in the Medical Savings Accounts of participating U.S. citizens would also be "protected" from any legal confiscation by creditors or courts. Additional pre-tax deposits into MSAs would be allowable annually in amounts authorized by law.

5. Recapture provision – Economic Security Programs / select welfare benefits curtailed

Participating families would give up benefits from *Economic Security Programs* and select means-tested welfare programs, social insurance programs, and federal unemployment insurance benefits for a minimum of 5 years. See full listing of individual program in these categories in FAQ section 5.

Participants concurrently enrolled in Medicare / Medicaid / VA / TRICARE / FEHB benefit programs would be required to pay an annual deductible of $6,000 per year per enrolled family member for each year in the initial 5-year period. MSA funds would provide a full offset for the costs of the higher deductible. MSA funds could also be used to pay Medicare supplement premiums and other potential co-pay obligations. There are currently over **174 million** enrolled beneficiaries in those five programs, with projections for significant growth over the coming 5-year period.

6. State, Federal Institution provisions (nursing homes, assisted-living centers, jails, prisons, other)

U.S. citizens who are institutionalized under direct government-sponsored care (residing in nursing homes, assisted-living, prisons, jails or other such facilities) – and meet the meet the qualification standards are eligible for participation in **The Leviticus 25 Plan.** The credit extension funds for those citizens would be held in a custody account in a given individual's name at that institution. The federal, state or local government jurisdiction involved would determine a fair monthly charge to that account for living expenses involved – for as long as the person remained in such a facility.

Individuals being granted release or discharge from the participating institution would qualify for receipt of the balance of funds (not subject to further Medicaid repayment obligations) which were held in that person's name in the custody account, with such funds being then transferred proportionately into a qualified Family Account and a qualified Medical Savings Account.

7. Eligibility

Participants must be citizens of the United States of America to be eligible for **The Plan**.

Participants (other than 'custody account' applicants) must prove stable credit history, stable job history, no recent drug/felony convictions.

Minors who are citizens are eligible for participation. Parents or legal guardians (U.S. citizens) of eligible minors would act on behalf of the minors in receiving and managing funds in the Family Account and MSA account of that family. Proportionate funds may be transferred into qualified

Additional guidelines would specify the receipt and management of funds where the parent(s) or legal guardian(s) of eligible minor(s) is/are not U.S. citizen(s).

All new-born baby U.S. citizens, born to U.S. citizen parents within 10 months of the program closing date, would be eligible.

The Leviticus 25 Plan would be voluntary for eligible Americans. No eligible person or family would be forced to participate.

8. Citizens Credit Facility - Funding

The Leviticus 25 Plan assumes that approximately 80% of U.S. citizens would participate in the Plan. The Plan assumes that wealthy Americans, with typically large annual tax refunds, would not participate. It also assumes that a percentage of low-income Americans, receiving significant social and medical program benefits would not opt out of those programs in order to participate.

The Plan therefore assumes an 80% participation rate from 300 million U.S. citizens, with an initial draw on the *Citizens Credit Facility* of $21.6 trillion – $14.4 trillion deposited into the Family Accounts and $7.2 trillion into Medical Savings Accounts of participating families. *See FAQ for further details*.

Recapture provisions alone would yield a return of approximately 9.04% **($1.952 trillion**) per year, resulting in a projected **$9.759 trillion** recapture over the first five years. This projection is conservative, in that it does not also take into account the dynamic economic expansion benefits and powerful new growth curve in general tax and payroll tax revenue flows. These additional revenue gains for the U.S. Treasury, the Social Security and Medicare Trust Funds, and state and local government entities would begin immediately and would be significant, setting the nation and individual states back on track for a balanced budget.

The private sector economy would experience a healthy relief from deflationary pressures, retail sales would improve, existing jobs would be saved and new jobs created– all directed primarily from the private market allocation of resources.

Dynamic inertia would generate economic and social benefits for decades following, with excess reserves from ‘recaptured’ tax revenues and reduced social spending transferred back to the Federal Reserve each year to systematically reduce the size of the Federal Reserve balance sheet.

<u>Case Study #1</u>
Family of four. Father and/or mother laid off from their jobs or working part-time; living on food stamps, unemployment extensions, and other means-tested welfare programs. As participants in ***The Leviticus 25 Plan****, this eligible family may voluntarily ‘enroll’ in the plan with a bank / financial institution of their choice for their family’s $360,000 credit extension. A qualifying Family Account would be set up for receipt of the $240,000 deposit, and a qualified Medical Savings Account (with a presumably high-deductible major medical policy attached to the account) would receive a deposit of the remaining $120,000 for the family.*

In return, the family would forego any tax refunds for a period of five years. Their annual tax obligation during the five-year period would be the average amount of taxes withheld over the previous 3 years – or the average amount of taxes paid over the previous 3 years – whichever amount was greater. Income tax obligations beyond the applicable average would be owed only if additional new income, in an improving economy, triggered a higher tax obligation.

The family would also give up primary benefits from federal and state means-tested welfare benefits, income security and social insurance benefits, unemployment insurance and workman’s compensation benefits for a period of 5 years. There would be an additional $6,000 deductible per family member for any Medicaid, Medicare, VA, TRICARE, and FEHB eligible expenses each year of the succeeding 5-year period.

A family of four, with $240,000 in their Family Account, would then have $48,000 per year for general living expenses for each year of the 5-year period. The family would also have a portable health insurance policy which they would manage themselves.

<u>Case Study #2</u>
Elderly person living alone on Social Security on modest retirement income; means-tested welfare benefits and income security benefits are significant, amounting to more than $90,000 over a 5-year period. This person would likely choose not to participate in ***The Plan.***

<u>Justification</u>:

1. SIGTARP, the oversight agency of the Troubled Asset Relief Program (TARP), in its July 2009 report, vetted by Treasury, noted that the U.S. Government’s “*Total Potential Support Related to Crisis*” (page 138) amounted to $23.7 trillion. While this figure represents a backstop commitment, not a measure of total potential loss, it is nonetheless an astounding degree of support, in the form of liquidity infusions, credit extensions and guarantees, various other forms of assistance for financial institutions and other business entities affected by the financial crisis. One example of the mechanics of these backstop commitments involved two of the major investment-banks which were at the forefront of the U.S. financial crisis, Goldman Sachs and JP Morgan, who, through their high-risk exposure to subprime debt and derivatives, received enormous amounts of direct financial assistance from government and the Federal Reserve.

Goldman Sachs and J.P. Morgan received these direct liquidity infusions during the financial crisis via Fed disbursements through the *Primary Dealer Credit Facility* and numerous other credit facilities. The two (according to *ZeroHedge* 4-1-11) "had the temerity to pledge bonds that had defaulted (i.e. had a rating of D)… as in bankrupt, and pretty much worthless. . . that have no value whatsoever. . ." Goldman Sachs received $24.7 million and JP Morgan $1.4 million on the worthless collateral (September 15, 2008). Goldman Sachs pledged D-rated securities again September 29, 2008 and received $82.7 million (Citigroup received $102.8 million; Merrill Lynch - $217.8 million; Morgan Stanley - $261.0 million; UBS - $202.2 million).

U.S. citizens deserve nothing less than the same access to credit extensions for resolving liquidity issues of their own at the family level, that have been extended to major domestic and foreign financial institutions.

In addition, the same two investment banking giants, Goldman Sachs and JP Morgan, earned free interest (again at taxpayer expense) through their access to credit extensions at the Federal Reserve discount window. Within two years, Goldman Sachs was paying out $111.3 million in "delayed bonuses" for the years 2007 and 2009 (*NY Times* 12-15-10).

2. The initial credit extension outlay with **The Leviticus 25 Plan** ($21.6 trillion – assuming an 80% participation rate by U.S. citizens) would hardly be prohibitive, in light of the trillions of dollars in Federal Reserve and Treasury outlays over the past 5 years to major U.S. banking and financial institutions (*Morgan Stanley, Citigroup, Bank of America, State Street Corp, Goldman Sachs, Merrill Lynch, JPMorgan Chase, Wachovia, Lehman Brothers, Wells Fargo, Bear Stearns) and major foreign financial institutions (Royal Bank of Scotland, UBS AG, Deutsche Bank AG, Barclays, Credit Suisse. Dexia, BNP Paribas*).

The Federal Reserve's various credit facilities, Discount Window transactions, emergency loans, Foreign Exchange swap lines, Interest on Excess Reserves (IOER) for foreign banks, and Treasury's TARP and stimulus programs have done little to improve the financial status for the majority of American families. These government programs have also done nothing to change the dominance and risk profile of "too big to fail banks," and they have done little to lessen the counterparty default risk in the global derivatives markets.

3. U.S. taxpayer dollars have been used to support the IMF bail-out of Greece. The U.S. funded at least $780 million (17.09%) of the July $4.6 billion IMF transfer to Greece (purportedly funding interest payments to hedge funds which had speculated in purchasing the high-risk Greek debt).

U.S. taxpayers also funded approximately $2.9 trillion of a massive 2014 IMF loan to Ukraine to help Kiev pay off creditors including Western banks, Gazprom (the big Russian oil company), and previous IMF loan payment obligations).

The U.S. Treasury Department followed that up by guaranteeing a $1 billion Ukrainian bond issuance. If U.S. taxpayer funds are being used to bail out the citizens of bankrupt foreign nations, then U.S. citizens deserve equal access to their own money to resolve liquidity issues at the family level.

4. The U.S. government will be piling on trillions of dollars of additional debt over the next eight years – which will compound financial stress issues on American families for decades to come.

The U.S. Government budget deficit for FY2024 came in at $1.915 trillion (CBO projected deficit: $1.571 trillion). The CBO's *Budget and Economic Outlook: 2024-2034* projects an ongoing series of deficits totaling approximately $22.083 trillion for the period 2025-2034. The CBO uses what is termed a 'rosy scenario' forecast, so that total is likely to be considerably higher.

This growing national debt burden will prove to be a significant drag on economic growth, and it will not generate meaningful, broad-based liquidity benefits for American families. The U.S. Government will be forced into monetary and fiscal policies which will continue the gradual erosion in the purchasing power of the U.S. Dollar.

U.S. citizens must be granted direct liquidity access through a *Citizens Credit Facility,* in order to reduce/eliminate debt at the family level and off-set the potentially devastating consequences of a future major fiat currency 'reset.'

The Leviticus 25 Plan's one-time credit extension of approximately $21.6 trillion to U.S. citizens' Family Accounts and Medical Savings Accounts would set America on a new course. It would provide immediate and substantial liquidity benefits to American families. It would strengthen small businesses and reignite true economic growth in the U.S. economy.

The Plan would also stabilize the U.S. Dollar and strengthen the nation's banking system.

5. There is a Biblical precedent for **The Leviticus 25 Plan**.

The Leviticus 25 Plan is justified upon the basis of its profound historical correlations with the Biblical year of the "*Jubile*" (*The Book of Leviticus, Chapter 25*). This Year was established by God to free Israelites from economic indebtedness and oppression. It provided individuals and families a fresh start, with economic liberties and a societal rebalancing to counter permanent and restrictive class structures.

<u>America wins:</u>

The Leviticus 25 Plan will rebuild America's economic foundation. It will return control and responsibility for allocating financial resources back to individual American citizens, rather than allowing government to allocate resources.

Government allocation of resources inevitably leads to loss of freedom (F.A. Hayek). It replaces individual economic choice with government dictate. It is inefficient, it distorts cost structures, and it creates artificial imbalances in the free market system.

The Leviticus 25 Plan will substantially decrease, and in many cases eliminate, house-hold debt levels in America. It will generate meaningful gains in Real Median Household Income. It will provide financial security for American families and restore economic liberty. And it will free millions of Americans from big-government oppression and control over their daily lives.

The Plan will make it possible for Americans at all levels to avoid home loan foreclosures, provide for their family's daily needs, and start small business enterprises on their own – without government involvement.

Small business will not need to depend upon government-directed stimulus programs and tax incentives. They will instead benefit from financially secure customers walking in their doors.

State governments will benefit enormously from decreased costs for on-going social programs (unemployment benefits, food stamp (SNAP) benefits, heating-rental-phone assistance, partial off-sets to monthly Medicaid spending obligations, partial off-sets to penal institution funding, etc). State tax revenues would also grow significantly with the improving economic climate.

The housing market would stabilize, foreclosures should slow dramatically. Distressed properties would be more efficiently 'moved' in the marketplace.

Derivatives: There is a potentially dangerous $718.2 trillion global derivatives overhang which could destabilize global economic systems in the event of sporadic counterparty defaults, according to the Bank for International Settlements June 2024 report (https://www.bis.org/publ/otc_hy2411.htm)

The Office of the Comptroller of the Currency noted in its September 2021 report: "*Counterparty credit risk is a significant risk in bank derivative trading activities…. The credit risk in a derivative contract is a function of a number of variables, such as whether counterparties exchange notional principal, the volatility of the underlying market factors (interest rate, currency, commodity, equity, or corporate reference entity), the maturity and liquidity of the contract, and the creditworthiness of the counterparty.*
Because the credit exposure is a function of movements in market factors, banks do not know, and can only estimate, how much the value of the derivative contract might be at various points in the future."

Major exposure among America's top four banks, in terms of Credit Equivalent Exposures 1Q2024: Goldman Sachs ($55.680 trillion), J.P. Morgan ($54.018 trillion), Citibank ($49.865 trillion), Bank of America ($20.966 trillion). These levels happen to be down significantly from the Great Financial Crisis.
Source: https://www.occ.treas.gov/publications-and-resources/publications/quarterly-report-on-bank-trading-and-derivatives-activities/files/pub-derivatives-quarterly-qtr1-2024.pdf

The Bank for International Settlements (BIS) has previously advised that if only 1% of large U.S. commercial bank derivatives are "at risk" and "10% of that 'at risk' money is lost you will wipe out up to 1/3 of those commercial banks' equity.

The stabilization of certain asset classes, particularly housing and credit markets, would forestall, or substantially neutralize, potentially severe damages from future credit default events and failed risk management strategies.

The elimination of debt at the family level, along with stabilization of the U.S. Dollar would allow the Federal Reserve to reverse course and gradually move onto a rate normalization path, allowing for realistic, market-based price discovery and minimizing distortion in the credit markets. Slightly higher interest rates would also encourage and benefit savings by American families – as well as major business sectors such as investment/pension funds, insurance companies.

The Leviticus 25 Plan will lower healthcare costs for American families by eliminating layers of bureaucracy, oversight, and administrative costs. It will re-incentivize wise decision-making in the allocation of healthcare spending at the family level. Those families with increased healthcare funding needs would continue to have access to normal benefits from Medicare and Medicaid after a monthly off-set from their Medical Savings Account.

Federal Regulators seized 157 banks in 2010 "in the wake of economic distress and soured loans." 92 banks were taken over in 2011, 51 were seized in 2012, 24 in 2013, and 18 in 2014. The U.S. cannot afford a return to those days financially stressed borrowers and the resulting structural problems that would again adversely impact America's banking system.

The Plan will reignite economic growth, strengthen Main Street America, and strengthen the banking system with increased cash reserves, reduced exposure to at-risk loans, and enhanced collateral quality.

Summary:

America needs an economic plan that employs a qualitatively new approach to debt management and strengthening our nation's economic foundation. It needs a plan that is citizen-centered rather than politically-driven.

It is time for an economic recovery plan in America that will offer a fresh start for American families. It is time for U.S. citizens to be granted direct access to liquidity transfers through a *Citizens Credit Facility*. Considerations of a new direction in the recovery plan must include these critical factors:

1. Economic health at the family level must be restored before America can hope to regain financial vitality and economic liberty for citizens

Despite trillions of dollars in bailouts, big bank pump-priming and stimulus programs, the U.S. Economy remains mired in debt. According to the St. Louis Fed Nov 2024 report, *Total Consumer Credit Owned and Securitized, Outstanding* recently hit a record $5.098 trillion. Corporate Debt as a percent of GDP had climbed to 17.4 trillion (Statista, June 19, 2024).

As of December 31, 2024, the U.S. national debt stands at $35.46 trillion. State government debt has reached $1.332 trillion, with local government debt at $2.502 trillion. Unfunded Social Security and Medicare liabilities are currently estimated to be over $212.2 trillion. America is drowning in debt.

2. The national debt of the United States remains as an enormous, potentially destabilizing problem for the future of our country, and America must have a plan to address it – a plan that will stimulate the economy and generate healthy, long-term tax revenue growth – and reduce dependency on government.

America's true, GAAP-based sovereign debt has been reported in the *U.S. Treasury Statement of Social Insurance in the Financial Report* since 2005. The GAAP-based debt, which accounts for the Net Present Value (NPV) of unfunded liabilities, was recently estimated at $86.6 trillion. This represents 550% of the U.S. GDP, and it represents 150% of the global GDP. The U.S. sovereign debt is clearly "beyond containment." There is no feasible way of bringing it back under control. The GAAP-based deficit over the 7-year period, 2008 – 2015, has averaged more than $5 trillion per year (with the 2015 deficit coming in at approximately $6.0 trillion). At these levels, the Government could take all of the income earned by everyone in America, and it still would not cover the deficit. America's sovereign debt is now clearly "beyond containment."

Debt is deflationary, and liquidity is critical for preserving our nation's economic viability. The Federal Reserve, over the long term, is faced with a 'print or collapse' scenario. With their goal of maintaining an "interest rate cap," the Fed will need to engage in on-going liquidity support to underpin Treasury Auctions. Risk is rising for on-going, long-term Dollar debasement with potentially devastating costs for millions of American families and destabilizing consequences for the nation's economic system.

3. U.S. citizens deserve nothing less than the same access to liquidity, for resolving debt burdens and financial distress at the family level, that have been accorded to major U.S. and foreign financial institutions.

The Federal Reserve has opened the Fed Discount Window ("Fed Window), extending credit (providing liquidity at "zero" or "near zero percent interest") to the very U.S. bank holding companies, and foreign banks with U.S. subsidiaries, which led us into the financial crisis in the fall of 2008 with their excessive risk exposure to subprime debt and credit market derivatives.

Two of the global banking giants, Goldman Sachs and Morgan Stanley, earned free interest via privileged their access to credit extensions at the Federal Reserve Discount Window. Within two years Goldman Sachs was paying out $111.3 million in "delayed bonuses" for the years 2007 and 2009 (NY Times 12-15-10).

The Fed Window was also opened up to foreign banks, including: *Dexia SA (DEXB) – Brussels, Paris; Depfa Bank Plc – Dublin; Arab Banking Corp (at the time "29 percent owned by the Central Bank of Libya").*

Additional foreign banks/financial centers, as members of the Fed's designated Primary Dealers, were allowed access to the Fed Window: *BNP Paribas Securities Corp; Barclays Capital Inc; Credit Suisse Securities; Daiwa Capital Markets America, Inc; Deutsche Bank Securities, Inc; HSBC Securities (USA) Inc; Mizuho Securities USA, Inc; Nomura Securities International, Inc; RBC Capital Markets, LLC; RBS Securities, Inc; SG Americas Securities, LLC; UBS Securities LLC.*

The Leviticus 25 Plan assumes an 80% participation rate by 300 million U.S. citizens. The initial rollout would involve a $21.6 trillion funding operation, $14.4 trillion into participating citizen Family Accounts (FAs) and $7.2 trillion into Medical Savings Accounts (MSAs). This liquidity operation, which would be delivered through a 'Citizens Credit Facility,' would not be prohibitive, in light of the trillions of dollars in Federal Reserve and Treasury outlays over the past five years to major U.S. banking and financial institutions *(Morgan Stanley, Citigroup, Bank of America, State Street Corp, Goldman Sachs, Merrill Lynch, JPMorgan Chase, Wachovia, Lehman Brothers, Wells Fargo, Bear Stearns) and major foreign financial institutions (Royal Bank of Scotland, UGS AG, Deutsche Bank AG, Barclays, Credit Suisse, Dexia, BNP Paribas).*

The Federal Reserve's various credit facilities, Discount Window transactions, emergency loans, Foreign Exchange swap lines, Interest on Excess Reserves (IOER) for foreign banks, and Treasury's TARP and stimulus programs have done little to improve the financial status for the majority of American families. These government programs have also done nothing to change the dominance and risk profile of "too big to fail banks," and they have done little to lessen the counterparty default risk in the global derivatives markets.

5. **The Leviticus 25 Plan**, once fully implemented, would immediately balance the budget of the federal government. The federal budget deficit for FY2024 came in at $1.915 trillion. The CBO projects that federal budgets will add $22.083 trillion in additional deficits for 2025-2034. Again, the actual deficit totals are likely to be considerably higher than the CBO's current forecast.

The Leviticus 25 Plan recapture provisions would eliminate those budget deficits and further generate a **$36.568 billion** budget surplus for each of the first five years (2026-2030). This includes the significant benefits which would accrue from the elimination of new net interest expense over the course of that 5-year period. The additional positive dynamics of a resurging national economy would be exponential.

The Leviticus 25 Plan annual budget surpluses of $36.568 trillion (2026-2030) versus the CBO's projected $1.983 trillion average annual deficit, constitutes a **$2.349 trillion annual budget improvement**.

The **$36.568 billion** budget surplus over each of the first five years following implementation would be negotiated for transfer back to the Federal Reserve for ongoing reductions of the *Citizens Credit Facility* balance sheet.

*6. The **Book of Leviticus,** Chapter 25 outlines a divinely inspired plan which "the Lord spake unto Moses" in proclaiming a unique period of Jubile. "And ye shall hallow the fiftieth year, and proclaim liberty throughout all the land unto all the inhabitants thereof" (verse 10).*

Debtors - bondmen and bondmaids - were granted liberty from their indebtedness. Property was returned to the rightful owners, and distinct benefits were accorded "the poor, who now were acquitted from all their debts, and restored to their possessions" (Wesley). Leviticus 25:17 sets forth the solemn reminder, "Ye shall not therefore oppress one another; but thou shalt fear thy God: for I am the Lord your God."

Jubile "set bounds both to the insatiable avarice of some, and the foolish prodigality of others, that the former might not wholly and finally swallow up the inheritances of their brethren, and the latter might not be able to undo themselves and their posterity forever, which was a singular privilege of this law and people." (Wesley)

Jubile provided a fresh start with economic liberties and a societal rebalancing to counter permanent class structures.

America needs a plan that is modeled upon these divine concepts – an economic recovery plan that directly benefits American citizens in a timely manner.

Quotes:

"You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete. –R. Buckminster Fuller

"When human beings become dependent upon the political power of the state for their livelihood, the independence of person must disappear. It is the identification of economic power with police power that destroys the right of the individual to liberty."

- George Sokolosky, columnist

"Our freedom of choice in a competitive society rests on the fact that, if one person refuses to satisfy our wishes, we can turn to another. But if we face a monopolist we are at his absolute mercy. And an authority directing the whole economic system of the country would be the most powerful monopolist conceivable… it would have complete power to decide what we are to be given and on what terms. It would not only decide what commodities and services were to be available and in what quantities; it would be able to direct their distributions between persons to any degree it liked." - Friedrich A. von Hayek, The Road to Serfdom

"In the end, more than freedom, they wanted security. They wanted a comfortable life, and they lost it all – security, comfort, and freedom. When the Athenians finally wanted not to give to society but for society to give to them, when the freedom they wished for most was freedom from responsibility, then Athens ceased to be free and was never free again. "
- Edward Gibbon (Apr 27, 1737 – Jan 16, 1784) English historian and Member of Parliament

"The will of man is not shattered, but softened, bent, and guided, men are seldom forced to act, but they are constantly restrained from acting. Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to nothing better than a flock of timid and industrious animals, of which the government is the shepherd."

- Alexis de Tocqueville, Democracy in America

"Lenin is said to have declared that the best way to destroy the Capitalistic System was to debauch the currency... Lenin was certainly right. There is no subtler, no surer means of overturning the existing basis of society than to debauch the currency. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which not one man in a million can diagnose." - John Maynard Keynes

"We all want progress, but if you're on the wrong road, progress means doing an about-turn and walking back to the right road; in that case, the man who turns back soonest is the most progressive." – C.S. Lewis

"At the foot of every page in the annals of nations may be written, 'God reigns.'
Events as they pass away proclaim their original; and if you will but listen reverently,
you may hear the receding centuries, as they roll into the dim distances of departed time,
perpetually chanting "Te Deum Laudamus," with all the choral voices of the countless
congregations of the age." - George Bancroft, American historian and statesman (1800-1891)

Overview, Primary Assumptions, Economic Scoring

The Leviticus 25 Plan activation period is slated for the 5-year period beginning in 2026 and ending in 2030**.**

1. The Leviticus 25 Plan – Each participating U.S. citizen will receive a $60,000 deposit into a Family Account (FA) and a $30,000 deposit into a Medical Savings Account (MSA).

All U.S. citizens residing in the United States are eligible to participate, contingent upon meeting qualification standards and agreement to specified recapture provisions.
Participants (other than 'custody account' applicants) must prove stable credit history, stable job history, no recent drug/felony convictions.

These general recapture provisions include:

- Waiving all federal income tax refunds for a period of 5 years.
- Waiving benefits from economic security programs, select benefits from means-tested welfare programs, SSI, and SSDI for a period of 5 years.
- Enrollees in the Medicare, VA Healthcare system, Federal Employees Health Benefits (FEHB), and TRICARE will be subject to a $6,000 deductible for primary care and outpatient services annually for a period of 5 years. *(See full plan for more details)*

Primary scoring assumptions:

The Plan assumes an 80% participation rate by U.S. citizens. Wealthier Americans would choose not to participate, due to the comparative benefit of income tax refund amounts. Many individuals of lower socio-economic sector would also choose not to participate, due to the comparatively high benefits profiles that they would not wish to give up.

The Plan assumes that participating families would use significant funds to pay down / eliminate debt, and that these longer-term, lower debt service obligations would enhance the financial security of participating families for several decades beyond the opening activation period. Federal, state, and local government entities would benefit from longer-term tax revenue growth and reduced citizen dependence on government-based entitlement program benefits.

The Plan assumes that dynamic new efficiencies would emerge in the healthcare system – with more families managing/directing healthcare expenditures through their MSAs.

The Plan assumes that apart from the recapture provisions, there would also be significant tax revenue growth for federal, state and local government entities from free-market economic revitalization, more people working and paying taxes, and from the elimination of various income tax deductions (e.g. mortgage / HELOC interest expense).

The Plan assumes that there would not be a massive full-scale move back into the means-tested welfare programs, income security programs, SSI, and SSDI at the end of the initial 5-year activation period.

The benefits of a free-market economy and newfound economic liberty for American families would provide positive economic inertia throughout years 5-10, and for several decades beyond.

Recapture provisions would provide a substantial federal budget surpluses for each year of the initial 5-year period. Economic growth over the following 10-15 years would generate sufficient recapture funding and tax revenue growth to offset the entire initial Federal Reserve balance sheet expansion.

Significant inertia from **The Plan** would also provide on-going, market-based growth benefits over succeeding years that far exceed any prospect for healthy economic growth that may be expected under America's current big-government, central-planning approach.

Dynamic economic benefits would flow from:

- Family level massive debt elimination, financial security gains.
- Timely, sweeping reversal of big government "central planning" control.
- Productivity gains from reversal of work disincentives currently embedded in social programs.
- Economic growth, improved productivity, job creation, free market dynamics.
- Stabilization of bank capitalization, housing market.
- Strengthen / stabilize long-term value of U.S. Dollar.
- Minimizing the role of government in managing, directing, controlling the affairs of citizens.

2. Federal Budget Deficit Projections – Congressional Budget Office

The Budget and Economic Outlook: 2024-2034 projects budget deficits ranging from $1.938 trillion 2025 to $2.193 in 2030, and on up to $2.862 trillion by 2034. Actual deficits for the out years are likely to be higher than CBO projections, based upon history ("actual" versus "projected").

Congressional Budget Office (CBO) Deficit Projections 2024-2034

CBO's Baseline Budget Projections, by Category

													Total	
	Actual, 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2025–2029	2025–2034
	In billions of dollars													
Revenues														
Individual income taxes	2,176	2,447	2,550	2,841	3,122	3,224	3,327	3,455	3,583	3,710	3,859	4,021	15,064	33,692
Payroll taxes	1,614	1,678	1,737	1,814	1,886	1,960	2,038	2,118	2,200	2,283	2,368	2,455	9,435	20,860
Corporate income taxes	420	525	490	470	459	462	461	463	466	471	495	507	2,342	4,744
Other[a]	230	239	260	268	289	298	307	318	412	435	454	476	1,423	3,518
Total	**4,441**	**4,890**	**5,038**	**5,394**	**5,756**	**5,944**	**6,133**	**6,354**	**6,661**	**6,899**	**7,176**	**7,459**	**28,265**	**62,814**
On-budget	3,247	3,652	3,751	4,053	4,365	4,501	4,635	4,799	5,048	5,227	5,442	5,662	21,305	47,484
Off-budget[b]	1,194	1,238	1,287	1,341	1,391	1,443	1,498	1,555	1,613	1,673	1,734	1,796	6,960	15,330
Outlays														
Mandatory	3,758	4,121	4,127	4,285	4,484	4,758	4,858	5,195	5,455	5,742	6,189	6,351	22,513	51,446
Discretionary	1,719	1,791	1,832	1,898	1,944	1,992	2,026	2,074	2,116	2,161	2,215	2,259	9,693	20,518
Net interest	658	892	1,016	1,061	1,084	1,136	1,199	1,278	1,373	1,484	1,594	1,710	5,495	12,933
Total	**6,135**	**6,805**	**6,975**	**7,244**	**7,512**	**7,886**	**8,082**	**8,547**	**8,944**	**9,387**	**9,998**	**10,320**	**37,701**	**84,897**
On-budget	4,914	5,490	5,563	5,742	5,920	6,201	6,298	6,660	6,949	7,276	7,784	8,000	29,724	66,393
Off-budget[b]	1,221	1,315	1,413	1,503	1,592	1,685	1,784	1,887	1,995	2,111	2,214	2,320	7,976	18,504
Total deficit (-)[c]	**-1,694**	**-1,915**	**-1,938**	**-1,851**	**-1,756**	**-1,942**	**-1,949**	**-2,193**	**-2,283**	**-2,487**	**-2,822**	**-2,862**	**-9,436**	**-22,083**
On-budget	-1,666	-1,838	-1,812	-1,689	-1,555	-1,701	-1,663	-1,860	-1,901	-2,049	-2,341	-2,338	-8,419	-18,909
Off-budget[b]	-27	-77	-126	-162	-201	-242	-286	-333	-382	-438	-481	-524	-1,017	-3,174
Primary deficit (-)[c,d]	-1,035	-1,023	-922	-790	-672	-807	-750	-915	-910	-1,004	-1,228	-1,151	-3,941	-9,150
Debt held by the public	26,236	28,178	30,188	32,118	33,949	35,960	37,965	40,198	42,508	45,014	47,819	50,664	n.a.	n.a.
Addendum:														
GDP	26,974	28,467	29,711	30,856	31,972	33,115	34,346	35,654	37,018	38,432	39,890	41,398	160,000	352,392

CBO deficit projections for target period (2026-2030)
2024: $1.915 trillion (actual) vs $1.571 trillion (projected)
2025: **$1.938 trillion**
2026: $1.851 trillion
2027: $1.756 trillion
2028: $1.942 trillion
2029: $1.949 trillion
2030: $2.193 trillion

Total deficits projected 2026-2030: **$9.691 trillion**

Source: CBO 10-Year Budget Projections (2024-2034): https://www.cbo.gov/publication/60419

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3. Federal Income Tax Recapture

The scoring model assumes that 80% of U.S. citizens will participate in **The Leviticus 25 Plan**. Participants must give up their tax refunds through the Plan's recapture provisions for the 5-year target period (2026-2030).

According to 2024 IRS Filing season statistics, through Dec 27, 2024: 104,866,000 total refunds were paid out, totaling $329.073 billion.

Refund totals have increased by ~$25.312 billion over the past seven years, from $303.761 billion (2018) to a current (estimated) $329.073 billion (2024), representing an average increase of $3.6 billion per year.

A conservative estimated average of $3.6 billion per year (2026-2030) will be used for this recapture calculation.
2024: $329.1 billion
2025: $332.7 billion
2026: $336.3 billion
2027: $339.9 billion
2028: $343.5 billion
2029: $347.1 billion
2030: $350.7 billion

Total: **$1.718 trillion**

Total recapture X 80%: $1.717 trillion X .8 = **$1.374 trillion**

Total recapture per annum (2026-2030): $1.374 trillion / 5 = **$274.8 billion**

Source(s): https://www.irs.gov/newsroom/filing-season-statistics-by-year

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4. Means-tested welfare / Economic Security Programs - Recapture

Participants in the Plan will forego *Economic Security Program* benefits and select means-tested welfare benefits for the period 2026-2030.

Economic security programs: About 11 percent (or $742.5 billion) of the federal budget in 2024 supported [safety net] programs that provide aid (other than health insurance or Social Security benefits) to individuals and families facing hardship. Economic security programs include: the refundable portions of the Earned Income Tax Credit and Child Tax Credit, which assist low- and moderate-income working families; programs that provide cash payments to eligible individuals or households, including unemployment insurance and Supplemental Security Income for low-income people who are elderly or disabled; various forms of in-kind assistance for low-income people, including the Supplemental Nutrition Assistance Program (formerly known as food stamps), school meals, low-income housing assistance, child care assistance, and help meeting home energy bills; and other programs such as those that aid abused or neglected children.[1]
Source: https://www.cbpp.org/research/federal-budget/where-do-our-federal-tax-dollars-go

Assuming modest 1.5% growth / year:
2024: $742.500 billion
2025: $742.500 billion + $11.138 billion = $753.638 billion
2026: $753.638 billion + $11.305 billion = $764.943 billion
2027: $764.943 billion + $11.474 billion = $776.417 billion
2028: $776.417 billion + $11.646 billion = $788.063 billion
2029: $788.063 billion + $11.821 billion = $799.884 billion
2030: $799.884 billion + $11.998 billion = $811.882 billion

Total projected federal means-tested welfare outlays 2026-2030 = $3.941 trillion
Assuming 80% participation: $3.941 trillion x .8 = $3.153 trillion

Total Means-tested Welfare recapture during the 5-year target period (2026-2030): **$3.153 trillion**

Source(s): https://www.cbpp.org/research/federal-budget/where-do-our-federal-tax-dollars-go
https://www.ssa.gov/policy/docs/statcomps/ssi_monthly/2024-11/table01.html
https://turbotax.intuit.com/tax-tips/general/how-are-federal-taxes-spent/L6kinGuUt : "Safety net programs, including unemployment insurance, food stamps, and low-income housing assistance, make up about 11% of your federal budget [$742.5 billion]."
https://fiscaldata.treasury.gov/americas-finance-guide/federal-spending/ 2024 - $6.75 trillion"

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5. Medicaid/CHIP Recapture

Each U.S. citizen participating in The Plan will receive a $30,000 deposit, funded through a Federal Reserve / U.S. Treasury Department-based *Citizens Credit Facility*, into a personal Medical Savings Account (MSA).

The Leviticus 25 Plan assumes 80% participation by Medicaid / CHIP enrollees.
Within this comprehensive economic plan, **The U.S. Health Care Freedom Plan** provides Medical Savings Account (MSA) funding of $30,000 to cover the $6,000 deductible for Medicaid and CHIP eligible primary care events and select out-patient care services – primarily related to routine medical appointments, Medicaid prescription events, disease state monitoring clinics, and other desired primary care services.

August 2024 Medicaid & CHIP Enrollment – 79,440,518 individuals were enrolled in Medicaid and CHIP in the 50 states and the District of Columbia that reported enrollment data for August 2024. 72,288,385 people were enrolled in Medicaid. 7,152,133 people were enrolled in CHIP.

Using a conservative estimate of 79.5 million for 2025, with a projected annual growth rate of 2%:
2025: 79.5 million

2026: 81.09 million

2027: 82.71 million

2028: 84.36 million

2029: 86.05 million

2030: 87.77 million

Total: 421.98 million receiving benefits 2026-2030

Average annual enrollment (2026-2030): 84.4 million
84.4 million X .8 = 67.52 million X $6,000/year X 5 years = **$2.026 trillion**

Total Medicaid/CHIP recapture during the 5-year target period (2026-2030): **$2.026 trillion**

Source(s): https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html

https://www.healthcarefinancenews.com/news/medicaid-enrollment-higher-pandemic-kff-finds

https://www.kff.org/medicaid/state-indicator/federalstate-share-of-spending/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

https://www.kff.org/health-policy-101-medicaid/?entry=table-of-contents-what-long-term-services-and-supports-ltss-are-covered-by-medicaid

Note 1: The potential savings of $2.296 trillion does not take into account the additional savings to state and local government outlays, which range from 17% to 39% of total Medicaid-CHIP spending.

Source: https://www.kff.org/medicaid/state-indicator/federalstate-share-of-spending/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

Note 2: The potential savings of $2.026 trillion does not take into account the certainty of additional savings from individuals no longer being eligible for Medicaid-CHIP, due to their improving financial status.

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6. Medicare Recapture

Each U.S. citizen participating in The Plan will receive a $30,000 deposit, funded through a Federal Reserve / U.S Treasury Department-based *Citizens Credit Facility*, into a personal Medical Savings Account (MSA).

The Leviticus 25 Plan assumes 80% participation by Medicare enrollees.
Within this comprehensive economic plan, **The U.S. Health Care Freedom Plan** provides Medical Savings Account (MSA) funding of $30,000 to cover a $6,000 annual deductible for Medicare-eligible primary care events and select out-patient services – primarily related to routine medical appointments, Medicare Part D prescription events, disease state monitoring clinics, and other desired primary care services.

There were **67.8 million** people are enrolled in Medicare as of August 2024.

Projection: Medicare spending growth is projected to average 7.2% over 2021-2030, the fastest rate among the major payers. Projected spending growth of 11.3% in 2021 is expected to be mainly influenced by an assumed acceleration in utilization growth, while growth in 2022 of 7.5% is expected to reflect more moderate growth in use, as well as lower fee-for-service payment rate updates and the phasing in of sequestration cuts. Spending is projected to exceed $1 trillion for the first time in 2023. By 2030, Medicare spending growth is expected to slow to 4.3%.

Source(s): https://data.cms.gov/summary-statistics-on-beneficiary-enrollment/medicare-and-medicaid-reports/medicare-monthly-enrollment

https://www.cms.gov/newsroom/press-releases/cms-office-actuary-releases-2021-2030-projections-national-health-expenditures

Applying a conservative projected enrollment growth rate of 4.0% annually through 2030, for the 5-year target period (2026 – 2030):
2024: 67.80 X .8 X $6,000 = $325,440,000
2025: 70.51 X .8 X $6,000 = $338,448,000
2026: 73.33 X .8 X $6,000 = **$351,998,000**
2027: 76.26 X .8 X $6,000 = **$366,048,000**
2028: 79.31 X .8 X $6,000 = **$380,688,000**
2029: 82.48 X .8 X $6,000 = **$395,904,000**
2030: 85.78 X .8 X $6.000 = **$411,744,000**

Total Medicare recapture during the 5-year target period (2026-2030): **$1.906 trillion**

Detailed enrollment data can be viewed here: https://data.cms.gov/summary-statistics-on-beneficiary-enrollment/medicare-and-medicaid-reports/medicare-monthly-enrollment. The data now include counts of Part D enrollees receiving the low-income subsidy.

7. VA Healthcare

The Leviticus 25 Plan assumes 80% participation by Veterans Administration healthcare enrollees. Within this comprehensive structure, **The U.S. Health Care Freedom Plan** provides Medical Savings Account (MSA) funding of $30,000, through a Federal Reserve / U.S. Treasury-based *Citizens Credit Facility*, to cover annual $6,000 deductibles over the course of the 5-year target period (2026-2030).

FY 2022 - 9.1 million enrollees in the VA health care system.
The plan assumes a conservative 2% growth rate in VA Health Care enrollment / inflation adjusted costs (2026-2030).

2024: 9.10 X 0.8 X $6,000 = $43,680,000,000
2025: 9.28 X 0.8 X $6,000 = $44,544,000,000
2026: 9.47 X 0.8 X $6,000 = **$45,456,000,000**
2027: 9.66 X 0.8 X $6,000 = **$46,368,000,000**
2028: 10.05 X 0.8 X $6,000 = **$48,240,000,000**
2029: 10.25 X 0.8 X $6,000 = **$49,200,000,000**
2030: 10.46 X 0.8 X $6,000 = **$50,208,000,000**

Total recapture: $239,472,000,000

Average annual recapture (2026-2030): $239.472 billion / 5 = $47.894 billion

Total recapture 2026-2030: **$239.472 billion**
Source: https://www.va.gov/health/aboutvha.asp

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8. TRICARE
The Leviticus 25 Plan assumes 80% participation by TRICARE enrollees.

Through **The U.S. Health Care Freedom Plan**, participating members will receive a Medical Savings Account (MSA) funding injection of $30,000, through a Federal Reserve / U.S. Treasury Department-based *Citizens Credit Facility*, to cover annual $6,000 deductibles for desired primary care and out-patient services over the course of the 5-year target period (2026-2030).

There are currently ~9.5 million U.S. citizen beneficiaries in various locations around the world.
Recapture – total (2026-2030): 9.5 million X 0.8 X $6,000 X 5 years: **$228.0 billion**

Source: https://health.mil/Military-Health-Topics/MHS-Toolkits/Media-Resources/Media-Center/Patient-Population-Statistics/Patient-Numbers-By-State

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8. Federal Employee Health Benefits (FEHB)
The Leviticus 25 Plan assumes 80% participation by FEHB enrollees.
Participating members will receive a Medical Savings Account (MSA) funding injection of $30,000, through a Federal Reserve / U.S. Treasury Department-based *Citizens Credit Facility*, to cover annual $6,000 deductibles for desired primary care and out-patient services over the course of the 5-year target period (2026-2030).

FEHB Program carriers cover most active, full-time civilian employees and retirees of the U.S. government and their families. The Program now provides benefits to **nearly 8.3 million** federal enrollees and dependents and offers our 180 health plan choices to federal members.

Note - the Federal government also pays approximately 72% of premium costs per enrollee.
Recapture – total (2026-2030): 8.3 million X 0.8 X $6,000 X 5 = **$199.200 billion**
Source: https://www.bu.edu/sph/news/articles/2023/professor-collaborates-with-federal-agency-to-study-employee-health-insurance-utilization/

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9. Social Security Disability Income (SSDI)

The Leviticus 25 Plan specifies that participants will not be eligible for SSDI benefits.
The Plan assumes 80% participation.

Number, average, and total monthly benefits, November 2024: 8,336,000 recipients

Total annual SSDI payments, November 2024: $140.496 billion.
This projection assumes a conservative 3% growth per year for 2026-2030, covering both enrollment growth and COLA:

2024: $140.496 billion
2025: $144.711 billion
2026: $149.052 billion
2027: $153.524 billion
2028: $158.130 billion
2029: $162.874 billion
2030: $167.760 billion

Total: $791.340 billion / Average per year: $158.268 billion

Total for 5-year target period 2026-2030:
Plan assumes 80% participation - recapture: $791.340 billion X 0.8 = **$633.072 billion**

Source(s): Social Security Benefits Dec 2023 – Disability Insurance
https://www.cbpp.org/research/social-security/social-security-disability-insurance-0

"SSDI benefits are financed primarily by part of the Social Security payroll tax and totaled about $152 billion in 2023."

"Social Security's trustees project that the share of people in the United States receiving SSDI will rise somewhat over the next 20 years and then remain stable."

Note: The 3% growth projection, covering both the enrollment increase and annual COLA, is likely a conservative estimation for the period 2026-2030.

Subtotals:

CBO projected deficit summary (2026-2030): $9.691 trillion

Recapture gains (2026-2030):

Federal Income Tax recapture benefit:	$1.374 trillion
Safety Net Program recapture benefit:	$3.153 trillion
Medicaid/CHIP $6,000 deductible recapture	$2.026 trillion
Medicare $6,000 deductible recapture:	$1.906 trillion
VA $6,000 deductible recapture:	$239.472 billion
TRICARE $6,000 deductible recapture:	$228.000 billion
FEHB $6,000 deductible recapture:	$199.200 billion
SSDI recapture:	$633.072 billion

Subtotal Summary: $9.759 trillion

Net surplus subtotal (before interest savings): $9.759 trillion - $9.691 trillion = **$68.0 billion**

10. Interest expense on projected deficits 2026-2030

Federal debt has increased from $22.1 trillion in 2020 to $35.46 trillion as of December 2024. Federal debt held by the public is reported to be $27.783 trillion, with the remainder, $7.677 trillion of intra-governmental debt outstanding, which arises when one part of the government borrows from another. This intra-governmental debt interest expense will be omitted from this calculation, since those dollars are not expensed directly.

The Center Square, Dec 26, 2024: As the debt grows, so does the average interest rate the government is paying. That rate jumped from 2.378% five years ago to 3.155% now. Since one of the key drivers of U.S. debt growth is interest on the debt, a vicious spending cycle has been created, one that lawmakers in the U.S. House Committee on the Budget **recently called "completely unsustainable**."

The Bear Traps Report, Dec 30, 2024 - Excerpts:
"*CBO data, Bloomberg. The average weighted coupon on the U.S. debt load is about 2.7% vs. over 4.5% for 10-year U.S. Treasuries. As bonds mature, they get refinanced at much higher yields."*

"$10Tr of Debt Refinancing Next Year - In 2024 Treasury faced around $10Tr of maturing debt. To refinance this debt, it issued a whopping $26Tr of bills and bonds. More than 84% of that paper was short-term bills with a maturity of 6 months or less. Treasury keeps re-issuing bills with a maturity of 4 to 8 weeks or 3,4 to 6 months, which are the most popular maturities in a continuing, ever-increasing roll down of the debt, day after day, month after month."

"ALERT – By issuing nearly a colossal load of extremely short-term bills, Janet Yellen succeeded in suppressing bond volatility in an election year and, in our view, strategically placing that bond market volatility into 2025 after the election. You can "why" see above, she wanted LESS long-term paper in circulation markets in the election year."

"Now, in 2025 – this paper has to be rolled over and termed out into longer-dated bonds. The USA is behaving like a financially trapped emerging market country. Living on the "front-end" of the yield curve is a VERY dangerous game."

"Incoming Stress Points - In 2025 the U.S. Treasury faces $9.6Tr of maturities in their so-called publicly held debt. In Q1 alone — the government faces $5.58Tr of maturities (bonds coming due, redemption), but 86% of those are short-term bills that the Treasury department rolls over into new 4-week, 8-week, 3,4, or 6-month bills, among others."

"As a result, almost daily bill auctions are coming to a theater near you, as the Treasury Department mindlessly keeps pushing new paper into the market to pay back the colossal amount of maturing debt."

This projection will assume an average monthly interest rate of 3.13% for 2025, and a conservative average monthly interest rate of 3.00% in calculating the interest expense to be eliminated during the budget surplus years of 2026-2030.

This projection also assumes that annual federal budget deficits will be funded through Treasury Issuance at an average of 79.0% rate for *Debt Held by the Public*.

<u>Year</u>   <u>Annual Deficit/2</u>
2025: $1.938 trillion/2 X .79 X .03 = $22.965 billion
2026: $1.851 trillion/2 X .79 X .03 = $21.934 billion
2027: $1.756 trillion/2 X .79 X .03 = $20.809 billion
2028: $1.942 trillion/2 X .79 X .03 = $23.013 billion
2029: $1.949 trillion/2 X .79 X .03 = $23.096 billion
2030: $2.193 trillion/2 X .79 X .03 = $25.987 billion

Recapture: Total interest expense eliminated by projected operating surpluses: **$114.839 billion**

Source(s):
https://www.thecentersquare.com/users/profile/therese%20boudreaux/
https://www.thebeartrapsreport.com/blog/2024/12/30/on-the-way-out-the-door-biden-is-emptying-the-coffers/

The Leviticus 25 Plan budget surplus

Totals - 2026-2030:
5-year projected deficit (CBO): $9.691 trillion
5-year projected recapture (subtotal): $9.759 trillion
5-year projected interest expense savings: $114.839 billion

Budget surplus (projected) 2026-2030:
$9.832 trillion - $9.691 trillion = **$68.0 billion**

Budget surplus (projected) 2026-2030 with interest expense savings:
$68.0 billion + $114.839 billion = $182.839 billion

Average annual budget surplus (projected) 2026-2030:
$182.839 billion / 5 years: **$36.568 billion** per year

Note 1: Projected budget surpluses for 2026-2030 do not factor in the additional government tax revenue gains that would accrue from the massive shift in capital away from debt service and into productive economic activity.

Note 2: Projected budget surpluses for 2026-2030 do not factor in the additional government tax revenue gains that would accrue from significantly lower levels of debt deductibility on individual income tax filings.

Note 3: Projected budget surpluses from the Medicaid / CHIP recapture do not take into account the likelihood of fewer citizens actually qualifying for Medicaid / CHIP benefits.

Note 4: Projected budget surpluses from Interest Expense Reductions during each of the first five years of activation (2026-2030) is likely understated due to the fact that 'debt held by the public' is projected to increase by 8.5% per year, from $28.278 trillion in 2026 to $40.198 trillion in 2030.

Note 5: **The Plan's** funding of individual Medical Savings Accounts (MSAs) with the $6,000 deductible provision per year would result in an enormous drop in the number of claims each year for Medicare reimbursement. Medicare payroll taxes would generate a growing revenue stream, due to stronger economic growth, while outlays would drop significantly from the reduced claims numbers – thereby providing the Fed with a powerful tool to recapitalize the Medicare Trust Fund, vis the *Citizen's Credit Facility*.

The Leviticus 25 Plan - Projection limitations
There can be no question that **The Leviticus 25 Plan** would generate healthy, broad-based economic growth from broad-based debt reduction and improved financial stability at the family level, the restoration of free market dynamics in commerce, and scaling back social program work disincentives.

The Leviticus 25 Plan does not attempt to project how much additional tax revenue and reduced cost of government will be realized, above and beyond the Recapture Provisions, over the course of the initial five years of the plan. In that sense, **The Plan** understates the effect of additional dynamic economic benefits.

Robust funding of Medical Savings Accounts and the elimination of millions of insurance claims and claims resolutions for basic primary care and everyday healthcare purchases swill save millions of man-hours of health care cost on an annual basis. Scaling back government involvement in basic primary care and everyday healthcare purchases for millions of Americans will also generate massive cost savings.

The Plan makes no attempt to project the positive effects of the streamlined, consumer-driven efficiencies that will emerge, and the cost reduction and improvement in services.

The Plan therefore understates the benefits.

The Plan projects an 80 percent participation rate by U.S. citizens. It is assumed that a large number of wealthy Americans will not participate, because their tax refunds are larger than the annual **Plan** benefits. And it is assumed that a large number of Americans receiving significant government benefits for extraordinary health or economic issues will also not participate.

Cost savings from the reductions in massive social welfare spending and other programs, like unemployment insurance, workman's compensation, SSI and SSDI can be difficult to quantity, since state and federal funding mechanisms may both be involved in various ways.
In that regard, **The Plan** may understate, or it may overstate, the benefits.

The Leviticus 25 Plan

FAQs

1. How much would the Leviticus 25 Plan's initial credit extension expand the balance sheet of a Fed-based *Citizens Credit Facility*?
Answer: The Plan assumes a participation rate of 80% of the 300 million U.S. citizens (approximately 240 million Americans). 300 million X 80% X $90,000 = **$21.6 trillion**

2. Why is a Plan like this so vital for reigniting economic growth?
Answer: Total U.S. public and private debt, also called "*All sectors; Credit Market Instruments; Liability, Level*" reached $61.46 trillion (updated Q3, 2024 – St. Louis Fed). The massive debt obligations carried by the U.S. will be an incapacitating drag on future economic growth, and a detriment to the financial security of all American families.

3. How can the Leviticus 25 Plan effectively restore liquidity to American families, while at the same time reducing pressures from the U.S. sovereign debt problem?
Answer: **The Leviticus 25 Plan** does not require additional borrowing by the U.S. Treasury. **The Plan** is capitalized by credit extensions, direct to American families from the Federal Reserve. Treasury revenue gains, directly related to recapture provisions, will be transferred back, periodically, to the Federal Reserve to shrink the Fed balance sheet back down to pre-expansion levels.

The primary benefit of the **Leviticus 25 Plan** flows from the massive debt reduction effect (mortgage and consumer loans) at the family level. For example – A family of 4, with $240,000 in their Family Account, choosing to pay off a $100,000 mortgage balance (20-year maturity), would no longer have a $700-$900 principle/interest mortgage payment obligation each month. This would free up funds each month for saving, investing, additional debt elimination, and discretionary cash purchases.

It should also be noted that by paying off a $200,000 balance on a 6% 30-year mortgage, those families would actually save over $230,000 each in interest costs over the remaining life of their respective mortgages.

Perhaps most importantly, massive debt reduction at the family level would help insulate Americans against the economic fallout from future, potentially severe, economic contractions.

If 1,000 families (4 members per family) in an average-size community, all chose to pay off similar mortgage obligations, that community would benefit by $700,000 to $800,000 of 'new money' coming into that community each month for the next 20 years. This would provide healthy economic stimulation for the economy, and it would generate growing tax revenues, while reducing "income protection" costs in government.

The big picture benefit of **The Leviticus 25 Plan**: it would take a large proportion of the trillions of dollars paid out to banks and other lending institutions in debt service obligations each year, and redirect those dollars to American families, small businesses, and to federal, state, and local government entities. In addition, government entities would benefit from massive cost savings in social welfare spending.

4. Would the initial $21.6 trillion disbursement direct to U.S. citizens lead to hyperinflation?
Answer: No. By far, the greater hyperinflation threat would be realized by NOT shifting away from the current big-government, central-planning approach to managing the nation's financial affairs.

The U.S. government and the Federal Reserve have already set America on a hyperinflationary track with the snowballing federal deficits, stagnant economic growth, runaway social/entitlement spending, and the periodic Permanent Open Market Operations (POMO) necessary to support orderly Treasury auctions and rate cap management.

The Leviticus 25 Plan, on the other hand, would improve economic and healthcare efficiencies in the marketplace and revitalize economic growth. It would generate a balanced budget for the federal government for each of the first five years and alleviate current, persistent pressures to 'print' fiat currency.

A. A large percentage of the $21.6 trillion credit extension will simply replace money that is already being spent by federal and state governments (welfare spending, healthcare benefits claims, unemployment benefits, etc.). This replacement spending would not be inflationary.
B. The disbursements ($7.2 trillion) into Medical Savings Accounts (MSAs) would generate new efficiencies in the healthcare marketplace, significantly reducing costs over time.
C. A large percentage of the $14.4 trillion going into Family Accounts would be allocated to reduce mortgage and installment debt. "Debt service" is not inflationary.

The Leviticus 25 Plan would support prices and counter persistent deflationary pressures in the global economy. Over the longer term, by supporting free market allocation of capital rather than a big government allocation of capital, it would promote new efficiencies in nearly all markets across the economic spectrum, thereby stabilizing prices and minimizing inflationary risks.

5. Is there any type of 'fail safe' mechanism that would minimize the danger of some participants in the Plan simply "blowing" their money?
Answer: Yes, there is a 'fail safe' mechanism. When prospective participants apply for the plan, the banks / financial institutions must verify that they have properly screened the applicants for credit risk and job history. If an applicant family has a poor credit history / poor job history they would not be eligible to receive a lump sum deposit into their Family Account (FA), but would receive only 3-month incremental deposits – to manage their family's affairs.

At the same time under current big-government programs, many are "blowing it" now: food stamp-for-drugs fraud, SSI fraud, SSDI fraud, EITC fraud, Medicare and Medicaid fraud, housing assistance fraud.

Furthermore, the government has already "blown" billions of dollars with worthless and ineffective stimulus programs, massive financial infusions for foreign banks, IMF transfers to foreign nations, emergency loans and discount window transfers to scores of major financial institutions, including JP Morgan, and Goldman Sachs (providing over $100 million in bonuses to Lloyd Blankfein and upper-level GS management).

Participants in **The Plan** would be "off" federal/state *Income Security programs* and select means-tested social welfare programs for a period of five years. Participants would be ineligible for benefits from these programs during the defined participation period if they had not properly managed their Family Accounts and Medical Savings Accounts. Their recourse would then be to turn for help to family members, community groups / churches / other religious and charitable organizations. An improving job market would also support newly motivated workers moving into the market.

6. Would banks and other lending institutions get hurt by the Plan?
Answer: On the contrary, the Government's central-planning approach to the handling of the financial crisis banks has led to sluggish economic growth – which is not beneficial to the banking industry. Banks have continued to need periodic liquidity injections from the Federal Reserve.

Major financial institutions have taken on significant exposure to various derivatives – which are entirely dependent upon the strength of the counter-parties. Fragile 'stress points' remain embedded within the system. The banking industry needs market-based economic growth, credit-worthy borrowers, and disciplined risk management systems.

The Leviticus 25 Plan will benefit banks with increased cash reserves and stronger loan portfolios. Loan loss reserve requirements should contract as loan loss provision decreases. Non-performing loans (non-accrual and restructured loans) would improve, with non-performing assets declining substantially over time. An improving economy, with significantly reduced debt burdens, would generate new loan demand, over time, from credit-worthy borrowers.

7. How would banks and the U.S. Treasury Department benefit from a regulatory change in the Supplemental Leverage Ratio (SLR)?

Answer: **The Leviticus 25 Plan** would generate trillions of dollars in loan paydowns (mortgage debt, consumer debt) and massive cash inflows for banks. A temporary regulatory change to the SLR allowing banks to hold more Treasuries on their balance sheets without the requirement to hold corresponding levels of capital reserves to counterbalance risk would allow banks to earn billions of dollars in additional interest and support the Treasury market, particularly the 'long end' of the market. This would have the effect of stabilizing the Treasury market, reducing rates, and lowering debt service projections for decades to come.

8. Does the Plan affect small business taxes – or corporate taxes?
Answer: No. **The Leviticus 25 Plan** does not affect current tax law regarding small business or corporate taxes. Tax reform in those sectors, to improve the business climate for American businesses, would need to be addressed independently of the Plan.

Reducing "corporate welfare" ($90-100 billion per year) could also be a key factor in support of deficit reduction – and should be addressed on its own merits. It would also help to level the playing field between large corporations and small business in America.

The **Leviticus 25 Plan's** liquidity restoration benefits for families would generate healthy, market-driven economic growth, benefiting both small businesses and large corporations.

8. How will The Leviticus 25 Plan affect government tax revenues?
Answer: The economic scoring model assumes that at least 80% of U.S. citizens will participate, and recapture provisions will generate enormous savings in outlays, and new market-based efficiencies will emerge. Robust, sustainable economic growth will generate massive new tax revenue flows for all levels of government, federal, state, and local.
