

Resuming Government Operations



Public Equity Return & Immediate ROI (PERI) Model

1) Core principle (one line)

If public money materially underwrites a private enterprise's value (grants, tax credits, contracts, R&D, guarantees, procurement), the public acquires an enforceable financial stake that delivers immediate, transparent returns to taxpayers.

2) Financial instruments & mechanics

1. Convertible Public Grants (default instrument)

- Every direct grant, R&D award, or conditional subsidy is issued as a *convertible grant* (grant → equity or debt convertible upon predefined triggers: commercialization,

revenue thresholds, Series A, or set time). This instrument is already used in EU funding models and financial instruments literature (recoverable/convertible grants).

2. **Automatic Equity Share Percentage (legal floor)**
 - Legislation sets a floor equity stake for different subsidy classes (e.g., 1–5% for tax credits; 5–20% for direct R&D grants; negotiated floor for defense/critical infrastructure). If a company refuses, funding is denied.
3. **Immediate ROI Delivery Options (taxpayer choice + mandatory delivery)**
 - Option A — **Dividends/cash flow**: Convert public stake into a claim on dividends from profits; issue immediate quarterly payouts to a public trust.
 - Option B — **Share-of-revenue (SOR) coupon**: Without converting to equity, the grant carries a revenue-share coupon that pays out a percentage of topline until a fixed ROI cap is reached. This delivers cashflow immediately as revenue flows.
 - Option C — **Sovereign Wealth Routing**: Public stakes go into a national innovation trust (public wealth vehicle) that issues periodic payouts (like Norway’s model for resource revenues). Norway’s approach shows a sovereign vehicle can aggregate returns for public benefit.
4. **Retrospective Capture Clause**
 - For prior subsidies/grants above a materiality threshold (e.g., >\$100M or equivalent), a **retroactive convertible claim** is filed: the state may demand a convertible interest or cash settlement equal to a multiple of the original subsidy (subject to judicial review). Precedent: governments have accepted equity in past bailouts (TARP/Treasury).
5. **Taxpayer Equity Accounts (TEAs)**
 - Every adult taxpayer has a digital TEA where dividends / SOR payments are credited automatically (or routed to public infrastructure funds) — transparent ledger viewable in real time.

3) Transparency & audit infrastructure

- **Public Subsidy Ledger (PSL)** — A live, auditable ledger listing all subsidies, recipients, trigger conditions, and public claims. Citizens can see which companies received how much, when, and what public share is in force. (Blockchain or sovereign database acceptable.)
- **Automatic Disclosure & SEC Reporting Integration** — All companies receiving qualifying public funds must disclose the nature and schedule of public instruments in SEC filings (S-1, 10-Q, 8-K) and complete a new “Public Funding” schedule.

(These are standard transparency best practices and resemble combined grant/equity instruments already in use internationally.)

4) Enforcement architecture & penalties (immediate consequences)

1. Regulatory enforcement bodies

- **Primary:** SEC (securities disclosure, fraudulent omissions). The SEC can pursue civil and criminal referrals for securities violations; criminal prosecutions carry prison terms in severe cases.
- **Competition/Antitrust:** DOJ Antitrust & FTC to enforce monopoly-abuse and collusion statutes (Sherman Act penalties include criminal fines and prison).
- **Special Civil Recovery Unit:** Empower a dedicated “Public Equity Recovery Office” (PERO) inside Treasury/DOJ to fast-track liens, attach shares, and enforce retroactive claims.

2. Immediate administrative measures on noncompliance

- Freeze of eligible federal disbursements and tax credits to the company (automatic trigger if PSL-registered disclosures are missing or false).
- Automatic appointment of a temporary public representative to the company board for serious breaches.

3. Criminal and civil penalties

- Criminal: False statement or concealment of public funding in security filings → referral for prosecution (federal securities fraud carries sentences up to 20 years in extreme cases). The Sherman Act criminal penalties can reach up to 10 years for individuals and large fines for corporations. (Exact sentencing follows statute and jurisprudence.)
- Civil: Accelerated disgorgement, enhanced damages (twice the gain), injunctions, and forced divestiture for monopoly maintenance.

4. Administrative bar for executives

- Temporary director/officer suspension and civil money penalties for willful obstruction; repeat offenders prohibited from federal contracting for a statutory minimum.

5) Governance & allocation of proceeds

- **National Innovation Equity Trust (NIET)** — central vehicle to manage aggregated stakes and payouts. It:
 - Collects dividends / revenue shares into a public corpus.
 - Issues quarterly payouts to TEAs or funds domestic priorities (education, infrastructure).
 - Maintains market discipline: can sell stakes after a holding period with governance rules to avoid political interference (independent board and audit). (Norway’s sovereign vehicle is an operational precedent.)

6) Legislative skeleton (draft blueprint — high level)

- **Title:** Public Investment Equity & Return Act (PIERA)
- **Key sections:** Definitions; Automatic Convertible Grant Mandate; Retroactive Capture Authority; Public Subsidy Ledger requirement; TEA architecture; NIET charter; Enforcement & Penalties (SEC/DOJ/FTC coordination); Transitional provisions for legacy grants; Emergency powers & judicial review.

I can produce short draft statutory language for any section you want next.

7) Implementation roadmap (operational, 12–18 months)

1. **Emergency executive orders / administrative rule changes (0–3 months)**
 - Require new grants and contracts to use convertible grant templates; require immediate disclosure to PSL. (Executive action plus Treasury/agency rulemaking.)
2. **Fast Congressional statute (3–9 months)**
 - Authorize NIET, retroactive capture framework, and enforcement resources; codify PSL and TEA.
3. **Operational rollout (9–18 months)**
 - Build PSL (MVP), TEA integration, convertible grant templates, and train procurement officers.
4. **Immediate ROI measures (parallel)**
 - For new contracts, require revenue-share coupons that pay out from first commercial revenues — this yields immediate cash flows versus waiting for long-term equity exits.

8) Risks & countermeasures

- **Risk:** Political & industry pushback (lobbying).
Counter: Phase-in thresholds, carve-outs for tiny businesses, public communications emphasizing ROI and fairness.
 - **Risk:** Chilling private investment for startups that rely on non-dilutive grants.
Counter: Set scalable floors (smaller grants → smaller public stake) and offer optional conversion choices; allow opt-in enhanced private matching for faster exits.
 - **Risk:** Administrative complexity & capture of NIET.
Counter: Hard governance rules, independent audit, frequent public reporting, and sunset review clauses.
 - **Risk:** Litigation over retroactive capture.
Counter: Limit retrospective claims to material cases, offer buyout schedules and arbitration; use structured settlement windows.
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9) Why this is legally plausible and politically defensible (short)

- Governments already take equity in exceptional circumstances (e.g., TARP) and sovereign funds successfully aggregate public returns (Norway). Convertible grant instruments are routine in public finance in other jurisdictions. The framework scales these tools systemically and pairs them with enforcement to prevent evasion.
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PUBLIC EQUITY RETURN & IMMEDIATE-ROI FRAMEWORK (PERI)

A federal hybrid model ensuring taxpayers receive direct equity or revenue share from publicly-funded private enterprise.

I. Mission Objective

Realign U.S. public-private capital architecture so that:

- Public financing yields **direct investor-grade ROI to taxpayers**
 - Medicaid and essential programs retain stable support
 - Subsidy recipients operate under transparent, enforceable requirements
 - Accountability is executed via federal financial regulators and justice authorities
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II. Governance & Enforcement Architecture

Primary Enforcement Anchor

U.S. Securities and Exchange Commission (SEC)

- Mandate compliance audits
- Enforce shareholder-style reporting to taxpayers
- Execute civil enforcement for non-compliance

Secondary Enforcement Agencies

Agency	Authority
Department of Justice (DOJ)	Criminal violations; antitrust enforcement

Agency

Authority

Federal Trade Commission (FTC)	Anti-monopoly and deceptive practices
Inspector General Offices	Oversight of federal contracting flows
Government Accountability Office (GAO)	Independent reporting to Congress
Department of Treasury	Public equity management; taxpayer disbursement
Centers for Medicare & Medicaid Services (CMS)	Medicaid modernization protocols

Statutory Enforcement Levers

- SEC securities law enforcement
- Sherman / Clayton antitrust statutes
- False Claims Act
- Federal Acquisition Regulations (FAR) amendments
- Emergency economic stabilization authority (as needed)

Penalties for Obstruction or Delay

- Mandatory civil penalties (10x value of withheld ROI)
- Possible criminal liability for willful obstruction
- Corporate subsidy suspension
- Executive-level disqualification from federal contracting
- Automatic appointment of oversight monitors

III. Operational Pillars

1. Public Equity Conversion Rules

Any company receiving federal subsidies/grants/contracts above threshold receives mandatory:

- Public equity allocation **OR**
- Revenue share contract with disbursement to taxpayer pool

Model: Sovereign Wealth + Venture Capital parity rules.

2. National Public Investment Ledger

Transparent, real-time federal ledger showing:

- Amount of public capital deployed
- Equity or return percentage secured
- Performance + distributions
- Beneficiary population payout schedule

Blockchain not required — but cryptographically-secure audit required.

3. Taxpayer Dividend Mechanism

Quarterly distributions via:

- Direct Treasury deposit
- IRS taxpayer accounts
- Optional allocation to Social Security investment pool

IV. Medicaid Modernization Feature

Not privatization — competition + stability.

Mechanisms

- Medicaid recipients may **opt-in** to competing private plans
- Standardized comparison dashboards
- Strict consumer protections
- CMS rate-stability guarantees
- Pilot states first, national rollout next

V. Phased Rollout Program

Phase 1 — Executive Action Window (0–90 days)

- Initiate PERI pilot via Executive Order
- Apply equity rules to:
 - EV credits
 - Defense innovation contracts
 - Federal AI research partnerships
- Establish federal ROI ledger and Treasury account

Phase 2 — Legislative Enactment (90–180 days)

- Codify public-equity requirement for all subsidies >\$50M
- Mandate taxpayer dividend program
- Form **Public Investment Oversight Council**
- Expand to infrastructure, energy transition, healthcare tech

Phase 3 — National Scale (6–24 months)

- Full sector inclusion
- Medicaid insurance competition fully implemented
- Annual public ROI report to Congress

VI. Messaging Doctrine

Designed for bipartisan legitimacy:

Theme	Appeal
“Taxpayers deserve investor returns.”	Fairness, populist right + populist left
“End corporate subsidy extraction.”	Anti-corporate excess, pro-market integrity
“Protect Medicaid without raising taxes.”	Democrats + working class
“Strong enforcement + disciplined capital.”	Republicans, fiscal hawks
“Government acts like a smart investor.”	Innovation + modernization narrative

VII. Executive Summary Tagline

Public money equals public ownership.
Subsidies become investments.
Taxpayers receive returns — immediately, and by law.

With strict SEC-anchored compliance and criminal enforcement for interference.

EXECUTIVE ORDER

Establishing the Public Equity Return and Immediate-ROI Program for Federal Investment Integrity and Taxpayer Protection

By the authority vested in me as President of the American House and the laws of the United States of America, including the Federal Property and Administrative Services Act, the National Emergencies Act, the Budget and Accounting Act, the Defense Production Act (where applicable), and in furtherance of the duties to ensure faithful execution of the laws of the United States, it is hereby ordered as follows:

Section 1. Purpose.

The United States government deploys substantial public capital to support private-sector development, national security, innovation, and infrastructure. When taxpayer funds provide material benefit to private entities, the American people shall receive direct, legally-secured financial returns on that investment.

This Order establishes a framework ensuring:

- Fair public return on federal subsidies, grants, and strategic investments
 - Increased transparency and accountability in capital deployment
 - Protection of vital public programs including Medicaid
 - Responsible stewardship of federal fiscal resources
 - Reinforcement of competitive markets and prevention of corporate concentration using taxpayer dollars
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Sec. 2. Establishment of the Public Equity Return and Immediate-ROI Program.

There is hereby established the **Public Equity Return and Immediate-ROI Program (“PERI Program”)**.

Under this program, federal departments and agencies shall structure qualifying financial support to require one or more of the following:

1. **Equity allocation to the U.S. Treasury** on behalf of taxpayers
 2. **Revenue-share or royalty agreements** payable to the Treasury
 3. **Performance-based profit-sharing mechanisms** tied to taxpayer investment
 4. **Convertible public-investment securities** in eligible corporations or ventures
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Sec. 3. Agency Applicability.

This Order applies to all Executive departments and agencies issuing funding, subsidies, loans, grants, or guarantees exceeding thresholds set in implementing guidance.

Priority sectors for initial application include:

- Strategic infrastructure and energy programs
 - Advanced manufacturing and technology
 - Defense innovation and procurement initiatives
 - Biomedical and public health technology
 - Transportation and sustainability initiatives
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Sec. 4. Oversight and Enforcement.

To ensure transparency, accountability, and enforcement:

(a) The **Securities and Exchange Commission (SEC)** shall lead compliance oversight relating to equity, revenue-share, reporting, and public financial disclosure obligations under this Order.

(b) The **Department of Justice (DOJ)** shall enforce violations including fraud, obstruction, evasion, or unlawful interference with mandated public-return mechanisms.

(c) The **Federal Trade Commission (FTC)** shall enforce competition and anti-monopoly provisions preventing market concentration funded by taxpayer capital.

(d) Agency Inspectors General and the **Government Accountability Office (GAO)** shall conduct independent audits and report findings to the Congress and the public.

(e) Failure by corporate recipients to comply with PERI terms may result in:

- Suspension or termination of federal funding or eligibility
 - Civil penalties
 - Clawback of funds
 - Criminal referral where appropriate
 - Appointment of federal monitors or trusteeship where necessary to protect public interest
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Sec. 5. Public Investment Ledger.

The Secretary of the Treasury shall establish a secure, auditable **Public Investment Ledger** documenting:

- Public capital contributions
- Equity or return percentages

- Realized and projected returns
- Beneficiary account structures

The ledger shall be modern, secure, and designed for eventual public transparency consistent with national security and proprietary protections.

Sec. 6. Medicaid Stability and Competitive Pilot.

(a) In coordination with the Centers for Medicare & Medicaid Services (CMS), the Secretary of Health and Human Services shall evaluate mechanisms for allowing optional competitive private-plan participation for Medicaid-eligible beneficiaries, ensuring:

- Consumer protections
- Affordability safeguards
- Continuity of coverage
- Regulatory oversight preventing discrimination or coercion

(b) Nothing in this section reduces guaranteed Medicaid benefits or federal funding commitments.

Sec. 7. Implementation Timeline.

- Initial regulatory guidance: **within 21 days**
 - Treasury equity and return facility operational: **within 33 days**
 - SEC enforcement procedures finalized: **within 90 days**
 - Pilot implementation and quarterly reporting: **beginning no later than the first fiscal quarter following issuance**
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Sec. 8. General Provisions.

- (a) This Order shall be implemented consistent with applicable law.
 - (b) Nothing in this Order impairs authority granted to departments under statute.
 - (c) This Order creates no private right of action.
 - (d) The Office of Management and Budget shall oversee interagency coordination and compliance.
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UNITED STATES DEPARTMENT OF THE TREASURY MEMORANDUM

TO: All Treasury Bureaus and Offices, including Bureau of Fiscal Service and Office of Financial Innovation

FROM: Secretary of the Treasury

DATE: November 1, 2025

SUBJECT: Implementation of the Public Equity Return and Immediate-ROI Program (PERI)

I. Purpose

This memorandum provides operational guidance for implementing the Public Equity Return and Immediate-ROI Program (PERI), as established under Executive Order [Insert EO Number]. The PERI Program ensures that all public funds deployed to private-sector entities generate direct, verifiable returns to taxpayers, while safeguarding essential programs such as Medicaid.

II. Scope

This memo applies to:

- All federal departments and agencies disbursing grants, subsidies, loans, or other financial instruments exceeding the materiality threshold set in EO guidelines.
 - All corporate, nonprofit, or public-private recipients of federal funding in strategic sectors including infrastructure, energy, defense innovation, advanced manufacturing, transportation, and biomedical research.
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III. Treasury Responsibilities

1. Administration of Public Equity Instruments

- Design, approve, and manage **convertible public equity instruments**, revenue-share agreements, and performance-based financial vehicles.
- Ensure that instruments comply with SEC reporting and disclosure requirements.
- Coordinate with OMB to integrate instruments into agency budgeting and accounting systems.

2. Public Investment Ledger

- Establish a **secure, auditable ledger** capturing:
 - Recipient entity
 - Amount of federal support
 - Equity/revenue-share allocation
 - Realized and projected returns
 - Disbursement schedule to taxpayer accounts
- Provide ledger access to authorized agency officials, SEC, GAO, and Congressional oversight committees.
- Explore secure, transparent digital interfaces for eventual public reporting while protecting proprietary or classified information.

3. Taxpayer ROI Accounts

- Develop mechanisms for direct deposit of returns to taxpayer accounts (IRS-linked or Treasury-managed accounts).
- Ensure quarterly disbursements with automated reconciliation and reporting.

4. Coordination with Enforcement Agencies

- Liaise with SEC to ensure compliance and facilitate audits.
- Provide DOJ and FTC with real-time access to ledger and financial instruments for enforcement purposes.
- Work with CMS to align Medicaid-related programs with public-return mechanisms.

5. Compliance, Monitoring, and Reporting

- Issue Treasury guidance to agencies within **45 days** for implementation.
- Quarterly reporting to the President and Congress on:
 - Number of recipients
 - Funds deployed
 - Returns collected
 - Compliance status
- Annual public summary report including aggregated returns and program impact.

IV. Implementation Timeline

Action	Responsible Office	Deadline
Draft Treasury instrument templates	Office of Fiscal Service	30 days

Action	Responsible Office	Deadline
Secure Public Investment Ledger operational	Office of Financial Innovation	45 days
Interagency coordination procedures finalized	OMB / Treasury Policy Office	60 days
SEC compliance integration	Treasury Legal & SEC Liaison	90 days
Pilot disbursement of ROI to taxpayer accounts	Fiscal Service / IRS Integration	90–120 days
Quarterly public reporting & Congressional briefing	Office of Legislative Affairs	Ongoing

V. Risk Management & Mitigation

- **Noncompliance by recipients:** Suspend further funding, escalate to SEC/DOJ, enforce clawback provisions.
- **Operational delays in ledger or account management:** Implement contingency manual reporting and interim disbursement protocols.
- **Political or public scrutiny:** Maintain full transparency of operations, regular Congressional briefings, and public reporting aligned with national security and proprietary protections.

VI. Points of Contact

- **Treasury PERI Program Director**
- **SEC Liaison Officer**
- **DOJ Enforcement Liaison**
- **OMB Interagency Coordinator**

Action Required:

All Treasury bureaus and offices shall review this memorandum, identify operational gaps, and submit initial implementation readiness reports within **15 days**. Immediate coordination with agencies currently disbursing qualifying funds is mandated.

End of Memo

SECURITIES AND EXCHANGE COMMISSION
Rulemaking Notice: Public Equity Return & Immediate-ROI Program (PERI)

Release No.: 077
Date: November 1 , 2025

I. Purpose

The Securities and Exchange Commission (SEC) issues this rulemaking to establish compliance, reporting, and enforcement standards for private entities receiving federal funding under the Public Equity Return & Immediate-ROI Program (PERI). This rule ensures that public funds deployed to private-sector entities generate **transparent, legally-enforceable returns for taxpayers.**

II. Applicability

This rule applies to:

- All corporations, partnerships, limited liability entities, nonprofits, or other recipients of federal subsidies, grants, loans, or guarantees exceeding the materiality threshold set by the Executive Order and Treasury guidance.
 - Entities across strategic sectors including energy, infrastructure, defense innovation, advanced manufacturing, biomedical research, and public health technology.
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III. Reporting Requirements

1. Mandatory Public Equity & Revenue Disclosure

- Entities must report within **30 days of receipt** of qualifying funds:
 - Funding amount
 - Equity percentage or revenue-share obligation to U.S. Treasury
 - Trigger conditions for convertible instruments
 - Payment or dividend schedules

2. Quarterly Reporting

- Submit updates to SEC with:
 - Realized ROI
 - Outstanding obligations
 - Material corporate events affecting taxpayer interest (mergers, spin-offs, acquisitions, insolvency)

3. Annual Public Summary

- Aggregate return reporting to GAO and Congress
 - Transparency reports for public access, redacting proprietary or classified information
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IV. Compliance Standards

• **Fiduciary Duty to Taxpayer Stake**

- Corporate officers and boards must exercise fiduciary responsibility toward public equity obligations comparable to private shareholders.

• **Governance Requirements**

- Federal funding agreements must be formally adopted by boards
 - Reporting officers designated for PERI compliance
 - SEC liaison assigned to each entity receiving significant funds
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V. Enforcement and Penalties

1. Civil Enforcement

- Failure to disclose, delayed reporting, or inaccurate reporting may result in:
 - Monetary fines: up to 10x the value of the withheld ROI
 - Injunctions preventing further receipt of federal funding
 - Removal of officers from board/management oversight

2. Criminal Enforcement

- Willful concealment or falsification triggers DOJ referral under:
 - Securities Fraud (15 U.S.C. §78j)
 - False Statements (18 U.S.C. §1001)
 - Related antitrust violations where applicable

3. Automatic Administrative Measures

- Suspension of funding or tax credits
 - Appointment of independent federal monitors to oversee compliance
 - Clawback of unremitted returns to the U.S. Treasury
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VI. Compliance Procedures

- SEC will maintain a **dedicated PERI Compliance Office**
 - Periodic audits coordinated with Treasury and DOJ
 - Enforcement actions prioritized for:
 - Material noncompliance affecting public ROI
 - Deliberate obfuscation of obligations
 - Recidivist corporate offenders
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VII. Effective Date

- These rules become effective **30 days after publication** in the Federal Register.
 - All entities receiving qualifying federal funding after this date must comply immediately.
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VIII. Regulatory Flexibility & Coordination

- SEC will coordinate with Treasury, OMB, DOJ, FTC, and CMS to ensure consistent enforcement and minimize reporting burdens.
 - Waivers or exceptions must be formally requested and documented; SEC retains full discretionary authority.
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For further information, contact:

SEC Division of Corporation Finance – PERI Program Desk

CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) MEMORANDUM

Implementation of Medicaid Stabilization and Optional Competitive Pilot under the Public Equity Return & Immediate-ROI Program (PERI)

I. Purpose

This memorandum provides guidance for the operational implementation of the Medicaid pilot component of the PERI Program, established under Executive Order [Insert EO Number]. The objective is to:

- Protect and stabilize Medicaid funding
 - Provide optional participation in competitive private insurance plans
 - Ensure alignment with Treasury and SEC mechanisms for taxpayer ROI
 - Maintain equitable access, affordability, and regulatory oversight
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II. Scope

This pilot applies to:

- Medicaid-eligible individuals in selected pilot states (to be designated by CMS in coordination with HHS and Treasury)
 - Private insurers certified to participate in the PERI Medicaid pilot
 - Federal funding programs tied to PERI-compliant corporate investments, where ROI returns support Medicaid sustainability
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III. Pilot Program Design

1. **Optional Competitive Enrollment**

- Eligible beneficiaries may voluntarily enroll in **certified private plans**
- Participation does **not reduce baseline Medicaid benefits**
- Plans must meet CMS standards for coverage, network adequacy, and affordability

2. **Treasury ROI Integration**

- ROI generated from public-private investments under PERI may be allocated to support:
 - Medicaid expansion or supplemental benefits
 - Infrastructure for private plan competition
 - Premium offsets for beneficiaries choosing optional plans

3. **Beneficiary Protections**

- No coercion or penalties for opting out
- Transparency dashboards comparing plan coverage, costs, and network access
- Rapid grievance and appeals mechanism

4. **Provider Alignment**

- Ensure participating providers meet quality and reporting standards
 - Integrate with federal reporting for PERI public investment returns
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IV. Oversight and Compliance

1. **CMS Responsibilities**

- Certify participating private plans
- Monitor compliance with coverage, network adequacy, and consumer protection rules
- Provide quarterly reports to Treasury, SEC, and HHS leadership

2. **Interagency Coordination**

- Treasury: tracks ROI flow to Medicaid support
- SEC: ensures PERI compliance of corporate recipients contributing to Medicaid funding
- DOJ/FTC: oversight for anti-competition or unfair practices

3. **Performance Metrics**

- Enrollment uptake vs. opt-out rates

- Impact on Medicaid sustainability and program solvency
- Beneficiary satisfaction and plan performance
- ROI contribution to Medicaid funds

V. Implementation Timeline

Action	Responsible Office	Deadline
Pilot state selection	CMS Policy & Program Office	30 days
Private plan certification	CMS Office of Insurance Innovation	45 days
ROI integration protocols with Treasury	CMS / Treasury Liaison	60 days
Beneficiary dashboard launch	CMS IT & Data Office	90 days
First quarterly report	CMS Program Analytics Office	120 days

VI. Risk Management & Mitigation

- **Low participation in competitive plans:** Implement beneficiary outreach, education campaigns, and opt-in incentives
 - **Compliance lapses by private insurers:** Suspend enrollment, apply fines, or revoke certification
 - **Revenue flow disruption from PERI:** Coordinate with Treasury to stabilize disbursements
 - **Public perception risks:** Ensure consistent messaging emphasizing **optional participation, fairness, and Medicaid protection**
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VII. Points of Contact

- CMS PERI Program Director: [Name / Contact]
 - Treasury Liaison Officer: [Name / Contact]
 - SEC Compliance Liaison: [Name / Contact]
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Action Required:

All CMS divisions and regional offices must review this memorandum, designate pilot coordination leads, and submit **readiness confirmation within 15 days**. Immediate coordination with Treasury and SEC liaisons is required to synchronize ROI flows with Medicaid program funding.

Clause Section IX — Taxpayer Tracking, Equity Integrity, and Ethical Separation Clause (TTE Clause)

1. Title

Taxpayer Tracking and Equity Integrity Act — “No-Division Principle”

This clause establishes a national mechanism ensuring that each dollar contributed by American taxpayers is transparently tracked, equitably invested, and ethically managed, preventing the dilution or loss of the taxpayer’s share in the companies benefiting from public funds.

2. Tracking and Transparency System

1. **National Tax Dollar Tracking System (NTDTS):**

The Department of the Treasury shall establish a publicly accessible digital tracking platform, integrated with taxpayer payroll systems, showing in real time the companies and programs to which their tax dollars are allocated.

2. **Individual Taxpayer Reference Number (ITRN):**

Each taxpayer shall be assigned an ITRN displayed on pay stubs and tax documents, allowing secure access to the NTDTS portal to view the companies receiving their contributions.

3. **Disclosure Obligations:**

All recipient companies shall disclose on the NTDTS platform:

- Total public funding received.
 - Equity or share percentage allocated to taxpayers.
 - Performance returns and dividend disbursements.
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3. No-Division Principle (“American Share Integrity Rule”)

1. **Equitable Shareholding:**

Every dollar taxed from U.S. citizens that underwrites a private company shall represent an equitable, undiluted shareholder investment through the Public Equity Return & Immediate-ROI (PERI) framework.

2. **Non-Dilution Guarantee:**

Public equity interests derived from taxpayer funds cannot be split, subdivided, or traded in a manner that diminishes taxpayer ownership or dividend rights.

3. **Buyback Restriction:**

No company may repurchase or liquidate taxpayer-held shares without explicit majority consent from the affected taxpayers via the NTDTS platform or written referendum procedure.

4. **Shareholder Voting Rights:**

Taxpayer shares confer proportional voting influence in company operations through the National Innovation Equity Trust (NIET), which shall cast aggregate votes based on taxpayer input received through secure digital ballots.

4. Ethical & Metaphysical Separation Provision

1. **Conscientious Objection Filings:**

Any taxpayer may file a formal statement through the NTDTS declaring ethical, moral, or metaphysical objection to the use of their tax contributions toward a specific company or industry.

2. **Consequence Exemption:**

Such declaration relieves the taxpayer from metaphysical or ritual associations with said allocation. The government shall redirect that portion of funds to neutral or public-interest investments (e.g., infrastructure, education, health).

5. Violations and Penalties

1. **Corporate Violations:**

- Any company that conceals, manipulates, or misuses taxpayer equity shall be subject to:
 - Mandatory restitution of all misallocated funds.
 - Fines equal to **three times** the misused amount.
 - Revocation of all current and future federal funding eligibility.
 - Criminal liability for responsible officers.

2. **Criminal Sentencing:**

Any willful violation by a corporate entity or officer of this clause shall carry a **minimum federal prison sentence of fifteen (15) years**, alongside full financial restitution to affected taxpayers.

3. **Governmental Oversight Failure:**

Any federal official found complicit in suppressing or misreporting NTDTS data shall be subject to removal from office and referred for prosecution under existing fraud and ethics statutes.

6. Integration

This clause shall be codified as **Section IX** of the *Public Equity Return & Immediate-ROI (PERI) Framework*, enforceable under the authority of the **Department of the Treasury, SEC, and DOJ**, and harmonized with the **Public Investment Ledger** and **Taxpayer Equity Accounts (TEAs)** systems.

Signed,
Hon. Tyree J. Mason I
The American House
November 1, 2025