Ending Fraud. Restoring Accountability.
Putting Families First

THE LINDELL-PARRISH MINNESOTA BUDGET BLUEPRINT

A Framework for the FY2028–29 Biennium | August 2026

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I. Executive Summary

Minnesota is not broke because of a lack of revenue. Minnesota is broke because the state has allowed healthcare costs, documented fraud, a permanent NGO welfare network, and an untaxed off-books workforce to consume the budget while core functions — public safety, roads, legitimate education funding, and veterans services — compete for scraps.

This Blueprint is built on ten simple principles:

1. **Eliminate fraudulent government services** — not reform them, eliminate them.
2. **Eliminate redundant welfare programs** that stack benefits without improving outcomes.
3. **Prioritize access to primary care and overall healthcare costs drop** — the single largest driver of state spending, employee costs, and family budgets is avoidable acute care.
4. **Fund only what works** — track measurable quality and capacity metrics and allocate future dollars on performance, not politics.
5. **Hold employers accountable for employing citizens, not illegal immigrants** — mandatory E-Verify, real penalties on the employers who profit from off-books labor, debarment from state contracts, and removal of the criminal aliens Minnesota taxpayers are currently housing at $153.81 a day. **That removal alone is worth $153 million in the FY2028–29 biennium, and it is the fastest money in this document** — the bed empties, the per diem stops, and the saving lands in the same fiscal year.
6. **Educate children instead of funding ideology** — adopt the Mississippi reform model that took a state from 49th to 9th in fourth-grade reading while spending a third less per pupil than Minnesota does.
7. **Grow the economy by promoting tourism** — Minnesota's natural resources and its national attractions, from the Boundary Waters and the North Shore to the Mall of America and the State Fair, marketed to the standard South Dakota has already proven works.
8. **Clean up the streets of our cities with Operation Restore Lives** — fund the four-pillar Ben Carson inner city program properly, so that the homeless, the addicted, and the mentally ill get direction toward healthy and productive lives instead of a $3.7 billion-per-biennium holding pattern.
9. **Stand up Minnesota Direct** — a proven giving platform developed by Mike Lindell that connects private sector donors with vetted needs.
10. **Eliminate the Minnesota income tax, one funded objective at a time while protecting what is good** — beginning with a complete exemption for seniors in the first bracket, and continuing with a rate cut for every Minnesotan as each objective is certified, until the rate reaches zero.

What each objective is worth

The table below is the entire fiscal case for this Blueprint on a single page. Every figure is **Minnesota state funds for the FY2028–29 biennium** — the money the state actually keeps and can spend or return to taxpayers, measured over the same two years, so that no line can be compared against another on a different clock. Every figure is the **best case**: the savings opportunity that the cited evidence will support, stated as a ceiling based upon known findings rather than a forecast. The evidence in this Blueprint is offered as **examples** of where the money is, not as an exhaustive inventory. A full accounting will find more.

Objective	Opportunity, FY2028–29	Basis, and what the figure rests on
1. Eliminate fraudulent and zero-outcome services	$3,600M	Recoverable share of the excess implied by Minnesota's public assistance spending premium over the national norm
2. End redundant welfare stacking	$105M	Legislative Auditor grant findings and the $276M active obligation stock
3. Health care cost discipline (General Fund)	$10,980M	The DeSoto Memorial result, applied statewide at maturity. **Separate from and additive to Objective 1**
4. Performance-based funding for every agency service	$109M	Applied to the scoreable agency operating base
5. Hold employers accountable for employing citizens	$669M	Minnesota Employer Accountability Act — mandatory E-Verify, employer penalties, cash-pay repeal, and removal of criminal aliens. **$153M of it is averted incarceration cost that begins on day one of the first removal**
6. Educate children instead of funding ideology	$4,877M	18% of the E-12 General Fund base, the cost-of-living-adjusted gap between Minnesota and Mississippi per-pupil spending, net of literacy reinvestment. Driver A, ideological programming, and Driver B, general administration above the national norm, account for $700.6M of this and are named line by line; the remainder is the delivery-model gap the classroom spending audit is chartered to itemize. No dollar comes from instruction, teacher pay, or special education
7. Grow the economy by promoting tourism	$200M	Net of a $50M campaign investment, at Travel South Dakota's independently measured 2022 advertising tax return of $5 per dollar.
8. Operation Restore Lives	**–$100M**	**A cost, not a saving.** The Ben Carson four-pillar design, funded and measured, against a $3.7 billion biennial problem. No savings are claimed against that $3.7 billion
9. Minnesota Direct	$16,515M	Remaining balance. Lindell Direct Assistance Program demonstrated that services can be delivered with private sector sponsorship for 40% less than government assistance. Economic growth of $3.897M cuts gap to zero income tax.
10. Eliminate the personal income tax	$0	Not a savings line. It is the purpose the other nine serve: every certified dollar above becomes an income tax rate cut, until the rate is zero.

Two clocks run in this budget, and the difference between them is the most important structural fact in this document. Seven of the ten objectives produce **immediate savings** — money that stops leaving the treasury inside the FY2028–29 biennium, because a removal, a termination, a recovery, a restored withholding payment, or an advertising dollar produces a measurable result in the same year it happens. Together, and net of the $100 million cost of Operation Restore Lives, they are worth as much as **$10,510 million — 313 percent of the $3,357 million structural deficit, without waiting on anything.** The health care objective is a **slower burn**: it is by far the largest number in this Blueprint, and it arrives on a realization curve rather than a switch. **And Minnesota Direct above its chartered scale is neither** — it is voluntary money that must be given before it can be counted, which is why Section V places it last and states plainly what Minnesotans would have to give. Section IV sets out which is which and why it matters.

In addition to the cost savings projected above, the lower cost of doing business in Minnesota due to reductions in healthcare costs and tax rates is forecast to add as much as $3,897M in incremental tax revenue.

II. The Problem We Inherited

A Structural Budget Imbalance

Start with the arithmetic, because everything else in this section is a description of how Minnesota got here.

Minnesota's own budget office projects that in the FY2028–29 biennium the state will spend more than it collects. Not once, and not because of a recession — **structurally, in the baseline, with no downturn assumed.**

FY2028–29 General Fund, Minnesota Management and Budget baseline	Amount
Projected expenditures	$73,364M
Projected revenues	$70,007M
Structural balance	**–$3,357M**

Source: MMB *February 2026 Budget and Economic Forecast*.

Read what that table says. Minnesota plans to spend **4.8 percent more than it takes in.** The gap is **$3,357 million over two years** — **$579 for every Minnesotan**, about **$1,136 for every filing household**, and roughly **$4.6 million every single day** of the biennium. Expressed in the only currency a taxpayer feels, closing it with revenue instead of restraint would take **0.61 of a percentage point on every income tax rate in the state.**

A structural imbalance is not a cash-flow problem, and the distinction is the whole point. A one-time shortfall is closed with a one-time answer: a reserve draw, a shift, a delay. **A structural imbalance means the spending base itself grows faster than the revenue base that funds it** — so the same gap reappears in the next forecast, larger, no matter how the current one is patched. Minnesota has been closing gaps like this with surpluses, shifts, and federal money for years. **The surpluses are gone, the shifts are exhausted, and the federal money came with a cost structure attached.**

Three facts about that gap frame everything that follows:

- **It is not a revenue problem.** Minnesota collects $70 billion in General Fund revenue in the biennium and imposes a top individual income tax rate of 9.85 percent — among the highest in the nation. **A state that cannot balance on $70 billion does not have a collection problem.**

- **It is concentrated, not diffuse.** Health and Human Services alone is **$27,435 million of the projected spending — 37.4 percent of the entire General Fund.** Objectives 1 and 3 of this Blueprint addresses that single budget area, and it addresses it because that is where the growth is.

- **It is small compared to what this Blueprint finds.** The ten objectives in Section III identify **$36,955 million** in FY2028–29 state funds — **11.01 times the gap.** The structural deficit is closed by Objective 1 alone, and closed on the first rung of the ladder in Section V. **Everything above it becomes a tax cut.**

This Blueprint therefore does not begin by asking how to close $3,357 million. It begins by asking a harder question: **why is the state spending $73 billion at all, and what is that money actually buying?** The rest of Section II is the answer.

Documented Fraud Is Not a Side Issue

The data is not ambiguous:

- **Housing Stabilization Services** — terminated after the House Fraud Committee concluded nearly all activity was fraudulent.

- **Non-Emergency Medical Transportation** — HHS-OIG projected 56.5–64.4% of claim lines unallowable.

- **Behavioral Health / SUD grants** — OLA found payment issues in 61–89% of tested grantees and reconciliations.

- **CACFP / Feeding Our Future family** — 29.6–35.5% of nonprofit sponsor dollars fraud-linked.

- **PCA / CFSS and EIDBI** — extreme exposure flags from Optum, OLA, and DOJ.

Fraud is not an accounting error. It is organized extraction from taxpayers. The same networks that looted daycare, COVID relief, and housing stabilization still sit inside the broader Medical Assistance and human-services budget.

Permanent NGO Welfare Infrastructure

Fifty of the largest welfare-services nonprofits alone hold $276 million in active DHS grant obligations — a documented floor that excludes Medicaid fee-for-service, county pass-throughs, and expired contracts. Many operate with weak transparency, material audit weaknesses, or licensing actions. This is not charity. This is a permanent parallel bureaucracy funded by the state.

Healthcare Costs Drive Everything

There is a reason political machines fight for control of healthcare. It drives the cost of public employees, public services, the cost of living for families, and the cost of private-sector employment. The primary opponents of free-market reform will be the health-plan industry and the permanent NGO grantee class.

Under this Blueprint, Healthcare is no longer a line item. It is the cost structure of the entire state. Medical Assistance alone runs $50.5 billion in the current biennium. Healthcare costs are embedded in every school district budget, every county contract, every NGO grant, and every state employee compensation package. MDH itself reported that health care reached 37.6% of the Minnesota state budget by 2023 — and that was before counting the embedded costs this Blueprint captures.

An Off-Books Workforce the State Pretends Not to See

An estimated **100,000 people work in Minnesota without lawful status** — materially more than the pre-2021 estimates, because the open-border period of 2021 through 2024 produced the largest inflow of unlawful entrants in the nation's recorded history and Minnesota received a share of it. They are framing houses, processing meat, cleaning hotel rooms, and picking crops. A large share of that labor is paid in cash, off the books, outside the withholding system, outside unemployment insurance, and outside workers' compensation. The employers who do it undercut every Minnesota business that plays by the rules, and the workers themselves have no recourse when they are cheated, injured, or robbed — because reporting a crime means exposure.

The state's response has been to fund the consequences rather than end the condition. Minnesota is currently paying to incarcerate hundreds of non-citizens with active immigration detainers at a **state operational cost of $153.81 per person per day**, roughly $56,000 a year each, while declining to hand them to the federal government for removal. It pays for their emergency care through Emergency Medical Assistance. It pays for their public defenders, their court time, and their county jail beds. What it does not do is collect a dollar of income tax on the wages of the 100,000 people working in the shadows.

This is the one place in the entire budget where the state is paying for a problem twice and collecting nothing. Objective 5 ends it.

III. The Blueprint

1. Eliminate Fraudulent and Zero-Outcome Services

What this objective is worth: as high as $3,600 million in FY2028–29 Minnesota state funds. That figure rests on a single observation developed below — Minnesota spends dramatically more per resident on public assistance than the country does, without dramatically better outcomes — and on a documented federal savings opportunity of **$9 billion** that independently corroborates the size of the category.

Immediate priorities for elimination or radical redesign:

- Any service line with documented fraud exposure above 20% and no clinical outcome data

- Housing Stabilization Services (already terminated — never revive)
- High-risk NEMT, PCA/CFSS, and EIDBI claims subject to independent forensic audit before any continued payment
- Behavioral health grants that fail basic reconciliation and documentation standards
- **State funding for the University of Minnesota Institute for Sexual and Gender Health, eliminated in full** — see the dedicated subsection below

The spending premium: what Minnesota pays that the country does not

Start with a comparison anyone can check. Minnesota's General Fund spending on Health and Human Services in the FY2028–29 biennium is **$27,434.5 million**, the single largest budget area in state government, and **DHS Forecasted Programs alone are $22,084.9 million** (MMB February 2026 Budget Area Summary). The question this objective asks is simple: **is that what it costs to take care of Minnesotans, or is it what it costs to take care of Minnesotans plus everything else that has attached itself to the program?**

The answer is in the per-capita comparison, and the honest version of it is this: **the answer depends on which national benchmark you use, and the spread is wide.** This Blueprint publishes all of them.

Measure	Minnesota	National	MN premium
Public welfare per capita vs U.S. aggregate, FY2023	$3,995	$3,186	**+25.4%**
Public welfare per capita vs unweighted 50-state mean	$3,995	$3,033	**+31.7%**
Public welfare per capita vs 50-state median	$3,995	$2,792	**+43.1%**
State-funds Medicaid per capita vs 50-state mean, FY2023	$1,116	$743	**+50.1%**
General Fund Medicaid per capita vs U.S. aggregate, FY2023	$1,052	$565	**+86.1%**

The first three rows are computed from the Census Bureau's Annual Survey of State Government Finances (2023 ASFIN state totals), which also places **Minnesota 10th of 50 states** on public welfare spending per resident. The last two are computed from the National Association of State Budget Officers' Medicaid table (2025 NASBO State Expenditure Report, Table 13).

This Blueprint uses a 46 percent premium. That figure sits between the median-based public welfare comparison at 43.1 percent and the state-funds Medicaid comparison against the fifty-state mean at 50.1 percent. **It is not the most conservative available measure, and this document will not pretend otherwise: the single most conventional statement — Minnesota public welfare per resident against the national aggregate — is 25.4 percent.** The premium is stated at 46 percent because the state-funds Medicaid comparison is the one that measures *Minnesota's own money* rather than money that passes through Minnesota from Washington, and because it is the state's own dollars this Blueprint proposes to return.

From a premium to a dollar figure

A 46 percent premium means Minnesota spends $1.46 for every $1.00 the comparison state spends. The excess is therefore not 46 percent of Minnesota's budget — it is **1 minus 1 divided by 1.46, or 31.5 percent**, which is where the roughly one-third figure comes from.

Step	Value
General Fund Health and Human Services, FY2028–29	$27,434.5M
Excess implied by a 46% per-capita premium (31.5%)	**$8,642M**
Share of that excess this Blueprint claims as recoverable	41.7%
What this objective is worth, FY2028–29 state funds	**$3,600M**

The gap between $8,642 million and $3,600 million is the honest part of this table. Not every dollar Minnesota spends above the national norm is fraud. Some of it is a genuinely broader benefit set that Minnesotans voted for. Some of it is higher provider prices in a high-wage state. Some of it is a cost of living above the national average. **This objective claims fewer than half of the excess dollars, and leaves the rest alone.**

Why this does not double-count the health care objective

Objective 1 and Objective 3 do not touch the same dollars, and the Blueprint states the boundary in writing so that no reader has to take it on faith.

- **Objective 1 recovers money paid for care that was never delivered, or was delivered to someone ineligible, or was billed by an entity that should never have been enrolled.** The service does not exist. Nobody is made healthier by the payment. Removing it changes no one's care.
- **Objective 3 reduces the cost of care that genuinely is delivered**, by moving Minnesotans out of avoidable acute episodes and into direct primary care and prevention. Every dollar it saves is a dollar that was buying a real service for a real patient — just a more expensive service than the patient needed.

The two are additive, not overlapping. A fraudulent personal care claim is not made cheaper by better diabetes management, and a prevented emergency department admission does not become less valuable because a fraudulent provider was removed from the network in the same year.

The combined claim is large and this document will not bury it. Objectives 1, 2, and 3 together assert **$14,685 million** of a $27,434.5 million General Fund Health and Human Services base — **53.5 percent.** That is a best-case ceiling built on two independent mechanisms, both stated at maturity, and it should be read as the outer bound of what a full accounting could find rather than as a forecast of what a budget bill will deliver. Objective 3's savings also arrive on a realization curve that Section IV sets out in detail, while Objective 1's do not.

The $9 billion savings opportunity, and how it becomes a budget number

The savings opportunity in Minnesota's public assistance programs is $9 billion. That is not this campaign's estimate. It is the federal government's. On December 18, 2025, then-First Assistant U.S. Attorney Joseph

Thompson said that fourteen Medicaid service lines the Department of Human Services had designated high-risk had billed **$18 billion since 2018**, and that "half or more" of that was fraudulent. Half of $18 billion is $9 billion. The U.S. House Oversight Committee adopted that arithmetic in *The Cost of Doing Nothing*. The Minnesota House Fraud Prevention Committee adopted it in its May 2026 final report. In May 2026 the Justice Department's National Fraud Enforcement Division chief, asked directly, said he "wouldn't be surprised if that number is accurate or even small."

This Blueprint asserts the $9 billion figure, and then does the one thing no one else has done with it: breaks it down into biennial budget savings. A cumulative eight-year fraud total is not a line in a budget bill. The table below converts the federal allegation into the only currency a budget can spend — Minnesota state funds in the FY2028–29 biennium.

Step	Value
Billed in the 14 high-risk Medicaid lines, 2018–2025	$18,000M
Fraud rate asserted by federal prosecutors	50%
The savings opportunity — the "$9 billion"	**$9,000M**
FY2028–29 forecast spending in those lines, post-HSS termination	$3,500M/yr
50% of that forecast — the forward-looking equivalent	$1,750M/yr
Plus the same federal-band rates applied to eight other programs	$885M/yr
Annual addressable loss, all programs	**$2,635M/yr**
Addressable loss, FY2028–29 biennium	**$5,270M**
Gross savings at 80% capture, per biennium, all funds	$4,217M
Minnesota's state-fund share of that, per biennium	**$1,788M**
Program-integrity savings, ramped into FY2028–29	$581M
Plus SNAP error-rate tier reduction	$194M
Less the cost of the integrity machinery	−$160M
NET, FY2028–29 Minnesota state funds	**$615M**
Same, under a Medicaid block grant with full retention	*$1,405M*

How the $615 million relates to the $3,600 million. These are two different paths to the same category, and the Blueprint reports both rather than choosing the flattering one. **The $615 million is the narrow path**: fourteen named Medicaid service lines, the federal prosecutor's own fraud rate, an 80 percent capture assumption, and only Minnesota's 40.3 percent share of what is recovered. It is the number that can be defended line by line, and it is deliberately small. **The $3,600 million is the broad path**: the entire public assistance spending premium over the national norm, of which fraud is one component alongside eligibility drift, rate-setting failure, and programs that never should have been created. **The broad path is the one this Blueprint states as the objective's value, and it is a projected ceiling based upon comparative assessments. The narrow path is the floor.** A reader who accepts only the narrow path should substitute $615 million throughout and reduce the Blueprint total to $18,223 million — still more than five times the structural deficit.

Key assumptions behind these figures

- **The 46 percent premium is a chosen benchmark, not a published statistic.** No federal agency publishes "Minnesota HHS spending versus the national average." The 46 percent figure is bracketed by two computed measures — 43.1 percent and 50.1 percent — and the most conventional measure is 25.4 percent. At 25.4 percent the implied excess is 20.3 percent of the base, or $5,567 million, and the same 41.7 percent recovery share yields **$2,320 million** instead of $3,600 million.
- **Excess spending is not the same thing as fraud, and this Blueprint does not equate them.** The Legislative Auditor has explicitly rejected the method of counting all spending in a suspect program as fraudulent (OLA evaluation of the Child Care Assistance Program). The 41.7 percent recovery share exists precisely to avoid that error.
- **Not every category runs high.** Minnesota spends **46.8 percent below** the national average per resident on SNAP and **28.3 percent below** on TANF. The premium is concentrated in Medicaid and long-term services, not spread across public assistance generally.
- **The first honest number arrives before the first budget.** Minnesota's new Office of Inspector General becomes operational September 1, 2027, with a first statutory quantification due December 1, 2026. This objective's figure is superseded the day that office publishes.
- **The $9 billion is a rate, not an annual total.** Fifty percent fraud in fourteen named Medicaid lines, cumulative over eight years. A rate can be carried forward; a cumulative total cannot be spent twice.
- **Spending in those lines grew roughly 26 percent a year** across the window, from about $873 million in 2018 to about $4.4 billion by 2025 — so most of the $18 billion, and therefore most of the $9 billion, was incurred in the last three years. Dividing $9 billion by eight understates the federal claim rather than overstating it.
- **FY2028–29 spending in those lines is forecast at $3.5 billion a year**, below the 2025 run rate, because Housing Stabilization Services was terminated and enrollment moratoria were imposed elsewhere. That is not a discount applied by this campaign; it is evidence that termination works.
- **The other eight programs carry the rates the federal government has published for them** — the full CMS PERM rate on all other Medical Assistance, the Legislative Auditor's 61–89% grantee failure findings on behavioral health, above the HHS-OIG 11% error rate on child care assistance, and the White House's own 9% SNAP error estimate.
- **80 percent of the identified loss can be stopped** at steady state. Not 100 percent. Prepayment review, eligibility matching, and forensic audit do not catch everything.
- **Unless block grant approval is received from HHS, Minnesota keeps only 40.3 percent of Medicaid savings** under the current federal match, and zero percent of SNAP and child nutrition savings, which are wholly federal. The state does the investigating, the litigating, and the political fighting; Washington

banks fifty-seven cents of every dollar recovered. **This is the single largest avoidable loss in the entire Blueprint, and the Section 1115 block grant strategy in Objective 3 is how it is recovered.**

- **Only 65 percent of one steady-state year lands inside the biennium** — 20 percent in FY2028 plus 45 percent in FY2029 — because the Office of the Inspector General created by 2026 Chapter 92 need not be operational until September 1, 2027 and the peace-officer Anti-Fraud and Waste Bureau cannot stand up before January 1, 2028.
- **The $160 million machinery cost assumes roughly 50 percent more integrity capacity than 2026 Chapter 92 funds.** A forty-FTE Inspector General's office will not capture 80 percent of a $2.6 billion loss. If the Legislature funds at the Chapter 92 level and expects this result, it will not get it.
- **Two fraud-driven savings are already in the FY2028–29 base and are never counted here:** the Housing Stabilization Services termination ($102M General Fund) and MA prepayment review across the 14 high-risk services ($238M forecast). They are the proof of concept, not the savings.

Examples of where the money is, program by program

The table below is illustrative, not exhaustive. It shows the nine largest program pools this campaign has priced against published federal and state loss rates. **A complete forensic accounting of Minnesota's $31.5 billion public assistance envelope will find more than this, not less.**

Program	FY2028–29 spend/yr	Rate	Annual loss	Rate anchor
MA — 14 high-risk service lines	$3,500M	50%	$1,750M	DOJ: "half or more" of $18B billed since 2018
MA — all other services	$25,004M	2.16%	$540M	Full CMS PERM rate
Behavioral Health Fund + MH grants	$515M	30%	$154M	OLA: failures in 61–89% of tested grantees
SNAP benefits	$865M	9%	$78M	March 2026 Executive Order
Child Care Assistance (CCAP)	$269M	15%	$40M	Above the HHS-OIG 11% error rate
GA / MSA / Housing Support	$541M	5%	$27M	HSS pattern, adjacent benefits
MFIP / TANF cash	$427M	5%	$21M	Scaled with SNAP
Child nutrition (CACFP/SFSP)	$69M	20%	$14M	Feeding Our Future-era rate
Northstar Care for	$319M	3%	$10M	Low exposure even

Program	FY2028–29 spend/yr	Rate	Annual loss	Rate anchor
Children				under this reading
Total addressable annual loss	**$31,509M**	**8.4%**	**$2,635M**	

What the machinery costs

Item	FY2028–29 state funds
Office of the Inspector General (2026 Ch. 92 / SF856), ≈40 FTE	$23.01M
Governor's January 2025 fraud package, continuation	$38.86M
MFCU expansion, 18 positions (MAP Act, state 25% share)	$0.62M
Prepayment review vendor / Optum-successor contract	$24.00M
Human Services IT Systems Modernization, state share	$20.00M
Total, Chapter 92 build-out	**$106.49M**
Additional capacity required to capture the $9 billion opportunity	*$53.25M*
Total machinery cost	***$159.74M***

Eliminating state funding for the Institute for Sexual and Gender Health

The University of Minnesota Medical School operates the Eli Coleman Institute for Sexual and Gender Health, formerly the Program in Human Sexuality, within the Department of Family Medicine and Community Health. **This Blueprint eliminates every state dollar that reaches it.** The Institute is the developer of the taxpayer-supported "MyGender Dolls" product now being distributed to clinicians and educators for children aged four to ten. Minnesota taxpayers did not consent to fund gender ideology curriculum development for preschoolers, and they are entitled to a state budget that does not do it quietly.

There is no ISGH line item to strike. State money reaches the Institute through the $15 million annual Medical School appropriation (E811MED) and the $7.8 million Health Training Restoration appropriation (E811HTR), neither of which discloses its internal allocation. When asked directly how much taxpayer money funded the doll project's research and the salaries of the professors involved, the University declined to answer and directed the questioner to file a public records request. That refusal is the single strongest argument for the action this Blueprint takes.

The mechanism is therefore statutory, not arithmetic — three steps, all achievable in the FY2028–29 appropriations bill:

1. **A rider on the Medical School and Health Training Restoration appropriations** prohibiting the use of any portion for the Institute for Sexual and Gender Health, its successor entity under any name, or any program or product line derived from its research.
2. **A disclosure condition** requiring the University to publish the full internal allocation of every state appropriation to the department and institute level as a condition of receiving the next installment. No disclosure, no disbursement.
3. **A clawback provision** for any state funds already applied to the MyGender Dolls project or its commercialization, and a referral to the Legislative Auditor to determine the amount.

Scored savings: under $1.5 million a year. This is a rounding error in a $73.4 billion budget and this Blueprint will not pretend otherwise. It is included because it is right, because the public has an absolute claim to know where its money goes, and because a state that cannot account for $15 million a year inside one medical school has no standing to lecture anyone about fraud. It is a transparency action with a budget consequence attached — not a budget solution.

2. End Redundant Welfare Stacking

What this objective is worth: as high as $105 million in FY2028–29 Minnesota state funds.

Minnesota runs parallel cash, food, housing, childcare, and medical programs that often serve the same households with no integrated outcome tracking. The Blueprint requires:

- A single household-level benefit ledger so the public can see total support per family
- Sunset or consolidation of programs that exist primarily to generate administrative overhead
- Performance gates: continued funding requires measurable movement toward self-sufficiency, not permanent enrollment

Examples from the evidentiary base

This objective rests on the Office of the Legislative Auditor's own findings, not on political assertion. The items below are examples. The record is damning and it is recent.

- **$436 million** in DHS state-funded nonprofit grant expenditures across **592 nonprofit grantees** from 2018 through 2022 — roughly $87 million a year — with OLA finding pervasive noncompliance in conflict-of-interest documentation, pre-award financial review, progress report collection, monitoring visits, and closeout evaluation.
- **$425 million** in Behavioral Health Administration grants between July 2022 and December 2024, including nearly **$192 million to nongovernmental organizations**. OLA's January 2026 performance audit returned **thirteen findings, four of them repeats** of problems identified in 2021, and concluded that BHA "did not comply with most requirements we tested."
- **15 of 24** single-source grants tested did not meet the requirements that justify bypassing competitive bidding; OLA estimated **$4.6 million** paid where other entities could have provided the services.

- BHA could not demonstrate **27 of 67** required monitoring visits. Financial reconciliations were incomplete for **63 of 71** tested transactions.
- BHA paid more than **$915,000** for work performed before grant agreements were executed, and overpaid two grantees **$41,803**.
- A **$672,000 payment for a single month** of services was authorized by a grant manager who left state employment days later and subsequently worked as a consultant for that same grantee.
- Auditors found documents **created and backdated after the audit began** — the Legislative Auditor described it as not an isolated incident but an apparently coordinated effort, and the first such occurrence in nearly three decades of her work.
- DHS **has not attempted to recover over $40 million** in outstanding Medical Assistance provider overpayments. The last notification letter went out in 2019.
- The Legislature created a category of **"payments" to legislatively named entities** that sit entirely outside Office of Grants Management policy — no monitoring visits, no obligation to verify that services were delivered.
- The campaign's own review of the fifty largest welfare-services nonprofits identified **$276 million in active DHS grant obligations** — a documented floor that excludes Medicaid fee-for-service, county pass-throughs, and expired contracts.

What ending the stacking is worth

Component	FY2028–29 state funds
Nonprofit grant portfolio consolidation and termination *(annual)*	$48.3M
Legislatively named "payments" brought under grant oversight or terminated *(annual)*	$15.0M
Duplicative eligibility and program administration, net of Objective 1 *(annual)*	$64.9M
Recurring annual savings, state funds	**$128M**
One-time recovery of aged MA provider overpayments	$22.0M
FY2028–29 BIENNIUM (65% ramp plus one-time)	**$105M**

Key assumptions behind these figures

- **35 percent of the $276 million active obligation stock** is consolidated or terminated, annualized across two years. Nothing in the OLA record establishes what share of the portfolio is genuinely redundant — only that DHS cannot demonstrate that it is not. The rate is a policy choice, and it is stated as one.

- **7 percent of $1,237 million in non-medical benefit spend** sits in duplicative eligibility determination and program administration, and that figure then carries a deliberate **25 percent overlap discount** because Objective 1 already claims fraud-driven savings against several of the same programs.
- **55 percent of the $40 million unpursued MA provider overpayment stock** is recovered as a one-time collection. The last notification letter went out in 2019, so collectability declines with age.
- **65 percent ramp inside the biennium**, on the same schedule as Objective 1.
- **This objective requires a DHS data run on household-level benefit overlap that no administration has yet ordered.** That is precisely why the first act under this objective is to order it, and why the figures will be republished as certified rather than directional once it is complete.

3. Health Care Cost Discipline — The Master Lever

What this objective is worth: as high as $10,980 million in FY2028–29 General Fund savings — the largest number in this Blueprint by an order of magnitude, and the only objective large enough to close the structural deficit several times over on its own. It is also the **slowest to arrive**, and Section IV explains why that distinction governs how the money can be used.

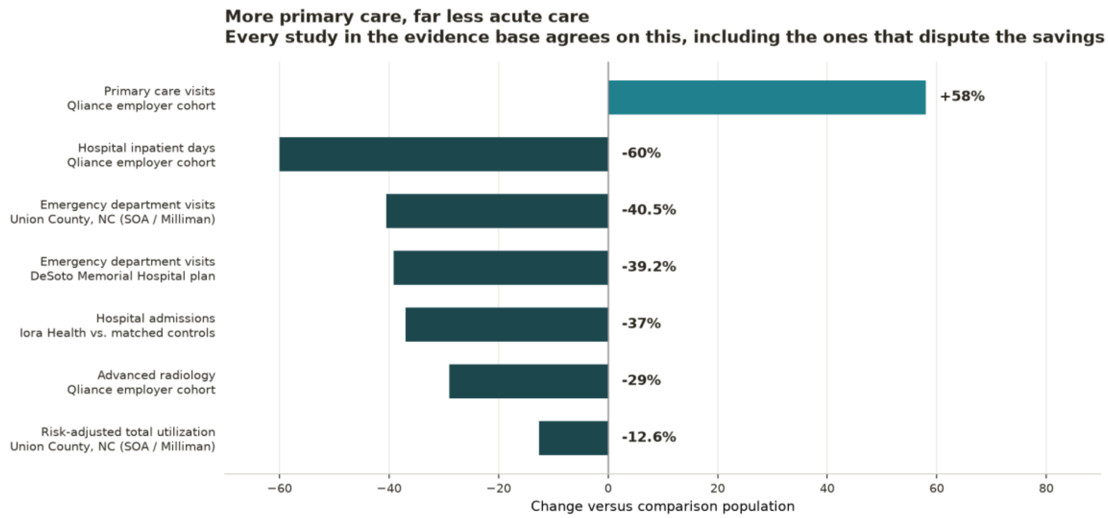
A statewide free-market healthcare reform agenda reduces the unit cost of care through eight reinforcing components: direct primary care, direct provider contracting, transparent bundled cash pricing, member advocacy and navigation, relocalized care, an independent third-party administrator, coordinated solution partners, and aligned stop-loss. It reduces the volume of care through one mechanism only: patients who are healthier because they finally have unhurried, same-day access to a physician.

This is not a cut. It is better care that happens to cost less.

Every dollar in this section comes from one place: Minnesotans getting healthier. That is worth stating plainly, because the usual health care debate assumes a trade — spend less, get less. The evidence behind this Blueprint points the other way. When people can reach a doctor the same day, at no marginal cost, without a referral queue, they come in earlier. Conditions get managed instead of escalating. The emergency room visit never happens. The admission never happens. The advanced imaging is never ordered because the diagnosis was made in an unhurried thirty-minute visit.

The strongest single fact in the record: the sicker population cost less. In the DeSoto Memorial Hospital plan, the members who enrolled in direct primary care carried 1,152 chronic conditions per 1,000 people against 951 per 1,000 for those who did not — they were roughly 21 percent sicker. That cohort used the emergency department 250 times per 1,000 versus 411, and its three-year average plan-paid cost was $350.83 per member per month against $569.28. The sicker group cost 38.6 percent less because it was being cared for rather than being processed.

This is also the most robustly documented part of the entire evidence base. The studies disagree sharply about how much money is saved and who captures it. They do not disagree about the clinical direction. The Society of Actuaries evaluation of Union County, North Carolina — the study most often cited against direct primary care, because it found a net employer cost change of plus 1.3 percent — still measured a 40.5 percent reduction in emergency department use and a 12.6 percent reduction in risk-adjusted utilization. Even the skeptical evidence confirms that people got healthier.



Sources: Qliance 2013 employer claims analysis; Society of Actuaries / Milliman evaluation of the Union County, North Carolina direct primary care program; written testimony of Lee S. Gross, M.D., July 1, 2026, on the DeSoto Memorial Hospital plan; Iora Health published results against matched controls.
The Union County evaluation found a net employer cost change of +1.3 percent, yet still measured a 40.5 percent drop in emergency department use.

What this means politically. Minnesota does not have to choose between quality and cost. Nobody loses coverage. Nobody is denied care. Nobody waits longer. The reductions in this Blueprint come from care that never needed to happen — the avoidable admission, the avoidable emergency visit, the duplicate scan, the administrative layer between a patient and a physician. Any opponent who calls this a cut to health care has to explain why fewer heart attacks in the emergency room is a cut.

The savings opportunity

Every figure below is a two-year FY2028–29 impact at full maturity of the reform.

Metric (FY2028–29 biennial impact)	Opportunity
State budget savings (all funds)	$27.43B
General Fund savings	$10.98B
Private-sector savings (employers + families)	$28.60B
New state tax revenue (no rate increase)	$2.98B
Combined public + private benefit	~$59.0B
Jobs supported by re-circulated dollars	~119,250
Savings per Minnesotan, per year	$5,092
Multiple of the $3.357B structural deficit	3.27x

The evidence this figure rests on, from the July 1, 2026 written testimony of Lee S. Gross, M.D., before the U.S. House Education and Workforce Subcommittee on Health, Employment, Labor and Pensions:

- **54 percent reduction in total medical and pharmacy spend in year one** — per-employee-per-year cost fell from $13,852 to $4,549, roughly $1.2 million on a $2.18 million baseline.
- **Seven consecutive years with no employee premium increase.**
- **38.6 percent lower plan-paid cost per member per month** on a three-year average — $350.83 versus $569.28 — widening to 46.1 percent in 2021.
- **Achieved against a sicker population.** The direct primary care cohort carried 1,152 chronic conditions per 1,000 members versus 951 in the comparison group — 21 percent more disease burden. Selection ran against the model, not for it.
- **39.2 percent fewer emergency department visits** — 250 per 1,000 versus 411 per 1,000.
- **Knee replacement at roughly $25,000 against a $70,000 billed benchmark; stop-loss premium down 58 percent after year one.**
- **$2,420 saved per Medicare beneficiary** against a rural accountable-care-organization average of $64 — and the county's first full-time surgeon in its history was hired with the proceeds.

Key assumptions behind these figures

- **A 50 percent reduction applied to every health care dollar** in the state budget — Medical Assistance, MinnesotaCare, state employee and retiree coverage, school district and county embedded costs, corrections and veterans health, and grant-funded services — and to private employer and family spending on the same basis. Fifty percent is the demonstrated DeSoto result, not an extrapolation.
- **Near-universal adoption of the full eight-component architecture.** Direct primary care bolted onto an otherwise unchanged health plan does not produce this result. The Society of Actuaries and Milliman evaluation of Union County, North Carolina found a 12.6 percent risk-adjusted utilization reduction but a net employer cost change of +1.3 percent once the membership fee was counted.
- **Federal cooperation on Medicaid financing.** A block grant with full retention roughly doubles what Minnesota keeps of its own savings. That is a federal decision, and this Blueprint commits to seeking it.
- **Long-term services and supports are not addressable by primary care access.** They are roughly 44 percent of Medical Assistance spending for about 9 percent of enrollees, and are driven by functional disability and institutional room-and-board. No volume of primary care eliminates a nursing home bed.
- **This is a ceiling reached at maturity, not a FY2028–29 cash flow.** The realization curve places only 6 percent of mature savings in FY2028 and 18 percent in FY2029. Legislation enacted in the 2027 session produces measurable General Fund relief beginning in FY2030 and approaches maturity around FY2034–36. **That is why health care is classified as a slower-burn initiative and why the immediate savings in Objectives 1, 2, 4, 5, and 7 are what close the structural deficit.**
- **Independent verification is built in.** An actuarial evaluation at 24 and 48 months, procured by the Legislature rather than by a plan administrator, will publish what Minnesota actually achieved. We will not ask anyone to take our numbers on faith.

Federal financing — the Medicaid block grant opportunity

Minnesota currently surrenders roughly 60 cents of every Medicaid dollar it saves to Washington. Under the standard federal match, the state captures only its FMAP share of any efficiency it achieves. Minnesota does the work of reform; Washington banks the majority of the return. No governor should accept that arrangement.

The remedy is a Section 1115 demonstration under which Minnesota accepts a fixed federal allotment and retains what it does not spend. This Blueprint commits to filing that application, and to negotiating for the highest retention share CMS will grant.

Federal financing arrangement	Minnesota keeps, FY2028–29	Gain vs. current match	Multiple
Current FMAP (40.3% state share)	$1.13B	—	1.00x
Shared savings — 50% of the federal share	$1.97B	+$0.84B	1.74x
Shared savings — 70% of the federal share	$2.30B	+$1.17B	2.04x
Full retention (block grant)	$2.80B	+$1.67B	2.48x

This is the largest single improvement available to this budget, and it requires no additional clinical savings whatsoever. It is a change in who keeps the money, not in how much is saved — and it applies to Objective 1 with equal force, since every dollar of fraud stopped in a federally matched program is currently worth only about 40 cents to the Minnesota General Fund.

4. Performance-Based Funding for Every Agency Service

What this objective is worth: as high as $109 million in FY2028–29 Minnesota state funds.

Every one of the 200 mapped state services will be scored on:

- **Quality metric** — accuracy, timeliness, or outcome
- **Capacity metric** — workload versus resources
- **Under-funded / over-funded signals** — observable conditions that justify more or less money

Future appropriations will follow the data, not the lobbying calendar. Services that cannot demonstrate results lose funding. Core constitutional functions — public safety, courts, elections integrity, trunk highways, legitimate K-12 formula funding, and veterans care — are protected.

What performance-based funding is worth

Step	Amount	Note

Step	Amount	Note
FY2028–29 General Fund "All Other" (MMB February 2026)	$11,206M	Biennial
Annualized	$5,603M	
Less protected core constitutional functions (40%)	−$2,241M	Public safety, courts, corrections, elections, veterans
Scoreable agency operating base	**$3,362M**	Per year
Reallocation rate	5.0%	Best case
Annual savings	$168M	
FY2028–29 BIENNIUM (65% ramp)	**$109M**	

Key assumptions behind these figures

- **The scoreable base is deliberately narrow.** It excludes health and human services entirely, because those savings are claimed under Objectives 1 through 3 and counting them twice would be exactly the kind of arithmetic this Blueprint exists to end. It also excludes E-12 formula funding, debt service, and property tax aids and credits.
- **40 percent of the base is protected** as core constitutional function. That share is an estimate pending completion of the 200-service scoring matrix; when the matrix is published, this table will be republished with the actual share substituted, whichever direction it moves the number.
- **A 5.0 percent reallocation rate.** Much of what performance scoring produces is *reallocation* rather than reduction — money moved from a service that cannot demonstrate results to one that can. Only the portion not reallocated appears as budget savings.
- **65 percent ramp inside the biennium.**

The honest summary: the dollars are the least valuable thing this objective produces. Its real value is that it makes every other objective in this Blueprint auditable, and it establishes the standard by which any future administration — including a hostile one — can be held to account.

5. Hold Employers Accountable for Employing Citizens, Not Illegal Immigrants

What this objective is worth: as high as $669 million in FY2028–29 Minnesota state funds, and it is the fastest money in this entire Blueprint.

$153 million of that total is averted incarceration and custody cost, and it begins on the first day of the first removal. No realization curve, no behavioral assumption, and no modeling: Minnesota is paying $153.81 a day to house individuals the federal government has already lodged a detainer against. The bed empties, the per diem stops, and the saving lands in the same fiscal year it is decided in. **It is the single most certain number in this document.**

The Minnesota Employer Accountability Act

Minnesota has roughly 100,000 people working without lawful status. That figure is materially higher than the estimates published before 2021, and the reason is not in dispute: **the open-border period of 2021 through 2024 produced the largest inflow of unlawful entrants in the nation's recorded history, and Minnesota received a share of it.** The state's current posture collects almost nothing from that arrangement while paying for every consequence of it. And the arrangement does not exist because those workers are powerful. **It exists because it is profitable for the employers who hire them.**

An employer who pays a worker with no lawful status, in cash, off the books, is doing four things at once: paying below the market wage, avoiding withholding, avoiding unemployment insurance tax, and avoiding workers' compensation premium. **Every one of those four is a cost transferred to a Minnesota citizen** — to the citizen who does not get the job, to the citizen whose wage is undercut, to the citizen who pays the income tax that was never withheld, and to the citizen whose emergency room absorbs the injury that workers' compensation should have covered.

The **Minnesota Employer Accountability Act** puts the legal weight where the decision is made. There is no registration program, no work permit, no state-issued card, and no state-created immigration status of any kind. Minnesota does not have the constitutional authority to create immigration status and this Blueprint does not pretend otherwise. **What Minnesota unambiguously does have is the authority to regulate its own employers, its own licenses, its own contracts, and its own prisons.**

First, the employer side, which carries the entire enforcement weight:

- **Mandatory E-Verify for every Minnesota employer**, with no small-business exemption and no grace period after the effective date.
- **Civil penalties of $25,000 per unauthorized worker**, assessed per worker and per pay period, so that the penalty cannot be treated as a cost of doing business.
- **Criminal liability for the responsible corporate officers** — up to 120 days imprisonment — for a knowing and repeated pattern of hiring unauthorized labor. Not the payroll clerk. The officer who set the practice.
- **Repeal of the cash-pay reporting exemption**, which is the single loophole that makes off-books payroll administratively invisible to the Department of Revenue.
- **Debarment from state contracts, grants, and economic development incentives** for any firm with a sustained violation, and suspension of state occupational and contractor licenses on a second offense. **A company that will not hire Minnesotans does not get Minnesota's business.**
- **Protection for the citizen who reports it.** Whistleblower standing and a share of recovered penalties for employees who report off-books hiring, because the people who know where this happens are already on the payroll.

Second, removal of the criminal element — and this is where the immediate money is. Any individual present unlawfully with a gross misdemeanor or felony conviction is transferred to federal custody for removal. There is no discretion, no sanctuary exception, and no negotiation. Minnesota is currently paying to house these individuals at a state operational cost of **$153.81 per person per day, roughly $56,000 a year each**. The Department of Homeland Security has identified approximately **1,360 individuals in Minnesota custody with active immigration detainers**; the Department of Corrections has itself verified **380 non-citizens in state prisons, 270 of them with detainers**, plus roughly 94 more in county jails. **Every one of those beds is an immediate, unambiguous, same-fiscal-year saving.** No realization curve. No modeling. The bed empties and the per diem stops.

Third, English proficiency required for a driver's license, consistent with commercial motor vehicle safety standards.

What employer accountability is worth

Component	FY2028–29 state funds	Character
Averted incarceration and custody cost, criminal aliens in Minnesota prisons and jails	**$153M**	**IMMEDIATE** — savings begin on day one of removal
Courts, public defense, probation, and county jail cost avoidance	$57M	**IMMEDIATE**
Emergency Medical Assistance and state-only health coverage reduction	$86M	**IMMEDIATE**
Minnesota income tax restoration on payroll brought onto the books	$305M	Year 1
Unemployment Insurance Trust Fund restoration (SUTA)	$67M	Year 1 (dedicated fund)
TOTAL, FY2028–29 Minnesota state funds	**$669M**	
Workers' compensation premium restoration	*$157M*	*Private market; not state funds*
Minnesota-sourced federal savings, removal component only	*$439M*	*Accrues to the U.S. Treasury; not state funds*

Key assumptions behind these figures

- **100,000 people in Minnesota's labor force without lawful status.** This is the assumption that drives every payroll-linked line below. It reflects the post-2021 inflow rather than the pre-2021 estimates, and it is stated as an assumption, not a certified count.
- **Average annual wage of $78,000**, at Minnesota's average salary rather than at a below-market off-books rate — because the premise of this objective is that the position is either refilled by a Minnesotan at the market wage or brought onto the books at it. That produces aggregate payroll of **$7,800 million a year.** The anchor is Minnesota's own reported average hourly earnings for all private sector workers of

$37.12, which at a 2,080-hour year is **$77,210** and was still rising at 5.5 percent annually when reported (Minnesota Department of Employment and Economic Development). $78,000 is therefore a conservative statement of the current average, not a stretch of it.

- **A $78,000 wage falls in Minnesota's second income tax bracket**, so the restored withholding is scored at **6.80 percent**, not at the first-bracket 5.35 percent.
- **40 percent of that payroll is currently paid off the books** — **$3,120 million a year** invisible to the withholding system.
- **72 percent of that off-books payroll comes onto the books**, whether because the position is refilled lawfully or because the employer complies rather than pay the penalty. The 72 percent is the product of **90 percent employer compliance with mandatory E-Verify and the cash-pay repeal, multiplied by 80 percent of affected positions actually being refilled** rather than eliminated. That produces **$2,246 million a year of newly reported payroll.**
- **Income tax at the second-bracket rate of 6.80 percent** on that newly reported payroll — $152.8 million a year, **$305 million a biennium.**
- **Unemployment insurance at a 1.5 percent SUTA rate** on the same newly reported payroll — $33.7 million a year into a dedicated trust fund, **$67 million a biennium.**
- **Incarceration savings use the Department of Corrections' own FY25 adult operational per diem of $153.81**, applied to the DHS detainer population. **This line is not scaled by the workforce assumption** because it rests on a counted population, not an estimated one. The DOC-verified count of 380 non-citizens with 270 detainers establishes a documented floor of roughly **$43 million a biennium** even if the federal count is high — which is why this line is the most defensible number in the Blueprint, not the least.
- **The courts and Emergency Medical Assistance lines scale with the unlawfully present population**, which the 100,000-worker labor force assumption implies is roughly 143 percent of the pre-2021 basis. The Emergency Medical Assistance line remains **judgmental**, and is stated as such. It is anchored to the Legislature's own scoring of the MinnesotaCare undocumented-adult repeal, which was certified at $56.9 million in the 2026–27 biennium against a forecast trajectory an order of magnitude larger.
- **Workers' compensation premium restoration at 3.5 percent** of newly reported payroll — $78.6 million a year — is a private-market effect, not a state fund. It is listed because it is the mechanism that drives the Emergency Medical Assistance and uncompensated-care reductions above.
- **The federal figure is limited to the removal component.** Minnesota's share of the national unauthorized workforce, applied to the documented national transitional incarceration savings from removing criminal aliens, yields roughly **$439 million per biennium** accruing to federal accounts. Minnesota does not keep that money, but Minnesota generates it, and it is an argument this state can make for federal cooperation on the block grant in Objective 3.
- **No dollar in this table depends on a state-issued work permit, registration, card, or immigration status of any kind.** Minnesota has no authority to create one and this objective does not contain one.

A note on what this objective is not. It is not a state deportation force and it is not a raid program. Minnesota has no authority to remove anyone and does not claim any here. What Minnesota can do is stop subsidizing the practice: stop letting employers pay off the books, stop awarding public contracts to firms that undercut Minnesota workers, and stop housing convicted criminal aliens at $56,000 a year each when the federal government has already lodged a detainer and will take custody on request. **The employer who breaks the law is the party this objective is aimed at, and the Minnesotan who wanted the job is the party it is aimed at helping.**

6. Educate Children Instead of Funding Ideology — Education Reform on the Mississippi Model

Minnesota spends nearly half again as much per pupil as Mississippi and gets worse reading results. In fiscal year 2023, Minnesota spent **$17,594 per pupil** against Mississippi's **$11,791** — a gap of $5,803 per child, or roughly 49 percent (National Center for Education Statistics, Digest of Education Statistics Table 236.75). By fiscal year 2024, Mississippi remained among the five lowest-spending states in the country at $12,324 per pupil against a Minnesota figure of $17,098 and a national average of $17,619 (U.S. Census Bureau, Annual Survey of School System Finances). **Minnesota spends roughly at the national average and gets national-average reading results. Mississippi spends 30 percent less than Minnesota and beats us both.** The question this objective asks is not "why does Minnesota spend more than everyone." It is the sharper one: **what is Mississippi buying with each dollar that Minnesota is not?**

Now the results.

What Mississippi did, and what it produced

On the 2024 National Assessment of Educational Progress — the only common yardstick that lets one state be compared honestly against another — Mississippi's fourth graders ranked **9th in the nation in reading and 16th in mathematics.** In 2013 the same state ranked **49th in reading and 50th in mathematics.** Its fourth-grade reading scale score rose from 209 to 219 over that period, moving from well below the national average to five points above it. Mississippi ranked **first in the nation in score improvement** across that decade.

Mississippi NAEP national rank	2013	2022	2024
Grade 4 reading	49th	21st	**9th**
Grade 4 mathematics	50th	33rd	**16th**
Grade 8 mathematics	49th	45th	**35th**

Source: Mississippi Department of Education NAEP rankings summary, drawn from National Center for Education Statistics state snapshot reports.

When the Urban Institute adjusted the 2024 results for student demographics — poverty, race, English-learner status, disability — Mississippi ranked **first in the nation** in fourth-grade reading, first in fourth-grade mathematics, and first in eighth-grade mathematics. Among economically disadvantaged fourth graders, Mississippi ranked first in reading and second in mathematics on the raw, unadjusted scores.

Minnesota, over the same period, went the other direction. Minnesota's 2024 fourth-grade reading scale score was **214 — exactly the national average, and below Minnesota's own 1998 score of 219. Thirty-nine percent of Minnesota fourth graders scored "below basic" in reading in 2024, the highest share since the assessment began in 1992.** A state that spends 49 percent more per child than Mississippi is producing readers Mississippi has passed.

How Mississippi did it, honestly stated. The centerpiece was the **Literacy-Based Promotion Act, Senate Bill 2347, signed April 18, 2013** — a third-grade reading gate, phonics-based science-of-reading instruction, and a statewide literacy coaching corps that grew from seven coaches in 2013–14 to 182 by 2018–19. The cost was **$9.5 million in FY2014 and roughly $15 million per year sustained from FY2015 forward** — between three tenths and five tenths of one percent of Mississippi's state K-12 appropriation. That is the entire price tag of the reform that moved a state from 49th to 9th.

This Blueprint will not claim the reading gate did it alone. Credible non-advocacy analysis in Mississippi itself — including from Mississippi First, which supports the reforms — attributes the gains to a decade-long bundle: raised academic standards, aligned testing and accountability, expanded pre-kindergarten, coaching, and teacher preparation reform, sustained without interruption across two administrations. Anyone who tells you it was one bill is selling you something. What is not in dispute is the combination: **Mississippi held standards up while holding cost down, and it worked.**

Mississippi also rebuilt how the money flows. House Bill 4130, effective July 1, 2024, replaced the old Mississippi Adequate Education Program with the **Mississippi Student Funding Formula** — a weighted student funding model that sends money with the child: a 30 percent low-income weight, an additional 10 percent for concentrated poverty, 15 percent for English learners, tiered special-education weights of 60, 110, and 130 percent, 5 percent for gifted, 10 percent for career and technical education, and a sparsity weight of up to 8 percent for small rural districts. The base student cost was set at $6,695.34 for FY2025, rising to $7,201.77 by FY2027, with inflation adjustment built into the statute and recalculation every four years. Minnesota's formula, by contrast, is a thicket of categorical aids, levies, and program grants that no parent can read and no district can predict.

What Mississippi cut, and what the auditors found

Mississippi eliminated diversity, equity, and inclusion programs outright. House Bill 1193, effective **July 1, 2025**, bans DEI programs and offices, diversity statements as a condition of employment or admission, compelled diversity training, and institutional endorsement of divisive concepts across public schools and universities. It requires annual compliance reporting and is enforced through a private right of action with attorney's fees, backed by the Attorney General.

We must be precise about what is and is not known here. No official fiscal note or savings estimate accompanies House Bill 1193. Mississippi did not score it. Any figure claiming to state "what the DEI ban saved Mississippi" is invented. A federal lawsuit led by the ACLU was filed against the law in June 2025 and its status is not verified here.

What *is* documented is what the programs cost before the ban. The **Mississippi State Auditor's June 2023 DEI survey** — a formal survey of the state's eight public universities and the University of Mississippi Medical Center

— found **$23.44 million budgeted for DEI activity between July 2019 and May 2023, of which $10.95 million was state funds.** More than 60 percent went to salaries. DEI budgets at the surveyed institutions grew by at least 47 percent over the period. The Auditor characterized these as self-reported, floor estimates — "at least" figures. Senate Bill 2223 then authorized the Institutions of Higher Learning board to **redirect former DEI appropriations into merit scholarships and tuition reduction**, which is the model this Blueprint adopts: the money does not disappear, it follows the student.

The same Auditor's office documented where the rest of the money goes. Its classroom spending analysis found that only **71.95 percent of academic-year 2021 school spending occurred inside the classroom** — 28.05 percent did not. A Joint Legislative Committee on Performance Evaluation and Expenditure Review report covering FY2016–20 found 54 percent of spending reaching instruction against 12 percent absorbed by administration. Mississippi published those numbers about itself. **We are proposing that Minnesota publish them about Minnesota.**

Where the savings come from: two named drivers, and what each is worth

Minnesota's E-12 education General Fund is **$25.869 billion for FY2026–27, rising to $27.168 billion for FY2028–29** — the largest single spending category in state government after health and human services. **Not one dollar of the savings in this objective comes out of a classroom.** The savings come from two places, and we name them both, price them both, and disclose exactly how much of the total each one carries.

Driver A — funding for ideology rather than instruction. Every appropriation below buys a value statement, not a reading score. Mississippi does not fund any of it and outscores Minnesota anyway. These are the first dollars this Blueprint takes, and they are taken on principle whatever the arithmetic says.

Minnesota line item	Per biennium	What it is
Achievement and Integration aid, Minn. Stat. 124D.861	$170.1M	FY26 + FY27 General Fund aid; 185 districts qualify for $120.76M of total revenue in FY2026 at 70% state aid / 30% local levy
Inter-district desegregation transportation, Minn. Stat. 124D.87	$38.2M	FY26 $18.2M + FY27 $20.1M, General Fund
Collaborative Urban and Greater Minnesota Educators of Color grant	$8.9M	$4.44M per year, enacted 2026–27
Closing Educational Opportunity Gaps grants	$6.0M	Enacted 2023 omnibus
Equity, Diversity and Inclusion Center staff	$4.0M	Enacted figure. The $33M often quoted was the Governor's recommendation and was never enacted
Ethnic Studies — specialist, consultation, and school grants	$2.0M	$1.0M per year across three provisions
Gender-neutral single-user restroom grants	$2.0M	Up to $75,000 per site

Minnesota line item	Per biennium	What it is
Black Men Teach; Coalition to Increase Teachers of Color; athletic race and ethnicity data collection	$1.4M	Enacted 2023 omnibus
Driver A total, most expansive defensible definition	**$232.6M**	**0.91% of the E-12 General Fund biennium**

All figures from Minnesota Management and Budget's enacted and base budget documents (2024–25 enacted Education, 2026–27 base Education, 2026–27 enacted Education). The Achievement and Integration revenue detail is from the House Fiscal Analysis Department's Financing Education in Minnesota 2025–2026.

Driver B — administrative overhead above the national norm. Minnesota runs the most expensive district-governance layer in the country relative to the national average, and it has been growing while enrollment has not.

Measure	Minnesota	National	Gap
General administration, function 2300, per pupil, FY2024	$646.22	$351.27	**+84.0%, or +$294.95 per pupil**
Same, annualized across 794,003 pupils			**≈$234M per year, ≈$468M per biennium**
Instruction coordinators and supervisors per 1,000 students, fall 2022	3.55	2.03	**+75%**
Teachers as a share of all school staff, fall 2022	45.74%	47.52%	Minnesota's own share fell from 48.24% in 2012
Operating districts and charters	581	—	Mississippi runs 152 for half the enrollment
Minnesota Department of Education agency FTE, FY16 to FY24	373.87 to 451.00	—	**+20.6% on flat enrollment**

Spending figures are from the Census Bureau's FY2024 school system finance tables, Tables 7, 8 and 19; staffing from the NCES Digest of Education Statistics 2023, Tables 213.20 and 213.40; district counts from the NCES Common Core of Data 2022–23 Summary Table 2; agency FTE from Minnesota Management and Budget.

What education reform on the Mississippi model is worth

The measurement is a direct two-state comparison, adjusted for the fact that Minnesota is a more expensive place to live than Mississippi.

Step	Value

Step	Value
Minnesota current spending per pupil, FY2024	$17,097.98
Mississippi current spending per pupil, FY2024	$12,324.39
BEA regional price parity, 2024 — Minnesota	98.621
BEA regional price parity, 2024 — Mississippi	86.953
Cost-of-living adjustment factor (98.621 ÷ 86.953)	1.134187
Mississippi per-pupil spending at Minnesota prices	$13,978.15
Gap, as a share of Minnesota per-pupil spending	**18.25%**

Per-pupil figures are from the Census Bureau's Annual Survey of School System Finances (FY2024 summary tables); price parities are from the Bureau of Economic Analysis (Regional Price Parities by State). An alternative cost-of-living index published by the Missouri Economic Research and Information Center produces a larger gap of 21.9 percent; **this Blueprint uses the smaller of the two.**

And Mississippi gets more for the money. On the 2024 National Assessment of Educational Progress, Mississippi outscored Minnesota in fourth-grade reading (NAEP Nation's Report Card). The 18 percent is not a quality discount. It is what Minnesota pays for something other than results.

Component	FY2028–29 opportunity	Basis
Total E-12 Education, General Fund, FY2028–29	$27,424.9M	MMB February 2026 forecast, budget area total
Non-value-added share, at the cost-adjusted Mississippi gap of 18%	$4,936M	18% of the E-12 General Fund base
Less: statewide literacy coaching corps and science-of-reading reinvestment	−$60M	Mississippi's sustained $15M per year, scaled to Minnesota enrollment
NET, FY2028–29 state funds	**$4,877M**	

How much of the 18 percent the two drivers carry

Here is the part other campaigns leave out. We are putting it in the table. The two named drivers are real, they are sourced above, and they are where the first dollars come from — but priced at today's published figures they do not add up to $4,877 million on their own.

Attribution of the $4,877M opportunity	Per biennium	Share	Status
Driver A — ideological and non-instructional programming	$232.6M	4.8%	**Named and priced today**
Driver B — general administration reduced to the national average	$468.0M	9.6%	**Named and priced today**
Subtotal, named and priced	**$700.6M**	**14.4%**	

Attribution of the $4,877M opportunity	Per biennium	Share	Status
Remainder — the delivery-model gap the Mississippi comparison measures but Minnesota has never itemized	$4,176.4M	85.6%	**Requires the classroom spending audit in the Next Steps**
Total opportunity at the cost-adjusted 18 percent benchmark	**$4,877M**	**100%**	

Drivers A and B are the first $700 million and they are actionable on day one. The other $4.2 billion is what the two-state comparison says exists and what no Minnesota audit has ever gone looking for — district consolidation and shared services, procurement, benefits design, categorical-aid simplification, and every dollar between the appropriation and the classroom. **We are not claiming to have found it. We are claiming that Mississippi's numbers say it is there and that Minnesota has never checked.** The classroom spending audit is the first Next Step in this objective for exactly that reason, and until it reports, this objective's place on the milestone ladder is earned by certified savings, not by this estimate.

Key assumptions behind this figure:

- **The 18 percent is a benchmark, not an audit.** It measures the cost-adjusted difference between what two states spend per pupil. It does not identify $4.9 billion of specific line items, and this Blueprint does not claim to have identified them. The first Next Step below is to commission a Minnesota line-item accounting so the benchmark can be replaced with a Minnesota number.
- **The two named drivers are floors, not ceilings, and they are the starting point.** Driver A is priced on the most expansive defensible definition of ideological programming, so it will not grow much. Driver B is priced only at bringing general administration to the *national average* — Mississippi runs it lower still, and consolidating Minnesota's 581 operating districts and charters toward Mississippi's 152 would go considerably further. Neither figure includes the unpriced burden of the cultural-competency licensure mandate under Minn. Stat. 122A.187, which falls on districts and licensees and never appears in a state spending table at all.
- **The gap the comparison measures is concentrated in instruction, and we are not touching instruction.** Decomposing the $3,163 per-pupil cost-adjusted gap by Census function, instruction accounts for 96.7 percent of it and administration for 2.8 percent. That is precisely why the remaining $4.2 billion is presented as an audit target and not as a scored cut: **closing it by reducing teacher pay or classroom staffing is off the table under Objective 10, so it has to be closed by changing how the money is delivered, not by paying teachers less.**
- **There is a much smaller and much harder floor under this number.** Counting only two named appropriations plus a 5 percent trim of the out-of-classroom base yields about **$570 million** — defensible line by line, and the conservative floor. The 18 percent benchmark is the ceiling. **The difference between $570 million and $4,877 million is the difference between what can be named today and what the comparison says is there.**

- **Nothing in this objective reduces the basic K-12 funding formula, the general education per-pupil allowance, special education, or teacher compensation.** Objective 10 protects the formula explicitly. This objective reduces what sits between the appropriation and the classroom.
- **The reinvestment is real and is netted out, not hidden.** Mississippi's result was not free. It cost roughly $15 million a year in coaching, sustained for a decade. Minnesota's enrollment is roughly double Mississippi's, so the Blueprint budgets $60 million per biennium for literacy coaches and science-of-reading curriculum and subtracts it from the savings before stating them.
- **No savings are claimed from House Bill 1193's Minnesota analogue beyond the two identified appropriations.** Mississippi never scored its own DEI ban. Neither will we.
- **The savings are immediate.** Appropriation eliminations and grant terminations are cash-basis and take effect on enactment. Unlike the health care objective, there is no realization curve.
- **The academic goal is stated as a metric, not a slogan.** Minnesota's target is to return fourth-grade NAEP reading above its own 1998 score of 219 within two biennia, and to cut the "below basic" share from 39 percent by ten percentage points. If it does not move, the reform is reported as having failed. That is the standard Mississippi held itself to.

The plan

1. **Enact a Minnesota Literacy-Based Promotion Act** modeled on Mississippi Senate Bill 2347: science-of-reading phonics instruction, a third-grade reading proficiency gate with intensive intervention, and a statewide literacy coaching corps — funded at $60 million per biennium.
2. **Eliminate the Achievement and Integration state aid appropriation and the MDE Equity, Diversity and Inclusion Center**, and redirect the freed dollars into the general education formula and literacy intervention, following the Mississippi Senate Bill 2223 precedent of routing former DEI funds to students rather than to programs.
3. **Repeal the Ethnic Studies graduation mandate** and return that instructional time to reading and mathematics.
4. **Commission a Minnesota classroom spending audit** on the Mississippi State Auditor's methodology, and publish, district by district, what share of every dollar reaches the classroom.
5. **Replace Minnesota's categorical aid thicket with a weighted student funding formula** on the Mississippi House Bill 4130 model: one base student cost, transparent weights for poverty, English-learner status, disability, and rural sparsity, statutory inflation adjustment, and recalculation every four years.
6. **Publish NAEP results against the target every two years**, without interpretation, so Minnesotans can judge the reform on the same evidence we are using to justify it.

7. Grow the Economy by Promoting Tourism — Minnesota's Natural Resources and National Attractions

What this objective is worth: as high as $200 million net in FY2028–29 Minnesota state and local tax revenue, on an incremental investment of $50 million. It is the only objective in this Blueprint that grows the economy rather than shrinking a cost, and it produces measurable revenue inside the biennium.

What Minnesota actually has to sell

Minnesota's tourism inventory is not one thing. It is two things that almost no other state has together, and the marketing case rests on that pairing.

The natural inheritance. Eleven thousand eight hundred and forty-two lakes. The 1,098,000-acre Boundary Waters Canoe Area Wilderness, drawing roughly **150,000 visitors a year** on permit (U.S. Forest Service), inside a Superior National Forest that recorded **1,172,742 visits** in FY2024 (Federal Interagency Visitation Report). The North Shore of Lake Superior. The headwaters of the Mississippi. **Over 11 million visits a year to Minnesota's state parks and recreation areas**, led by Gooseberry Falls at 758,417 and Split Rock Lighthouse at 558,110 (Minnesota DNR), plus **65.7 million visits** to the Twin Cities regional park system (Metropolitan Council). Voyageurs National Park at 199,787, the Mississippi National River and Recreation Area at 260,845, and Grand Portage National Monument at 88,710 (Federal Interagency Visitation Report). State park visitors alone spent **$688 million** in 2022, an average of $66.63 per person per day (Explore Minnesota outdoor recreation impacts).

And the national attractions, which the state has never marketed as a system. The **Mall of America** is the single largest built attraction in the upper Midwest — its own materials claim more than 40 million annual visits, a figure that has appeared unchanged in company documents for a decade and should be read as a marketing constant rather than a measurement (Mall of America press materials). The **Minnesota State Fair** drew **1,925,904** people in 2024, its fifth-largest run ever against an all-time record of 2,126,551 in 2019, on $71.2 million of operating revenue and roughly $300 million of economic impact (Minnesota State Fair annual report).

This is the structural difference from South Dakota, and it is the entire basis for scaling the campaign. South Dakota's tourism economy runs on a concentrated set of destinations: Mount Rushmore at 1,852,690, Badlands at 1,065,074, Wind Cave at 491,510 (Federal Interagency Visitation Report), Custer State Park at roughly 2.2 million inside a state park system totaling 7,979,618 visitations (South Dakota Game, Fish & Parks), and the Sturgis Rally at 537,459 vehicles in 2025 (City of Sturgis). **South Dakota markets a handful of famous places extremely well. Minnesota has more distinct sellable destinations than it has campaigns to sell them with.**

Minnesota already runs one of the largest tourism economies in the country:

- **81.6 million visitors** in 2024, **$14.7 billion in visitor spending**, **$24.7 billion in total economic impact**, and **182,435 jobs** (Explore Minnesota / Tourism Economics).
- **$2.4 billion in state and local taxes** generated by visitors, offsetting **$1,031 per Minnesota household** in taxes residents would otherwise pay (Explore Minnesota). In 2023 the state-only share was above **$1.5 billion** of a $2.3 billion total (Explore Minnesota 2023).

- **Outdoor recreation alone** contributes **$13.5 billion to state GDP** and more than **96,000 jobs across all 87 counties.**

Against that, Explore Minnesota's **enacted FY2026–27 appropriation is $41.46 million** for the biennium, and that figure already carries $5.0 million for the World Junior Hockey Championships, $825,000 for Explore Minnesota Film, and $671,000 for the 2026 Special Olympics USA Games (Minnesota House, New Laws 2025). **Minnesota is stewarding a $24.7 billion visitor economy on a promotional budget that a mid-sized private company would consider thin.**

The South Dakota model, measured

South Dakota commissions Longwoods International to measure incremental trips and incremental tax revenue attributable to advertising, and publishes the result (Travel South Dakota / Longwoods 2023 Advertising ROI Research):

Measure	2022	2023
Advertising investment	$1.8M	$4.2M
Incremental trips	692,000	1,000,000
Incremental visitor spending	$112.8M	$186.7M
Incremental taxes	$8.9M	$14.0M
Spending return per $1	$61	$45
Tax return per $1	**$5**	**$3**

The plan: a portfolio, not a bigger megaphone

Fund a dedicated national tourism campaign at an additional **$50 million per biennium** — roughly doubling Explore Minnesota's current base — and structure it deliberately as **separate campaigns against separate attractions in separate markets**, each measured on its own.

- **The water, led hard.** Fishing, paddling, boating, ice fishing, and lakeshore lodging, marketed to the drive markets of Chicago, Milwaukee, Des Moines, Omaha, Kansas City, and Winnipeg.
- **The built attractions, marketed nationally for the first time as a system.** Mall of America, the State Fair, the Twin Cities arts and professional sports calendar, and the Mississippi headwaters, sold as a multi-stop trip rather than as separate day visits.
- **The federal lands.** Voyageurs, the Boundary Waters, Grand Portage, and the North Shore, marketed to the national parks travel audience that currently drives past Minnesota to reach Montana and the Dakotas.
- **Four-season, not summer-only.** South Dakota's return comes disproportionately from shoulder- and off-season conversion. Minnesota's winter product is nationally underexposed.
- **A rural-attractions component.** The tourism dollar is the only economic development tool that works equally well in a town of 900 and a city of 400,000.

- **Independent measurement, published, campaign by campaign.** Explore Minnesota will commission the same Longwoods International incremental-trip methodology South Dakota uses, **and will publish the measured return for each campaign separately**, so that a campaign which is not working can be defunded rather than averaged into one that is.

Step	FY2028–29 biennium
Incremental campaign investment	−$50.0M
State and local tax return at the South Dakota 2022 measured rate of $5 per advertising dollar	$250.0M
NET new state and local revenue, FY2028–29	**$200.0M**

Key assumptions behind these figures

- **A $5 return in state and local tax revenue per advertising dollar** — the rate Longwoods International independently measured for Travel South Dakota in 2022.
- **The scaling basis is campaign count, not campaign size.** The $50 million is not a doubled bid into the same auction for the same audience. It funds additional distinct campaigns against additional distinct attractions in additional markets. **This distinction is the only thing standing between this figure and the saturation evidence below, and it is an argument, not a measurement.**
- **The return is state and local combined**, consistent with how Longwoods reports it, and is stated net of the $50 million investment.
- **The measurement lag is short.** Advertising placed in the first quarter of a biennium produces measurable incremental trips in the same fiscal year. This is why tourism is classified as an immediate initiative.
- **The campaign is additive, not a reallocation.** Explore Minnesota's existing base continues to fund ongoing marketing, industry services, and welcome centers.

8. Clean Up the Streets of Our Cities with Operation Restore Lives

What this objective is worth: negative $100 million. It is the only line in this Blueprint that costs money instead of saving it, and it is here because the problem it addresses is a **$3.7 billion biennial problem** that the state is currently paying for without solving.

The problem, priced

Minnesota spends roughly **$3.7 billion per biennium** — with a defensible range of $3.5 to $4.0 billion — across three overlapping populations:

Population	FY2028–29 biennial state spending
Homelessness and housing instability	≈$1,003M
Substance use disorder treatment and response	≈$530M

Population	FY2028–29 biennial state spending
Serious mental illness	≈$2,200M
Total	**≈$3,700M**

That is roughly **5 percent of all General Fund spending** and **13 to 14 percent of the Health and Human Services budget.** A naive addition of every program line touching these populations would produce a figure above $5 billion; the $3.7 billion figure is stated **after** removing an estimated 35 to 40 percent of double-counting, because the same person frequently appears in a housing line, a treatment line, and a mental health line simultaneously. **Being homeless, addicted, and mentally ill is usually one person's problem, not three people's problems, and Minnesota's budget counts it three times.**

Minnesotans can see what $3.7 billion has purchased. It has purchased encampments, overdoses, untreated psychosis on transit platforms, and downtowns that people who pay for them will not walk through after dark. **The money is not the missing ingredient. Direction is.**

The Carson four-pillar design

The architecture for Operation Restore Lives comes from the **EnVision Center** model that Dr. Ben Carson established as Secretary of Housing and Urban Development in 2018, built on four pillars (HUD Notice CPD-18-04; HUD announcement):

1. **Economic empowerment** — work, job readiness, financial literacy, and a path off subsidy rather than a permanent place on it.
2. **Educational advancement** — literacy, GED completion, and skills credentials.
3. **Health and wellness** — treatment for addiction and mental illness, delivered as part of the same case rather than referred out of it.
4. **Character and leadership** — mentorship, family stability, and faith-based partnership, which HUD invited explicitly into the model.

The organizing idea is a **single physical location per community where every service arrives in one case plan**, staffed by the churches, recovery ministries, and community organizations already doing the work, with government as a convener and payer rather than an operator. Carson's 2025 congressional testimony states the underlying conviction plainly: that "growing numbers of citizens have become reliant on government subsidies, incentivizing government dependency over self-sufficiency," that "programs that emphasize work, education, family stability, and homeownership are essential," and that "government should not be in the business of owning, operating, or constructing housing projects on a large scale" (Carson written testimony, House Committee on Oversight and Government Reform, 2025).

What the $100 million buys

Component	FY2028–29 biennium
Regional Restore Lives centers — one-case-plan sites in the metro, Duluth, St. Cloud, Rochester, Mankato, Moorhead, Bemidji, and the Iron Range	$52.0M

Component	FY2028–29 biennium
Treatment and mental health capacity purchased from existing community and faith-based providers	$26.0M
Work placement, credentialing, and transitional employment	$12.0M
Donation direction and promotion for Minnesota Direct	$6.0M
Independent outcome measurement and public reporting	$4.0M
Total appropriation	**–$100.0M**

The $6 million donation-direction component is the load-bearing piece for the rest of the Blueprint. Operation Restore Lives is where a Minnesotan who wants to help sees exactly which need, in which city, at which center, is unfunded this month — and gives to it directly through Minnesota Direct. **The centers do the work; Minnesota Direct pays for a growing share of it; and the state's job becomes directing generosity rather than replacing it.** Objective 9 is not a separate idea from this one. This objective is what makes Objective 9 something a Minnesotan can point at.

Key assumptions behind these figures

- **$100 million is a cost, scored as negative, and carried against the $3,357 million structural deficit before any tax relief begins.** Milestone 1 in Section V funds the deficit, the senior exemption, **and this program**, in that order, before a single general rate moves.
- **No savings are claimed against the $3.7 billion.** Not one dollar. The Blueprint could easily assert that better-directed services reduce emergency room use, jail bookings, and shelter nights — and they may — but there is no Minnesota measurement that would support putting a number on it, so no number is put on it. **If Operation Restore Lives reduces the $3.7 billion, that savings will appear in a future Blueprint after it has been measured, not in this one as a promise.**
- **The fiscal return per person placed in work is small and can be negative on income tax alone.** A worker placed at entry wage generates roughly **negative $249 per year in state income tax** once the Working Family Credit is applied, with total per-worker state revenue across all taxes in the range of $21 to $2,005 per biennium. **This program is not justified as a revenue measure and is not scored as one.** It is justified because $3.7 billion is already being spent and the streets are what they are.
- **Delivery is contracted, not built.** No new state agency, no state- operated housing, no new permanent staff — consistent with the four-pillar design and with Objective 10's protection of front-line service delivery.
- **Every center publishes its own outcomes.** Placements, completions, sobriety maintenance at twelve months, and cost per successful outcome, by site, annually, verified by the Legislative Auditor. **The federal version of this idea was never evaluated. That is the specific mistake Minnesota will not repeat.**

9. Minnesota Direct — Scaled to Close the Remaining Gap

What this objective is worth: as high as $16,515 million in FY2028–29 private dollars, contributed voluntarily and displacing an equal amount of appropriated General Fund spending.

Every other objective in this Blueprint asks what the state should stop buying. This one asks a different question: **what would Minnesotans pay for on purpose, if the state let them, and told them exactly where the money went?**

Minnesota Direct is a chartered, audited giving channel operated by the state. This given channel is modeled after Mike Lindell's proven inner city Lindell Direct Assistance Program. A donor — an individual, a family foundation, a corporation, or a Minnesotan sitting on a donor-advised fund balance — selects a named public purpose from a published catalogue which provides a vetted profile for each item and funds it directly. The appropriation for that purpose is reduced by the amount contributed. The contribution, the reduction, and the outcome are all published.

The design rules, all of which exist to prevent the obvious abuses:

- **Dollar-for-dollar displacement, published quarterly.** If a donor gives $5 million to a named purpose, the appropriation for that purpose falls by $5 million. If the appropriation does not fall, the program is a fundraising operation, not a budget reform, and it should be shut down.
- **No purchase of discretion.** Contributions fund line items, not decisions. No donor may fund a regulatory, licensing, enforcement, procurement, or adjudicatory function, and no contribution creates any claim on how a public official exercises judgment.
- **A published catalogue with a floor.** Only purposes the Legislature has already appropriated for are eligible, so the platform cannot be used to stand up programs the Legislature declined to fund.
- **An annual Legislative Auditor review** of whether displacement actually occurred.

How the $16.5 billion is derived, step by step

This is the arithmetic of the last rung, in the order it actually happens. Every line is a state-funds figure for the FY2028–29 biennium.

Step	Line	Amount
a	Remaining balance after Objectives 1 through 8 — the structural deficit plus the entire individual income tax, less every certified saving above	$20,412M
b	Less: tax revenue growth from a lower cost of doing business in Minnesota — lower health care costs and lower income tax rates	−$3,897M
	Accounting balance Minnesota Direct must displace	**$16,515M**
c	Times 60 percent — the cost of delivering the same services privately, at the 40 percent delivery efficiency below	**$9,909M**
d	Less: the block fully funded through Minnesota Direct for the individuals	−$2,220M

Step	Line	Amount
	Operation Restore Lives supports	
e	**Voluntary giving required for everything else**	**$7,689M**
	Of which already projected at chartered scale	$1,050M
	New giving to be raised	**$6,639M**

Reading the steps:

- **Step a is not a spending target.** It is the sum of the $3,357 million structural deficit and the $37,495 million individual income tax, less the $20,440 million Objectives 1 through 8 deliver. It is what is left if Minnesota eliminates the income tax entirely.
- **Step b is the growth dividend.** Lower health care costs and lower income tax rates make Minnesota a cheaper place to do business, and a cheaper place to do business produces more taxable activity. Section V scores that at **$3,897 million** and treats it as a separate milestone so that no reader has to accept it to follow the rest.
- **Step c is the private-delivery efficiency factor.** Services delivered through churches, recovery ministries, and community organizations cost less than the same services delivered through a state contract. **Mike Lindell is the source for the 40 percent figure**, from the $1 million privately funded pilot he ran in Detroit with Adult & Teen Challenge, the Salvation Army, and Union Gospel Mission as delivery partners: "you save about 40 percent using the private sector money" (Minnesota Public Radio, *Politics Friday*; recorded interview). **Stated as an assumption, sourced to the person who ran the pilot.**
- **Step d is a carve-out, not a discount.** Minnesota spends roughly $3,700 million a biennium on homelessness, substance use disorder, and serious mental illness. Operation Restore Lives directs those individuals into privately delivered care, so that block — $2,220 million at the same 60 percent delivery cost — is funded through Minnesota Direct as a named, separately reported program. **It is shown as a subtraction so donors can see what is already accounted for; the two blocks sum back to $9,909 million and nothing is netted twice.**
- **Step e is the ask.** $7,689 million a biennium — **$3,845 million a year** — of which $1,050 million is already projected at chartered scale, leaving **$6,639 million** to be raised. That is the honest size of the last rung.

How it would actually work: three Minnesota households

A catalogue is an abstraction until it has a name and a face on it. What follows are three worked examples — one rural, one urban, one suburban — drawn from real Minnesota appropriations with real per-unit costs. **The recipients and donors are invented. The programs, the dollar figures, the statutes, the award averages, and the application-denial counts are not.** In each case the person or organization being funded had already applied, already been approved, and already been turned away for lack of money — which is the only kind of recipient the catalogue is allowed to list.

All three lines run through the Department of Agriculture, and that is the point rather than a coincidence. **Food is the one thing the three Minnesotas already have in common.** The farm that cannot get financed, the neighborhood that cannot buy a tomato, and the school that wants to serve something grown here are the same problem seen from three distances.

Example 1 — Rural: a first farm

The program. The Down Payment Assistance Grant Program (Minn. Stat. 17.133) is appropriated **$1,250,000 each year** (Laws 2025, ch. 34). In its most recent cycle it helped **112 families buy a first farm with $1,677,500** — an average award of **$14,978** (MDA).

The Minnesotans. Kayla and Derek Bergstrom, 29 and 31, have rented 80 acres outside Pelican Rapids for six years. They applied for down payment assistance and scored well. They were not funded, because the money ran out before the list did.

The catalogue entry. With the Bergstroms' written consent, the Department of Agriculture publishes their profile: their names, the township, the 80 acres they have rented for six years, the seller who has agreed to a contract for deed, the **$14,500 gap** between what they have saved and what they need to close, their approved application, and their score. **A photograph of two people standing in front of a rented field does what no appropriations rider has ever done.**

The donor. The Halvorsen family of Edina reads eleven such profiles and funds **ten of them, $150,000 in total**, the Bergstroms among them.

What happens next, in order:

1. **The Halvorsens choose the Bergstroms by name, and that is the point.** They are not funding "Minn. Stat. 17.133." They are funding a couple near Pelican Rapids whose situation they read in full. **The gift is personal, and it is personal on purpose.**
2. **They are choosing among people the state already approved.** The Bergstroms passed MDA's eligibility screening and scoring before their profile ever appeared. The Halvorsens moved them from *approved and unfunded* to *funded*. **No donor made them eligible, and no donor could have.**
3. **The designation is honored, but it is a designation.** The consent form and the enabling statute both state that the Commissioner retains final control — if the Bergstroms' purchase falls through, the money moves to the next approved applicant and the Halvorsens are told. This is what keeps the gift on the right side of federal law, and the Halvorsens are told so before they give.
4. **Ten percent of the gift — $15,000 — goes to the unchosen reserve**, funding approved applicants whose profiles nobody picked. **A photogenic young couple should not crowd out a fifty-eight-year-old with a worse photograph and the same score.**
5. **The appropriation falls by exactly $150,000 at the next certification** — and not one dollar below the published floor for that line. The floor is what makes this a substitution and not a defunding.
6. **The $150,000 released from the General Fund goes to the rate ladder**, and only after the Legislative Auditor certifies the displacement actually occurred.

7. **Eighteen months later the Halvorsens get a report on the Bergstrom farm** — what was planted, what it yielded, whether the family is still there. **This is the part that produces the second gift**, and no line-item accounting has ever produced one.

Example 2 — Urban: a grocery store within walking distance

The program. Food Retail Improvement and Development, the successor to the Good Food Access Program (Minn. Stat. 17.1017), is appropriated **$1,000,000 each year** and buys refrigeration, shelving, and point-of-sale equipment for grocers in underserved neighborhoods (Laws 2025, ch. 34; MDA). In FY2025 it funded **21 of 90 applications for $935,000 — turning away 69 applicants, 77 percent of everyone who asked** — while the funded projects leveraged **$4.88 million in private investment**, a **5.2-to-1 match** (AGRI FY2025 report).

The Minnesotans. Denise Whitfield, 61, has lived on the north side of Minneapolis for thirty years and does not drive. The nearest full grocery store is a bus transfer away. The corner market four blocks from her apartment sells what it can keep without a produce cooler, which is not produce. Its owner, Samuel Achebe, applied for a refrigeration and produce display grant and was one of the 69.

The catalogue entry. Achebe Family Market, by name, with the address, the storefront photograph, the equipment quote, the census tract's distance to the nearest full-service grocer, and MDA's approval on file. **This is a named business, not a named individual — so the federal earmarking problem described above does not arise at all.** Designating a gift to a specific organization is ordinary charitable practice.

The donor. A Minneapolis family foundation reads the north-side profiles and funds **five of them, $225,000 in total**, Achebe Family Market included.

What is different about this one:

- **Organizations can be named without qualification.** Every constraint in the deductibility discussion above applies to named *individuals*. A grocer, a school district, a food shelf, or a county fair can be designated outright. **Most of the catalogue by dollar volume will be organizations, and most of the catalogue by emotional force will be people.**
- **The private match multiplies the gift.** Grantees have put up **$5.22 for every state dollar** in this program. The $225,000 funds roughly **five projects at the program's $44,524 average award** and pulls well over a million dollars of private capital in behind it.
- **The unit is a cooler, not a concept.** Mr. Achebe's store gets refrigeration. Ms. Whitfield can buy a tomato four blocks from home. The donor can be told exactly that, and the state can prove it.
- **Seventy-seven percent of applicants were turned away.** This is not a program with unmet demand at the margin. It is a program where the queue is four times the size of the money.

Example 3 — Suburban: what is on the lunch tray

The program. Farm to School and Early Care purchasing assistance is appropriated **$1,594,000 in FY2026 and $1,544,000 in FY2027** (Laws 2025, ch. 34). Its most recent round put **$1,154,532 into 59 school districts and 11 early care centers across 40 counties** — an average of **$16,493 per site** (MDA).

The Minnesotans. Erik and Bethany Lindqvist have two children in a suburban district south of the metro. Their district received a Farm to School award last cycle. The practical result is that the apples in the cafeteria come from an orchard near Lake City instead of from a distributor, and the district can afford to keep buying them.

The donor. Erik Lindqvist gives **$16,500** — one full site — to **Nashwauk-Keewatin Public Schools on the Iron Range**, chosen off the catalogue from among approved districts that were not funded.

Why this example is the one that explains the whole system:

- **He picked a district on purpose, and it was not his own.** His own district is already funded, so it is not on the catalogue — **only approved-and-unfunded applicants are listed, which is the structural answer to "can a donor buy an advantage for himself."** He is not choosing between his children and a stranger's. He is choosing among strangers, because the only people on the list are strangers who were told no.
- **He chose it because he could see it.** A district name, an enrollment figure, the local growers it would buy from, and a photograph of a lunch line. **Had the catalogue offered him "Farm to School and Early Care purchasing assistance, Laws 2025 chapter 34," he would have closed the page.**
- **A suburban household is on both sides of the ledger, and that is the design working.** The Lindqvists benefited from the program, funded a named school inside it, and will receive an income tax reduction because the appropriation fell by $16,500. **None of those three things is in tension with the others.**
- **The money lands in Greater Minnesota either way.** Farm to School dollars are spent buying Minnesota-grown food. **A suburban gift becomes a rural farm's revenue and an Iron Range child's lunch in the same transaction.**

What the three examples have in common

Rule the example demonstrates	How it shows up
The recipient is named, vetted, and consenting	The Bergstroms, Achebe Family Market, Nashwauk-Keewatin
The state qualifies; the donor chooses among the qualified	All three had already been approved and left unfunded
A donor cannot buy an advantage for himself	Only approved-and-unfunded applicants are on the catalogue
A designation is a recommendation, not a condition	The Commissioner may redirect; the donor is told before giving
Ten percent catches the unchosen	$15,000 of the Halvorsen gift goes to profiles nobody picked
Displacement is dollar for dollar	$150,000 in, $150,000 out of the appropriation
The floor holds	No line can be reduced below its published floor

Rule the example demonstrates	How it shows up
Certification precedes relief	No rate moves until the Legislative Auditor verifies
The function must be non-regulatory	All three are grant-making; no permit, license, or inspection is ever on the catalogue

Together the three lines total **$7,638,000 for the biennium** — **6.7 percent of the Department of Agriculture's $114,211,000 General Fund appropriation** (Laws 2025, ch. 34). That is the honest scale of what these examples represent. They are not a budget strategy. **They are proof that the mechanism can be described down to the individual transaction — which is the test any spending program should have to pass and almost none of them do.**

10. Eliminate the Personal Income Tax

Budget savings from this objective: $0. It is carried at zero because it is not a savings line at all. **It is what the other nine objectives are for.**

Minnesota's individual income tax will raise **$37,495 million** in the FY2028–29 biennium at rates of 5.35, 6.80, 7.85, and 9.85 percent — a top rate among the highest in the nation. Nine objectives above this one identify **$36,955 million** in state funds. **This objective is the commitment that every certified dollar of it goes back to the people who earned it, as a rate reduction, until the rate is zero.**

The rules that govern it:

- **Relief follows certification, never a promise.** No rate falls until the Legislative Auditor certifies that the savings behind it were actually realized. A rate cut funded by a projection is a deficit with better marketing.
- **The structural deficit is closed first.** The $3,357 million gap is paid before the first dollar of relief. Objective 1 alone covers it.
- **Seniors first, then everyone.** The first funded step is a complete income tax exemption for seniors whose entire income falls in the first bracket. Every step after it cuts all four brackets by the same percentage on the same day.
- **All relief is income tax relief.** No property tax mechanism, no credit, no rebate, no targeted carve-out. **One tax, one direction.**
- **No calendar date is promised.** Section V sets out eight milestones in the order the money arrives, and each one states what has to be true before it happens.

Section V is the ladder: what each objective buys, what every rate becomes when it is certified, and what it is worth to a Minnesota household.

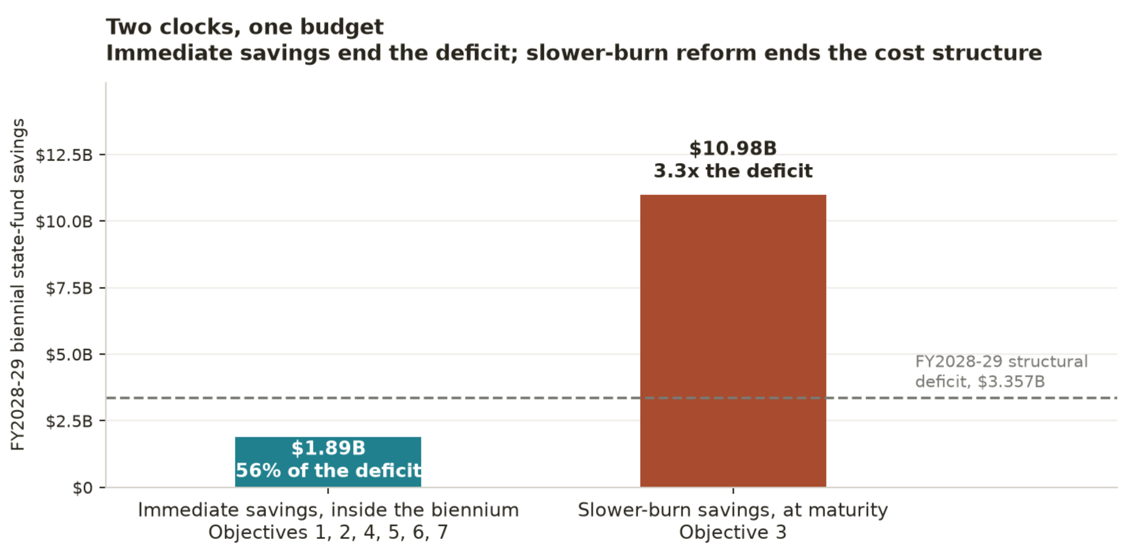
What is protected while the rate falls

Eliminating the income tax is not a case for eliminating government. The following are funded, not cut, at every rung of the ladder — and they are listed here so that no reader can suspect the tax relief is being quietly funded out of them:

- Public safety and corrections capacity that keeps communities safe
- Election integrity systems that are transparent and auditable
- Trunk highway construction and winter maintenance
- Basic K-12 funding formula that reaches classrooms, not central offices
- Veterans homes, claims assistance, and mental health services for those who served

IV. Two Clocks: Immediate Savings and Slower-Burn Reform

Every savings figure in this Blueprint is expressed in FY2028–29 biennial state funds so that the objectives can be compared honestly. But comparability is not the same as interchangeability. **Some of this money stops leaving the treasury immediately. Some of it arrives on a curve.** Confusing the two is how budgets fail, and how candidates end up promising balance they cannot deliver.



Immediate savings are realized within FY2028-29: removals, terminations, recoveries, restored withholding, and campaign-driven revenue. Slower-burn savings follow a realization curve that approaches maturity around FY2034-36.

Immediate savings — what ends the structural deficit

These initiatives produce cash inside FY2028–29 because the action and the result happen in the same fiscal year. A prison bed empties and the per diem stops. A grant is terminated and the payment stops. A payroll comes onto the books and withholding begins. An advertisement runs and a visitor arrives.

Initiative	FY2028–29	Why it is immediate
5. Employer accountability	$669M	Removal savings begin on day one — **$153M of averted incarceration cost with no ramp at all**; withholding begins as soon as payroll comes onto the books
1. Fraud and zero-outcome service elimination	$3,600M	Terminations and prepayment denials stop payments in the same year
7. Tourism campaign	$200M	Advertising placed in Q1 returns measurable trips the same fiscal year
4. Performance-based funding	$109M	Appropriation decisions take effect on enactment
2. Welfare stacking	$105M	Grant consolidations and overpayment recovery are cash-basis
6. Education reform	$4,877M	Appropriation eliminations and grant terminations are cash-basis on enactment
9. Minnesota Direct, low-hanging fruit	$1,050M	A contribution received is an appropriation reduced in the same quarter
8. Operation Restore Lives	**–$100M**	An appropriation spends on enactment, in the same year it is enacted
TOTAL IMMEDIATE, NET	**$10,510M**	**313% of the $3,357M structural deficit**

A caution that belongs directly under that total. Two of these lines — fraud elimination at $3,600 million and education reform at $4,877 million — are *cash-basis in mechanism* but *benchmark-based in magnitude*. The mechanism is immediate: a terminated appropriation stops paying the day it is terminated. The magnitude is not yet itemized: neither figure corresponds to a list of line items anyone has published. **What is immediate is the effect of the action, not the certainty of the amount.** Section V's trigger discipline exists for exactly this reason — no rate falls until the Legislative Auditor certifies dollars actually saved.

The employer accountability objective deserves particular emphasis here, because it is the purest immediate saving in the document. There is no ramp on a removal. There is no realization curve on a per diem. The day an individual serving a sentence at $153.81 a day is transferred to federal custody, Minnesota's cost for that person goes to zero and stays there. Nothing else in this Blueprint has that property.

Slower-burn reform — what ends the cost structure

Initiative	FY2028–29	Why it takes time
3. Health care cost discipline	$10,980M	The realization curve places 6% of mature savings in FY2028 and 18% in FY2029; General Fund relief begins FY2030 and matures around FY2034–36
Medicaid §1115 block grant / full retention	*Included above*	Requires a CMS negotiation and Chief Actuary certification
Statewide direct primary care network buildout	*Enables the above*	Physician recruitment, panel formation, and employer plan conversion take years, not months

The discipline this distinction imposes on the Lindell-Parrish administration is absolute. The FY2028–29 budget will be balanced on immediate savings and immediate savings only. Health care reform will be enacted in the 2027 session, scored honestly at its FY2028–29 cash value rather than its maturity value, and allowed to build.

V. Returning the Savings: A Milestone-Based Path to Income Tax Reduction

Savings that are not returned to taxpayers are not savings. They are a larger reserve for the next administration to spend. Every objective in this Blueprint produces money. This section states, in advance and in writing, what happens to it.

Where Minnesota starts

Minnesota's individual income tax has four graduated rates — **5.35, 6.80, 7.85, and 9.85 percent** — imposed under Minnesota Statutes section 290.06 and inflation-adjusted annually. For tax year 2026 the brackets are:

Rate	Married filing joint	Single	Head of household
5.35%	up to $48,700	up to $33,310	up to $41,010
6.80%	$48,701 – $193,480	$33,311 – $109,430	$41,011 – $164,800
7.85%	$193,481 – $337,930	$109,431 – $203,150	$164,801 – $270,060
9.85%	$337,931 and over	$203,151 and over	$270,061 and over

Minnesota's **9.85 percent top marginal rate is the fifth-highest in the United States**, behind only California, Hawaii, New York, and New Jersey. Minnesota ranks **44th of 50 states** on the Tax Foundation's 2026 State Tax Competitiveness Index, driven substantially by the individual income tax.

The state's own Department of Revenue, in the Tax Incidence Study it is required by statute to produce, finds the total Minnesota state and local tax burden was **12.2 percent of income in 2023, projected to rise to 12.5 percent by 2028.** Under current law, the burden goes up.

Minnesotans have been answering that with their feet. Internal Revenue Service Statistics of Income migration data show Minnesota with a **net loss of roughly 8,125 people and roughly $1.5 billion in adjusted gross income** in the 2022–23 filing year, and a cumulative net loss of about **$11.6 billion in adjusted gross income and 65,200 people from 2012 through 2023.** Among households earning $200,000 or more, Minnesota ranked 42nd of 51 jurisdictions for net household migration.

What relief costs

The individual income tax is the largest single revenue source in state government: **$35,177 million in FY2026–27 and $37,495 million in FY2028–29**, or about 52 to 54 percent of all General Fund revenue. Anyone who promises to eliminate it in one motion is promising to find $37 billion per biennium. This Blueprint will not do that.

Here is the arithmetic, derived from the Department of Revenue's own published revenue-neutral-rate methodology. The Department's 2024 State Tax Expenditure Budget illustrates that a change costing about $44 million per year at FY2024 collection levels corresponds to **0.02 percentage points off all four brackets simultaneously.** At FY2024 collections of $14.9 billion that implies roughly **$2.2 billion per year for a full percentage point off all four rates.** Scaled to FY2028–29 forecast collections, the cost of relief is:

Uniform cut, all four brackets	Approximate cost, FY2028–29 biennium	Average relief per return
0.25 percentage points	$1,385M	about $210
0.50 percentage points	$2,770M	about $420
0.75 percentage points	$4,155M	about $630
1.00 percentage point	$5,540M	about $842

The per-return figures are anchored to the Department of Revenue's own fiscal note on House File 3478 (2022), which scored a full one-percentage-point cut across all four brackets at roughly **$2.02 to $2.24 billion per year** and estimated an average tax decrease of **$842** across about **2,400,900 returns.**

Set against that, this Blueprint's savings are:

Savings tier	FY2028–29 biennium	What it funds
Immediate savings, net (Objectives 1, 2, 4, 5, 6, 7, 8, and 9 at chartered scale)	$10,510M	The structural deficit first — then Milestones 1 through 5

Savings tier	FY2028–29 biennium	What it funds
Savings at full maturity, objectives at chartered scale	$21,490M	The deficit, then Milestones 1 through 6
Revenue from economic growth	as high as $3,897M	Milestone 7, when it is collected and certified
Minnesota Direct scaled as a new way of assisting those in need	$15,465M	Milestone 8 — voluntary giving, not legislation

The structural deficit of **$3,357 million comes first.** A tax cut funded by borrowing is not a tax cut, it is a deferred tax increase. The first $3,357 million of certified savings closes the deficit, and the $566.8 million senior exemption and the $100 million cost of Operation Restore Lives are funded before any general rate moves. Relief for everyone else begins with the next dollar. **That leaves $17,566 million available for general rate reduction from the objectives at their chartered scale, and as much as $21,463 million once the growth dividend arrives — 57.2 percent of Minnesota's entire individual income tax. Closing the remaining 42.8 percent depends entirely on Minnesota Direct scaling to satisfy unmet funding needs.**

The milestone ladder: one objective, one tax cut

Minnesota should not cut rates on a promise, and it should not cut rates on a forecast. It should cut rates when the money is **in hand, certified, and recurring.** Three states have already built that mechanism into statute, and Minnesota should copy the best of them.

North Carolina wrote a revenue trigger table into General Statutes section 105-153.7: when General Fund revenue exceeds a stated dollar threshold in a given fiscal year, the rate falls by half a point the following tax year, with a statutory floor. Its rate has fallen from 4.99 percent in 2022 to **3.99 percent for tax year 2026** on that path. **Kentucky's** House Bill 8 conditions each half-point cut on a rainy-day fund at 10 percent of General Fund revenue plus a revenue surplus equal to at least a full point of income tax — its rate has gone from 5 percent to **3.5 percent effective January 1, 2026. Mississippi's** House Bill 1 of 2025, the Build Up Mississippi Act, is the most directly usable model: a fixed schedule to 3.0 percent by 2030, and then growth-triggered cuts continuing until the tax reaches zero.

The Lindell-Parrish ladder adapts that structure to Minnesota, with one change that makes all the difference: every milestone is a Blueprint objective. Not a dollar threshold pulled out of the air, and not a calendar date. **Each objective in Section III, when it is delivered and certified, buys a specific, published, permanent reduction in Minnesota income tax rates.** You can read this Blueprint and know exactly what your rate becomes when each promise is kept.

That is the whole design, and it is a good one. It ties the reward directly to the work. It tells every Minnesotan what they are getting and what has to happen first. And it means nobody has to take our word for anything — the ladder moves when the Legislative Auditor says the money is real, and not one day sooner.

Gate conditions — both must be satisfied before any milestone triggers:

1. The **Budget Reserve is fully funded** at the level Minnesota Management and Budget certifies as adequate, and

2. The Legislative Auditor and Minnesota Management and Budget jointly certify the objective's savings as **realized, recurring, and net of all implementation cost**.

And the deficit comes first. A tax cut funded by borrowing is not a tax cut, it is a deferred tax increase. The first **$3,357 million** of certified savings closes Minnesota's structural deficit. Relief begins with the next dollar.

Milestone 1: seniors in the first bracket pay nothing

Priority one, before any other relief, is Minnesotans 65 and older whose entire income falls within the first tax bracket. For those households the individual income tax rate goes to **zero**.

Measure	Value
Bracket 1 ceiling, single filers, TY2026	$33,310
Bracket 1 ceiling, married filing jointly, TY2026	$48,700
Senior households that qualify	525,993
Share of all senior households	68.3%
Share of total senior income tax liability	6.9%
Cost, FY2028–29 biennium	**$566.8M**
Average relief per qualifying household, per year	**$539**

Milestone 1 is funded by three objectives delivered together, and it pays for a fourth thing before it cuts anyone else's rate: Objective 1, eliminating fraudulent and zero-outcome services ($3,600M); Objective 2, ending redundant welfare stacking ($105M); and Objective 5, employer accountability ($669M, of which $153M is averted incarceration cost that starts the day the first removal happens). Those three are the fastest-moving items in this Blueprint — terminations, recoveries, and enforcement that begin on day one rather than after a maturity curve. Together they are **$4,374 million.** From that:

Use of Milestone 1 funds	FY2028–29
Objectives 1, 2, and 5 certified	$4,374M
Less: the structural deficit, closed first	−$3,357M
Less: Operation Restore Lives, funded in full	−$100M
Less: the senior bracket-1 exemption, funded in full	−$566.8M
Available to begin cutting every other rate	**$350.2M**

$350 million is a modest number and it is printed here rather than rounded away. The first rung of this ladder pays the state's bills, cleans up the streets, and takes half a million senior households off the income tax rolls entirely — and what is left over for everyone else is about $59 a year for the average filer. **That is what an honest first step looks like. The large cuts are on rungs five and six, and they are not available until rungs five and six are certified.**

So the very first milestone does two things at once: it takes half a million senior households off the income tax rolls entirely, and it starts every other Minnesotan's rate moving down. Not later. In the same step.

Qualification is by **total income, not by bracket position**: a senior household qualifies only if its entire taxable income sits inside the first bracket. **This is a cliff, not a phase-out.** A single filer at $33,310 owes nothing; a single filer at $33,400 owes tax on the whole amount at the ordinary schedule. That is a real defect of the design, it is disclosed here, and the honest answer is that a phase-out costs more and this Blueprint chose the cheaper structure.

Milestones 2 through 6: every other objective, every other Minnesotan

Every milestone after the first reduces every remaining filer's liability by an equal percentage. Not an equal number of dollars, and not an equal number of rate points — an equal percentage cut in what each filer owes. That keeps the relative burden across the four brackets exactly where the Legislature set it, and it means no filer's share of the total tax rises because someone else got a cut.

The remaining rate-bearing base is **$36,928 million**. Every certified dollar above the deficit and the senior exemption comes off that base, and all four rates fall proportionally.

The objectives are laid out in the order they can realistically be certified — the immediate ones first, the slow-burn health care reform last — because that is the order Minnesotans will actually experience.

M	Objective achieved	Savings, cumulative	Rates: 5.35 / 6.80 / 7.85 / 9.85	Per person, biennium
1	Fraud, welfare stacking, employer accountability; Operation Restore Lives funded	$4,274M	5.30 / 6.74 / 7.78 / 9.76	$158
2	Performance-based agency funding	$4,383M	5.28 / 6.72 / 7.75 / 9.73	$177
3	Tourism growth	$4,583M	5.25 / 6.68 / 7.71 / 9.67	$212
4	Minnesota Direct at chartered scale	$5,633M	5.10 / 6.49 / 7.49 / 9.39	$393
5	Education reform	$10,510M	4.40 / 5.59 / 6.45 / 8.09	$1,235
6	**Health care cost discipline**	**$21,490M**	**2.81 / 3.57 / 4.12 / 5.16**	**$3,130**
7	Growth dividend	$25,387M	2.24 / 2.85 / 3.29 / 4.13	$3,803
8	**Minnesota Direct scaled to close the gap — zero for every Minnesotan**	**$40,852M**	**0.00 / 0.00 / 0.00 / 0.00**	**$6,472**

Milestone 1 also carries the senior bracket-1 zero rate, which continues at every rung above it. Per-person figures divide total relief across Minnesota's full population of **5,793,151** (Census Bureau Vintage 2024 population estimates), including children and non-filers. **Relief per filing household is roughly 2.0 times larger**, across 2,955,786 returns.

Reading the ladder:

- **Milestone 6 is what this Blueprint's own objectives pay for at their chartered scale, in full.** Deliver all ten objectives and Minnesota's income tax rates fall from 5.35, 6.80, 7.85, and 9.85 percent to **2.81, 3.57, 4.12, and 5.16 percent.** That is a **48.4 percent cut in what every Minnesota filer owes**, worth **$18,133 million** per biennium, or about **$6,135 per filing household.** The top rate goes from fifth-highest in America to below the national middle.

- **Milestone 5 is the halfway mark on savings, and it arrives from immediate reforms alone.** Objectives 1, 2, 4, 5, 6, 7, 8, and 9 at chartered scale require no maturity curve. They are terminations, recoveries, formula changes, an advertising campaign, and a private giving channel. Together, net of Operation Restore Lives, they are $10,510 million and they cut every filer's bill by **19 percent** while zeroing out the tax for half a million senior households.

- **Milestone 4 is reachable in a single biennium.** Fraud elimination, welfare stacking, employer accountability, performance funding, tourism, Operation Restore Lives, and Minnesota Direct at chartered scale are all cash-basis. They do not require a cultural change in any state agency. They require a governor willing to cancel contracts and an auditor willing to sign the certification.

- **Rungs 1 through 3 are deliberately small, and the table does not hide it.** The first three rungs together cut the average filer's bill by **$415 per biennium.** Anyone who tells Minnesotans that the early rungs of income tax elimination are dramatic is not being straight with them. **The mechanism has to be proven at $400 before it can be trusted at $6,000.**

- **Milestone 8 is the only rung whose funding source cannot be legislated.** Every rung from 1 through 7 moves on a law the Legislature can pass and an auditor can certify. Rung 8 moves on what Minnesotans voluntarily give. It is stated as a funded rung because the arithmetic closes — and Milestone 8 below states in plain numbers what that arithmetic would ask of every charitable dollar in this state.

- **Nobody waits for someone else's milestone.** Every rung above the first cuts every bracket at once. A young family in bracket 1, a shop owner in bracket 2, a surgeon in bracket 4 — all three get the same percentage cut on the same day.

Milestone 7: the growth dividend

Here is the part that compounds. Minnesota does not just save money by delivering these objectives — it earns money.

Two channels are at work, and both of them are consequences of the objectives rather than assumptions layered on top of them. The first is the tax cut itself: lower marginal rates raise labor supply, business formation, and retained income, and some fraction of the static revenue loss comes back. The second is health care: Objective 3 lowers the cost of insuring a Minnesota worker, which raises employment and payroll at every business in the state that is not a hospital. **A machine shop in Willmar does not care what the state saved. It cares what it costs to keep a welder insured.**

Channel one — the rate reduction. The published survey of state dynamic revenue models finds that personal income tax cuts recoup between **1 and 14 percent** of the static revenue loss, clustering near 6 to 10 percent (Georgia State University Center for State and Local Finance). The Congressional Research Service puts short-run federal feedback at **3 to 7 percent**, with a theoretical maximum near 20 percent, and states plainly that "none is large enough to fully offset the revenue loss" (CRS R43381). The Tax Foundation's dynamic analysis of federal individual rate cuts recovers **21 percent** over 2014–23 (Tax Foundation).

At the highest rate any state model in that survey produced — **13.9 percent**, from Kansas — the $17,566 million of general rate reduction standing at Milestone 6 returns **as high as $2,397 million** per biennium.

Channel two — health care. Research exploiting hospital mergers finds that a **1 percent increase in health care prices reduces payroll and employment at non-health firms by about 0.4 percent** and reduces income tax withholdings by **0.4 percent** (Becker Friedman Institute, University of Chicago). A separate study finds a **10 percent increase in health insurance premiums** cuts the probability of employment by 1.2 percentage points and wages for covered workers by 2.3 percent (Baicker and Chandra, UCLA CCPR). Applied symmetrically, a 10 percent statewide reduction in health care prices maps to roughly a 4 percent increase in withholdings — **as high as $1,500 million** against a $37,495 million biennial income tax base.

Channel	FY2028–29 revenue, best case
Dynamic feedback from the rate reduction, at 13.9%	$2,397M
Employment and payroll effect of lower health costs	$1,500M
TOTAL, as high as	**$3,897M**

Milestone 7 turns that growth into another rate cut. Rates fall again, to **2.24, 2.85, 3.29, and 4.13 percent** — a **58.8 percent cut from where Minnesota stands today**, worth about **$7,453 per filing household** per biennium. Minnesota's top rate would sit below Wisconsin, below Iowa's old schedule, below most of the states currently taking Minnesota's taxpayers.

Key assumptions behind these figures:

- **Milestone 7 triggers on collections, not on this projection.** The $3,897 million is an estimate and estimates do not cut taxes. The milestone triggers when the revenue actually arrives, is certified as recurring, and clears the same gate as every other rung. **If growth revenue shows up, the ladder moves. If it does not, the rates stay where Milestone 6 left them — which is already 48 percent below today.**

- **13.9 percent is the highest figure in the survey, and it came from Kansas.** Kansas's 2012 tax experiment is widely regarded as a fiscal failure and was substantially repealed in 2017. Using its feedback rate as a best case is defensible only because this section is explicitly a best case. **The central estimate from the same survey is 6 to 10 percent, which would be $1,035 million to $1,724 million.**

- **The migration channel is real and it is not counted here.** Minnesota lost a net **$1.47 billion in adjusted gross income** in 2022–23 and **$2.19 billion** in 2021–22, with departing filers carrying about 27 percent more income per return than arriving ones (IRS Statistics of Income migration data). A state whose top rate falls to 4.13 percent stops losing that argument. **No revenue is claimed from reversing it, which means every dollar of reversal is upside this ladder has not spent.**

Milestone 8: zero for every Minnesotan — and what it would actually take

Milestone 8 is the whole point. No Minnesotan pays state income tax on a single dollar they earn.

Here is exactly where that stands after everything above:

Item	FY2028–29 biennium
Minnesota individual income tax, total	$37,495M
Relief delivered by Milestones 1 through 6, at chartered scale	$18,133M
Relief delivered by Milestone 7, the growth dividend	$3,897M
Relief from reforms the Legislature can enact	**$22,030M**
Share of the income tax eliminated by legislation	**58.8%**
Remaining to reach zero	**$15,465M**
Remaining, per Minnesotan per biennium	$2,669
Source of the remainder	**Minnesota Direct, scaled**

The arithmetic closes. That is not the same thing as the plan being finished, and this Blueprint is not going to blur the difference on its last page.

Objective 9 sets out what closing that $15,465 million through voluntary giving would require, and the numbers deserve repeating here where the ladder ends:

Test of the final rung	Result
All charitable giving in Minnesota, per biennium	$17,300M
Required, at the 40% private-delivery efficiency	$7,689M = **44.4% of all of it**
Required, at one-for-one displacement	$16,515M = **95.5% of all of it**
Every donor-advised fund in Minnesota, emptied once	$2,388M = **31.1% of the lower figure**

Milestone 8 is a challenging milestone to achieve. The last rung of the ladder asks Minnesotans to redirect between two fifths and effectively all of their charitable giving through a state platform, permanently. No state has done it. **Minnesota would be the first.**

Two things follow from that, and both of them are commitments.

First, the seven rungs below Milestone 8 are not conditional on Milestone 8. Everything from the senior exemption through a 58.8 percent across-the-board cut is funded by reforms a legislature can pass and an auditor can certify. **Nothing in this Blueprint's first seven rungs waits on a single voluntary dollar beyond**

Minnesota Direct's chartered $1,050 million. A Minnesotan who thinks the final rung is fantasy still gets every rung below it.

Second, we keep looking, and we do not look alone. Consider what the Blueprint has actually touched. Its objectives reach Health and Human Services, E-12 education, a slice of agency operating budgets, and the corrections and enforcement functions. **That leaves the majority of a $72,325 million General Fund unexamined**: higher education at $3,976.7 million, transportation, public safety, environment and natural resources, agriculture, economic development, debt service, the state's real property portfolio, its information technology estate, its pension and retiree health obligations, and the entire architecture of local government aid. **Nobody has run the Mississippi comparison on any of it.** Every dollar found there is a dollar the final rung does not have to raise from a church offering plate.

A Minnesota Department of Government Efficiency

Lieutenant Governor Parrish will lead a Minnesota Department of Government Efficiency, and it will be the first place we look — so that the final $15,465 million comes as much as possible from spending nobody has audited yet, and as little as possible from voluntary giving.

This is not a novel idea and Minnesota would not be experimenting. Iowa, Florida, Louisiana, New Hampshire, and Oklahoma created government efficiency bodies by executive order; Kansas, Missouri, North Carolina, Texas, and Wisconsin created them through legislative committees (MultiState). Oklahoma's chief efficiency adviser was given full access to agency budgets, operations, and information technology systems. Florida's task force was directed to abolish boards and commissions and to examine local government spending records. North Carolina's Select Committee on Government Efficiency was chartered to examine state and local operations for inefficiency, waste, and constitutional violations.

Minnesota's version should be more useful than any of them, and it can be, for one specific reason. Most state efficiency bodies are study committees that write recommendations. Minnesota's would be run by a retired Navy intelligence officer who spent his career tracing where money actually goes, who was among the first to publicly document Minnesota's child care fraud, and who has spent years being told by this state's institutions that there was nothing there. **There was $9 billion there.** The relevant qualification for this job is not a management consulting background. It is having been right when it was unpopular.

The mandate should be plain and it should be written into the executive order:

1. **A line-item accounting of the entire General Fund**, published online, searchable by any Minnesotan, at the level of the individual appropriation rather than the budget area.
2. **The Mississippi comparison, applied to every budget area** — not just education. What does Minnesota spend per capita on each function of government against the national norm, adjusted for cost of living, and what does it get for the difference?
3. **A standing report to the Legislature and to the public**, on a fixed schedule, listing every dollar identified and the statutory change required to capture it — so that findings become bills rather than press releases.

4. **Certification discipline.** Nothing the efficiency office finds moves a tax rate until the Legislative Auditor and Minnesota Management and Budget certify it under the same gate conditions that govern Milestones 1 through 7. **The standard does not relax for our own work.**

Other places the money may be

Offered as candidates for examination, not as scored savings. **Not one dollar of what follows is counted anywhere in this Blueprint**, and none of it triggers anything:

- **Higher education on the same benchmark as E-12.** Minnesota's higher education General Fund is $3,976.7 million per biennium. The Mississippi model of redirecting former diversity, equity, and inclusion appropriations into merit scholarships and tuition reduction has a direct Minnesota analogue that no one has costed.
- **The state's real property and land portfolio.** Minnesota does not publish a consolidated inventory of what it owns, what it costs to maintain, and what is idle. Other states have found that the inventory itself is the finding.
- **Information technology consolidation.** Minnesota IT Services was created to consolidate technology spending across agencies. Whether it did is an empirical question with a dollar answer, and that answer has not been published.
- **Procurement.** A state buying at scale should not be paying retail. Contract-by-contract price benchmarking against other states is tedious, unglamorous, and has produced real money everywhere it has been tried.
- **Local government aid.** The state distributes aid to cities and counties under formulas written decades ago for a Minnesota that no longer exists demographically. Rationalizing them is politically hard. It is not analytically hard.
- **Pension and retiree health obligations.** These are large, they are long-dated, and how they are managed changes the required contribution. This is a question for actuaries and it deserves one.
- **Zero-based budgeting on a rolling schedule.** Every agency justifies its full budget from zero once every six years rather than justifying only its increase every two. That single procedural change has found money in every state that has been willing to endure it.
- **Sustained population and income growth.** A state that stops losing $1.5 billion of adjusted gross income a year and starts gaining it does not need to cut anything to raise revenue. Every milestone on this ladder makes that more likely, and none of the ladder counts on it.

An open invitation

We do not believe the remaining $15,465 million should have to come out of Minnesota's charitable giving, and we are not going to pretend a Department of Government Efficiency staffed by nine people in a conference room will find all of it either.

Kansas, Missouri, and Oklahoma each built an online portal where any resident can submit an efficiency idea directly to the state (MultiState). **Minnesota will build a better one**, and it will do three things those portals mostly do not: every submission gets a public tracking number, every submission gets a written disposition, and every dollar the state captures from a citizen submission gets published with the submission that found it.

To the Legislature, regardless of party: the ladder in this section is written to be amended. If you can identify savings this Blueprint missed, the mechanism will happily cut taxes with your dollars instead of ours. There is no version of Milestone 8 that one office reaches alone, and there is no political credit in it worth more than the result. **Bring the number. We will build the rung.**

To the Minnesotans who actually run this state's programs — the county caseworker who knows which vendor never delivers, the school business manager who can name the mandate that helps no child, the contractor who has watched the same work billed twice, the nurse who knows what the coding department does: **you already know where some of this money is.** You have known for years. What has been missing is an address to send it to and any confidence that sending it would matter.

That is what we intend to fix, and here is the deal we are offering. Every objective in this Blueprint pays out in a published, permanent rate cut the moment it is certified. Deliver all of them and Minnesotans keep 58.8 percent more of what they earn. Close the last gap together and the number is 100 percent.

Minnesota can do this. It is not a slogan and it is not a projection. It is arithmetic, and the first $22,030 million of it is written down in this document with the sources attached. The rest of it is a decision.

VI. What This Blueprint Means for Every Minnesotan

A budget document is not the point. The point is what changes in the life of a family in Bemidji, a small-business owner in Marshall, a nurse in Duluth, and a mother on Medical Assistance in north Minneapolis. This Blueprint delivers three things to all of them.

A lower tax burden, because the state stops needing the money

Minnesota's tax burden is high because Minnesota's spending is high, and Minnesota's spending is high because a fraud economy, a permanent grantee class, an untaxed off-books workforce, and a broken health care cost structure are all being financed out of the same wallet. Close the structural deficit with immediate savings and the pressure for new revenue disappears. Let health care costs fall over the following decade and the state stops needing the revenue it currently collects. **No line in this Blueprint requires a tax increase, and every line reduces the case for one.** The tourism campaign generates new revenue with no rate increase at all, and the health care objective produces as much as $2.98 billion in new state revenue purely from economic activity that was previously consumed by medical costs.

Better services, because the money reaches the service

The state does not currently have a money problem in public safety, roads, veterans care, or classrooms. It has a diversion problem. When $276 million sits in grant obligations to nonprofits that cannot produce an audit, when fourteen Medicaid lines have billed $18 billion with half of it allegedly fraudulent, when a $672,000 payment for one month of services is signed by a manager who resigns days later to consult for the grantee — those dollars were appropriated for Minnesotans and did not reach them. Objectives 1, 2, and 4 exist to make the appropriation and the service the same thing again.

Government doing what government is for

The deepest claim in this Blueprint is not fiscal. A state budget is a statement of what a government believes it exists to do. Minnesota's current budget says the state exists to sustain a network of intermediaries. **This one says the state exists to protect its people, enforce its laws equally, maintain what the public owns in common, and otherwise leave people alone to work, worship, and raise their children.** Every objective here is downstream of that.

What rural Minnesota gets

Direct primary care is the first health care model in a generation that makes serving rural Minnesota economically viable. This is the single most important sentence in this section, and it deserves the explanation.

Under fee-for-service medicine, a physician in a town of 2,000 cannot generate enough billable volume to sustain a practice. The economics require patient density, which is why rural Minnesota has lost physicians, obstetrics units, and entire hospitals for four decades. The model is volume-dependent, and rural areas do not have volume.

Direct primary care inverts that. The physician is paid a flat monthly fee per patient panel, not per visit. A panel of 600 patients in a rural county produces the same predictable revenue as a panel of 600 patients in a suburb. Volume stops mattering. Density stops mattering. The practice becomes viable at rural scale for the first time.

The evidence is not theoretical. **DeSoto Memorial Hospital is a 49-bed rural facility**, and with the proceeds of its direct primary care program it **hired the first full-time surgeon in the county's history.** Its Medicare population saved **$2,420 per beneficiary against a rural accountable-care-organization average of $64** — a thirty-eight-fold difference. A small rural hospital did not merely survive under this model; it expanded services its community had never had.

For rural Minnesota that means:

- **A physician who stays,** because the practice economics work without a metro referral base.
- **Care that does not require a two-hour drive,** because the primary care visit happens locally and prevents the specialist referral.
- **Small employers who can afford to cover their people** — the farm operation, the implement dealer, the county's largest employer with forty workers — because a direct primary care and reference-priced plan costs a fraction of a fully insured commercial product.
- **A hospital that stays open,** because avoidable emergency department volume falls and the facility stops absorbing uncompensated acute care it was never designed to carry.

- **A tourism campaign that features rural Minnesota specifically.** The “Great Finds” component of the South Dakota model exists to move visitors into small towns. Every one of Minnesota’s 87 counties has a lake, a trail, a river, or a state forest, and the tourism dollar reaches Main Street directly.

Minnesota Direct is built for the part of the state philanthropy forgot

Rural Minnesota is where the charitable dollar does not go. Of all Minnesota giving, **50 percent leaves the state entirely, 41 percent stays in the Twin Cities metropolitan area, and 6.8 percent reaches Greater Minnesota — where 45 percent of Minnesotans live** (Center for Rural Policy and Development). Nationally, **one-third of rural counties have no local philanthropic organization at all** (USDA Rural Development).

That gap is not caused by indifference. It is caused by invisibility. A donor in Edina cannot fund a grain bin safety retrofit in Yellow Medicine County because no one has ever shown it to them, priced it, or given them a way to pay for it.

A published catalogue with a named, vetted recipient and a price on every entry is the mechanism that closes that distance. A metro donor who will never drive to Clarkfield can read one farmer’s profile and pay for one farmer’s need. The rural units are small enough that ordinary Minnesotans can fund a whole one:

- **A first farm.** The Down Payment Assistance Grant Program (Minn. Stat. 17.133) helped **112 families buy a first farm with $1,677,500** — an average of **$14,978 per family** (MDA).
- **An on-farm experiment.** The Sustainable Agriculture Demonstration Grant Program (Minn. Stat. 17.116) funded **11 of 25 applications in FY2025** — fourteen Minnesota farms asked to test something and were told no (AGRI FY2025 report).
- **A grain bin that does not kill anybody.** Grain Storage Facility Safety Grants pay **75 percent of the cost or $400 per bin**, out of a line appropriated **$100,000 a year** and scheduled to drop to $50,000 in FY2028 (MDA; Laws 2025, ch. 34). **Two hundred fifty Minnesotans at $400 each fund the entire program.**

Every dollar given to a named rural recipient reduces that program’s appropriation by the same dollar, and the released General Fund money goes to the rate ladder. Rural Minnesota gets the service. Every Minnesota filer gets the tax cut. That is the whole transaction.

What the two levers are worth to a Minnesota family, per year

Minnesota Direct and health care cost discipline are the fourth and sixth rungs of the ladder in Section V. Here is what each is worth in cash to a filing household, using **2,955,786 Minnesota returns** and expressing biennial savings as an annual figure.

Lever	Biennial state savings	Per filing household, per year
Minnesota Direct at chartered scale (Milestone 4)	$1,050M	**$178**
Health care cost discipline (Milestone 6)	$10,980M	**$1,857**
Combined	**$12,030M**	**$2,035**

Lever	Biennial state savings	Per filing household, per year
Senior bracket-1 exemption, for the 525,993 households that qualify	$566.84M	**+$539**

A Minnesota family in a qualifying senior household would see $2,574 a year. Every other filing household would see **$2,035 a year** from these two levers, on top of whatever the other objectives deliver.

What urban Minnesota gets

Minnesotans on Medical Assistance will finally have a primary care physician. Not a card. Not an assignment on a plan roster. An actual doctor with a name, reachable the same day, for an unhurried visit at no marginal cost.

This is the quiet scandal of Medicaid in a large city: coverage without access. An enrollee holds an insurance card and cannot get an appointment inside three weeks, so the emergency department becomes the primary care provider. It is the most expensive possible setting for the least appropriate possible use, and it is where a large share of urban Medical Assistance spending goes.

Direct primary care ends that substitution, and the measured effect is large:

- **Emergency department use fell 39.2 percent** in the DeSoto plan — 250 visits per 1,000 versus 411 per 1,000.
- **Plan-paid cost per member per month fell 38.6 percent** — $350.83 versus $569.28 — and did so **against a population 21 percent sicker** than the comparison group.
- Even the **Society of Actuaries and Milliman** evaluation of Union County, North Carolina — the study most often cited against direct primary care — measured a **40.5 percent reduction in emergency department visits.** The skeptics dispute who captures the savings. Nobody disputes that people got healthier.

For urban Minnesota that means chronic disease managed instead of escalating, insulin adjusted in an office instead of a crisis, a child's asthma controlled before the 2 a.m. emergency room visit, and a hospital system that can concentrate on the acute care it is actually built for.

And it means safer neighborhoods. Employer accountability removes from Minnesota the population that has already been convicted of gross misdemeanors and felonies — individuals the state is currently housing at $153.81 a day rather than transferring to the federal custody that has already been requested. At the same time it ends the off-books cash payroll that makes an entire category of crime invisible. **A worker on a lawful payroll has a pay stub, a record, and a reason to call the police.** Today, a cash-economy worker who is robbed of a week's wages, assaulted, or extorted has no recourse, because there is no record the wages ever existed. Predators know exactly who those people are, and target them precisely because they will not report. Ending off-books employment eliminates a protected class of victims and, with it, an entire category of urban crime that currently goes unreported and unpunished.

And it means downtowns that Minnesotans will walk through again. Operation Restore Lives puts $100 million into regional centers where a homeless, addicted, or mentally ill Minnesotan gets housing, treatment, literacy, work placement, and mentorship **in one case plan at one address** instead of five agencies and a waiting list. Minnesota already spends roughly $3.7 billion per biennium on these three overlapping populations. **What the state has never bought is direction.** For a city, the difference between an encampment and a case plan is the difference between a park nobody uses and a park families take their children to. This Blueprint claims no budget savings from that — **not one dollar** — because no Minnesota measurement supports one yet. It claims something harder to put in a table and easier to see from a sidewalk.

What suburban Minnesota gets

Suburban Minnesota benefits from the Blueprint right along with rural and urban Minnesota.

The Department of Revenue's most recent incidence study puts a married household with children at a **median income of $150,520 and an effective state and local tax rate of 12.2 percent** — with a Suits index of **–0.005**, meaning that household pays **almost exactly its proportional share** of Minnesota's total tax burden (2026 Minnesota Tax Incidence Study). That is roughly **$18,363 a year** to state and local government from the archetypal suburban family.

And the burden is scheduled to rise. The same study puts Minnesota's overall effective tax rate at **12.2 percent in 2023 and projects 12.5 percent by 2028**. For that $150,520 household, doing nothing costs about **$452 more per year** by the end of this Blueprint's own budget window. **The status quo is not a neutral option that suburban families get to choose. It is a scheduled increase.**

What the income tax cut is actually worth

At **Milestone 6**, rates fall from 5.35, 6.80, 7.85, and 9.85 percent to 2.81, 3.57, 4.12, and 5.16 percent — **a 47.5 percent reduction in every bracket**. Because the cut is proportional, the arithmetic for any household is one multiplication:

Current Minnesota income tax liability	Annual relief at Milestone 6
$4,000	$1,900
$6,343 — the average Minnesota return	$3,013
$9,000	$4,275
$12,000	$5,700

A suburban household paying twice the state average receives roughly $6,000 a year. Nothing about that requires a new estimate or a projection — it is 47.5 percent of a number already on the household's own Form M1.

The four things suburban Minnesota gets besides the check

- **A district that spends on classrooms.** Objective 6 re-attributes education dollars from administration toward instruction. **Suburban districts already perform comparatively well, so the honest claim here is**

fiscal rather than academic — the same result for less money, not a transformation of schools that are largely working. Suburban parents should hold this Blueprint to that narrower promise.

- **A small employer who can afford to cover a family.** Most suburban households are insured through work, and most suburban employers are small. Direct primary care changes the arithmetic of covering a twelve-person payroll.
- **A way to reach the rest of the state that is not a tax.** Forty-one percent of Minnesota's charitable giving stays in the metropolitan area (Center for Rural Policy and Development). Minnesota Direct is the mechanism that lets a household in Woodbury or Rosemount read the profile of a specific approved-and-unfunded farmer in Clarkfield and pay for a specific thing that farmer needs. **The suburbs are where the state's giving capacity is concentrated and where the state's needs are not. Minnesota Direct exists to put those two facts in the same room.**

VII. The Minnesota We Intend to Build

A Minnesota where a working family can afford a doctor without going bankrupt. Where a farmer or small-business owner is not crushed by the cost of covering employees. Where a rural county has a primary care doctor because the economics of medicine finally work outside a metro area. Where a mother on Medical Assistance has a physician instead of an emergency room. Where a person who works for a living pays taxes, carries workers' compensation, and can call the police without fear. Where a veteran who served this country is not told the money went to a nonprofit that cannot produce an audit. Where the state budget is a tool of limited government under a constitutional republic — not a permanent employment program for political networks.

We will measure success by whether more Minnesotans can stand on their own feet, raise their children in safety, and keep more of what they earn. That is the standard. Everything else is secondary.

VIII. Next Steps

1. Score every one of the 200 agency services against the priority framework (core constitutional function = high; documented fraud or zero outcomes = eliminate).
2. Publish the full service-level matrix with priorities, quality metrics, and under/over-funded signals.
3. Issue formal forensic audit requests on the highest-exposure Medicaid service lines.
4. Introduce the free-market healthcare reform package as the central long-term fiscal lever of the FY2028–29 budget, scored at its in-biennium cash value and allowed to build toward maturity.
5. Direct the Department of Human Services to prepare a Section 1115 demonstration application seeking a fixed federal allotment with state retention of unspent funds, built from day one to the CMS Chief Actuary certification standard that takes effect January 1, 2027.
6. Establish the independent legislative actuarial evaluation at 24 and 48 months so that what Minnesota actually achieved is published, not asserted — measuring emergency department use, inpatient days, and chronic disease control alongside dollars, because the health outcome is the claim.

7. Attach a rider to the University of Minnesota Medical School and Health Training Restoration appropriations prohibiting any use for the Institute for Sexual and Gender Health, condition disbursement on institute-level allocation disclosure, and refer the MyGender Dolls expenditures to the Legislative Auditor.

8. Order the DHS household-level benefit overlap data run that Objective 2 requires, and republish the Objective 2 table with certified figures once it is complete.

9. Direct DHS to commence recovery on the more than $40 million in outstanding Medical Assistance provider overpayments that has gone unpursued since 2019.

10. Enact the Minnesota Employer Accountability Act: mandate E-Verify for every Minnesota employer with no small-business exemption, assess civil penalties of $25,000 per unauthorized worker per pay period, establish criminal liability for corporate officers who set a knowing pattern of hiring unauthorized labor, repeal the cash-pay reporting exemption, debar violating firms from state contracts and incentives, extend whistleblower standing to employees who report off-books hiring, and direct the Department of Corrections to transfer every individual with a disqualifying conviction and an active detainer to federal custody for removal. **The removal component alone is worth $153 million in the FY2028–29 biennium at the Department of Corrections' own $153.81 daily per diem, and it is the only line in this Blueprint that begins saving money on the day it is signed.**

11. Appropriate an additional $50 million per biennium to Explore Minnesota for a portfolio of separately measured national tourism campaigns — the lakes and the Boundary Waters, the North Shore and the federal lands, the Mall of America and the State Fair marketed as a national multi-stop destination, a four-season calendar, and a rural-attractions component — structured as distinct campaigns in distinct markets rather than a larger bid in the same one. Commission independent Longwoods International measurement of each campaign separately and publish the result campaign by campaign, and require Explore Minnesota to publish the methodology behind its own $18, $25, and $47 per-dollar tax-return claims before any Minnesota figure is used in a fiscal note.

12. Enact a Minnesota Literacy-Based Promotion Act on the Mississippi Senate Bill 2347 model — science-of-reading phonics, a third-grade reading proficiency gate with intensive intervention, and a statewide literacy coaching corps funded at $60 million per biennium — and simultaneously eliminate the Achievement and Integration state aid appropriation, close the MDE Equity, Diversity and Inclusion Center, and repeal the Ethnic Studies graduation mandate.

13. Commission a Minnesota classroom spending audit on the Mississippi State Auditor's methodology, publish district-by-district what share of each dollar reaches the classroom, and replace Minnesota's categorical aid thicket with a weighted student funding formula on the Mississippi House Bill 4130 model.

14. Introduce the Minnesota Taxpayer Relief Trigger Act establishing the objective-linked milestone ladder in Section V — gate conditions of a fully funded Budget Reserve and joint certification by the Legislative Auditor and Minnesota Management and Budget, one published rate schedule tied to each Blueprint objective, Milestone 1 setting a zero rate for Minnesotans 65 and older whose entire income falls in the

first bracket, proportional reductions in every filer's liability at Milestones 2 through 8, and elimination stated as Milestone 8 in statute with no promised calendar date.

15. Order the Department of Revenue fiscal note on Milestone 1 — the zero rate for seniors 65 and older whose entire income falls within the first bracket — and publish it alongside the $566.8 million modeled estimate so the two can be compared in public.
16. Enact Operation Restore Lives: appropriate $100 million per biennium for regional one-case-plan centers built on the four-pillar EnVision Center design — economic empowerment, educational advancement, health and wellness, and character and leadership — delivered under contract by existing community, recovery, and faith-based providers with no new state agency and no state-operated housing; include $6 million for donation direction and promotion through Minnesota Direct; and require each site to publish placements, completions, twelve-month sobriety maintenance, and cost per successful outcome annually, verified by the Legislative Auditor. Claim no savings against the $3.7 billion Minnesota currently spends on these populations until the Legislative Auditor has measured them.
17. Charter Minnesota Direct in statute, with dollar-for-dollar appropriation displacement, a published catalogue limited to purposes the Legislature has already funded, full donor disclosure, a prohibition on funding any regulatory, enforcement, procurement, or adjudicatory function, and an annual Legislative Auditor review of whether displacement actually occurred.
18. Commission a Minnesota-specific dynamic revenue estimate from Minnesota Management and Budget so that the growth effects in Section V can be replaced with a state model rather than out-of-state benchmarks, and publish the methodology.
19. Order the Department of Revenue fiscal note on complete elimination of the Minnesota income tax on Social Security benefits regardless of adjusted gross income, and publish it before any bill is introduced.
20. Establish the Minnesota Department of Government Efficiency by executive order under the direction of the Lieutenant Governor, with full access to agency budgets, operations, and information technology systems on the Oklahoma model, a mandate to publish a searchable line-item accounting of the entire General Fund, and a standing public report converting every finding into a specific statutory change.
21. Extend the cost-of-living-adjusted interstate spending comparison used for education in Objective 6 to every remaining budget area — higher education, transportation, public safety, environment and natural resources, agriculture, economic development, and local government aid — and publish the result for each.
22. Build a public efficiency portal on the Kansas, Missouri, and Oklahoma model, improved so that every citizen submission receives a public tracking number and a written disposition, and every dollar captured is published alongside the submission that found it.
23. Adopt zero-based budgeting on a rolling six-year cycle, so that each agency justifies its entire budget from zero once per cycle rather than justifying only its increase every two years.
24. Publish the Minnesota Management and Budget structural balance reconciliation alongside this Blueprint's own ledger, line by line, so that every Minnesotan can see the $3,357 million gap, the

$36,955 million identified against it, and the certification standard each figure has to clear before it moves a tax rate.

IX. Sources

Every figure in this Blueprint traces to one of the following. Where a number is judgmental rather than sourced, the text says so at the point of use. The evidence cited here is offered as examples of the savings opportunity available to Minnesota, not as an exhaustive accounting.

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This is not about left or right. It is about whether Minnesota remains a place where honest work is rewarded and the vulnerable are protected — or becomes a permanent extraction zone for the connected.

We choose the former. The numbers are ready. The will is what remains.

— Mike Lindell & Phillip C. Parrish