The Honorable Mike Crapo
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20515

June 6, 2025

Dear Senator Crapo:

Thank you for your thoughtful consideration of the tax provisions in H.R.1, the One Big Beautiful Bill Act. We write today to urge the Senate Finance Committee to modify H.R.1's language to delay implementation of sections 112101 and 112102 during your upcoming consideration of the bill. Such an amendment would allow affected states and markets sufficient time to adjust to this change, while ensuring the bill's priorities are carried out.

As you know, section 112101 amends the definition of "lawfully present" to only allow certain lawful immigrants who maintain a more permanent status to retain premium tax credit eligibility. Section 112102 builds on this provision by prohibiting premium tax credit eligibility during periods of Medicaid ineligibility due to an individual's alien status, including the five-year waiting period for certain immigrants.

Modifying premium tax credit eligibility correspondingly modifies eligibility for different states' Basic Health Plans (BHP). New York's BHP, also known as the "Essential Plan" currently provides health coverage for 725,000 lawful immigrants that would not fall under H.R.1's new "lawfully present" definition. As a result of the policy, 500,000 of these individuals would be forced onto State-only Medicaid coverage due to New York's constitutional requirement to provide coverage to this population under the 2001 Court of Appeals of the State of New York decision, *Aliessa v. Novello*.

This would subsequently shift the costs onto New York taxpayers and our counties already struggling under the weight of our state's massive tax burden, and could promulgate unsustainable spikes in uncompensated costs for our healthcare system due to the destabilization of the state's Essential Plan.

In the legislation, section 112101 is set to take effect in January 2027, while section 112102 will take effect in January 2026. While we understand and agree with the intent to prioritize federal benefits for citizens and long-term residents, the abrupt elimination of federal support through PTCs for lawfully present immigrants without any transition plan will have drastically disruptive consequences for New York's healthcare system. Without a seamless transition, local health services will be the ones incurring billions they cannot afford in uncompensated costs. In order to achieve seamless transitions and full compliance, it is imperative to give the state and our critical healthcare providers more time.

As you continue to consider H.R.1 in the Senate Finance Committee, we strongly urge you to delay implementation of these sections until January 2029. We would be appreciative of the opportunity to work with you further on how to achieve the One Big Beautiful Big Act's objective to strengthen and protect federal health programs for future generations.

Sincerely,

Michael V. Lawler
Member of Congress

Nicholas A. Langworthy
Member of Congress

Elise M. Stefanik
Member of Congress

Nick LaLota
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