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Testimony to Joint Democratic Caucus on Impacts of Federal HR1

Joshua Mantell, Director of Government Affairs | July 31, 2025

Thank you Madam Speaker, Mr. President, and members of the Joint Democratic Caucus. My name is Joshua Mantell and I am the Director of Government Affairs for the Bell Policy Center. The Bell Policy Center provides policymakers, advocates, and the public with reliable resources to create a practical policy agenda that promotes economic mobility for every Coloradan.

The Bell Policy Center appreciates the opportunity to talk with you about the damaging impacts to families from HR1 that was signed into law at the federal level. I will try not to repeat things you have heard earlier today, or from my fellow panelists, but some of that is inevitable. There are a few specific topics that I want to zero in on and how they relate to economic mobility and fairness, as I go through this discussion.

As we all know, HR1, at its core, was a bill to cut taxes – primarily for the already wealthy – and fund the Trump administration’s deportation agenda by cutting health care, food assistance, and clean energy. But those cuts are not just cuts to our state budget. Those are cuts to people, to families, to communities, to our economy.

We are looking at significant increases to health care premiums for hundreds of thousands of Coloradans. Those same families might also be losing food assistance. Those same families are going to lose their state tax credits (Family Affordability Tax Credit and Earned Income Tax Credit), due to the budget cuts we will be facing. Some of them might even be losing their federal Child Tax Credit, as that was increased for middle- and high-income earners, and eliminated for the lowest-income families. But I want to home in on a couple of groups who will be particularly hit hard by the impacts from the federal bill.

Immigrant Communities

Much of the rhetoric coming out of the current administration and its congressional allies is about people in this country without documentation. But this bill is extremely detrimental to all immigrant communities, including refugees, those seeking asylum, and even lawful permanent residents.

- The federal Child Tax Credit will no longer be available to mixed-status families, leaving United States citizen children and their families worse off than those of similar socio-economic background, but of different national origin.
- Ending marketplace insurance for DACA recipients (beginning Aug. 25, 2025) and Lawful Permanent Residents subject to an arbitrary 5-year waiting period ‘five-year bar’ (beginning next enrollment period)
- With immigration enforcement super-charged in this bill, many families are wary of going to work, sending children to school, going to care for loved ones, or just shopping in their community.

Older Adults and Caregivers

While in some ways, the impact to older adults on Medicaid is not dissimilar to the devastating impacts to everyone else on Medicaid, there are a few crucial specifics worth mentioning.

- Eliminates efforts to modernize Medicaid eligibility and enrollment, cutting access to Medicare for millions of low-income seniors dually enrolled in Medicaid and Medicare and making them financially insecure
- Increases barriers to accessing Medicaid coverage for long-term care
- Rescinds crucial staffing protections, endangering the lives of millions of nursing home residents
- Forces states to impose burdensome red-tape, taking away health coverage from millions of low-income older adults, people with disabilities, and their caregivers

There will have to be cuts to Medicaid because of the caps on provider fees. That could mean some of the home- and community-based services that are provided through waivers will be curtailed. Given that this is how many older adults receive long-term care, there will be direct impacts to those older adults.

Direct care workers will also likely see their wages cut, given that they are reimbursed through Medicaid. According to our direct care cost model, in Denver the current wage

for direct care workers is just a little over \$36,500, and a self-sufficiency wage in Denver is over \$60,000. These workers cannot afford to have their wages cut – and in fact cannot even live in this city on the current average wage.

Furthermore, 1 in 3 direct care workers relies on Medicaid for health insurance. Taking Medicaid from these workers, due to stringent work requirements, would worsen the existing direct care workforce crisis, reducing access to home-based care for older adults and people with disabilities.

Consumer Financial Protection Bureau

Funding for the Consumer Financial Protection Bureau was cut in half in HR1. While the administrative dismantling – and the current leadership’s clear indifference to abuses from financial corporations – is devastating for people across Colorado who depend on credit, banking, and lending, the cuts from HR1 are longer lasting and will have a permanent effect on people’s ability to be safe from predatory and illegal practices.

What is the impact of a lesser CFPB? Here are some:

- In Colorado, the CFPB has responded to [66,587 complaints](#) from consumers including 3,667 from older adults, 6,209 from military service members, and 2,967 from rural consumers. The CFPB successfully yielded relief for 17,763 of these complaints.
- The [Civil Penalty Fund](#) was established to collect fines levied on companies that break the law and then compensate victims who wouldn’t otherwise benefit from CFPB enforcement actions. In Colorado, the fund has paid out nearly \$48 million to 101,583 consumers.

The lack of ability to enforce laws, follow up on complaints, hold bad actors accountable, and return hard-earned money to Coloradans

Downstream Economic Impacts

The direct impacts to families and individuals is going to hurt.

- Increase in health care premiums
- Increase in energy costs
- Reduction in money for food;
- Lost health care for many
- Lack of ability to be made whole after financial fraud and abuse

- Elimination of state and federal tax credits that help with child care costs and reducing poverty

But we also have to consider the secondary and tertiary impacts to families. What happens when a rural hospital closes that is the center of a towns' economic activity? There will be lost jobs, hurting the overall economy. Higher-wage earners like doctors, surgeons, and pharmacists will leave. Rural areas in Colorado tend to have a higher proportion of older adults in the community, as well. The collapse of a rural health system would have tremendous impacts on older adults who need a disproportionate amount of health care.

What happens when there is one store in a food desert, but now fewer community members have access to food assistance, and so the store has to shut its doors because it doesn't have the customer base it used to.

Research has shown over and over again that tax credits like the EITC and the Child Tax Credit (or the FATC in Colorado) are economic multipliers. When these go away, people have less money to spend in their communities. That leads to retail seeing less customers, losing revenue and profit. That's because low- and middle-income families tend to spend their money, as opposed to putting it in the stock market or savings accounts. With the federal cuts forcing our state to turn off these needed tax credits, that will dry up a significant amount of money in communities all across Colorado, hurting the broader economy.

What's Next

These are difficult times for those of us who work in spaces dealing with health care access and affordability, food security, economic mobility, and the general welfare of people in this state. These cruel and callous cuts are not just numbers on a spreadsheet, money that goes to government. This is the well-being of people, whether they be immigrants or U.S. born, young or old, able-bodied or those with a disability. The difference between having health insurance or not could be the difference between life and death.

The good news in my mind, and the minds of many Coloradans, is that we can use this moment to explain what is needed in Colorado. We need to be able to take care of the people of our state, whether the federal government cares or not. We need to be able to give everyone in Colorado access to quality and affordable health care, access to a quality education, access to assistance when times are tough. But we cannot do that without a change in how we do things in this state. We need to be able to bring in more revenue and do it in a way that ensures 98 percent of Coloradans do not pay more –

and in fact, in a way where we can give them a break. It is urgent that we ask the wealthy to pay their fair share – after they have been given so much from the federal government – so that we can finally ensure that Colorado can chart its own path towards prosperity.