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Poverty Rate Hits 11.4% Leading Into Recession ***Significant Rise in State Poverty from 2001 to 2008***

Colorado went into the current recession in a worse position than it entered the 2001 recession, according to new poverty data released today by the Census Bureau. Colorado's poverty rate hit 11.4 percent in 2008, even prior to the full onset of the recession. This new data is a significant increase over Colorado's 2001 poverty rate of 9.6 percent, outpacing the national poverty rate increase from 12.1 percent in 2001 to 13.2 percent in 2008. Likewise, the state's child poverty rate remains among the fastest growing in the country, climbing from 12.2 percent in 2001 to 14.8 percent in 2008.

"The new numbers paint a troubling picture on poverty in Colorado," said **Kathy White, Program Director of the Colorado Fiscal Policy Institute**. "Colorado went into a worse recession in 2008 in an even worse position than in the last recession in 2001, with more Coloradans in poverty—kids, families, and individuals."

"The implications of poverty on a child's life are widespread and long-lasting," said **Chris Watney, President of the Colorado Children's Campaign**. "These numbers represent real lives and a real need to reverse this trend."

Economic experts noted that the 2008 poverty data released by the Census Bureau today captures a rolling 12-month timeframe that does not reflect the full effects of the recession, which deepened in Colorado in late 2008 and through 2009. While the national recession officially started in December of 2007, Colorado did not begin to see decreases in overall employment and increased unemployment until well into 2008. For example, the average unemployment rate for Colorado in 2008 was 4.8 percent, while today the latest unemployment figures put that rate at 7.3 percent. Some 94,000 people have lost their job in Colorado since the start of the recession, and a large majority of those people also lost their health insurance.

"Colorado's poverty rate is below the national average, but we're trending in the wrong direction," added White. "And when you account for how low the federal poverty line really is you begin to realize that far more than 11.4 percent of Coloradans are struggling to get by."

In 2008, the Federal Poverty Level was \$10,991 for an individual or \$22,025 for a family of four.

"When you couple this new poverty data with last week's income numbers, this decade starts to look like a lost one for Colorado families," White continued. "And that's not even including the full force of the current recession."

Census data released last week showed that there was no significant gain in Colorado’s median income from 2000 to 2008.

White went on to say, “Unfortunately, state revenues decline at the very time poverty in hardship increase. The tendency is to cut services. But whether it is schools, roads, health care, temporary assistance or higher education, Colorado families and businesses rely on public services every day, even more so during economic downturns. If we continue to simply erode those services with cuts after cuts, we do so at the risk of our state’s fiscal future and the economic security of Colorado families.”

Poverty Landscape

Colorado’s total poverty rate was 11.4 percent, up from 9.6 percent in 2001. The state’s family poverty rate grew from 6.8 percent in 2001 to 7.8 percent in 2008.

The child poverty rate climbed from 12.1 in 2001 to 14.8 percent in 2008, outpacing the increase in child poverty nationally, which went from 16.4 in 2001 to 17.8 in 2008.

Colorado Poverty Rate by Age (2008)

Overall	11.4%
Under 18 years	15.1%
Related children under 18 years	14.8%
18 to 64 years	10.5%
65 years and over	8.4%

The Census data also showed continued disparities between different races, with the poverty rate among African-Americans and Latinos more than twice that of whites.

Colorado Poverty Rate by Race/Origin (2008)

Overall	11.4%
One race	11.4%
White	10.2%
Black or African American	22.2%
American Indian and Alaska Native	17.9%
Asian	8.1%
Native Hawaiian and Other Pacific Islander	6.7%
Some other race	24.3%
Two or more races	13.8%
Hispanic or Latino origin (of any race)	23.4%
White alone, not Hispanic or Latino	7.5%

There is also a drastic disparity between single-parent and two-parent households. Households with a single mother have a poverty rate of 24.9 percent, while 5.9 percent of two-parent households live in poverty.

In 2008, a mere 2.2 percent of Colorado households received Supplemental Security Income, 1.5 percent lower than the national rate and a drop of 0.7 percent from 2007.

Cash public assistance went to 1.8 percent of Colorado households, which is unchanged from 2007 and a half point lower than the national rate.

Food stamp benefits went to 5.1 percent of Colorado households in 2008, a minor increase from 4.9 in 2007. Nationally, 8.6 percent of households receive food stamp benefits

Denver County has the highest poverty rate among counties in the state at 18.4 percent, and a child poverty rate of 27.3 percent.

Colorado Poverty Rate by County (2008)

County	Poverty Rate
Denver	18.40%
Pueblo	16.70%
Weld	12.60%
Adama	12.50%
Larimer	12.40%
El Paso	10.80%
Boulder	10.70%
Arapahoe	10.40%
Mesa	10.30%
Jefferson	8.00%
Douglas	4.00%

Among cities surveyed, Greeley has the highest poverty rate at 21.7 percent, followed by Pueblo at 20.4 percent and Boulder at 18.6 percent.

Pueblo had the highest child poverty rate among cities at an alarming 30.6 percent.

Colorado Poverty Rate by City (2008)

City	Poverty Rate
Greeley	21.70%
Pueblo	20.40%
Boulder	18.60%
Fort Collins	16.00%
Aurora	15.40%
Lakewood	13.00%
Colorado Springs	11.80%
Longmont	10.70%
Loveland	7.20%
Westminster	7.00%
Centennial	4.40%
Arvada	4.00%
Highlands Ranch	1.90%

Self-Sufficiency Standard

The numbers released today by the Census Bureau only provide a partial picture. They are based on the Federal Poverty Level (FPL), which in 2008 was \$10,991 for an individual or \$22,025 for a family of four.

However, the FPL is not an accurate portrayal of poverty, as it is an outdated measurement of vital everyday costs for families.

The Colorado Self Sufficiency Standard is a much more adequate picture of what it takes to make ends meet. The Self Sufficiency Standard is the level of income needed to pay for the basics like housing, food, child care, health care, transportation, miscellaneous costs, and taxes. The county-by-county demographic breakdowns utilize this standard, which is based on a “bare-bones” budget that excludes any restaurant or take-out food costs, credit card or loan payments, or emergency funds.

A 2007 Colorado Center on Law and Policy (CCLP) report showed one in five Colorado households, nearly 250,000 total, cannot afford to make ends meet.

Roughly speaking, 200% is a more accurate depiction of poverty that more closely mirrors the findings on the Colorado Self-Sufficiency Standard.

According to the Census Bureau’s Community Population Survey (CPS), 25.6 percent of Coloradans were below 200% of the federal poverty line in 2008. That means one in four people cannot make ends meet.

Federal Poverty Line Thresholds

<http://www.census.gov/hhes/www/poverty/threshld/thresh08.html>

Census Bureau Survey

Poverty data in this release comes from the American Community Survey (ACS), unless otherwise specified. ACS data provides information at the national level and state level, as well as by city, county, and congressional district for areas with a population of more than 65,000 people. More information can be found at www.census.gov.