



COLORADO FISCAL  
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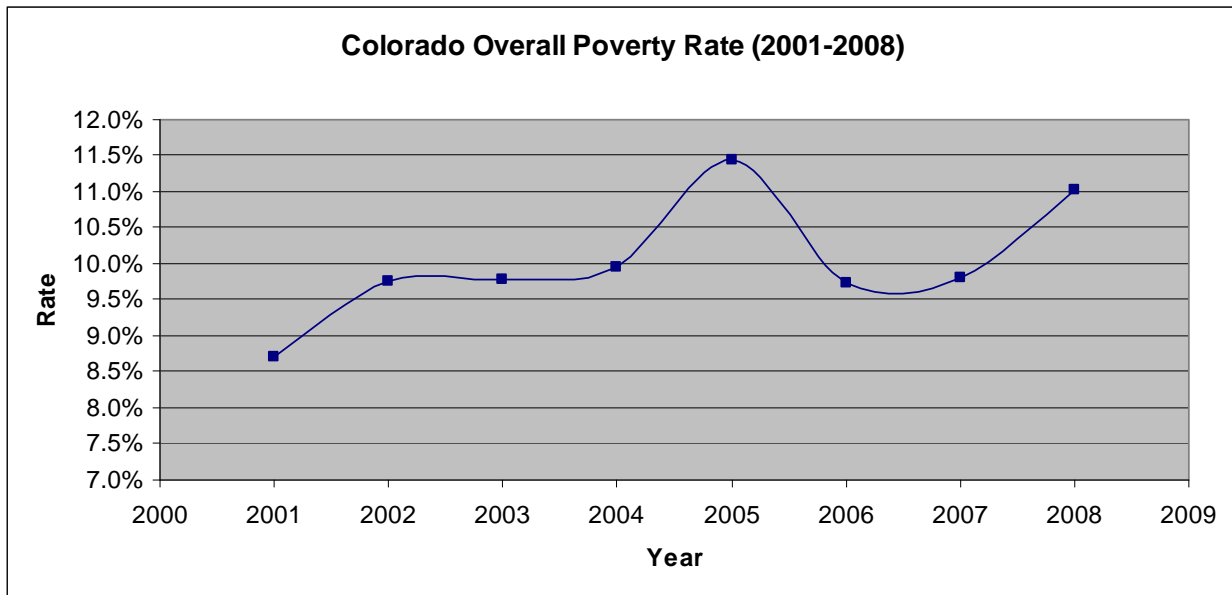
## **FACT SHEET: Colorado Poverty** **October 2009**

### **Overall Poverty Trends**

Poverty in Colorado has increased since 2001. The **total poverty rate in Colorado increased from 9.6% in 2001 to 11.4% in 2008**. Furthermore, **Colorado's child poverty rate increased from 12.2% in 2001 to 15.1% in 2008**, and **the family poverty rate increased from 6.8% in 2001 to 7.8% in 2008**. All of the above changes are statistically significant, and place Colorado 33<sup>nd</sup> among states in overall poverty and 32<sup>nd</sup> in child poverty. 2001 serves as a useful benchmark for comparison of economic outcomes, as it was the first year of the previous recession and thus represents the same position in the business cycle we are experiencing today.

These figures illustrate that more Colorado families were living in poverty in 2008, than in 2001. In other words, Colorado went into a more severe recession in 2008 in a worse position than in 2001. Furthermore, from many other economic metrics including unemployment figures, and inventory levels, economists know the current downturn has proved longer and more painful than the last. Yet the full severity of this recession is largely not reflected in the latest Census American Community Survey (ACS) and Current Population Survey (CPS) data. This is because the ACS and CPS figures were collected in the very beginning of the recession. For instance, in 2008 the Colorado unemployment rate stood at 4.8%. Today the latest figures put unemployment in Colorado at 7.3%.

Thus, as we examine the 2008 figures for poverty in Colorado, we should be mindful of the fact that while Colorado is arguably worse off than in was in 2001, the worst has yet to be seen in the data.



Source: US Census CPS 2008

### **Poverty by Demographic**

More Colorado families were living in poverty in 2008, heading into the recession, than in the last recession in 2001. An account of the disparate impact of poverty among different demographic groups speaks to the true nature of poverty in the state. What follows is an assessment of poverty following various demographic delineations.

#### *Age and Child Poverty*

In 2008, poverty in Colorado proved inversely proportional to age, decreasing in older populations. Sadly, this meant that in 2008 some 15% of children lived below the poverty line. Even worse, **in 2008 32.8% of Coloradans under the age of 18 lived below 200% of the poverty line.**<sup>1</sup> This second figure gives a somewhat more realistic picture of child poverty in Colorado, since the federal poverty line is widely understood to substantially understate the monetary demands of everyday modern life (see Appendix for a table of federal poverty definitions).

**Colorado Poverty Levels by Age (2008)**

Age Group	Poverty Rate
Overall Rate	11.4%
Under 18 years	15.1%
Related children <sup>2</sup> under 18 years	14.8%
18 to 64 years	10.5%
65 years and over	8.4%

#### *Family Composition*

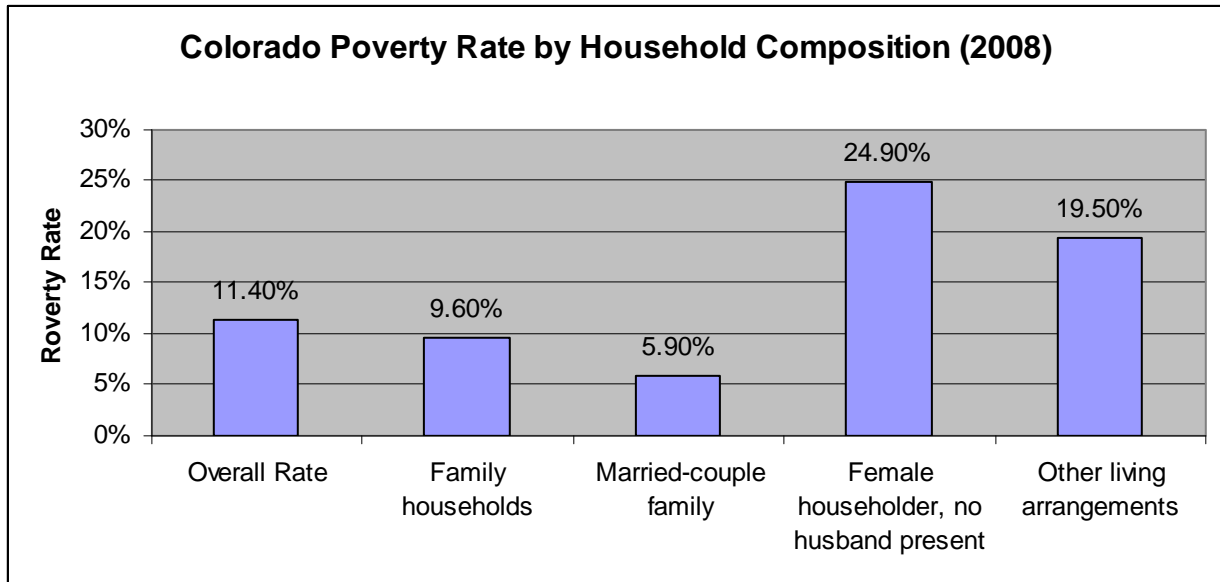
Family composition plays an important role in poverty rates. Rates for families were generally lower than the overall rate for Colorado in 2008, with 9.6% of family households and 5.9% of married-

<sup>1</sup> 2008 CPS data

<sup>2</sup> The “related children” category includes only children related to the head of the household surveyed.

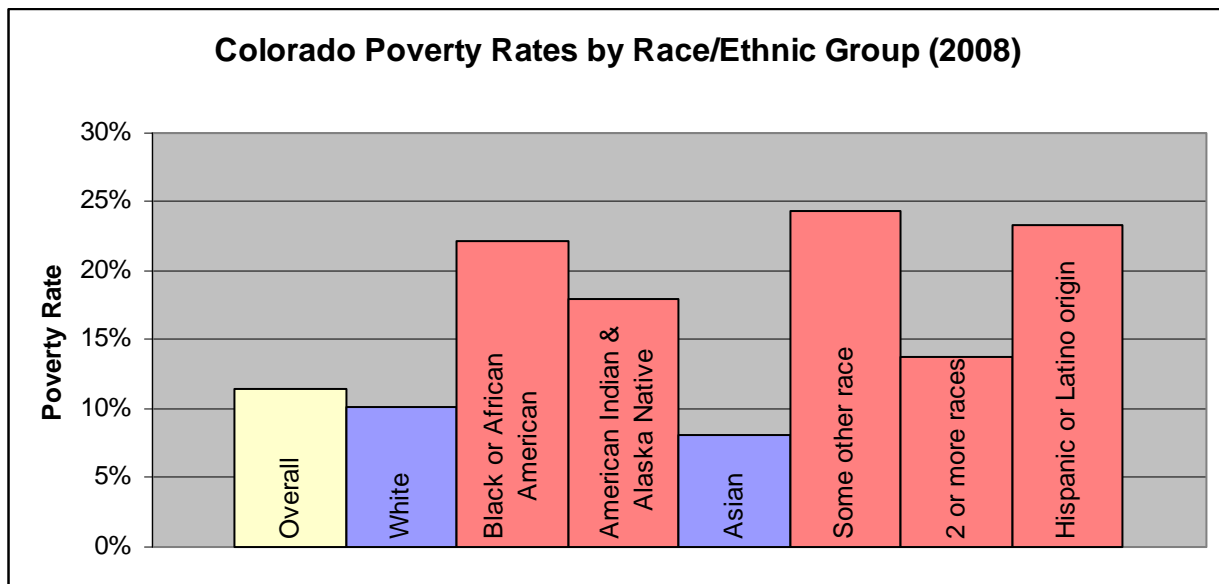
couple families living below the poverty line. However, **this trend is starkly reversed for single female householders, who endure over twice the overall poverty rate.**

**Colorado Poverty by Living Arrangement**



*Racial & Ethnic Groups*

Examining poverty rates by race we see a familiar trend. While white and Asian populations come in under the overall rate for Colorado, American Indians, Hispanics, and African American populations experience poverty rates far above the overall rate.

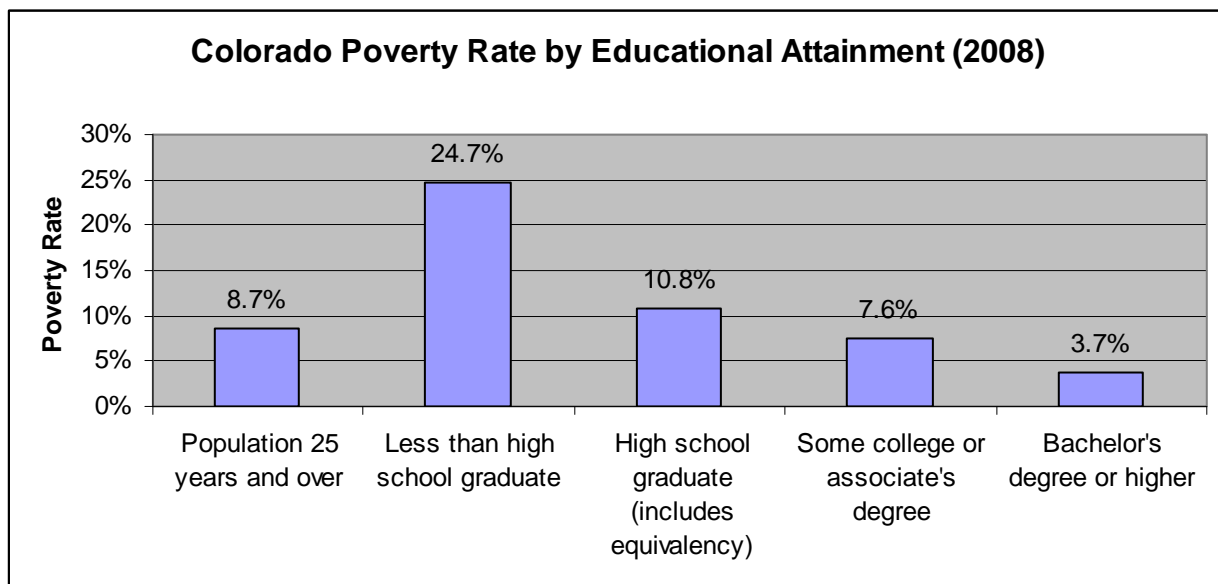


### Colorado Poverty Rate by Race/Origin (2008)

<b>Overall</b>	<b>11.4%</b>
White	10.2%
Black or African American	22.2%
American Indian and Alaska Native	17.9%
Asian	8.1%
Some other race	24.3%
Two or more races	13.8%
Hispanic or Latino origin	23.4%

### *Educational Attainment*

Education is becoming more and more important in our increasingly information-based economy. As would be expected then, income and thus poverty rates are closely related to educational attainment. The less education a person receives the less he or she is likely to earn, and the more likely he or she is to be living below the poverty line. Bearing out this trend, **approximately one quarter of Coloradans without a high school degree lived below the poverty line in 2008.**



## **Vulnerable Populations**

### *Recent Mothers*

Recent mothers are a particularly vulnerable demographic. Sadly new mothers in Colorado experience substantially higher rates of poverty than their other female counterparts. **In 2008, a whopping 39.3% of recent mothers<sup>3</sup> in Colorado earned less than 200 percent of poverty line sometime in the year prior to being surveyed,** and 17.9 % of recent mothers earned less than 100 percent of the poverty line. For comparison, 13.9% of similarly-aged women who had not given birth in the last year lived below of the poverty line and 29.2% lived below 200 percent of the line.

<sup>3</sup> Colorado women aged 15 to 50 who had given birth in sometime in the year prior to being surveyed

**Colorado Poverty Rates Among Women by Childbirth in the Past 12 Months (2008)**

Group	Percent Living Below Poverty Line	Percent Living Below 2x Poverty Line
Recent Mothers	17.9%	39.3%
Non Recent Mothers	13.9%	29.2%

*Immigrant Populations*

**Foreign-born Coloradans experienced nearly double the poverty rate of native born residents in 2008.** Yet naturalized citizens exhibited a lower rate not statistically different than natives. These figures pose interesting questions for those debating immigration reform. However, whether citizenship leads to better poverty outcomes or whether the credentials required for citizenship equate to lower rates cannot be discerned from these data.

**Colorado Poverty Rate by Citizenship Status (2008)**

Citizenship Status	Poverty Rate
Native	10.30%
Foreign born	21.2%
Naturalized citizen	8.8%

*Disabled Populations*

Disabled Coloradans experienced higher rates of poverty than the rest of the population on average. Their rate was approximately 7% higher than their non-disabled counterparts.

**Poverty Rate by Disability Status in Colorado (2008)**

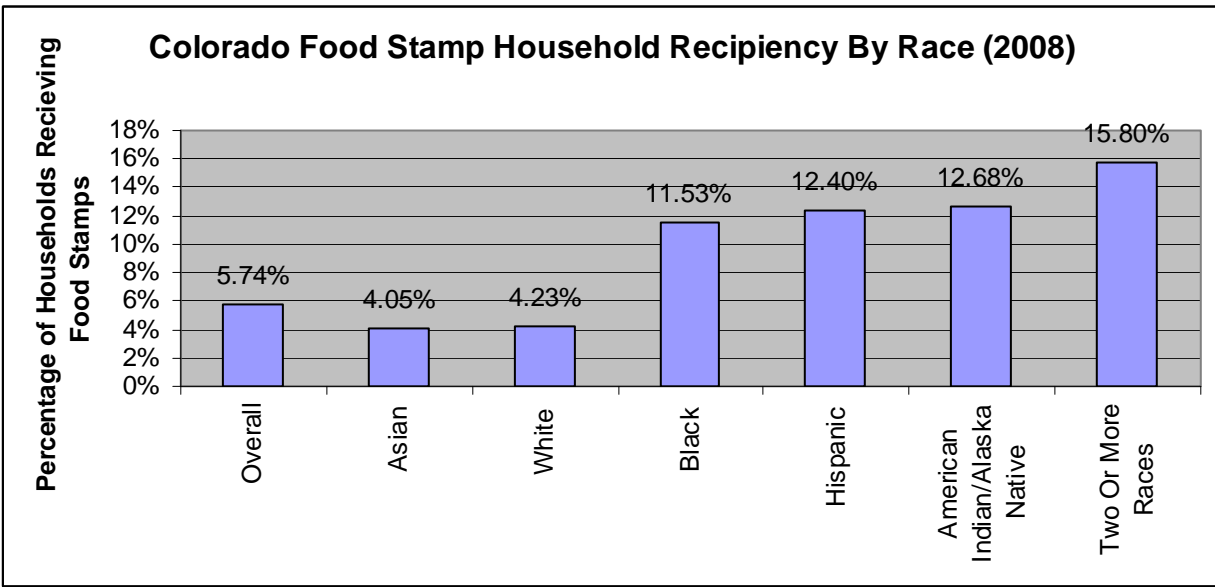
Disability Status	Poverty Rate
With any disability	17.7%
No disability	10.8%

**Food Stamps**

In 2008, 96,048 Colorado households—5.74% of all households—collected food stamps at some time. **Of those collecting food stamps, 56.9% were households with members under 18 years of age, 45.4% had disabled house members, and 56.9% were households above the poverty line.**

*Food Stamps and Race*

As with poverty levels, food stamp reciprocity varies enormously by race. While white and Asian households report food stamp usage rates were very near the overall rate, **black, Hispanic, and American Indian households reported more than double the overall rate, and mixed race households exhibited approximately three times the general usage rate.**



*Note: Unless otherwise noted all figures and charts come from US Census Bureau 2008 American Community Survey Data.*

**Appendix: Poverty Thresholds for 2008 by Size of Family and Number of Related Children Under 18 Years (in dollars)**

Size of family unit	Weighted average thresholds	Related children under 18 years								
		None	One	Two	Three	Four	Five	Six	Seven	Eight or more
One person (unrelated individual)	10,991									
Under 65 years	11,201	11,201								
65 years and over	10,326	10,326								
Two people	14,051									
Householder under 65 years	14,489	14,417	14,840							
Householder 65 years and over	13,030	13,014	14,784							
Three people	17,163	16,841	17,330	17,346						
Four people	22,025	22,207	22,570	21,834	21,910					
Five people	26,049	26,781	27,170	26,338	25,694	25,301				
Six people	29,456	30,803	30,925	30,288	29,677	28,769	28,230			
Seven people	33,529	35,442	35,664	34,901	34,369	33,379	32,223	30,955		
Eight people	37,220	39,640	39,990	39,270	38,639	37,744	36,608	35,426	35,125	
Nine people or more	44,346	47,684	47,915	47,278	46,743	45,864	44,656	43,563	43,292	41,624

SOURCE: U.S. Census Bureau.