New Census Data: Colorado Hits a False Flat on Poverty
No Progress on Poverty; Child Poverty Increases Slightly
Number of Uninsured Grows; Median Income Up

Denver, CO—As today’s theme at the Democratic National Convention in Denver turns to economic struggles, and as the 88th anniversary of women’s suffrage is commemorated, the U.S. Census Bureau released new data today on poverty, income, and health insurance. Nearly 570,000 Coloradans, or 12 percent, struggle with poverty—the same rate from the previous year. The trend of increasing child poverty continued with Colorado’s child poverty rate rising slightly to 15.9 percent. Statewide data also showed that median household income increased from the previous year, and that 16.8 percent of Coloradans are uninsured, which is higher than the national rate. Nationally, income inequality is a growing problem facing low- and middle-income earners.

“We’re hitting a false flat, where it looks like things were leveling off or getting better, but now are on course to get much worse,” said Kathy White, Project Director of the Colorado Fiscal Policy Institute (COFPI). “We continue to see too little action and too little progress in the fight against poverty. It’s long past time for state leaders to step up and start working to reduce poverty and hardship in Colorado.”

“This is unprecedented,” said Robert Greenstein, Executive Director of the Center on Budget and Policy Priorities. “Never before on record has poverty been higher and median income for working-age households lower at the end of a multi-year economic expansion than at the beginning. The new data add to the mounting evidence that the gains from the 2001-2007 expansion were concentrated among high-income Americans.”

The Census data comes on the heels of other recent alarming news, including a Colorado Children’s Campaign report released in June that shows Colorado has the fastest growing rate of child poverty in the country. Last year at this time, Colorado was the only state with a significant increase in child poverty, and a COFPI report also released last year showed that one in five households do not earn enough to make ends meet.

Poverty experts also point out that this data is from 2007. So it does not take into account growing challenges facing families in 2008, such as rising food and fuel prices, increasing overall consumer prices (5.6 percent higher than in July 2007), rising unemployment (at a 3-year high in Colorado), stagnate wage growth, and other disturbing trends.

Poverty
Colorado’s total poverty rate remained stable at 12 percent, or 569,386 Coloradans. The child poverty rate increased slightly to 15.9 percent, or 185,240 children in poverty. Family poverty remained stable at 8.4 percent, or 100,762 Colorado families.
“By a lot of different measures, poverty is the largest obstacle to opportunity for Colorado’s kids and its impact can last a lifetime,” said Megan Ferland, President of the Colorado Children’s Campaign. “This new data further confirms what we already know: that these are trends that our children, and our state, cannot afford.”

Income
One encouraging sign found in the data released today is that Colorado’s median income increased significantly to $55,212. With a $396 increase over the prior year, this nearly matches the income levels prior to the 2001 recession, but is still far off of the 2003 high of $56,975.

Nationally, there is evidence of growing income inequality, which is increasingly a barrier for families trying to get out of poverty. Earners in the bottom tenth percentile have still not seen their incomes recover to pre-2001 recession levels, while those in the 90th percentile have exceeded pre-recession levels. Likewise, there continue to be broad disparities in income between whites and African-Americans and Hispanics.

Today’s data also showed that women-to-men’s median earning ratio is at an all-time high of 78 percent, due in part to an increased number of women working full-time, year round.

“This new data shows that poverty, low wages, and the lack of health insurance and basic labor standards still affect far too many Colorado families.” said Linda Meric, 9to5, National Association of Working Women. “Additionally, this data doesn’t account for the working families who balance life on the edge —literally living only one paycheck away from poverty.”

Health Insurance
Colorado’s health care crisis continues with a rise in the number of people without health insurance. The rate of uninsured Coloradans was 16.8 percent, or 813,000 people, in the 2006-2007 period, according to the data released today. Colorado’s rate of uninsured exceeds the national rate of 15.5 percent. Unlike Colorado’s experience, at the national level, both the percentage and number of people without health insurance decreased slightly from 2006 to 2007. The percentage without health insurance nationally decreased from 15.8 in 2006 to 15.3 in 2007, and the number of uninsured decreased from 47.0 million in 2006 to 45.7 million in 2007.

As the eyes of the political world focus on Colorado this week, this new data on poverty, income, and health insurance serves as a stark reminder of the very real impact public leaders and public policies have on Coloradans. While there is much to be proud of in Colorado, there are also some very real struggles that Colorado families are facing every day. State and federal leaders have the unique opportunity to confront these challenges head-on, with smart, sound policymaking.

“Too many workers are struggling to make ends meet,” said Carmen Rhodes, Executive Director of FRESC. “This data show us that the problem is not going away on its own and we
should be doing more to create and preserve family supporting jobs with benefits for workers in Colorado and metro Denver.”

“Mile High United Way, along with our many partners, is working hard to help families gain financial stability and self sufficiency,” said Christine Benero, president and CEO of Mile High United Way. "The facts of poverty in Colorado are not at all reflective of what I know Colorado policy makers to envision for our state. There is never a more critical time than now for our policy makers to take action and make sure there is a strong, basic safety net for Coloradans who are struggling every day to provide for their families.”

Poverty and Income data in this release comes from the American Community Survey (ACS) and the health insurance data comes from the Current Population Survey (CPS). More information can be found at www.census.gov.

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The Colorado Fiscal Policy Institute (COFPI) is a nonprofit, nonpartisan research and public education project of the Colorado Center on Law and Policy dedicated to providing reliable fiscal analysis that enhances public participation in policy debates, highlights the importance of tax and budget decisions on low-income and other vulnerable populations, and creates a more transparent and accountable government. www.cclponline.org

Mile High United Way maximizes the power of collective generosity. We focus on three related initiatives: School Readiness, Youth Success and Adult Self Sufficiency. Our mission is achieved when young children from low-income families are prepared to succeed when they begin school, at-risk youth graduate from high school and individuals and families achieve financial stability and independence. We can do more together. To learn more visit http://www.unitedwaydenver.org/.

9to5, National Association of Working Women is a national, grassroots membership organization that strengthens women's ability to work for economic justice. www.9to5.org

Colorado Children’s Campaign is a statewide nonprofit organization and a leading bi-partisan voice for children from the state capitol to communities across the state, focusing on expanding access to quality healthcare, early childhood experiences and K-12 education. www.coloradokids.org

FRESC: Good Jobs, Strong Communities is a non-profit organization whose mission is to ensure that Colorado jobs pay livable wages with family-supporting benefits, and that families have access to affordable housing and a good quality of life. www.fresc.org

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