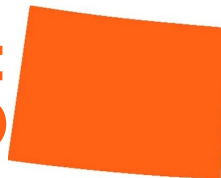
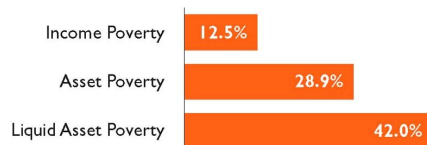


# STATE PROFILE: COLORADO



The recession and its aftermath have left unprecedented numbers of Colorado families financially insecure: 13% of households are poor. However, even more families in Colorado are financially vulnerable. The 2012 *Assets & Opportunity Scorecard* shows that 29% of Coloradans are asset poor, meaning that they lack the financial resources – money in the bank, assets in a home or car – to weather a job loss or other emergency. Still more troubling, the *Scorecard* shows that 42% of Coloradans are liquid asset poor. Liquid asset poverty is a more realistic picture of the resources families have to meet emergency needs since it excludes assets such as a home, car or business that are not easily converted to cash.



Asset poverty in Colorado is 2.3 times higher than income poverty and liquid asset poverty is 3.4 times higher.

## WHAT COLORADO CAN DO

- **Improve Financial Stability:** To address high rates of bankruptcy and consumer debt, Colorado should help families stabilize their finances by enacting tax credits for working families, such as a refundable Earned Income Tax Credit and Child Tax Credit.
- **Expand Health Care Coverage:** To increase health care coverage and reduce a disparity in coverage by income, Colorado should increase income eligibility thresholds for public health care programs and provide basic dental care for adults.
- **Increase College Attainment:** To close the college attainment gap for people of color, Colorado should create incentives for college savings by automatically enrolling all children into 529 accounts and minimizing barriers to education savings.

## ABOUT THE SCORECARD

The *Assets & Opportunity Scorecard* is a comprehensive look at Americans' financial security today and their opportunities to create a more prosperous future. It assesses the 50 states and the District of Columbia on 101 outcome and policy measures, which describe how well residents are faring and what states can do to help them build and protect assets. These measures are grouped into five issue areas: Financial Assets & Income, Businesses & Jobs, Housing & Homeownership, Health Care, and Education.

For a complete description of all 2012 *Scorecard* measures and sources, including how the grades and ratings were assigned, go to <http://scorecard.cfed.org>.

## KEY HIGHLIGHTS

# 29%

of Colorado households live in asset poverty

# 38%

of homeowners in Colorado are cost burdened

# 13%

of Colorado households live in income poverty

# 42%

of Colorado households live in liquid asset poverty

# 7%

of Colorado households are unbanked

# 3.7

times as many of the richest 20% of adults in Colorado have a 4-year degree compared to the poorest 20%

Published January 2012

## COLORADO

OVERALL RANK: 23

The *Scorecard* ranks 52 outcome measures from best to worst; #1 is the most desirable, #51 is the least desirable. Data for an additional 16 measures are published, but states are not ranked on these measures due to insufficient data at the state level. Issue area ranks and grades are calculated by averaging the ranks of measures within the issue area. Grades for issue areas are given on a curve: 10 states get As, 10 get Bs, 16 get Cs, 10 get Ds and 5 get Fs. The overall rank is calculated by ranking the sum of the issue area ranks.

## FINANCIAL ASSETS &amp; INCOME

ISSUE AREA RANK: 25 | GRADE: C

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Income Poverty Rate	12.5%	14.0%	17
Asset Poverty Rate	28.9%	27.1%	—
Asset Poverty by Race	2.1 x higher for HHs of color	2.2 x higher for HHs of color	—
Asset Poverty by Gender	1.2 x higher for single men	1.1 x higher for single women	—
Asset Poverty by Family Structure	—	2.2 x higher for 1-parent HHs	—
Liquid Asset Poverty Rate	42.0%	43.1%	21
Liquid Asset Poverty by Race	1.9 x higher for HHs of color	1.9 x higher for HHs of color	—
Liquid Asset Poverty by Gender	1.26 x higher for single men	1.09 x higher for single women	—
Liquid Asset Poverty by Family Structure	—	1.9 x higher for 1-parent HHs	—
Extreme Asset Poverty Rate	21.5%	19.0%	—
Net Worth	\$74,567	\$70,600	—
Net Worth by Race	—	12.8 x higher for white HHs	—
Net Worth by Income	—	70 x higher for top 20%	—
Net Worth by Gender	—	1.03 x higher for single men	—
Net Worth by Family Structure	—	29 x higher for 2-parent HHs	—
Unbanked Households	6.9%	7.7%	29
Underbanked Households	15.3%	17.9%	14
Consumers with Subprime Credit	51.3%	55.8%	18
Borrowers 90+ Days Overdue	3.5%	4.2%	19
Average Credit Card Debt	\$11,453	\$10,852	36
Bankruptcy Rate (per 1,000 people)	6.2	5.0	41

## BUSINESSES &amp; JOBS

ISSUE AREA RANK: 8 | GRADE: A

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Microenterprise Ownership Rate	17.9%	16.0%	6
Small Business Ownership Rate	1.45%	1.37%	25
Business Ownership by Race	1.9 x higher for white workers	1.5 x higher for white workers	37
Business Ownership by Gender	1.1 x higher for men	1.3 x higher for men	9
Business Value by Race	2 x higher for white bus. owners	2.6 x higher for white bus. owners	10
Business Value by Gender	2.7 x higher for men	2.6 x higher for men	27
Employee Ownership (per 1,000 firms)	1.19	1.46	32
Business Creation Rate (per 1,000 workers)	13.2	8.9	6
Private Loans to Small Business	\$1,580	\$1,322	9
Unemployment Rate	8.7%	9.6%	26
Unemployment by Race	1.7 x higher for people of color	1.6 x higher for people of color	29
Underemployment Rate	15.4%	16.7%	27
Low-Wage Jobs	15.0%	22.0%	10
Average Annual Pay	\$47,346	\$46,751	10
Retirement Plan Participation	43.7%	44.9%	36
Employers Offering Health Insurance	52.5%	53.8%	24

## HOUSING &amp; HOMEOWNERSHIP

ISSUE AREA RANK: 31 | GRADE: C

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Homeownership Rate	65.9%	65.4%	39
Homeownership by Race	1.5 x higher for white HHS	1.5 x higher for white HHS	22
Homeownership by Income	2.4 x higher for top 20%	2.2 x higher for top 20%	37
Homeownership by Gender	1.05 x higher for single women	1.03 x higher for single women	—
Homeownership by Family Structure	1.9 x higher for 2-parent HHS	1.9 x higher for 2-parent HHS	37
Foreclosure Rate	2.10%	4.43%	12
Delinquent Mortgage Loans	2.12%	3.46%	10
High-Cost Mortgage Loans	2.9%	5.2%	12
Affordability of Homes (value/income)	4.4 x higher than median income	3.6 x higher than median income	40
Housing Cost Burden - Homeowners	37.6%	38.0%	34
Housing Cost Burden - Renters	52.2%	53.0%	31

## HEALTH CARE

ISSUE AREA RANK: 47 | GRADE: F

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Uninsured Rate	17.8%	17.7%	34
Uninsured by Race	2.1 x higher for people of color	2 x higher for people of color	32
Uninsured by Income	14.3 x higher for bottom 20%	10 x higher for bottom 20%	46
Uninsured by Gender	1.2 x higher for men	1.2 x higher for men	30
Uninsured Low-Income Children	17.2%	11.7%	47
Uninsured Low-Income Parents	35.6%	33.1%	29
Employer-Provided Insurance Coverage	57.7%	57.6%	30
Employee Share of Premium	27.0%	27.0%	26
Out-of-Pocket Medical Expenses	17.6%	16.2%	—

## EDUCATION

ISSUE AREA RANK: 2 | GRADE: A

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Early Childhood Education Enrollment	23.1%	27.2%	26
Math Proficiency - 8th Grade	43.5%	34.7%	7
Reading Proficiency - 8th Grade	40.3%	33.5%	6
High School Degree	89.7%	85.6%	15
Two-Year College Degree	44.2%	35.7%	3
Four-Year College Degree	36.4%	28.2%	3
Four-Year Degree by Race	2.6 x higher for white adults	1.6 x higher for white adults	49
Four-Year Degree by Income	3.7 x higher for top 20%	5.3 x higher for top 20%	3
Four-Year Degree by Gender	1.01 x higher for men	1.02 x higher for men	—
Average College Graduate Debt	\$22,017	\$25,250	19
College Graduates with Debt	55%	65%	16

For a complete description of all 2012 Scorecard measures and sources, including how the grades and ratings were assigned, go to <http://scorecard.cfed.org>.

— = "Not Available." Data or ranks are not available because insufficient or unreliable data exist for the state.

N.R. = "Not Ranked." These data are not ranked because the estimate or rank is too imprecise to say with confidence how the state compares to other states.





## POLICY RATINGS

The *Scorecard* includes 33 policy measures: 12 priority policies and 21 additional policies. For policy priorities, states are assessed against criteria for what constitutes a strong policy. Taken together, these policies provide a comprehensive view of what states can do to help residents build and protect assets. Policy priority data are current as of June 30, 2011; additional policy data are drawn from the latest published reports, usually 2010-2011.

-  Very strong policy
-  Strong policy, but some room for improvement
-  Some policy, but much room for improvement
-  Minimal policy in place
-  No policy in place

## FINANCIAL ASSETS & INCOME

### Policy Priorities



-  Tax Credits for Working Families
-  State IDA Program Support
-  Lifting Asset Limits in Public Benefit Programs
-  Protections from Predatory Short-Term Loans

### Additional Policies

- Income Tax Threshold** ... \$19,400
- Tax Burden by Income** ... The poorest 20% of families pay 2.1 times more of their income in taxes than the top 1% of families
- Prize-Linked Savings** ... Prize-linked savings not allowed
- Paperless Payday** ... Paperless payday permitted

## BUSINESSES & JOBS

### Policy Priorities



-  State Support for Microenterprise
-  Job Quality Standards

### Additional Policies

- Unemployment Benefit Level** ... 37.8% of average weekly wage
- Unemployment Benefit Eligibility** ... Uses alternative base period; Part-time workers covered; Benefits for compelling family reasons
- Incentives for Employee Ownership** ... No state policy
- Loans for Beginning Farmers** ... Has Aggie Bond Program

## HOUSING & HOMEOWNERSHIP

### Policy Priorities

-  Foreclosure Prevention and Protections
-  First-Time Homebuyer Assistance

### Additional Policies

- Housing Trust Funds** ... No statewide housing trust fund
- Preservation of Affordable Rental Housing** ... 22.4% of LIHTC for preservation
- Tenant Protections from Foreclosure** ... Has protections beyond federal law
- Property Tax Relief** ... Circuit breaker for homeowners and renters who are elderly or disabled; Tax deferment
- Resident Ownership of Manufactured Housing Communities** ... No protections for homeowners

## HEALTH CARE

### Policy Priorities




-  Access to Health Insurance

### Additional Policies

- Expanded COBRA Coverage** ... COBRA expansion for 18 months
- Healthcare Information Databases** ... In implementation

## EDUCATION

### Policy Priorities

-  Access to Quality K-12 Education
-  Financial Education in Schools
-  College Savings Incentives

### Additional Policies

- State-Funded Head Start** ... No state supplement
- Quality of State Pre-K Programs** ... Established state program; \$3,757 per child enrolled; 6 of 10 quality standards met
- Kindergarten Standards** ... Half Day Kindergarten; separate standards; no certificates or training required for teachers
- State Financial Aid for Postsecondary Education** ... \$303 per student; 99% need-based
- TANF-Funded Workforce Training** ... 0.21% of funds spent on training
- WIA-Funded Workforce Training** ... 76.4% of participants received training