THE STATE OF ALICE IN » COLORADO



2026 UPDATE ON FINANCIAL HARDSHIP

UNITED FOR ALICE®

UNITED WAY
United Ways of Colorado



INTRODUCING ALICE®

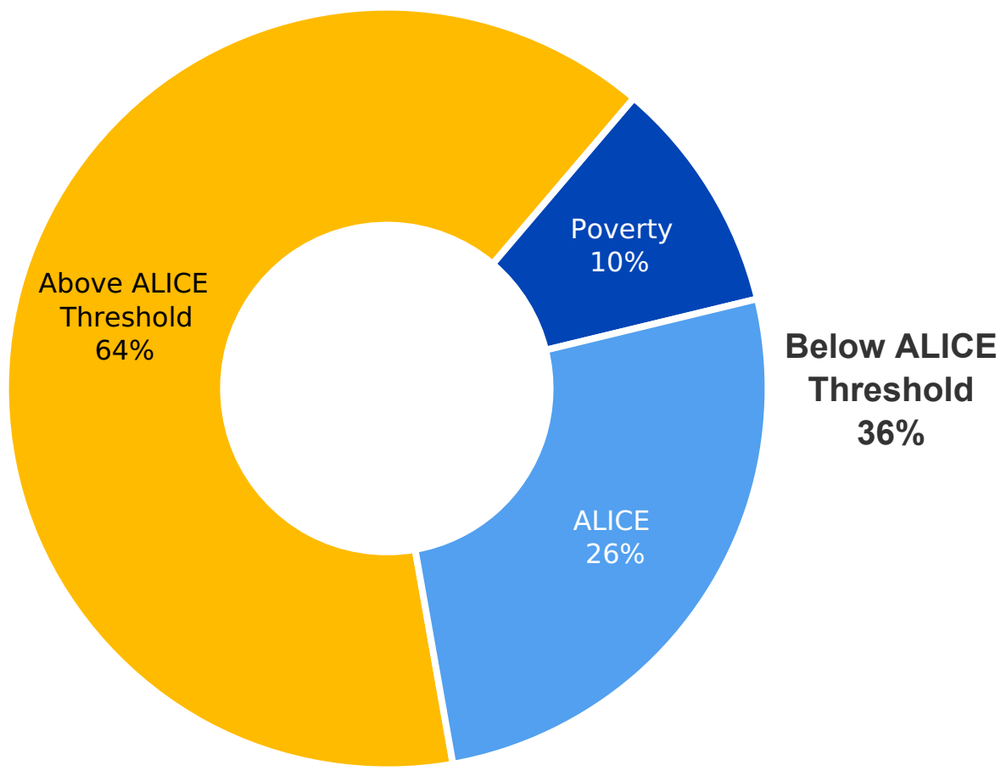
WHO ARE ALICE HOUSEHOLDS?

In 2024, based on the Federal Poverty Level (FPL), 10% of Colorado households were defined as being in poverty. Yet this measure did not account for an additional 26% of the state's households — more than twice as many — that were also in financial hardship. These households are **ALICE: A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed — earning above the FPL, but not enough to afford basic expenses in the county where they live.

Combining ALICE households plus those living in poverty, **an estimated 36% of households in Colorado were below the ALICE Threshold in 2024** (Figure 1). This rate was lower than the national average (41%) and placed Colorado 10th among all states and the District of Columbia (with 1st representing the lowest rate of hardship).

Figure 1. Thirty-Six Percent of Colorado Households Faced Financial Hardship in 2024

Total State Households: 2,452,702



Sources: ALICE Threshold, 2010–2024; U.S. Census Bureau, American Community Survey, 2024

Households below the ALICE Threshold don't have enough income to afford their basic needs. They are forced to make impossible choices, like deciding whether to pay for utilities or a tank of gas; whether to buy food or fill a prescription; whether to live close to work and pay more for housing or opt for a longer, more costly commute. And they are less likely to have the resources to cover unexpected household expenses (like an unforeseen car repair or a costly medical bill), or to recover from crises, both widespread (like a natural disaster or public health emergency) and personal (like the loss of a job or family member).

There are households below the ALICE Threshold across demographic groups, living in every state and county in the U.S. These households play a vital role in their communities as neighbors, family members, and civic participants, and they contribute to their local economies as workers, consumers, and taxpayers. Workers in households below the ALICE Threshold perform the jobs that keep our economy functioning smoothly — they are child care providers, food service workers, cashiers, personal care aides, delivery drivers, and more. Yet their own households struggle to afford basics.

There is no single cause — or solution — because all households are unique and the reasons that households face financial hardship are complex and interrelated. Targeted interventions can temporarily help ease challenges like food insecurity or housing cost burden, but improving overall financial stability for the long term requires more comprehensive strategies. Coordinated action is needed across multiple levels — including household supports, community infrastructure, employer practices, and public policy — to address the upstream conditions that contribute to persistent hardship for ALICE households in the state and across the nation.

GETTING AN ACCURATE COUNT: THE ALICE MEASURES

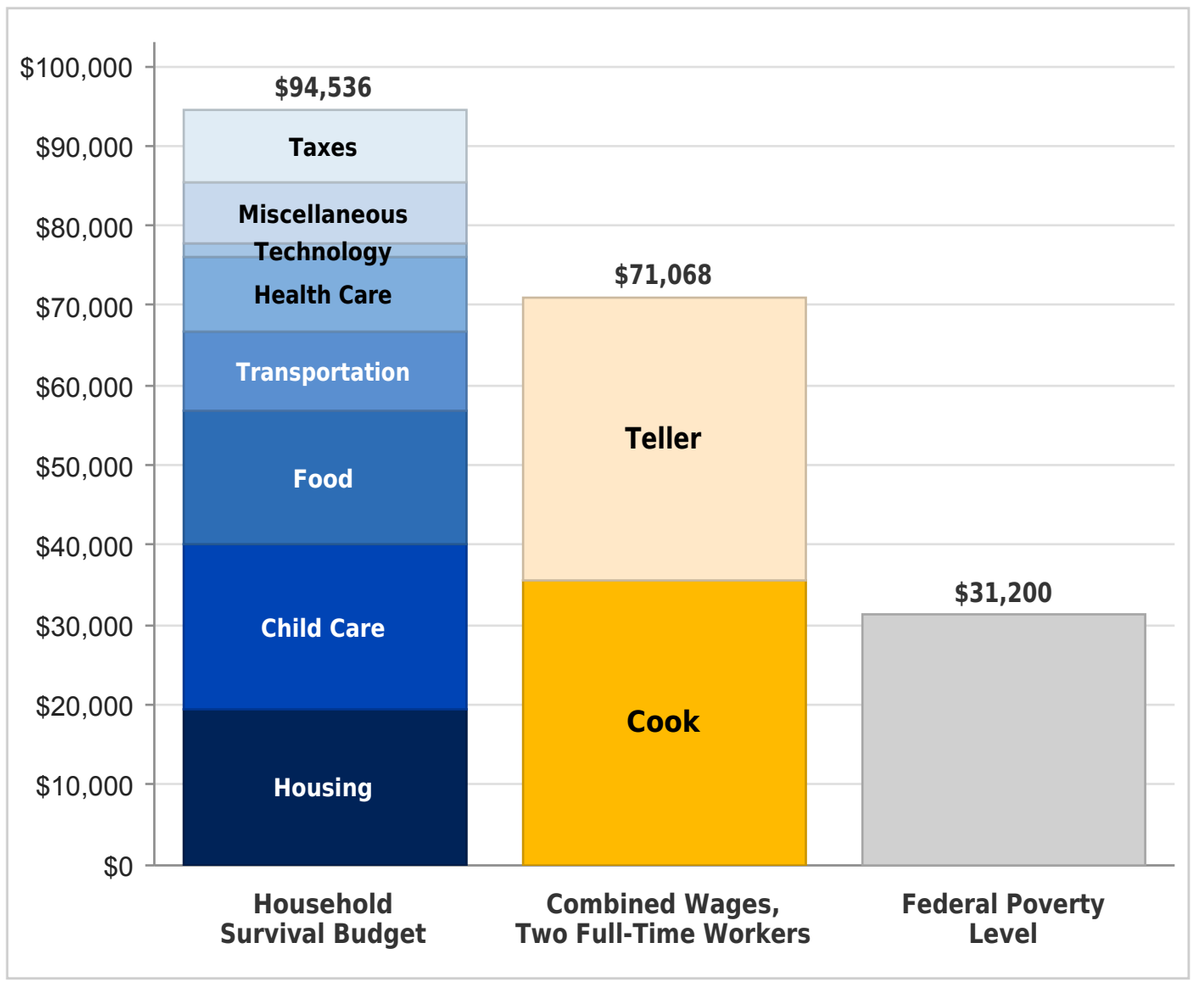
The Federal Poverty Level (FPL) is obsolete. It does not consider the wide variation in cost of living by location (except for a slightly higher state-level FPL for Alaska and Hawai‘i), nor has its methodology been updated since it was formulated in the 1960s, despite changing economic conditions. As a result, the official poverty rate sharply underestimates the true extent of financial hardship in the U.S. And because the FPL, or multiples of the FPL, define eligibility for many types of public assistance, ALICE households often do not qualify. In 2024, the FPL was $15,060 for a single adult and $31,200 for a family of four.

The ALICE measures, developed by United For ALICE, present a more comprehensive picture of financial hardship by including ALICE households — those with income above the FPL, but below the cost of basics.

The two pillars of the ALICE measures are household costs and income. The ALICE Household Survival Budget estimates the cost of household basics — housing, child care, food, transportation, health care, and technology, plus taxes — for each county in Colorado, derived from a range of publicly available data sources. This is a minimal budget, with no room for emergency expenses, debt payments, or saving for the future. Change over time in the cost of household basics is tracked in the ALICE Essentials Index.

Figure 2. Household Survival Budget Costs Exceeded Wages of Common Jobs and the FPL

Family of Four, Colorado, 2024



Note: Cooks season and prepare foods in restaurants and other establishments. Tellers process routine transactions, such as cashing checks and depositing money, at a bank or credit union.

Sources: ALICE Household Survival Budget, 2024; Bureau of Labor Statistics—Occupational Employment Statistics, 2024; U.S. Census Bureau, Federal Poverty Measure, 2024

For household income, ALICE measures rely on the U.S. Census Bureau’s American Community Survey (ACS) — both household tabulated data and individual data from the Public Use Microdata Sample (PUMS) records. Households with income below the Household Survival Budget for their household type and county are **below the ALICE Threshold** — including both households in poverty and ALICE households. **The ALICE Threshold is a more comprehensive measure of financial hardship than the FPL.** It relies on income, household type, and local cost of living to estimate how many households are not earning enough to cover the basics.

The core issue is the gap between household income and what families need to make ends meet. This makes it impossible for many households to attain financial stability, no matter how hard they work. Figure 2 shows the mismatch between costs, wages, and the FPL in 2024. First, it includes ALICE Household Survival Budget costs for a Colorado family with two adults, an infant, and a preschooler (totaling $94,536 annually). Second, it shows the household’s combined full-time earnings with one adult in the household working as a cook and the other working as a teller — two common occupations in the state — totaling $71,068 annually. Finally, the FPL for a family of four is shown ($31,200, the same amount for all contiguous U.S. states).

Data Notes: *The data included in this Report spans 2010 to 2024 (latest available). This data does not reflect the impact of policy or funding changes that have occurred since 2024, yet it provides an important baseline and context to inform current conversations and decision making. The income data used in this Report relies on ACS estimates. The ACS is based on a representative sample of housing units and people; therefore, these estimates have a degree of uncertainty. Some data points are geographic averages; others are one- or five-year averages depending on population size (these are reported in the Data Sheet). Percentages are rounded to whole numbers, sometimes resulting in percentages totaling 99% or 101%.*

ALICE Threshold analysis includes all households regardless of work status, as employment is fluid and most households have members who are working, have worked, are out on disability, or are looking for work. *This analysis includes families and roommates but does not include people who are unhoused or living in group quarters (such as college residence halls, skilled nursing facilities, and military barracks). State-level population totals are a summation of county-level estimates.*

To provide additional details on household assets, this Report also includes analysis of the Federal Reserve Board’s Survey of Household Economics and Decisionmaking (SHED) (2024).

KEY FINDINGS: COLORADO, 2024

Financial hardship: Of Colorado's 2,452,702 households, 10% (236,293) were below the FPL, and another 26% (640,791) were ALICE — households with income above the FPL, but not enough to afford the ALICE Household Survival Budget for their household composition and location. Combining these two groups, 36% (877,084) of households were below the ALICE Threshold. Despite some ups and downs, the number of ALICE households in Colorado trended upward overall between 2010 and 2024 while the number of households in poverty held relatively steady. More recently (between 2021 and 2024), the number of ALICE households declined slightly while the number in poverty increased slightly.

The cost of basics: In Colorado, the ALICE Household Survival Budget was $36,708 for a single adult and $94,536 for a family of four with two adults, an infant, and a preschooler — much higher than the FPL ($15,060 for a single adult and $31,200 for a family of four). Basic costs varied substantially by county. The annual Household Survival Budget costs for a single adult were highest in Douglas County and lowest in Baca County. For a family of four, costs were highest in Summit County and lowest in Baca County.

DEFINITIONS

ALICE: Asset Limited, Income Constrained, Employed — households with income above the Federal Poverty Level (FPL) but less than the basic cost of living in their county

ALICE Household Survival Budget: Reflects the minimum costs of household necessities (housing, child care, food, transportation, health care, and technology) plus taxes, adjusted for all U.S. counties and various household compositions

ALICE Threshold: Derived from the Household Survival Budget, the minimum average income that a household needs to afford basic costs, calculated for all U.S. counties

Below ALICE Threshold: Includes households in poverty and ALICE households combined

ALICE demographics: There were households below the ALICE Threshold across all Census-reported demographic groups in Colorado. And as in every state, some populations experienced higher levels of financial hardship. This reflects both longstanding and ongoing policies and discriminatory practices in areas of work, housing, education, and access to community resources that limit financial stability for many families. In 2024, the groups with the highest percentage of households below the Threshold included Black households (52%) and Hispanic households (46%); households headed by people under age 25 (65%) and age 65 and over (48%); single-parent-headed households (66% single-female-headed, 47% single-male-headed); and households in rural areas (41%). In Colorado, from 2010–2024, the age group with the biggest increase in the total number of households, and the number of households living below the ALICE Threshold, were older households (headed by someone age 65+).

ALICE in the labor force: Of the 10 largest industry sectors (by total workers), financial hardship was highest in Accommodation and Food Services, with 42% of workers living in households below the ALICE Threshold. By occupation, rates of financial hardship were as high as 51% for Cooks and 46% for Waiters and Waitresses, two of the most common occupations in the state.



MEET ALICE: LOIS' STORY

Lois is a loving mother for whom financial trade-offs are a constant reality. As a member of the ALICE Community Advisory Committee, she helps shine a light on the experiences of ALICE households nationwide.

BASIC COSTS: THE ALICE HOUSEHOLD SURVIVAL BUDGET

To capture the reality of household costs across Colorado, **the ALICE Household Survival Budget is calculated for all counties and various household compositions**. This budget reflects the minimum cost to live and work in today's economy (Figure 3). It includes just the basics needed to get by. Not included are things that many families take for granted — eating out, children's birthday presents, new clothes, or updated appliances. And notably, this budget doesn't include savings needed to cover unexpected costs, invest, or put toward goals like education, homeownership, or retirement. According to the Federal Reserve Board's Survey of Household Economics and Decisionmaking (SHED), in the Mountain Census Division (which includes Colorado) only 35% of respondents below the ALICE Threshold reported having emergency savings that could cover three months of expenses, and only 42% had retirement assets in 2024. In comparison, 76% of respondents above the Threshold had emergency savings and 88% had retirement assets.

Because the Household Survival Budget reflects the bare-minimum cost of household basics, many families actually pay more for some expenses, forcing them to cut back or sacrifice somewhere else. This leaves families with impossible choices and tradeoffs and the stress of constantly navigating insufficient funds, on top of working and other household responsibilities.

Housing costs are especially challenging. As rental and homeowner costs increase faster than wages, **households below the ALICE Threshold face substantial housing cost burden**. In Colorado in 2024:

- 75% of all renter households below the Threshold were rent burdened (paying 30% or more of their income on rent and utilities). This included 28% of renter households who paid 30%–49% of their income on rent and utilities, and 47% whose rent costs totaled half of their income or more.
- 62% of homeowner households below the Threshold were housing cost burdened (paying 30% or more of their income on homeowner costs, including mortgage payments, utilities, property taxes, and homeowner's insurance).

CUSTOM BUDGETS AT YOUR FINGERTIPS

See the ALICE Budget and Income Status Tool for custom budgets by household composition and location.

Figure 3. The ALICE Household Survival Budget Calculates Basic Costs for Various Household Types

Descriptions, Sources, and Select State-Average Monthly Costs, Colorado, 2024

	Budget Item Description and Sources (See Methodology for more details)	Single Adult, Age 18–64	Single Adult, Age 65+	2 Adults, 1 Infant, 1 Preschooler
Housing	110% of Fair Market Rent (FMR) for an efficiency, one-bedroom, or two-bedroom apartment (based on family size), including utilities, adjusted in metro areas using Small Area FMR ***Source:*** *U.S. Department of Housing and Urban Development (HUD)*	$1,210	$1,210	$1,624
Child Care	Cost for registered Family Child Care Homes for infants (0–2 years), preschool-age children (3–4 years), and school-age children (5–17 years) ***Source:*** *Colorado Department of Human Services, Office of Early Childhood*	—	—	$1,717
Food	USDA Thrifty Food Plan by age, with county variation from Feeding America ***Sources:*** *Feeding America; U.S. Department of Agriculture (USDA)*	$516	$475	$1,399

Transportation	Operating costs for a car (average daily miles by age, cost per mile, license, fees, and insurance), or public transportation where viable ***Sources:*** *AAA, Federal Highway Administration, National Association of Insurance Commissioners (NAIC) (car); Consumer Expenditure Survey (CEX) (public transportation)*	$381	$319	$826
Health Care	Health insurance premiums based on employer-sponsored plans plus out-of-pocket costs for households with $40,000–$69,999 annual income by age, weighted with the poor health multiplier. For the ALICE 65+ Survival Budget, cost of Medicare Parts A and B, out-of-pocket costs, plus average out-of-pocket spending for the top five chronic diseases as reported by CMS. ***Sources:*** *Centers for Medicare & Medicaid Services (CMS); CEX (health); Medical Expenditure Panel Survey (MEPS)*	$200	$505	$784
Technology	Basic broadband internet at home and a smartphone plan with unlimited data for each adult in a household using average cost of three top major providers (AT&T, Verizon, and T-Mobile) and three top basic (lower-cost) wireless providers (Visible, U.S. Mobile, and Consumer Cellular) ***Sources:*** *Consumer Reports; Federal Communications Commission (FCC)*	$95	$95	$129
Miscellaneous	Cost overruns estimated at 10% of the budget, excluding taxes, to cover one-time unanticipated costs within the other categories	$240	$260	$648
Taxes	Federal payroll taxes (Social Security and Medicare) and federal, state, and local income taxes owed on household income to cover the Survival Budget, as well as the federal and state Child Tax Credit and Child and Dependent Care Tax Credit ***Sources:*** *Internal Revenue Service; Tax Foundation; calculated for United For ALICE by the Federal Reserve Bank of Atlanta (FRBA)*	$417	$470	$751
	Monthly Total	$3,059	$3,334	$7,878
	Annual Total	$36,708	$40,008	$94,536
	***Hourly Full-Time Earnings Needed to Support the Household Survival Budget**	$18.35	$20.00	$47.27

**Represents the earnings needed at 40 hours per week, 50 weeks per year to support the annual total, including taxes.*

THE EARNED INCOME TAX CREDIT (EITC)

The EITC is a refundable federal tax credit that supports low- to moderate-income workers. Eligibility varies based on income and family composition. Families with children are eligible for the largest credit: In 2024, the maximum credit for eligible families with three or more qualifying children was $7,830, compared to $632 for workers age 25 to 64 without children.

For tax year 2024, income eligibility for federal EITC ranged from $18,591 for an individual with no qualifying children to $66,819 for a married couple with three or more children. The EITC is an effective anti-poverty program for many working families, lifting nearly 4.4 million people above the poverty line in 2024 (based on the Supplemental Poverty Measure). However, not all ALICE households can benefit. For example, in 2024, a family of two adults and two young children in Colorado needed an income of $94,536 to meet their basic needs, but only qualified for the federal EITC if their income was below $62,688.

In addition to federal EITC, 30 states and the District of Columbia — including Colorado — have implemented a supplemental state EITC. Eligibility for state credits typically mirrors the federal EITC qualifications, although not all state credits are refundable. Colorado state EITC is refundable, at 46.5% of the federal credit.

Benefits of receiving the EITC are far-reaching, with strong links to improved educational outcomes and future employment and better self-reported health status among children raised in recipient households. Despite these benefits, approximately 20% of eligible taxpayers in the U.S. do not claim the EITC. Barriers to participation include not earning enough to file a tax return, lack of awareness, complex rules, administrative burden, language barriers, and distrust of government. States can help promote the EITC by educating the public about the availability of the credits and targeting outreach to families already enrolled in programs such as SNAP and Medicaid; through Volunteer Income Tax Assistance (VITA) programs; by prefilling and sending tax forms to eligible families; and by requiring employers to share information about the EITC with their employees.

COSTS OVER TIME: THE ALICE ESSENTIALS INDEX

Inflation is a key indicator of the health of the economy. When prices increase faster than wages and other sources of income, purchasing power decreases and households struggle to make ends meet.

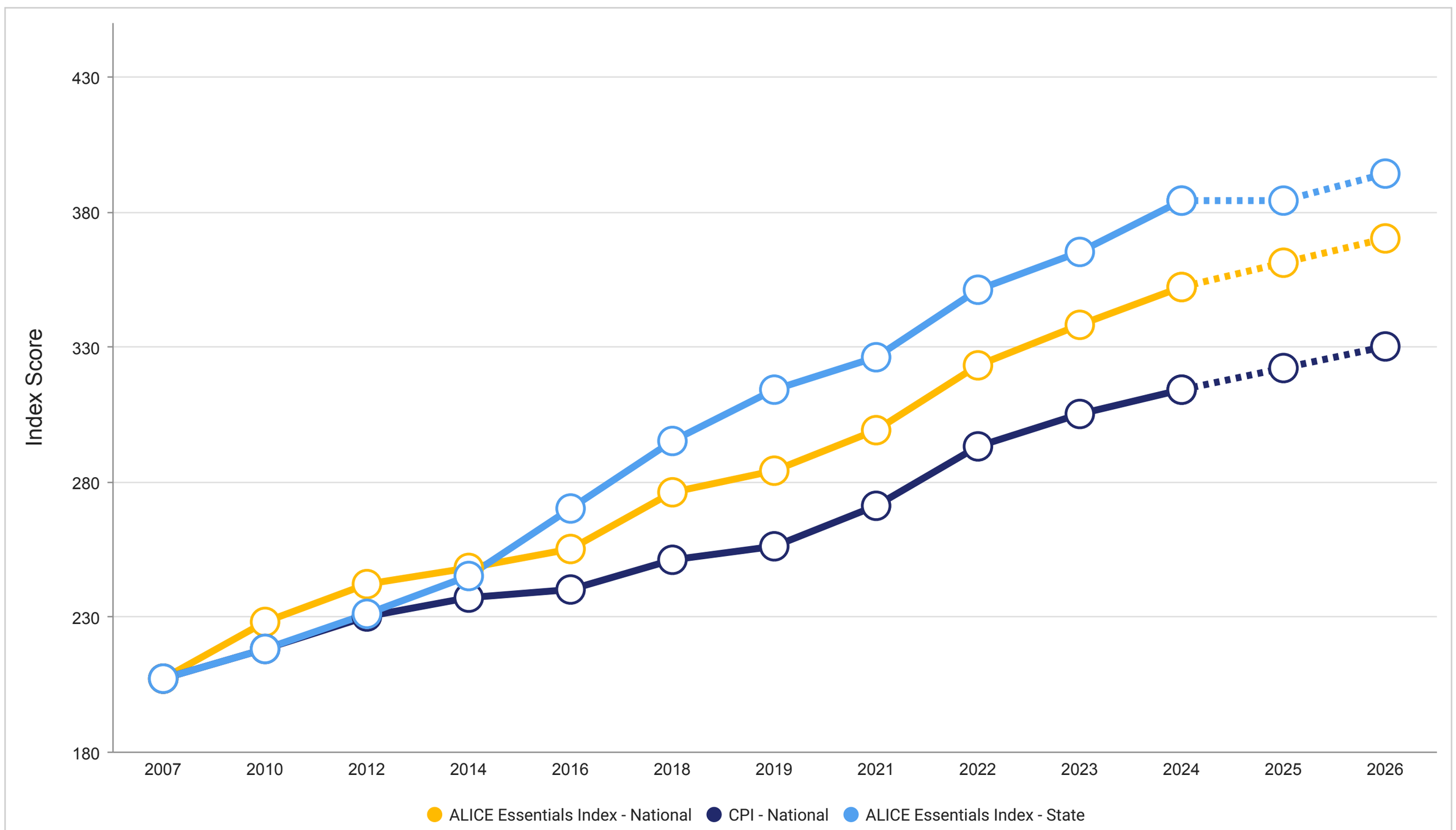
The ALICE Essentials Index measures change over time in the cost of the household essentials that matter most to ALICE and poverty-level households: housing, child care, food, transportation, health care, and basic technology. The standard measure of inflation in the U.S., the Bureau of Labor Statistics' Consumer Price Index (CPI), tracks a much larger basket of over 200 categories of goods and services — including items that financially insecure households can't afford on a regular basis, like full-service meals at restaurants, wine, major appliances, travel, and jewelry. Tracking costs over time using the CPI alone can conceal important changes in the costs of household essentials.

Nationally, the ALICE Essentials Index has outpaced the broader CPI since 2007. Costs for both measures increased at a faster pace following the pandemic. Between 2021 and 2024, the ALICE Essentials Index increased at an annual rate of 5.6% compared to 5.0% for CPI — both much faster than the annual rates from 2007 to 2019 (2.7% annual increase for the ALICE Essentials Index and 1.8% for CPI).

In Colorado, the ALICE Essentials Index also increased faster than the national CPI, as shown in Figure 4. And like the national trend, essential costs in Colorado increased at a faster rate following the pandemic (5.6% annual increase in the ALICE Essentials Index from 2021 to 2024, compared to 3.5% between 2007 and 2019).

Figure 4. The Cost of Basics is Increasing Faster Than Overall Inflation

Inflation Indices, Colorado and U.S., 2007–2026



Note: Inflation index scores provide a way to summarize complex data and track changes in costs over time using a numeric scale. The baseline for CPI was set at 100 in 1982. Compared to that baseline, CPI reached 207 in 2007, meaning that prices were 107% higher than in 1982. To compare the ALICE Essentials Index to CPI, the ALICE Essentials Index is set to the 2007 CPI value of 207. With this standardization, Figure 4 shows how the change in these two measures compares over time. In the text, keeping with convention, we report the percent change in each index from one year to another. The ALICE Essentials Index rates for 2025 and 2026 are projections. CPI 2026 is preliminary (based on data through February 2026).

Sources: ALICE Essentials Index, 2007–2026; Bureau of Labor Statistics, 2007–2026—CPI

ALICE DEMOGRAPHIC TRENDS

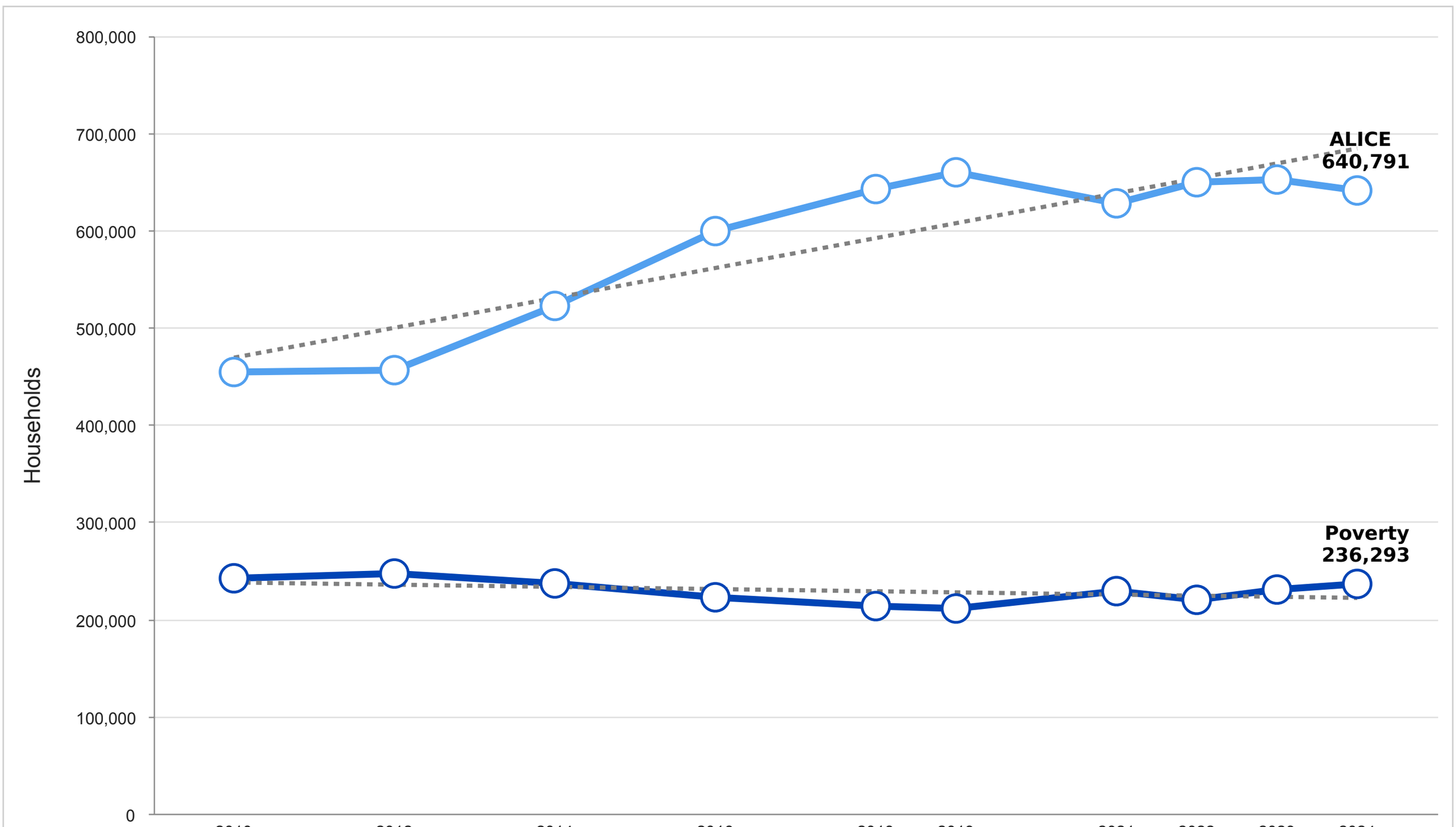
There are households below the ALICE Threshold across Colorado, and they reflect a wide range of demographics and household types. In Colorado, rates of financial hardship differed substantially across demographic groups.

Trends for ALICE and poverty-level households: Between 2010 and 2024, the total number of households in Colorado increased from 1,954,517 to 2,452,702. During this period, despite some ups and downs, the number of ALICE households in Colorado trended upward overall while the number of households in poverty held relatively steady. More recently (between 2021 and 2024), the number ALICE households declined slightly while the number in poverty increased slightly (Figure 5).

Trends for households below the ALICE Threshold (ALICE + Poverty): The number of households below the ALICE Threshold has remained high over time (2010–2024), persisting through shifting economic conditions and the COVID–19 pandemic, and across political administrations. Between 2010 and 2024, the number of households below the Threshold in Colorado increased from 696,207 to 877,084. During this period, the percentage of households below the Threshold in Colorado ranged from a high of 39% to a low of 35% (Figure 5). Most recently, the share of financially insecure households remained largely unchanged (36% of all households below the Threshold in 2024, compared to 37% in 2023).

Figure 5. The Number of ALICE Households Decreased Slightly in Recent Years Yet Trended Upward Over Time

Number of Households by Income, Colorado, 2010–2024



	2010	2012	2014	2016	2018	2019	2021	2022	2023	2024
Percent Below ALICE Threshold	**36%**	**35%**	**37%**	**39%**	**39%**	**39%**	**37%**	**37%**	**37%**	**36%**

Note: Data years are comparable over time (methodology changes are backdated as necessary for continuity). However, year-to-year changes should be interpreted with caution; multi-year trends are more reliable. The gray dashed trend lines in this figure highlight the general direction of the point-in-time data for the years shown. These lines indicate whether the numbers of ALICE and poverty-level households have been generally increasing, decreasing, or remaining flat/no significant trend. The ALICE trend line is statistically significant at p<0.0003; however, the Poverty trend line is not statistically significant.

Sources: ALICE Threshold, 2010–2024; U.S. Census Bureau, American Community Survey, 2010–2024

Households by age: In 2024, the youngest and oldest households had the highest rates of financial hardship: 65% of households headed by someone below age 25 and 48% of households headed by someone age 65 and over lived below the ALICE Threshold in Colorado. By comparison, rates were lower for those in their prime working years, with 30% of households headed by people age 25–44 and 29% of households headed by those age 45–64 living below the Threshold (Figure 6).

With the aging of the Baby Boomer generation, households headed by people age 65 and over were the fastest-growing age group in Colorado (up 75% between 2010 and 2024). They were also the age group with the most substantial increase in the number of ALICE households.

Households by race/ethnicity: Rates of financial hardship differed substantially by race/ethnicity in Colorado, often reflecting longstanding and ongoing policies and discriminatory practices that restrict access to quality education, work, housing, and other community resources. In 2024:

- The largest number of households below the ALICE Threshold were White (563,208), making up one-third (33%) of all White households.
- Hispanic households were the next largest group below the Threshold (192,885), making up 46% of all Hispanic households.
- There were 120,871 households headed by someone of Two or More Races below the Threshold, making up 44% of all households of Two or More Races; and 47,078 Black households below the Threshold, making up 52% of all Black households. Other, smaller groups also had high rates of hardship: 50% of all American Indian/Alaska Native households and 48% of all Native Hawaiian/Pacific Islander households were below the Threshold.
- Asian households had the lowest rate of financial hardship (33%), with 22,101 households below the Threshold.

Trends in the number of households below the ALICE Threshold varied from 2021 to 2024 (longest comparable time series). Among the three largest groups, the number of households below the ALICE Threshold remained relatively flat for Black and White households, and increased for Hispanic households.





Households by member composition: In 2024, 34% of single or cohabiting households without children headed by someone under age 65 — the most common household type — were below the ALICE Threshold in Colorado. The total number of these households increased between 2010 and 2024 (up 21%), as did their number below the Threshold (up 17%).

Among families with children under age 18, there were disparities in financial hardship by household type: In 2024, 66% of single-female-headed families and 47% of single-male-headed families were below the ALICE Threshold, compared to 16% of married-parent families. In Colorado from 2010 to 2024:

- The total number of married-parent households increased (up 9%), while their number below the Threshold remained flat.
- The total number of single-female-headed households decreased (down 12%), and their number below the Threshold dropped even further (down 17%).
- The total number of single-male-headed households increased (up 7%), while their number below the Threshold remained flat.

Households by location: In 2024, the rate of financial hardship was higher as in the predominantly rural counties of Colorado, where 41% of all households were below the ALICE Threshold, compared to 35% in predominantly urban counties.

By county, the percentage of households below the Threshold was highest in Crowley County at 66% and lowest in Douglas County at 24%. Hardship varied even within counties: For example, in Denver County, the percentage of households below the Threshold ranged from 51% in both ZIP code 80246 (Glendale neighborhood) and 80219 (Westwood/Harvey Park neighborhoods), to 20% in ZIP code 80238 (just south of the Rocky Mountain Arsenal National Wildlife Refuge).

INTERACTIVE DEMOGRAPHIC AND GEOGRAPHIC DATA

ALICE data is available online by race/ethnicity, age of householder, household type, county, county subdivision, census designated place, ZIP code, and legislative district. See all available geographies and more on the ALICE Mapping Tool.



Figure 6. Financial Hardship Varies Substantially by Demographic Group

Key Demographic Groups, Colorado, 2024

	Total	Total Below ALICE Threshold	Percent Below ALICE Threshold	Poverty / ALICE / Above ALICE Threshold
ALL HOUSEHOLDS	2,452,702	877,084	36%	10% / 26% / 64%
AGE				
Under 25 Years	117,701	76,556	65%	29% / 36% / 35%
25 to 44 Years	937,942	281,932	30%	8% / 22% / 70%
45 to 64 Years	796,474	229,048	29%	8% / 21% / 71%
65 Years and Over	600,585	289,548	48%	10% / 38% / 52%
RACE/ETHNICITY				
American Indian/ Alaska Native	22,211	11,196	50%	12% / 39% / 50%
Asian	67,203	22,101	33%	7% / 26% / 67%
Black	89,913	47,078	52%	12% / 41% / 48%
Hispanic	421,231	192,885	46%	8% / 37% / 54%
Native Hawaiian/ Pacific Islander	2,763	1,333	48%	10% / 38% / 52%
Two or More Races	276,102	120,871	44%	8% / 36% / 56%
White, Non-Hispanic	1,726,937	563,208	33%	5% / 27% / 67%
HOUSEHOLD TYPE				
Married With Children	452,483	72,187	16%	4% / 12% / 84%
Single-Female-Headed With Children	107,736	71,157	66%	31% / 35% / 34%
Single-Male-Headed With Children	50,323	23,795	47%	12% / 35% / 53%
Single or Cohabiting, Under 65, no Children	1,241,575	420,397	34%	9% / 24% / 66%
RURAL/URBAN				
Rural	300,652	124,685	41%	12% / 29% / 59%
Urban	2,152,050	752,399	35%	9% / 26% / 65%

Note: This figure shows demographic groups included in the ACS tabulated dataset and reporting is limited to these categories. The groups shown in this figure are based on head of household and overlap across categories. Within the race/ethnicity category, all racial categories except Two or More Races are for one race alone. Race and ethnicity are overlapping categories; in this Report, the American Indian/Alaska Native, Asian, Black, Native Hawaiian (includes other Pacific Islanders), and Two or More Races groups may include Hispanic households. The White group includes only White, non-Hispanic households. The Hispanic group may include households of any race. Because household poverty data is not available for the American Community Survey's race/ethnicity categories, annual income below $15,000 is used as a proxy. Counties are defined as rural or urban based on the USDA's designation of metropolitan or non-metropolitan at the census tract level. Counties with 50% or more of the population in metropolitan tracts are designated as urban; those with 50% or more of the population in non-metropolitan tracts are designated as rural.

Sources: ALICE Threshold, 2024; U.S. Census Bureau, American Community Survey, 2024

ALICE IN THE LABOR FORCE

According to the Bureau of Labor Statistics, from 2010 to 2024, the number of workers in Colorado grew from 2,157,690 to 2,891,210. Most recently, from January to December 2024, the state gained 59,200 workers. During the same period, the unemployment rate increased — from 3.8% to 4.3%. These rates were higher than the pre-pandemic rate (3.0% in January 2020).

Colorado workers face a range of ongoing challenges. The workplace continues to evolve with the incorporation of new technologies, including AI, and the shift to more precarious work arrangements, such as many part-time jobs and hourly employment. These arrangements make it easier for employers to reduce work hours or cut employment altogether when new technology is adopted, the economy ebbs, or financial priorities change. In addition, with the costs of basics increasing, many jobs in Colorado do not pay enough to provide financial stability. In Colorado in 2024:

- 42% of full-time workers did not earn enough to afford the ALICE Household Survival Budget for one adult and one school-age child.
- Minimum-wage workers in Colorado saw an increase in wages to $14.42 per hour in 2024, up from $13.65 in 2023.
- A wage of $20 per hour was not enough to support the ALICE Household Survival Budget for one adult and one school-age child in 87% of Colorado counties. (See the ALICE Wage Tool.)

Data on financial hardship among Colorado workers shows variations in three cross-cutting areas: industry sector, occupation, and work arrangements.

Industry sector: There are workers below the ALICE Threshold across all industry sectors in Colorado. Among the 10 largest industry sectors, the percentage of workers living in households below the ALICE Threshold varied from 9% in Professional Scientific and Technical Services to 42% in Accommodation and Food Services (Figure 7).

Figure 7. Rates of Financial Hardship Vary by Industry Sector

Industry Sector Employment by ALICE Status, Colorado, 2024

Industry Sector	Total Workers	Poverty / ALICE / Above ALICE Threshold
Health Care and Social Assistance	410,030	4% / 16% / 80%
Professional Scientific and Technical Services	393,006	7% / 91%
Retail Trade	308,251	8% / 24% / 68%
Educational Services	301,936	7% / 15% / 78%
Construction	247,458	5% / 19% / 76%
Manufacturing	212,990	13% / 85%
Accommodation and Food Services	209,400	12% / 30% / 58%
Public Administration	161,393	10% / 87%
Other Services Except Public Administration	156,748	5% / 22% / 73%
Finance and Insurance	143,362	9% / 89%

Note: This table includes wages of full-time workers residing in Colorado with income from occupations in the listed sectors. Wages include tips. ALICE Threshold status is determined by comparing workers' total household income to the ALICE Household Survival Budget for their household composition and location.

Sources: ALICE Threshold, 2024; U.S. Census Bureau, American Community Survey, 2024

Common Occupations (Jobs): Many common jobs exist across industry sectors — for example, Customer Service Representatives work in Health Care, Retail Trade, and other fields — so it is also important to look at financial hardship by occupation. In 2024, 23% of workers in the 20 most common occupations in Colorado were in households below the ALICE Threshold. Occupations with a substantial share of workers in households below the Threshold included Cooks (51%), Waiters and Waitresses (46%), and Cashiers (45%).

Figure 8. A Large Share of Workers in the 20 Most Common Occupations are Below the ALICE Threshold

Labor Characteristics, Most Common Occupations, Colorado, 2024

Most Common Occupations	Total Workers in Occupation Residing in Colorado	Percent of Workers Below ALICE Threshold	Median Hourly Wage
Software Developers	70,489	5%	$63.45
Registered Nurses	65,981	10%	$39.05
Retail Salespersons	63,540	30%	$25.38
Driver/Sales Workers and Truck Drivers	58,603	35%	$24.41
Elementary and Middle School Teachers	56,750	14%	$29.29
First-Line Supervisors of Retail Sales Workers	56,635	26%	$28.80
Customer Service Representatives	51,827	28%	$24.41
Chief Executives and Legislators	42,844	5%	$85.42
Cooks	41,912	51%	$17.08
Waiters and Waitresses	40,195	46%	$18.30
Laborers and Freight, Stock, and Material Movers, Hand	38,784	40%	$20.99
Cashiers	37,908	45%	$17.08
Janitors and Building Cleaners	36,952	44%	$19.52
General and Operations Managers	36,788	10%	$47.35
Accountants and Auditors	34,608	6%	$41.98
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	31,543	20%	$23.33
Financial Managers	31,328	8%	$48.81
Lawyers, and Judges, Magistrates, and Other Judicial Workers	31,047	4%	$89.32
Construction Laborers	29,291	39%	$24.41
Project Management Specialists	28,949	6%	$48.81

Note: This table includes wages of full-time workers residing in Colorado with income from these occupations. Wages include tips. ALICE Threshold status is determined by comparing workers' total household income to the ALICE Household Survival Budget for their household composition and location. Prior iterations of this table used data from the Bureau of Labor Statistics and are not directly comparable.

Sources: ALICE Threshold, 2024; U.S. Census Bureau, American Community Survey, PUMS, 2024

MORE LABOR FORCE DATA ONLINE

For more data on the labor landscape, industry sectors, and occupations in your state, visit UnitedForALICE.org/Labor-Force/Colorado and UnitedForALICE.org/ALICE-EVD.

Work arrangements: In 2024 in Colorado, 69% of people in the labor force worked full-time (35+ hours per week, for 50+ weeks). Yet only about 40% of employed people (age 16+) had the security of a salaried, full-time job. The rest relied on non-standard work arrangements — typically hourly paid work from one or multiple jobs (including part-time and gig work). Hourly and part-time workers are more likely to have fluctuations in income due to schedule changes and variable hours and they are less likely to receive benefits, such as health insurance, paid time off, family leave, or retirement plans.



Both systemic and personal factors can contribute to this. Many workers want to work full time but struggle to find and secure full-time employment. Others work part time because their hours have been reduced. Still others are unable to work full time due to family responsibilities, being in school or training, or dealing with illness or disability. In Colorado in 2024, of people in the labor force, 27% worked part time (compared to 26% nationally). Part-time workers were much more likely to be below the ALICE Threshold than full-time workers (38% vs. 16%).

In addition, 31% of people in Colorado (age 16+) were out of the labor force (compared to 36% nationally). This included those who were retired (16%) and those who were out of the labor force for other reasons, such as disability, health issues, caregiving responsibilities, or student status (15%).

EDUCATIONAL ATTAINMENT AND STUDENT LOAN DEBT

In line with broader research, United For ALICE data shows that financial hardship decreases as educational attainment increases. In Colorado in 2024, the share of workers below the ALICE Threshold was 44% for those with less than a high school diploma; 32% for those with a high school diploma or GED; 29% for those with some college or an associate degree; and 12% for those with a bachelor's degree or higher.

The cost of higher education puts it out of reach for many ALICE households or requires student loans that have proven to be challenging to repay. The average federal student loan in Colorado in 2024 was $37,393. According to the 2024 Federal Reserve Bank's Survey of Household Economics and Decisionmaking, the amount of student debt was similar for respondents below and above the ALICE Threshold across the U.S. (due to sample size, state-level data is not available). But that debt was more of a burden for those below the Threshold to repay. In 2024, for 61% of borrowers below the Threshold, debt totaled more than half of their household income (compared to 30% of borrowers above the Threshold). Borrowers below the Threshold were also twice as likely as those above the Threshold to be behind on payments or in collections (26% vs. 13%).

FROM DATA TO ACTION: WE ALL HAVE A ROLE TO PLAY

If all households in Colorado had enough income to meet their basic needs, not only would individual families be able to pay their bills and experience greater well-being, but their communities, and the wider economy, would benefit as well. Communities are stronger when families are thriving, allowing resources to shift from crisis spending toward improving quality of life (Figure 9).

Figure 9. Meeting Basic Needs Creates Cascading Benefits for Communities

If households have sufficient income for...	Benefits for ALICE Households	Benefits for the Wider Community
Safe, Affordable Housing	Improved physical and mental health; safer housing conditions and reduced stress; improved educational performance and outcomes for children; greater stability for household members; a means to build wealth and racial equity for homeowners	Expanded and updated housing stock, reduced systemic housing inequities, lower health care costs; reduced homelessness; opportunities for jobs and more money spent in local communities
Quality Child Care and Education	Increased labor force participation, lifetime earnings and retirement security for women; health benefits for children, school readiness, improved educational attainment and graduation rates; improved performance in higher education; higher lifetime earnings	Reduced racial/ethnic inequalities in learning and development; positive health, education, and economic outcomes for children and families; stronger community economies; more homebuyers and higher property values through availability of quality child care
Adequate Food	Decreased food insecurity leading to improved health (especially for children and adults age 65 and over); decreased likelihood of developmental delays and behavioral problems in school	Lower health care costs; improved school and workplace productivity; healthier food environment; less reliance on emergency food services; greater equity by age, gender, race/ethnicity and immigration status
Reliable Transportation	Decreased transportation insecurity; improved access to work/job opportunities, school and child care, health care and social services, food/retail markets, and support systems (friends, family, faith communities)	Improved air quality and reduced gasoline consumption/carbon emissions; increased economic opportunity through returns on investment; a more diverse labor market; decreased income disparities; more integrated neighborhoods
Quality Health Care	Better mental and physical health (including increased life expectancy); improved access to preventive care; decreased use of emergency room for non-urgent care; fewer missed days of work and school; lower share of income spent on health care	Decreased health care spending and strain on emergency services; reduced racial/ethnic disparities in insurance coverage and access to care; fewer communicable diseases; improved workplace productivity; decreased wealth-health gap; better outcomes during health crises
Reliable Technology	Improved access to job opportunities; expanded access to health information and telemedicine services; increased job and academic performance	Closing the digital divide in access to technology by income; increased economic development; greater connectivity that helps reduce disparities and increase opportunities for civic participation
Savings	Ability to withstand emergencies without impacting long-term financial stability; greater asset accumulation over time (e.g., interest on savings); ability to invest in education, property, or finance a secure retirement)	Less spending on public services to cover basic needs like health care, food, and housing; foundation for community investment and development, and collective progress

WHAT ACTIONS CAN YOU TAKE?

Our vision is a country where ALICE families not only have sufficient income to afford the basics but can also save and invest in their future. It is a country where all households have access to safe, affordable housing; well-paying jobs with benefits; education and training opportunities; safe, high-quality child care programs; comprehensive health services; reliable transportation; equitable financial services and asset building opportunities; and a comprehensive, holistic safety net to support households during times of need. Bringing this vision to fruition will require effort and investment across multiple sectors. While specific policy recommendations are beyond the scope of this Report, the information presented here can help stakeholders contemplate and prioritize which solutions will help ensure economic prosperity for all.

Community members:

- Raise awareness of ALICE through ALICE news and videos or share your experiences
- Follow us at United4ALICE on Facebook, Instagram, and X, and share posts about the true state of financial hardship in your state or community
- Connect with your local United Way for advocacy, support, and volunteer opportunities

Nonprofits and community organizations:

- Advocate for the continuation of current government datasets (e.g., American Community Survey, Fair Market Rents). Consistent data over time is crucial for informed decision making, effective policy implementation, and accountability.
- Use UnitedForALICE.org tools, maps, and indicators of well-being for community needs assessments and to prioritize and target funding, programs, and services
- Convene and share the ALICE data with existing and new partners — to advocate and innovate cross-sector strategies and solutions

Employers:

- Implement strategies that support the well-being and retention of ALICE workers while also boosting engagement, productivity, and the bottom line
- Explore the Federal Reserve Bank of Atlanta Career Ladder Identifier and Financial Forecaster
- Advocate for community resources that support your employees — from affordable housing to quality child care

Policymakers:

- Explore ALICE by district using the Legislative District Tool
- Use interactive tools from the Federal Reserve Bank of Atlanta (which use ALICE budgets), including the Policy Rules Database, to better understand the impact of benefits cliffs on ALICE families.
- Map ALICE by location to pinpoint need and identify gaps in community resources

APPLICATIONS OF THE ALICE DATA

Are you wondering how to get started? Here are some of the many applications of the United For ALICE data, tools, and resources. ALICE data is being used to:

- Guide strategic planning, help prioritize needs, and target community programs and services
- Advocate and inform policy and legislation
- Paint a more accurate picture of financial hardship in your community when applying for funding; use ALICE data to better identify strengths and needs when allocating resources
- Determine eligibility for assistance programs and services
- Build and strengthen partnerships and cross-sector collaboration for collective impact
- Create innovative strategies and shared learning to promote financial stability for ALICE

Learn more: See examples of policies, practices, and programs United For ALICE partners have implemented using ALICE data in the ALICE in Action database.



NATIONAL COMPARISON: INCOME STATUS, 2024

STATE	RANK	TOTAL	Household Income Status		
	(1 = lowest % Below ALICE Threshold)	Number of Households	Households in Poverty	ALICE Households	% Households Below ALICE Threshold
U.S.		131,939,401	16,495,052	38,027,832	41%
Alabama	45	2,039,058	324,519	587,238	45%
Alaska	17	270,986	23,913	77,466	37%
Arizona	33	2,978,528	345,084	873,504	41%
Arkansas	42	1,232,610	196,766	335,094	43%
California	48	13,791,591	1,646,419	4,822,094	47%
Colorado	10	2,452,702	236,293	640,791	36%
Connecticut	24	1,454,541	159,441	410,493	39%
Delaware	25	412,304	41,375	120,719	39%
District of Columbia	13	329,687	49,443	71,152	37%
Florida	47	9,115,371	1,126,478	3,143,688	47%
Georgia	43	4,141,265	543,142	1,262,000	44%
Hawai'i	44	493,475	51,810	164,744	44%
Idaho	16	737,568	80,370	194,968	37%
Illinois	20	5,095,290	627,541	1,315,178	38%
Indiana	21	2,755,436	340,168	712,607	38%
Iowa	4	1,329,232	147,602	301,391	34%
Kansas	11	1,189,214	136,310	290,281	36%
Kentucky	40	1,835,838	301,973	481,948	43%
Louisiana	51	1,836,752	344,381	548,775	49%
Maine	28	607,168	72,490	168,350	40%
Maryland	23	2,395,600	239,306	694,650	39%
Massachusetts	37	2,828,403	304,302	883,682	42%
Michigan	29	4,109,904	551,257	1,079,772	40%
Minnesota	6	2,340,041	231,727	579,571	35%
Mississippi	50	1,162,158	220,707	336,806	48%
Missouri	19	2,533,895	327,532	636,928	38%
Montana	15	466,267	51,964	121,077	37%
Nebraska	8	811,502	91,573	192,470	35%
Nevada	31	1,239,322	145,389	357,634	41%
New Hampshire	9	566,004	47,504	151,962	35%
New Jersey	26	3,543,650	345,620	1,050,032	39%
New Mexico	38	844,438	140,602	215,792	42%
New York	49	7,809,082	1,106,981	2,634,467	48%
North Carolina	32	4,452,562	570,996	1,245,057	41%
North Dakota	1	340,817	39,336	67,247	31%
Ohio	12	4,910,723	643,139	1,149,335	37%
Oklahoma	41	1,592,174	243,117	440,254	43%
Oregon	34	1,742,091	212,032	502,271	41%
Pennsylvania	22	5,353,274	654,981	1,431,066	39%
Rhode Island	39	446,751	58,903	131,627	43%
South Carolina	35	2,210,021	302,424	608,075	41%
South Dakota	3	372,581	39,585	85,112	33%
Tennessee	36	2,882,467	395,081	796,596	41%
Texas	30	11,388,247	1,523,679	3,085,614	40%
Utah	2	1,170,555	100,603	289,345	33%
Vermont	27	276,206	29,959	78,863	39%
Virginia	18	3,405,893	345,879	935,739	38%
Washington	14	3,154,247	313,142	856,500	37%
West Virginia	46	730,791	125,865	204,987	45%
Wisconsin	7	2,513,972	269,822	603,981	35%
Wyoming	5	247,147	26,527	58,839	35%

ALICE ONLINE

Visit UnitedForALICE.org to explore interactive data and resources. Click on the icons below to get started.

National Overview National data and state comparison	**ALICE Demographics** State, county, and regional demographic data	**ALICE Household Budgets** State, county, and regional budgets
Mapping Tool Explore data for all available geographies (state, county, municipality, ZIP code)	**Income Status Tool** Input income, household type, and location to see household ALICE status	**County Reports** All available county data in a shareable format
Legislative District Tool See data by state upper and lower chambers and congressional district	**Economic Viability Dashboard** Key data on work, housing, and community resources	**ALICE Essentials Index** Data on change over time in the cost of household basics
Data Sheet State ALICE data over time and by location	**Wage Tool** Identify counties where select hourly wages can support basic costs	**ALICE in Focus** A closer look at hardship for children, people with disabilities, and veterans
Methodology Sources and calculations used in the ALICE research	**Research Advisory Committees** Learn about the members and roles of these critical groups	**United For ALICE Team** Meet our data analysts, researchers, writers, editors, and designers
ALICE Voices Hear directly from ALICE or share your own ALICE story	**ALICE in Action** Programs, practices, and policy changes implemented by the ALICE network	**ALICE Videos** Videos that highlight ALICE stories, research, and partner impact

ABOUT UNITED FOR ALICE AND OUR PARTNERS

Launched in 2009 with a study of financial hardship in one New Jersey county, the nonpartisan United For ALICE movement has grown to include 41 states and the District of Columbia. The ALICE research shines a spotlight on households facing financial hardship — their strengths as well as the challenges they face. With data, tools, and resources, United For ALICE equips community partners — including United Ways, foundations, government, corporations, and other nonprofits — to build equitable policies and programs that promote financial stability for ALICE and for all.

To create the ALICE Reports, our team of researchers works with Research Advisory Committees composed of experts from our partner states. This work is guided by our rigorous methodology, which is updated biennially with experts from across our Research Advisory Committees.

Director and Lead Researcher: Stephanie Hoopes, Ph.D.

ALICE Research Team: Andrew Abrahamson; Ashley Anglin, Ph.D.; Catherine Connelly, D.M.H., M.A.; Jessica Fernandez; Victoria Mutuku, M.A.; Bhavyashree Putta, M.S.

The State of ALICE in Colorado: 2026 Update on Financial Hardship is brought to you by United Ways of Colorado.

UNITED WAY
United Ways of Colorado

Ent Credit Union | Becoming Wings Credit Union

To learn more about how you can get involved in advocating and creating change for ALICE in Colorado, contact: Kelsey DiAstra, Acting CEO, United Way of Larimer County, at kdiastra@uwaylc.org.

COLORADO RESEARCH ADVISORY COMMITTEE

- Charles Brennan, Colorado Center on Law & Policy
- Isabel Dickson, M.P.H., Colorado Department of Public Health and Environment
- Scott Fast, Independent Consultant with Innovate + Educate
- Maya Gould, M.A., Colorado Children's Campaign
- Sarah Hanselin, M.A., Colorado Department of Human Services
- Alexis Kennedy, Ph.D., College of Liberal Arts, Colorado State University
- Courtney Lussenhop, Community Impact Fund
- Louise Myrland, M.P.H., The Women's Foundation of Colorado
- Debra Sauermann, M.A., United Way of the Yampa Valley, Board of Directors
- Jackie Tran, M.S.W., Greenlight Fund

Suggested Citation:

United For ALICE. (2026). "The State of ALICE in Colorado: 2026 Update on Financial Hardship."
https://www.UnitedForALICE.org/Colorado

© Copyright 2009–2026 United Way of Northern New Jersey. All rights reserved.