



COLORADO FISCAL
POLICY INSTITUTE

FACT SHEET: Colorado Income October 2009

The U.S. Census Bureau recently released new income data from its American Community Survey (ACS), providing critical information about household income and how families are struggling to make ends meet. Though the new data does not account for the full impact the current recession has had on Colorado families, it does provide a perspective on the past decade of earnings for Coloradans and provide a stark reminder of income disparities in the state. Likewise, it shows that Colorado entered this recession in a more vulnerable state than the last recession in 2001.

Household Income

As has been the case historically, in 2008 Colorado fared better than many, ranking 14th nationwide with a median household income of \$56,993. Unfortunately, while Colorado's household income remains high relative to other states, it, like many of its peers, has experienced a decade of stagnant income. **Colorado's 2008 real median household income of \$56,993 showed no statistically significant difference from 2000, when the median household earned \$58,003 in 2008 dollars.** The 2000's may well become known as the lost decade from Colorado income.

Household income also varied within the state, with the largest reported median income in Douglas County (\$98,871) and the smallest reported in Pueblo County (\$42,628).

Colorado Median Household Income by County (2008)

Region	Median Income (2008\$)
Colorado	\$56,993
Pueblo County	\$42,628
Denver County	\$45,831
Mesa County	\$55,738
Weld County	\$56,065
Larimer County	\$56,331
Adams County	\$56,529
Arapahoe County	\$58,334
El Paso County	\$59,216
Jefferson County	\$66,344
Boulder County	\$66,463
Douglas County	\$98,871

Family Income

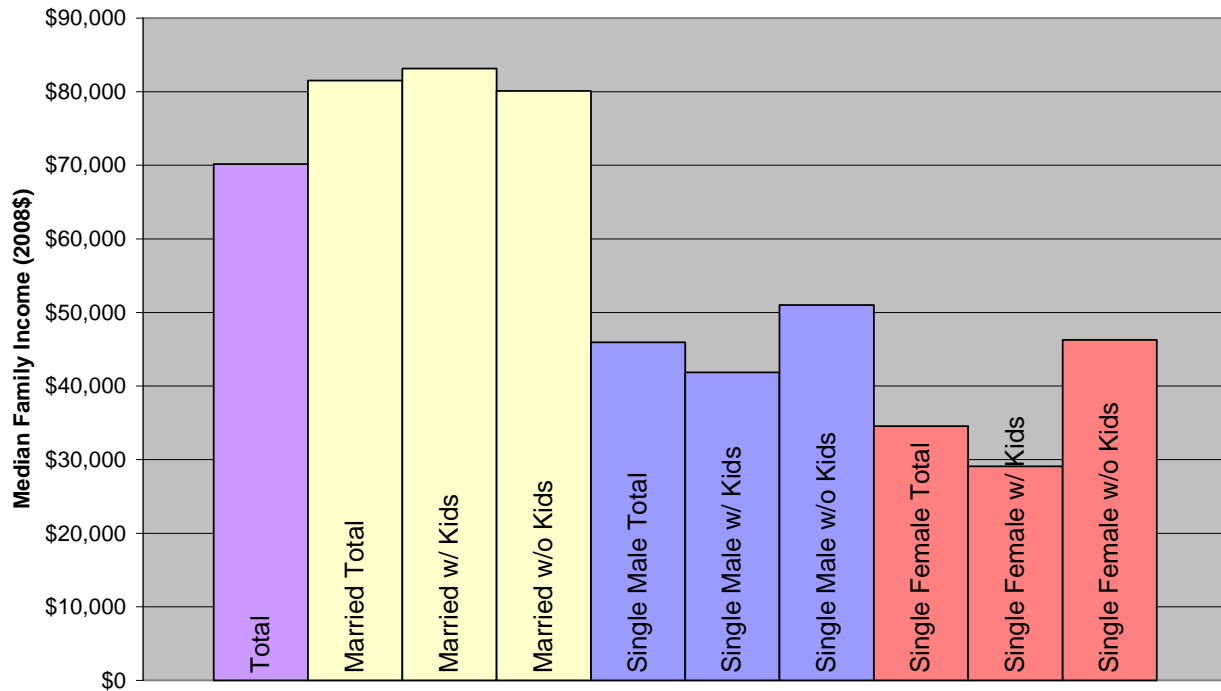
Colorado Ranks 12th overall with a median family income of \$70,164, above the national level of \$63,366. A breakdown of income by family characteristics reveals the difficulties for large families, where resources are spread thinner and thinner with additional family members.

Colorado Median Family Income by Family Size & Number of Earners (2008)

	Median Income	
Colorado	\$70,164	
Size of Family		Income Per Family Member
2-person families	\$64,985	\$32,493
3-person families	\$69,977	\$23,326
4-person families	\$81,644	\$20,411
5-person families	\$73,105	\$14,621
6-person families	\$74,100	\$12,350
7-or-more-person families	\$74,289	\$10,613 or less

Family characteristics also play a huge role in understanding family income levels. In 2008, Colorado married couples made more than the median family, with child-raising families making more than childless families. Perversely, this trend is reversed for single-parent households, where families with children report significantly lower incomes than families without kids. Furthermore, single-mother families make significantly less than single-father families. These numbers are troubling and point to the huge strain placed on single parents—most especially single mothers.

Colorado Median Family Income in the Past 12 Months by Family Type (2008)



Family Classification	Median Family Income
Total:	\$70,164
Married-couple family --	
Total	\$81,532
With own children under 18 years	\$83,143
No own children under 18 years	\$80,102
Other family --	
Total	\$37,729
Male householder, no wife present --	
Total	\$45,960
With own children under 18 years	\$41,855
No own children under 18 years	\$51,001
Female householder, no husband present --	
Total	\$34,548
With own children under 18 years	\$29,097
No own children under 18 years	\$46,282

Income Disparities-Race

While Colorado boasts relatively high income levels overall, a closer look reveals deep disparities in economic well-being along racial lines. Whether examined by household or by earner, income for blacks and Hispanics in Colorado substantially lags that for whites. **In 2008 Hispanics earned almost exactly half what whites earned per capita, and blacks earned 36% less than their white counterparts.**

Colorado Individual & Household Income by Race 2008

Race	2008 Colorado Median Household Income	% Difference from White (If Statistically Significant)	2008 Colorado Per Capita Income	% Difference from White (If Statistically Significant)
All	\$58,993		\$30,471	
White	\$59,822		\$32,458	
Black	\$35,834*	-40.10%	\$20,752*	-36.10%
Hispanic	\$37,683*	-37.00%	\$15,315*	-52.80%
Asian	\$60,948		\$29,873 *	-7.96%

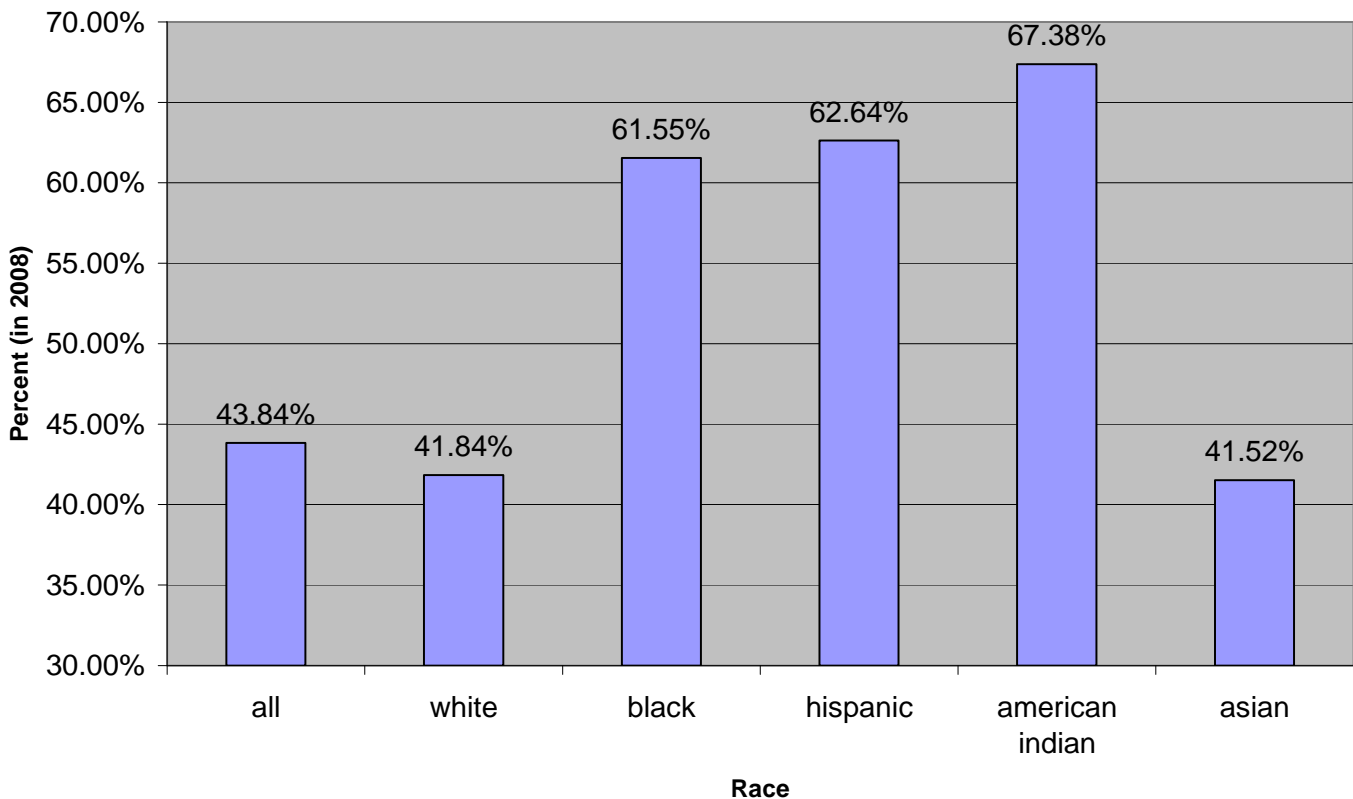
* statistically significant from white level

Looking at wage bands of households we again see large racial disparities. While 43% of all Colorado households and 42% of white households earn less than \$50,000, **a whopping 62%, 63%, and 67%, of black, Hispanic, and American Indian households make less than \$50,000 per year respectively.**

Percent of Colorado Households with Income at or Below Given Levels, by Race (2008)

Household Income	All	White	Black	Hispanic	American Indian	Asian
Less than \$10,000	6.03%	5.34%	13.51%	8.78%	7.79%	8.27%
\$10,000 to \$14,999	10.76%	9.67%	22.32%	17.78%	17.16%	12.65%
\$15,000 to \$19,999	15.13%	13.83%	28.33%	24.53%	22.45%	17.82%
\$20,000 to \$24,999	20.12%	18.64%	35.06%	32.52%	31.30%	21.59%
\$25,000 to \$29,999	24.90%	23.19%	42.11%	39.37%	41.26%	26.41%
\$30,000 to \$34,999	29.96%	27.96%	49.00%	46.15%	51.15%	30.31%
\$35,000 to \$39,999	34.54%	32.56%	53.89%	52.43%	55.89%	32.67%
\$40,000 to \$44,999	39.16%	37.13%	58.74%	57.96%	62.90%	37.22%
\$45,000 to \$49,999	43.84%	41.84%	61.55%	62.64%	67.38%	41.52%
\$50,000 to \$59,999	52.02%	50.11%	68.34%	71.12%	74.89%	48.70%
\$60,000 to \$74,999	63.14%	61.33%	78.07%	80.61%	85.60%	60.49%
\$75,000 to \$99,999	76.13%	74.77%	87.61%	90.18%	94.80%	72.58%
\$100,000 to \$124,999	85.02%	83.97%	93.13%	95.36%	97.62%	82.87%
\$125,000 to \$149,999	90.18%	89.41%	96.24%	97.35%	98.03%	88.72%
\$150,000 to \$199,999	95.17%	94.74%	97.76%	99.12%	99.17%	96.05%
\$200,000 or more	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Percent of Colorado Households Making \$50,000 or Less by Race



Income Disparities: Gender

Differences in income also exist along gender lines. According to ACS data, **women over 16 working full-time and earning wages in the past 12 months earned a median salary equating to 76.2% of the median salary of their male counterparts.** This gender income ratio is very close to the 2008 national ratio of 77.9%. While this statistic does not control for age, work experience, or educational attainment, it does underscore the magnitude of the gender-based income discrepancies in the US as a whole and Colorado specifically.

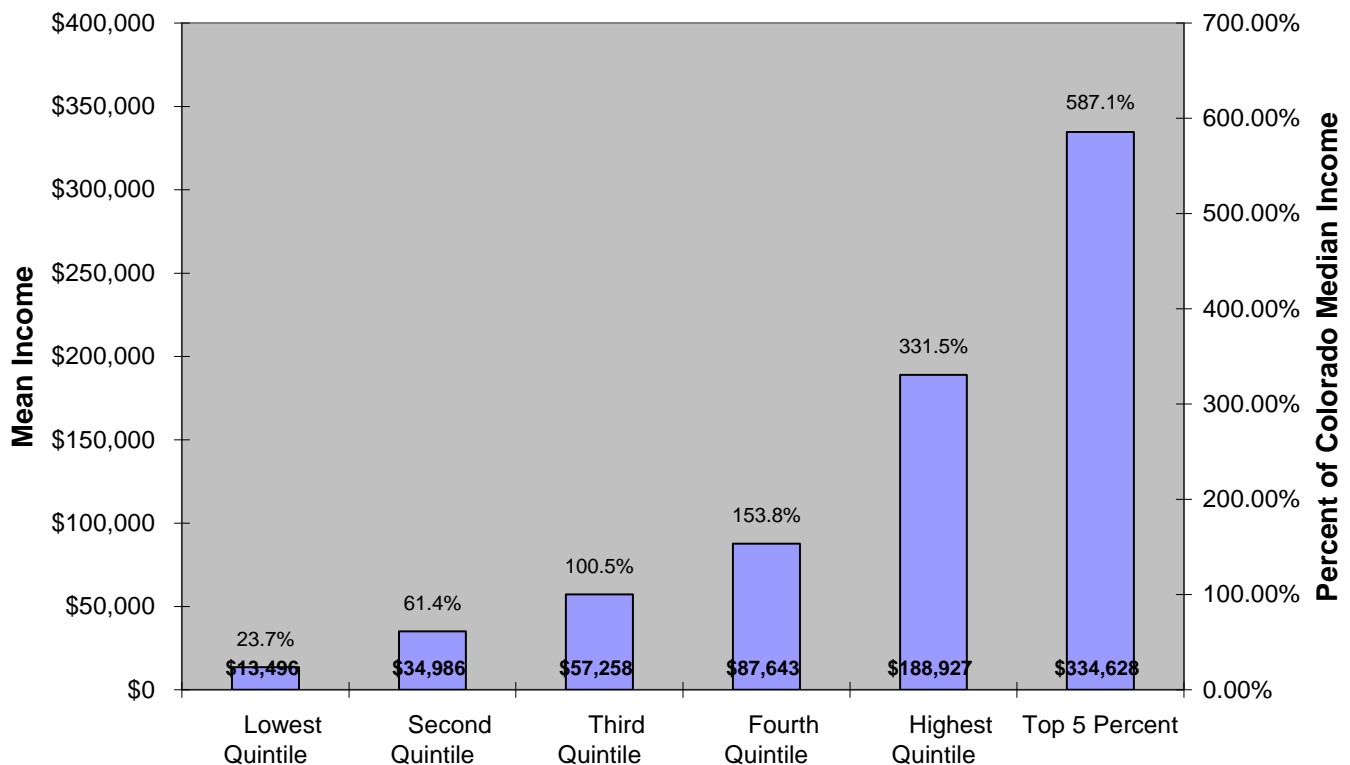
Income Distribution

Income figures also illustrate the breadth of earnings in Colorado. While the average household in **the lowest quintile earned 23% of the Colorado median household income, on average the highest quintile earned more by a factor of 14, netting more than 300% of the median Colorado household income.** What's more, the top five percent of households earned close to 600% of Colorado the median income, earning on average some 25 times more than those in the lowest quintile.

Colorado Household Income Distribution by Quintile vs. State Median Income (2008)

	Income	Percent of CO Median Income
Median Income	\$56,993	100.0%
Quintile Means:		
Lowest Quintile	\$13,496	23.70%
Second Quintile	\$34,986	61.40%
Third Quintile	\$57,258	100.50%
Fourth Quintile	\$87,643	153.80%
Highest Quintile	\$188,927	331.50%
Top 5 Percent	\$334,628	587.10%

Mean Income by Quintile: Dollar Amounts and Percent of CO Median Income (2008)



Background on Fact Sheet

- All data presented come from the 2009 US Census American Community Survey.
- While representing most recent comprehensive data available, ACS data are from 2008, and capture only the very beginnings of the economic downturn. The unemployment rate in Colorado was 4.8% in 2008. As of July 2009 this rate was up to 7.7%.
- “Quintile Mean” refers to the mean income of those earning within a 20% band of the total income distribution. E.g. the second quintile mean refers to the mean income of those earning between the 20th and 40th percentiles of income distribution—those making between more than 20% and 40% of the overall population.