

Federal Spending and Colorado's Children

May 2025

The federal government provides critical support for Colorado's 1.2 million kids.

Federal funds account for nearly 30% of Colorado's state budget, which helps to support children and families in finding health insurance, affording food, accessing public education and child care, and meeting other basic needs.¹

But changes to the federal budget being considered in 2025 would result in cuts to services or fewer children being served by programs that our country has built to help make sure no child is going without education, food, health care, or other essentials. Recent proposals include significant reductions or changes to Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Head Start and supports for English learner students.

In Colorado, cuts to federal spending would create a particularly challenging landscape for kids. This year, Colorado legislators faced a \$1.2 billion hole in the state budget. And yet the Taxpayer's Bill of Rights, or TABOR, requires lawmakers to refund revenue above a certain amount and get the approval of voters before raising additional revenue when needed to fund programs. This unique lack of flexibility means **Colorado cannot easily raise revenue to replace federal funding**. Federal cuts would almost certainly lead to children and families losing important services and supports.

The programs and services at risk of federal cuts support Colorado kids living in families with low incomes, families in extreme poverty, and families with the least access to health care, food, and child care. But cuts to funding would have ripple effects on the services our state is able to provide to all children and families. Federal proposals for funding cuts change by the day and include a wide range of strategies and policy adjustments across funding streams. This brief outlines the impact of several critical federal investments for Colorado kids.



Health Insurance

579,694

Covered by Medicaid

SFY 2023-24

\$8.2 billion

Federal funding for
Medicaid in Colorado

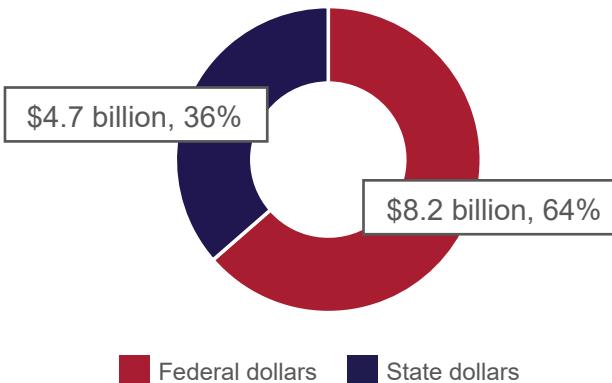
FFY 2022-23

Sources: Colorado Department of Health Care Policy & Financing; Kaiser Family Foundation

Medicaid provides affordable health insurance to children living in households with low incomes. Medicaid and its sister program Child Health Plan Plus (CHP+) serve 39% of children living in Colorado.ⁱⁱ This health coverage is essential for children's health: Children who are insured are more likely to visit a doctor, avoid expensive emergency room visits, and ultimately have better long-term health.ⁱⁱⁱ

In recent years, Colorado received \$8.2 billion in federal dollars for Medicaid, which helped insure 579,694 children (SFY 2023-24).^{iv,v} Through Medicaid, these children received access to critical health care like well-child visits, vaccinations, early intervention screening, oral health care, and behavioral health care.

Medicaid Spending in Colorado Federal Fiscal Year 2022-23



Source: Kaiser Family Foundation

Food

317,040

Colorado children
served by SNAP

Calendar Year 2024

\$1.3 billion

Federal funding for
SNAP benefits in Colorado

FFY 2022-24

The Supplemental Assistance and Nutrition Program (SNAP) provides monthly stipends equal to an average of \$6.11 per person per day to Colorado households to help them afford food. SNAP is currently the most effective tool for reducing hunger in the United States, helping nearly one in four children receive healthy food.^{vi} Between 2023 and 2024, Colorado received \$1.3 billion in federal funding to serve 317,040 children (2024).^{vii,viii} SNAP benefits are funded entirely with federal dollars.

Sources: Colorado Department of Human Services; Center on Budget and Policy Priorities

Child Care

11,173

Children served by Head Start
& Early Head Start

SFY 2023-24

\$123 million

Federal funding for Head Start
& Early Head Start in Colorado

FFY 2023-24

Sources: Colorado Department of Early Childhood; First Five Years Fund

Head Start and Early Head Start are two federal funding streams that provide child care and wrap-around services to low-income families with children under six years old. Between 2023 and 2024, Colorado received \$123 million in federal

funds for Head Start and Early Head Start to provide care to 11,173 children.^{ix,x} Head Start and Early Head Start are funded primarily through federal dollars.



24,648

Children served by CCCAP

SFY 2023-24

\$138 million

Federal funding for CCCAP
in Colorado

FFY 2023-24

Source: Colorado Department of Human Services; Colorado Joint Budget Committee

The Child Care Development Block Grant (CCDBG) funds a majority of the Colorado Child Care Assistance Program (CCCAP), which provides child care subsidies to low-income working families in Colorado. CCCAP is intended to provide high-quality care for children while supporting parents' ability to work.

Between 2023 and 2024, Colorado received \$138 million in CCDBG funds for the CCCAP program, which helped to subsidize child care for 24,648 children.^{ix,x} While CCCAP is one of the largest publicly funded child care programs in Colorado, there is currently only enough funding to serve 9% of eligible families.^x Increasing program costs have already forced several Colorado counties to freeze enrollment as of spring 2025.

Cash Assistance

47,003

Colorado children in families that received Basic Cash Assistance 2023

\$136 million

Federal funding for TANF in Colorado
SFY 2023-24

Sources: Colorado Department of Human Services; Center on Budget and Policy Priorities

The Temporary Assistance for Needy Families (TANF) block grant helps reduce childhood poverty by supporting families in getting to work and providing basic cash assistance for families living in extreme poverty to spend on food, diapers, transportation,

and other basic needs. In FFY 2023-24, Colorado received \$136 million in federal dollars, which helped provide cash assistance to 47,003 children living in extreme poverty (2023).^{xi,xiii}

K-12 Education

123,777

English Learners

2024-25 school year

29,224

Immigrant Students

2024-25 school year

\$11 million

Federal funding under Title III A

FFY 2022-24

Sources: Colorado Department of Education; U.S. Department of Education

Funding under Title III A of the federal Elementary and Secondary Education Act supports states in providing education to English learner and immigrant students. In FFY 2023-24, Colorado received \$11 million in funds that helped districts educating English learner and immigrant students in

funding professional development and instructional programs^{xiii,xiv} Supporting both students' home language and acquisition of English through bilingual education leads to improved academic outcomes for students.^{xv}



ⁱ The Bell Policy Center. (2025). [Decoding the federal funding streams in Colorado](#).

ⁱⁱ Colorado Department of Health Care Policy & Financing. (SFY 2023-24). [Report to Community](#).

ⁱⁱⁱ Kaiser Family Foundation. (2024). [Key facts about the uninsured population](#).

^{iv} Kaiser Family Foundation. (FFY 2022-23). [Federal and state share of Medicaid spending](#).

^v Colorado Department of Health Care Policy & Financing. (SFY 2023-24). Administrative data request.

^{vi} Center on Budget and Policy Priorities. (2023). [SNAP is and remains our most effective tool to combat hunger](#).

^{vii} Center on Budget and Policy Priorities. (2025). [Supplemental Nutrition Assistance Program](#).

^{viii} Colorado Department of Human Services. (2023). Administrative data request.

^{ix} First Five Years Fund. (2024). [Child care and early learning in Colorado](#).

^x Colorado Department of Early Childhood. (SFY 2023-24). Administrative data request.

^{xi} Colorado Joint Budget Committee. (2024). [Staff Budget Briefing FY2025-26 Department of Human Services](#).

^{xii} Colorado Department of Human Services. (2023). Administrative data request.

^{xiii} U.S. Department of Education. (FFY 2023-24). [English language acquisition state grants; Title III, Part A](#).

^{xiv} Colorado Department of Education. (2024-25 school year). [Pupil membership](#).

^{xv} Reardon, S.F. & Valentino, R.A. (2015). Effectiveness of four instruction programs designed to serve English learners: Variations by ethnicity and initial English proficiency. *Educational Evaluation and Policy Analysis*, 37(4), 612-637.