COLORADO CHILDREN'S CAMPAIGN
KIDS IN FOCUS
Research Brief
October 2026

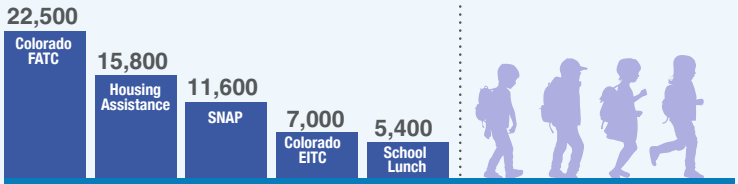
Proof It Works:

Public Investments Reduce Colorado Child Poverty

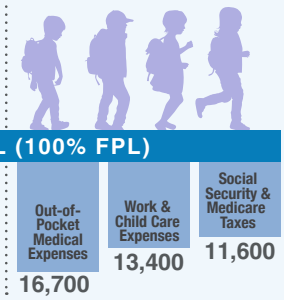
KEY FINDINGS

Colorado policies and tax credits lift thousands of children out of poverty.

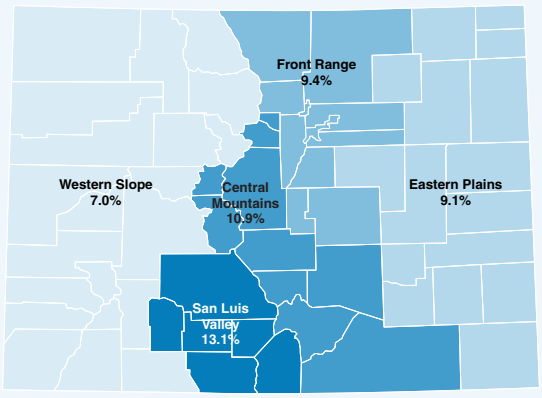
COLORADO CHILDREN LIFTED OUT OF POVERTY BY PUBLIC INVESTMENT, 2024



COLORADO CHILDREN PUSHED INTO POVERTY BY EXPENSE, 2024



COLORADO CHILD POVERTY RATE BY REGION, 2022-2024



- A new tool called the Colorado Poverty Measure (COPM) provides the most accurate estimate to date of children experiencing poverty and the impact of state and federal investments in reducing the child poverty rate.
- **The COPM found that state tax credits and public programs lift tens of thousands of Colorado kids out of poverty.** In 2024:
  - The Colorado Family Affordability Tax Credit (FATC) lifted 22,500 children out of poverty.
  - The Supplemental Nutrition Assistance Program (SNAP) lifted 11,600 children out of poverty and housing assistance lifted 15,800 children out of poverty.
  - On the other hand, out-of-pocket necessary medical expenses pushed 16,700 children into poverty.
- The total child poverty rate is 9%, but rates vary substantially across race, ethnicity, and geography.
  - 25% of Black children experience poverty compared with 5% of white children.
  - 13% of children in the San Luis Valley experience poverty compared with 7% of children on the Western Slope.
- **Colorado leaders must prioritize and protect investments in tax credits and programs that meaningfully change children's economic standing.**

Sources: Center on Poverty and Social Policy, Columbia University; Gary Community Ventures

Authors:
Maya Gould, Vice President of Research, Colorado Children's Campaign
Sarah Barnes, Senior Vice President of Policy, Colorado Children's Campaign
Danielle Wilson, Postdoctoral Research Scientist, Center on Poverty and Social Policy, Columbia University

Contributors:
Gary Community Ventures
Center on Poverty and Social Policy, Columbia University

Economic security is one of the strongest predictors of child well-being,[1] yet too many Colorado families are struggling to afford basic needs. **A new tool called the Colorado Poverty Measure (COPM) confirms that key public investments lift tens of thousands of Colorado kids out of poverty.[2]** Designed by the Center on Poverty and Social Policy at Columbia University in partnership with Gary Community Ventures, the tool accounts for state-level context and policy investments – something missing from the commonly used national poverty measures – to provide the most accurate picture to date of how state and federal investments reduce child poverty in Colorado.

In its first analysis, the tool found that the Colorado Family Affordability Tax Credit (FATC) had the greatest impact on reducing childhood poverty, lifting 22,500 children out of poverty. Federal programs like the Supplemental Nutrition Assistance Program (SNAP) and housing assistance also lifted thousands of children out of poverty.[2]

As Colorado continues to face threats to federal funding for public benefits and significant budget constraints, **it is more important than ever that state leaders prioritize investments that make a difference for kids.** The COPM provides a new opportunity for policymakers and advocates to quantify the impact of public investments, design effective new policy, and ensure state funding drives real change for Colorado's children.

The Colorado Poverty Measure

Gary Community Ventures partnered with the Center on Poverty and Social Policy at Columbia University to create a Colorado-specific measure of poverty called the Colorado Poverty Measure (COPM). The COPM identifies children experiencing poverty by comparing household resources – including public benefits and tax credits – to local costs of living. When household resources fall below the local cost of living, children are considered to be experiencing poverty. The tool builds on the national Supplemental Poverty Measure (SPM), incorporating more accurate measures of expenses and family income to help policymakers more precisely quantify the effectiveness of poverty-reduction efforts in Colorado. See technical report for more information.

DIFFERENT MEASURES OF POVERTY

MEASURE	METHODOLOGY	BEST USE	SOURCE
Official Poverty Measure (OPM)	Triples the cost of food in 1963 and adjusts for inflation	Trends over time	U.S. Census Bureau
Supplemental Poverty Measure (SPM)	Establishes higher cost of living and includes federal programs and taxes in calculation of income	More accurate estimate of child poverty rates	U.S. Census Bureau
Colorado Poverty Measure (COPM)	Establishes the most exact available cost of living across counties and includes state and federal programs and taxes in calculation of income	Most accurate measure of child poverty in Colorado, accounting for impact of state anti-poverty programs	Center on Poverty and Social Policy, Columbia University & Gary Community Ventures

Many children who do not technically experience poverty still face financial hardship. Other measures like the Self-Sufficiency Standard or the Asset Limited, Income Constrained, Employed (ALICE) tool describe larger populations of children who may still struggle to get their basic needs met. See page 3 for more information.

Child Poverty In Colorado

Experiencing poverty, even briefly, affects children's opportunities to reach their potential.[3] Families experiencing poverty have less to spend on nutritious food, health care, stable housing, educational materials and activities, and reliable child care. Their children often have worse health, academic outcomes, and financial stability than children in households with higher incomes.[1,4]

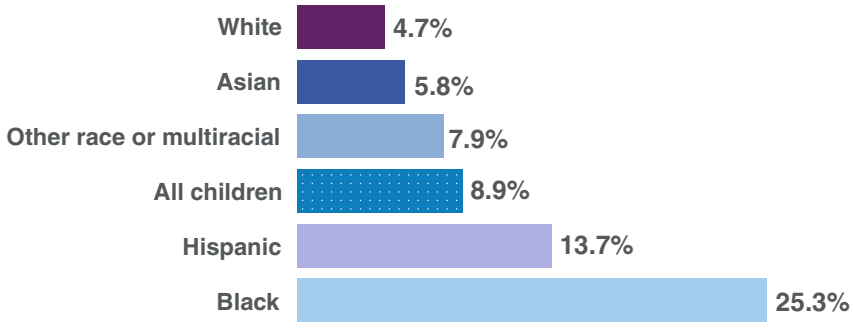
The COPM estimates that 9% of children in Colorado — roughly 107,200 — live in poverty.[2] Poverty rates vary substantially across Colorado communities. The child poverty rate is significantly higher among Black children than among white children: One in four Black children experience poverty (25%) compared with one in 20 white children (5%). These disparities often reflect longstanding barriers to economic opportunities for various racial and ethnic groups.[5]

Child poverty is also more common in rural Colorado, where over 11% of children experience poverty compared with 9% of children in urban and suburban communities. But the rate of poverty varies across rural regions: The San Luis Valley has the highest rate in the state (13%) and the Western Slope has the lowest rate (7%).[2]

Note: Colorado leaders often report child poverty rates based on the Official Poverty Measure, which reports 11% of children experiencing poverty in 2024.[6] The data reported by the COPM identify a new, alternative poverty rate using the more comprehensive methodology that better accounts for Colorado local cost of living and the impact of taxes and public benefits on household resources.

COLORADO CHILD POVERTY RATE BY RACE AND ETHNICITY, 2024

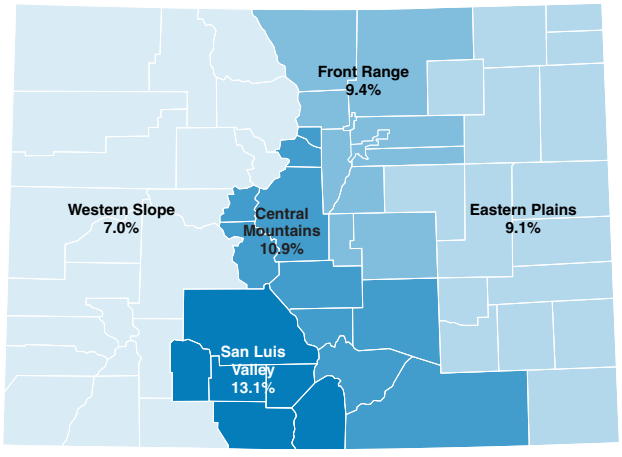
Colorado Poverty Measure



Source: Center on Poverty and Social Policy, Columbia University

COLORADO CHILD POVERTY RATE BY REGION, 2022-2024

Colorado Poverty Measure



Note: Data are reported across multiple years due to small sample sizes.
Source: Center on Poverty and Social Policy, Columbia University



Economic Insecurity Extends Beyond the Poverty Level

The share of Colorado children who experience financial hardship is much higher than the child poverty rate. For example, in 2024 an estimated 27% of households with children do not make enough money to afford all their basic needs.[7] Close to 30% of parents who gave birth in 2024 said they faced food insecurity in the last year because they could not reliably afford enough to eat.[8] And in 2026, 40% of all Coloradans say they are financially worse off than they were a year ago.[9]



State And Federal Investments Impact Child Poverty

The COPM spotlights the role that public policies play specifically in Colorado to alleviate the most extreme forms of financial struggle. **Research consistently shows that public investments reduce child poverty.**[1, 10, 11] These programs increase household resources to help families afford basic needs like food, health insurance, and housing. For example, SNAP provides families benefits to afford nutritious food and Temporary Assistance for Needy Families (TANF) provides basic cash assistance to spend on various household necessities. These programs help stabilize children's daily lives while their families work toward economic stability, and can improve kids' health, well-being, and academic achievement.[1, 4, 12]

Tax credits are also an effective way to increase families' income and reduce child poverty. In 2021, for example, the expanded federal child tax credit gave low-income families enough additional income to lift about 3 million children nationwide out of poverty.[11] For that reason, Colorado has also created state tax credits or expanded federal tax credits to support family economic security including through the Colorado FATC and the Colorado Earned Income Tax Credit (EITC).

Poverty Reduction Effects In Colorado

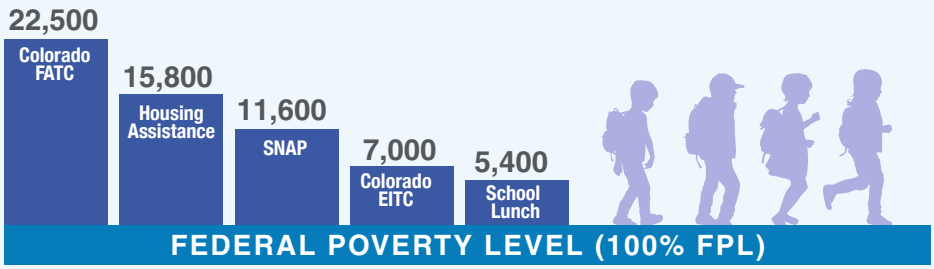
The new COPM provides the most accurate look at how a range of public investments reduce child poverty in Colorado. The tool finds that **Colorado's FATC lifted 22,500 children out of poverty**.[2] The FATC was created in 2024 as a new, refundable tax credit that provides low-income families up to $3,200 per child to help with basic needs like food and diapers. According to the COPM, this credit was the most effective child poverty-reduction intervention in Colorado in 2024. Another Colorado tax credit called the Colorado EITC was also highly impactful, lifting 7,000 children out of poverty.[2] These data confirm that state investments meaningfully change children's economic standing.

*To learn more about the implementation and impact of the FATC, see **this report** produced through a partnership between Gary Community Ventures, Appalachian State University, and Washington University. These researchers used a slightly different methodology than the COPM but came to the same conclusion: The FATC is a highly effective tool to reduce child poverty in Colorado.*

Federal public assistance programs also effectively reduce child poverty in Colorado. In 2024, federal housing assistance – like housing subsidies and vouchers – lifted 15,800 children out of poverty, making it the second largest poverty-reduction intervention identified by the COPM. SNAP also lifted 11,600 children out of poverty.[2] Because of the large impact of these programs, upcoming changes to federal funding and policy that limit the reach of these programs could increase the poverty rate.

The Colorado Family Affordability Tax Credit lifts 22,500 children out of poverty.

COLORADO CHILDREN LIFTED OUT OF POVERTY BY PUBLIC INVESTMENT, 2024



CHILDREN LIFTED OUT OF POVERTY BY PUBLIC INVESTMENT, 2024

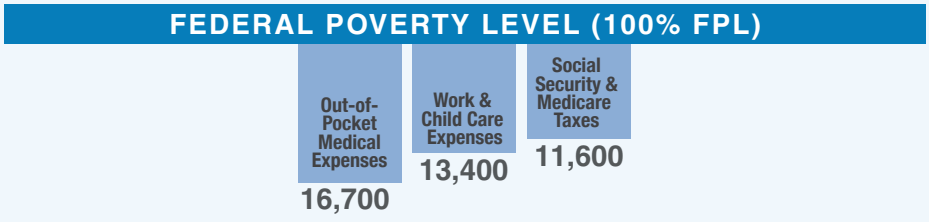
PUBLIC PROGRAM / TAX CREDIT	CHILDREN LIFTED OUT OF POVERTY
Colorado FATC	22,500
Housing assistance	15,800
SNAP	11,600
Colorado EITC	7,000
School lunch	5,400
WIC	2,200
Colorado Child Tax Credit (CTC)	1,700
TANF	1,400

Note: Data are not mutually exclusive. The same child can be counted multiple times across programs and tax credits.
Source: Center on Poverty and Social Policy, Columbia University and Gary Community Ventures

While public investments lift children out of poverty, certain unavoidable costs push children into poverty. Major necessary expenses reduce families' disposable income, putting them at risk of experiencing poverty and leaving less income to afford other routine necessities like food and housing. **In Colorado, out-of-pocket medical expenses – medical costs not covered by insurance – push 16,700 children into poverty.** Additionally, expenses related to going to work, like the costs of commuting and paying for child care, push 13,400 children into poverty, and federal tax liability pushes 11,600 children into poverty.[2]

Out-of-pocket medical expenses push nearly 17,000 children into poverty.

COLORADO CHILDREN PUSHED INTO POVERTY BY EXPENSE, 2024



Note: Data are not mutually exclusive. The same child can be counted multiple times across expenses.
Source: Center on Poverty and Social Policy, Columbia University



Improving Colorado's Social Safety Net

Colorado's current public benefits system – which administers programs such as SNAP, TANF, child care assistance, and Medicaid – is fragmented, with inconsistent governance, limited coordination, and rising administrative complexity. Colorado's safety net is under increasing strain due to federal policy changes, including the 2025 federal budget reconciliation law (House Bill 1), that have introduced both direct cuts and broader administrative and fiscal pressures across multiple public benefits programs. These pressures extend beyond individual programs like SNAP and Medicaid and impact the entire ecosystem of public assistance.

In 2026, Colorado legislators passed a law (House Bill 26-1429) that aims to improve performance and accountability across the current system, such as performance-based contracts between the state and counties, continuous quality improvement processes, and monthly reporting of performance data. HB26-1429 also creates a path to fundamentally redesign how public benefits are delivered in Colorado by July 2028, through a structured planning and stakeholder engagement process. An implementation workgroup will deliver recommendations to the legislature's Joint Budget Committee by January 2027 for a new public benefits delivery model that includes no more than 12 county cohorts, shared services, redesigned technology systems, and updated allocation and outcomes-driven structures.

Colorado leaders are also improving the accessibility of programs. Hundreds of millions of public benefits go unclaimed every year in Colorado.[13] The Colorado Benefits Transformation Fund is bringing together public and philanthropic partners to work alongside state agency leaders to build a modern benefits system that is easier for residents to navigate, more effective for caseworkers, and grounded in dignity. The Fund aims to reduce administrative barriers and ensure fewer Coloradans miss out on the supports for which they are eligible.

The Path Forward

Colorado leaders must prioritize the public investments that help Colorado children thrive.

» Protect and strengthen evidence-based programs that reduce child poverty.

In the face of continued pressure on the state budget, policymakers should prioritize investments in proven strategies. That means continuing to fully fund state-level tax credits like the FATC, and protecting federal programs like SNAP, TANF, and child care subsidies amidst federal funding cuts. Leaders should identify sustainable funding, preserve eligibility, and defend against policy changes that make it harder for families to access effective supports.

» Identify fiscal reforms to enable adequate public investments for children.

Policymakers should advance changes that allow the state to generate, retain, and target revenue for evidence-based supports like child care, education, food assistance, health care, housing, and other public investments that help children thrive. That means identifying tax reforms, including changes to the Taxpayer Bill of Rights (TABOR), that give Colorado the ability to make adequate public investments in children, families, and policies proven to reduce child poverty.

» Use the COPM to simulate policy impacts and to track the impact of state investments.

Policy leaders can use the COPM to identify effective programs, test policy solutions before adopting them, and track their impact over time. This will let the state anticipate how new programs, expansions, or federal funding cuts would affect child poverty before the consequences reach families.

» Ensure evidence-based programs are administered effectively and efficiently.

Policymakers should strengthen the long-term fiscal and operational stability of the safety net. That means streamlining administration, reducing duplication, and improving coordination across programs to deliver services more effectively and equitably for families.

» Invest in a modern, accessible benefits delivery system.

Colorado should build on the work of the Colorado Benefits Transformation Fund to design a modern, user-centered benefits delivery system that ensures eligible families can actually find, apply for, receive and retain public benefits. That means designing a system on adaptable, interoperable technology that simplifies enrollment and renewal, reduces unnecessary paperwork and administrative barriers, supports caseworkers, uses clear performance expectations, and allows programs to work together more seamlessly.

To request a new COPM analysis or policy simulation, please reach out to Jill Hawley at jhawley@garycommunity.org.

Sources

[1] Center on Budget and Policy Priorities. (2017). Economic security programs help low-income children succeed over long term, many studies find.

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[3] Chaudry, A. and Wimer, C. (2016). Poverty is not just an indicator: The relationship between income, poverty, and child well-being. Academic Pediatrics, 16(3):S23-S29.

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[13] Gary Community Ventures. (Received August 2026). Data request.