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Colorado Center on Law and Policy

A PROFILE OF COLORADO'S YOUNG ADULTS

Economic policy and young adulthood in Colorado

Part 1 of a 4-part series by Charles Brennan

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About Colorado Center on Law and Policy

Colorado Center on Law and Policy is an antipoverty organization advancing the rights of every Coloradan. We serve our fellow Coloradans using the powers of legal advocacy, legislative advocacy, coalition building, community engagement, research, and analysis, working toward a Colorado where everyone has what they need to succeed.

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Introduction

Young adulthood, defined as ages 18 to 24 throughout this series, is a period of rapid transition in living arrangements, schooling, and work for most young people living in Colorado. These transitions are not just marked by personal milestones like graduation from high school or living away from parents for the first time; for many young adults this period includes exposure to poverty, food insecurity, housing instability, and gaps in health insurance coverage,[1] especially for young adults with low incomes who cannot rely on family resources to the same extent as their higher income peers.[2]

Research focused on young people ages 14 to 24 highlights that meeting basic needs for food, shelter, cash, and health care is often a precondition for staying connected to school, training, and employment that support young adults' economic security.[3] However, our state's and nation's social safety net does a poor job of supporting young adults compared to other groups in our state, leaving those who could benefit from the assistance provided by these programs to struggle with a lack of basic needs at this pivotal time in their lives.

Research on the social safety net for young adults finds these programs were not designed around the lived realities of today's 18–24-year-olds.[4] Major public programs, including SNAP, Medicaid, TANF, housing assistance, and state and federal tax credits, are built on assumptions that are more likely to reflect the circumstances of Coloradans later in adulthood—stable full-time work, predictable housing, and household structures consisting of two parents and their children (i.e., the nuclear family).[5] Their design is consistent with an assumption that young adults can rely on their family for support when facing economic insecurity, either over a period of time or as a result of a one-time event, like job loss.[6] However, this "family safety net" is not available for many young adults, and can look very different depending on the young adult's family circumstances.

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[1] Gina Adams, Heather Hahn, and Amelia Coffey, *Stabilizing Young People Transitioning to Adulthood: Opportunities and Challenges with Key Safety Net Programs* (Washington, DC: Urban Institute, February 2021).
[2] Ginevra Floridi, "Inequality and Socio-Economic Divides in Parental Transfers to Young Adults in the United States," *Social Forces* 103, no. 4 (2025): 1282–1306. https://doi.org/10.1093/sf/soae148.
[3] Adams, Hahn, and Coffey, *Stabilizing Young People Transitioning to Adulthood*.
[4] Heather Hahn, Lauren Farrell, Amelia Coffey, and Gina Adams, *Young People's Lived Experiences with Safety Net Programs: Insights from Young People and Youth-Serving Organizations* (Washington, DC: Urban Institute, December 2021).
[5] Robert Greenstein, *The Austere US Safety Net for Poor, Non-Elderly Adults Who Are Not Raising Children and Do Not Receive Disability Benefits* (Washington, DC: The Hamilton Project, April 2024).
[6] Teresa Toguchi Swartz, Heather McLaughlin, and Jeylan T. Mortimer, "Parental Assistance, Negative Life Events, and Attainment during the Transition to Adulthood," *Sociological Quarterly* 58, no. 1 (2017): 91–110.

Misconceptions about young adults are not harmless. They shape how programs are designed and administered, and can result in certain populations in need of support being left out. For example, when policymakers assume that young adults can rely on their parents for support, the result is an Earned Income Tax Credit (EITC) that effectively excludes workers under 25 on the assumption that their family is providing for them. When poverty among young adults is seen as a temporary inconvenience during college rather than a structural condition that can make it more challenging for students to be successful in their studies, the result is programs that offer minimal protection during the years when many young adults' life trajectories are being set.

This report challenges those assumptions, drawing on the 2019–2023 5-year American Community Survey[7] and a substantial body of national research to profile the approximately 528,700 Coloradans who were between the ages of 18 and 24 in 2023—who they are, where they live, how they engage with work and education, and what their economic circumstances actually look like. The picture that emerges is not of an age cohort failing to launch, but of one that is navigating a labor market and a cost of living that are structurally misaligned with the job opportunities and support systems available to them.

This report is the first in a four-part series on young adults and their economic security in Colorado. Part 2 examines nine common myths about young adults and uses the profile established here to show why those narratives are inaccurate and harmful to understanding the needs of this population. Part 3 explains how the design of Colorado's social safety net programs leave young adults more exposed than other groups of Coloradans. Part 4 proposes what should change, offering concrete, evidence-supported recommendations for how Colorado's safety net can be redesigned to better serve young adults. Together, the series aims to ground Colorado's policy conversation about young adults in evidence rather than stereotypes and assumptions, and to identify practical steps that would make a meaningful difference in the economic security of young adults in our state.

[7] Steven Ruggles, Sarah Flood, Matthew Sobek, Daniel Backman, Grace Cooper, Julia A. Rivera Drew, Stephanie Richards, Renae Rodgers, Jonathan Schroeder, and Kari C.W. Williams. IPUMS USA: Version 16.0 [dataset]. Minneapolis, MN: IPUMS, 2025. https://doi.org/10.18128/D010.V16.0.

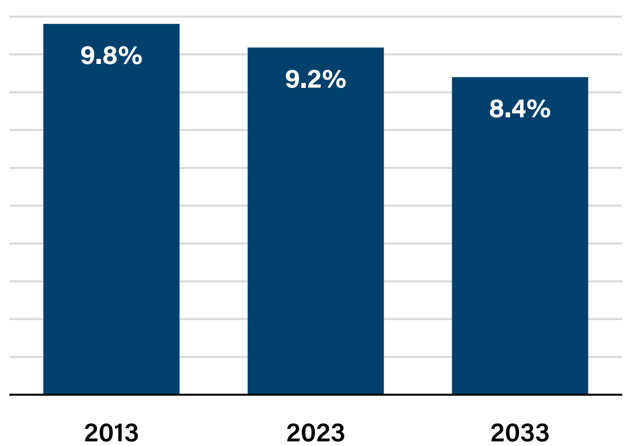
Profile of Young Adults in Colorado

In Colorado, as is true nationally, young adulthood is a period marked by wide variation in living arrangements, schooling, work, family formation, and economic security. Understanding this diversity is essential for assessing how well existing policies support, or fail to support, young adults' unique needs in their transition to adulthood. It also helps us to evaluate and fact-check certain narratives or assumptions that may exist about this group, particularly assumptions that may be based on our own experiences of this age when a whole host of economic and social factors were very different.

Young Adults in Colorado

Figure 1. Colorado's Young Adults

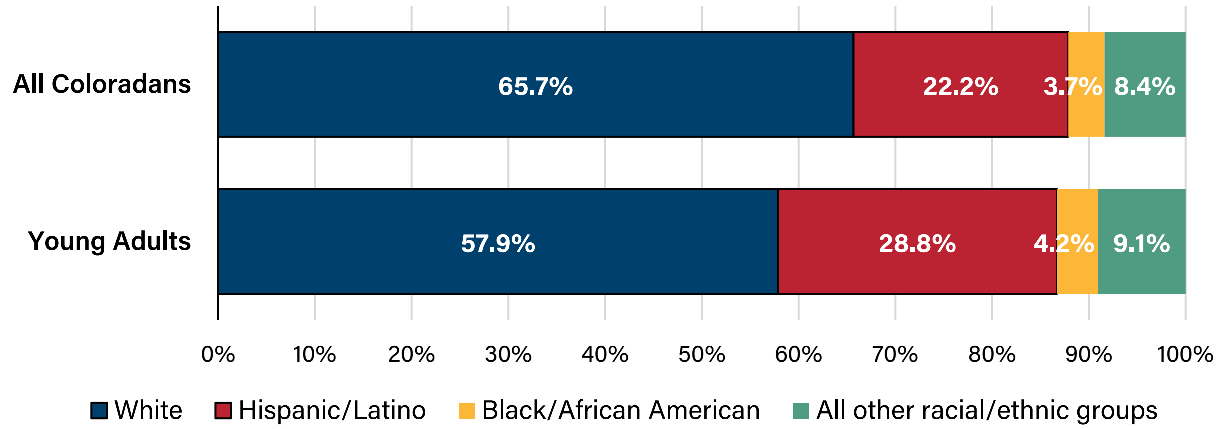
18-24 year-olds as share of total population



Young adults aged 18 to 24 make up a relatively small share of Colorado's population. In 2023, approximately 528,700 Coloradans were between the ages of 18 and 24, representing 9.2 percent of the state's total population. This share was slightly smaller than a decade earlier, when young adults accounted for 9.8 percent of the population. Projections from the Colorado State Demography Office indicate that the share of young adults in our state will continue to decline over the next decade, reaching roughly 8.4 percent by 2033, even as the absolute number of young adults grows slightly.[8] Their declining share of the population as a whole reflects the aging of Colorado's population and much faster rates of growth among older age cohorts.

[8] Colorado Department of Local Affairs, State Demography Office. (2024). *County single-year age lookup tables*. State Demography Office. Retrieved from https://demography.dola.colorado.gov/assets/lookups/county_sya_lookup.html.

Figure 2. Racial and Ethnic Identity
Colorado, 2023



Racial and Ethnic Diversity

Young adults in Colorado are more racially and ethnically diverse than the state's population overall. In 2023, 57.9 percent of Coloradans ages 18 to 24 identified as White and non-Hispanic or Latino,[9] compared to 65.7 percent of all Coloradans. Hispanic or Latino young adults made up 28.8 percent of this age cohort, higher than their 22.2 percent share of the overall population. 4.2 percent identified as Black or African American. All other racial and ethnic groups together accounted for 9.1 percent of young adults.[10] This cohort has also become more diverse over time. In 2013, 64.0 percent of young adults were non-Hispanic White, compared to 57.9 percent in 2023. Over this period the share identifying as Hispanic or Latino rose from 25.1 percent to 28.8 percent.

Where Young Adults Live in Colorado

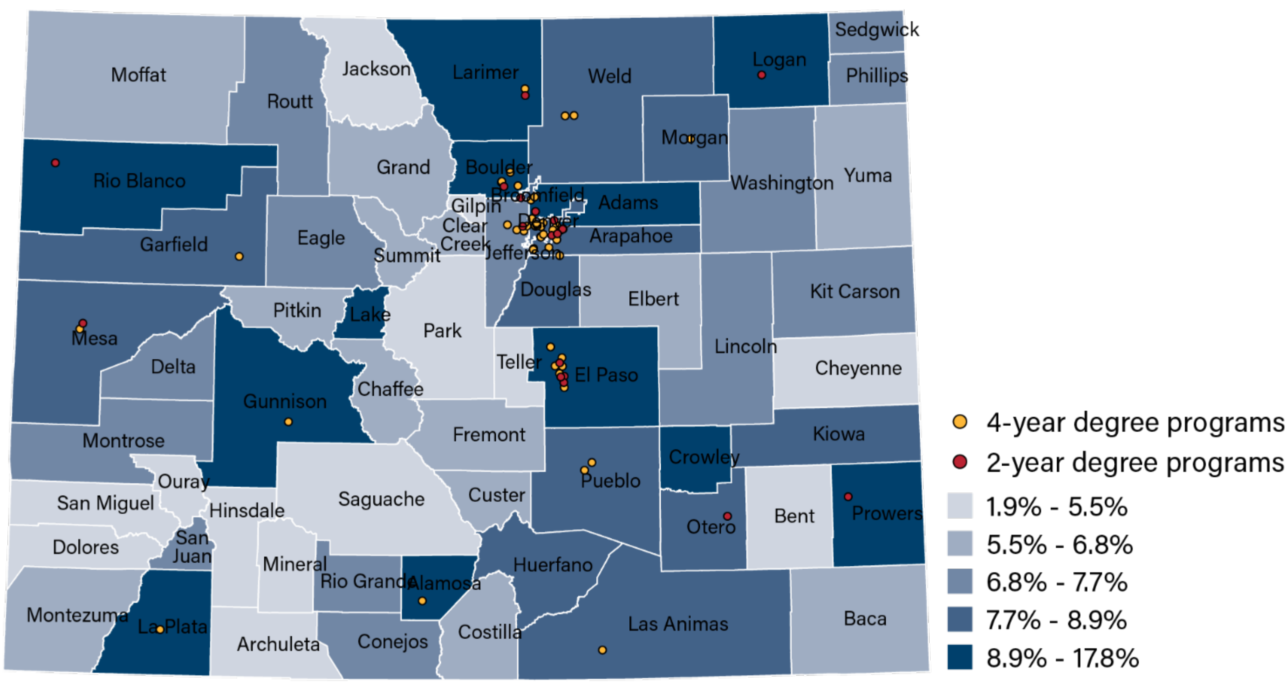
Young adults are geographically concentrated in a relatively small number of Colorado's counties. In 2023, more than half of the state's young adult population lived in six counties: El Paso, Denver, Arapahoe, Larimer, Boulder, and Adams. This largely reflects the large share of Colorado's overall population that lived in these same counties in 2023. That said, several of these

[9] To avoid confusion, we use the same racial and ethnic categories as used by the U.S. Census Bureau in the American Community Survey.

[10] Due to concerns over data accuracy with small sample sizes, we grouped the following racial and ethnic groups, as defined in the American Community Survey, into this category: American Indian/Alaska Native, Asian and Pacific Islander, and Other Race. This group also includes individuals who reported multiple racial identities.

counties, notably El Paso, Larimer, and Boulder, had disproportionately high shares of young adults relative to the share of all Coloradans living in those counties—indicating a concentration of young adults in these counties. The presence of large postsecondary institutions that would draw larger numbers of young adults to these counties, including the University of Colorado Boulder, Colorado State University, the University of Colorado Colorado Springs, Pikes Peak State College, Colorado College, and the U.S. Air Force Academy, helps to explain this concentration.

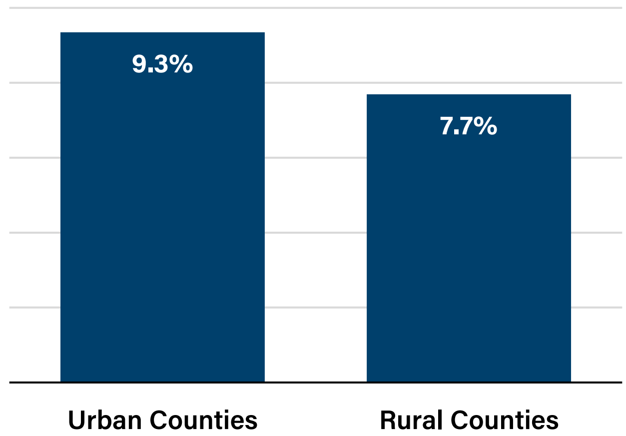
Figure 3. Young Adults as a Share of All County Residents
Colorado, 2023



Zooming out to the rest of the state, young adults made up as little as 1.9 percent of residents in Mineral County and as much as 17.8 percent of residents in Gunnison County, home to Western Colorado University, in 2023. In rural counties with smaller populations, any postsecondary institutions can substantially influence local demographics. As Figure 3 shows, young adults appear to be more likely to make up a higher share of the population of a county if it was home to a post-secondary educational institution that grants 4- or 2-year degrees.

Overall, nearly 90 percent of Colorado young adults lived in urban counties in 2023. Young adults made up 9.3 percent of urban residents compared to 7.7 percent of rural ones. While young adults made up a smaller share of rural populations, those living in rural areas likely faced additional challenges in meeting their basic needs. Research on safety-net programs shows that longer travel distances, fewer nearby employment and training opportunities, and limited internet access, issues that tend to be more pronounced in rural parts of our state, can make it more difficult for young adults to access supports and maintain public benefits.[11]

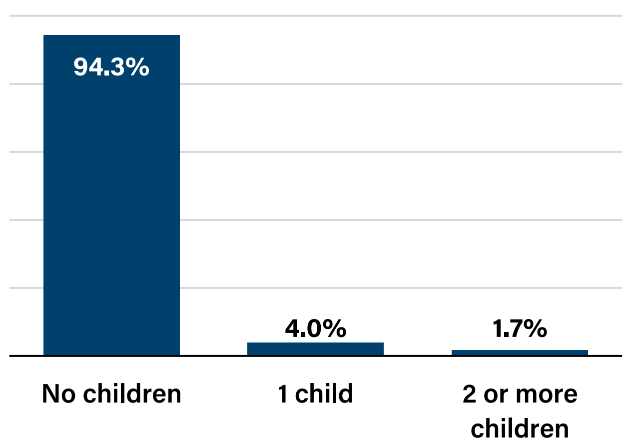
Figure 4. 18-24 Share of Population
Colorado, 2023



Having Children is the Exception, Not the Norm

The vast majority of Colorado young adults are not parents. In 2023, 94.3 percent of Coloradans ages 18 to 24 lived in households where their own child was not present. Parenthood became more common with age within the cohort in 2023, but even among 24-year-olds it remained far from typical. This pattern aligns with national research showing that economic conditions and labor market instability during the transition to adulthood are linked to delayed family formation, including marriage and childbearing.[12]

Figure 5. Young Adults with Children
Colorado, 2023



Although young adult parents represented a relatively small share of the population, research consistently shows they face substantially different economic pressures than their peers without children. Parenting substantially increases household costs, and young parents receive public

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[11] Hahn et al., *Young People's Lived Experiences with Safety Net Programs*.
[12] Sheldon Danziger and David Ratner, "Labor Market Outcomes and the Transition to Adulthood," *The Future of Children* 20, no. 1 (Spring 2010): 133–158.

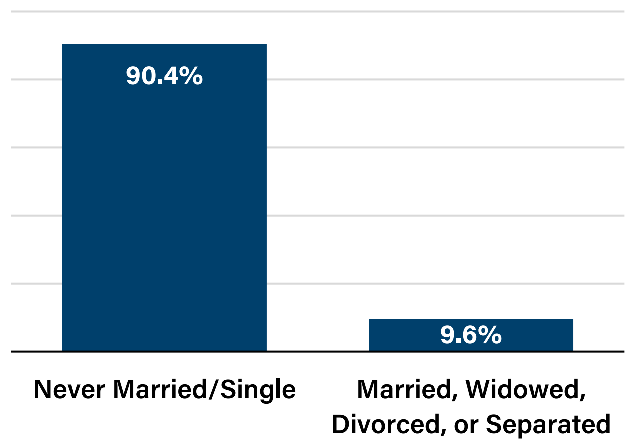
benefits such as SNAP, WIC, and housing assistance at far higher rates than their childless peers, reflecting their greater need for support as well as the central role parenthood plays in determining eligibility for many public benefit programs.[13]

Parenthood also plays a central role in eligibility for major tax credits: the federal EITC and Child Tax Credit (CTC) are similarly structured around the presence of dependent children, with much less support available to childless workers.[14]

Marriage Is Rare for Young Adults

Marriage is also uncommon among Colorado's young adults. In 2023, more than 90 percent of Coloradans ages 18 to 24 had never been married. Only 7.0 percent were married with a spouse present, and fewer than 3 percent were separated, divorced, widowed, or married with a spouse absent. These patterns underscore that most young adults navigate early adulthood outside of marriage, relying instead on parents, roommates, friends, or informal partnerships.[15]

Figure 6. Young Adult Marital Status
Colorado, 2023



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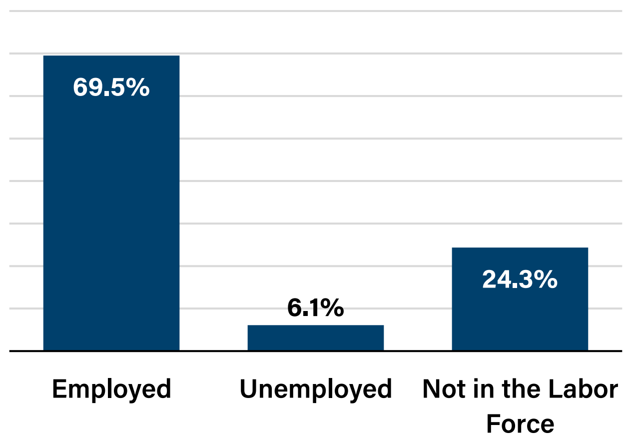
[13] Nathan Sick, Shayne Spaulding, and Yuju Park, *Understanding Young-Parent Families: A Profile of Parents Ages 18 to 24 Using the Survey of Income and Program Participation* (Washington, DC: Urban Institute, February 2018).
[14] Amelia Coffey, Gina Adams, and Heather Hahn, *Young People and Tax Credits: The Earned Income Tax Credit and the Child Tax Credit* (Washington, DC: Urban Institute, February 2021).
[15] Danziger and Ratner, "Labor Market Outcomes and the Transition to Adulthood."

High Labor Force Engagement

Young adults in Colorado are broadly engaged in the labor market. In 2023, 69.5 percent of Coloradans ages 18 to 24 were employed, with another 6.1 percent unemployed but actively seeking work. Only 24.3 percent were not in the labor force, meaning roughly three-quarters of young adults were either working or looking for work during the year. Labor-force engagement among young adults was higher than among all Coloradans ages 18 and over, though young adults also experienced a higher unemployment rate (6.1 percent compared to 3.0 percent statewide), reflecting the greater turnover and job instability that characterize early-career employment and the typical jobs—often with low-wages—held by young adults in Colorado.

Figure 7. 18-24 Labor Force Status
Colorado, 2023



Research shows that high labor-force engagement among young adults often coexists with unstable or nonstandard work arrangements. Early adulthood is marked by frequent job changes, short job spells, and movement between work, education, and periods of job search, as young adults build skills, credentials, and work experience rather than settle immediately into long-term careers. Early employment instability is a predictable feature of the transition to adulthood, not a sign of unwillingness to work.[16]

Concentrated in Low-Wage Occupations

Young adults in Colorado are disproportionately employed in occupations characterized by lower wages, variable hours, and limited access to benefits. In 2023, the largest occupational groups for young adults were food preparation and serving (16.1 percent), sales (12.7 percent), office and administrative support (10.9 percent), and transportation and material moving (9.6 percent). Young adults were substantially over-represented in many of these occupational groups compared to all adults in Colorado.

National research finds that workers in low-wage jobs, where early-career workers are concentrated, are exposed to greater volatility in both work hours and income, including irregular or

[16] Danziger and Ratner, "Labor Market Outcomes and the Transition to Adulthood."

unpredictable schedules that can shift from day to day.[17] These occupational patterns make young adults particularly vulnerable during economic downturns and periods of labor-market disruption, when employment instability and financial distress affect them more severely than older workers.[18] By contrast, young adults were under-represented in higher-paying professional and technical occupations such as management, healthcare practitioners, and computer and mathematical fields in 2023. This is likely a reflection of their younger ages and more limited work experience, but it also results in a delay in their earnings growth during a life stage when many young adults are assuming greater financial responsibility for their basic needs.

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[17] Lauren Bauer, Bradley Hardy, and Olivia Howard, *The Safety Net Should Work for Working-Age Adults* (Washington, DC: The Hamilton Project, April 2024).
[18] Kassandra Martinchek, *How Can States Help Young Adults Weather a Recession?* (Washington, DC: Urban Institute, February 2024).

Figure 8. Young Adults by Occupation Group
Colorado, 2023

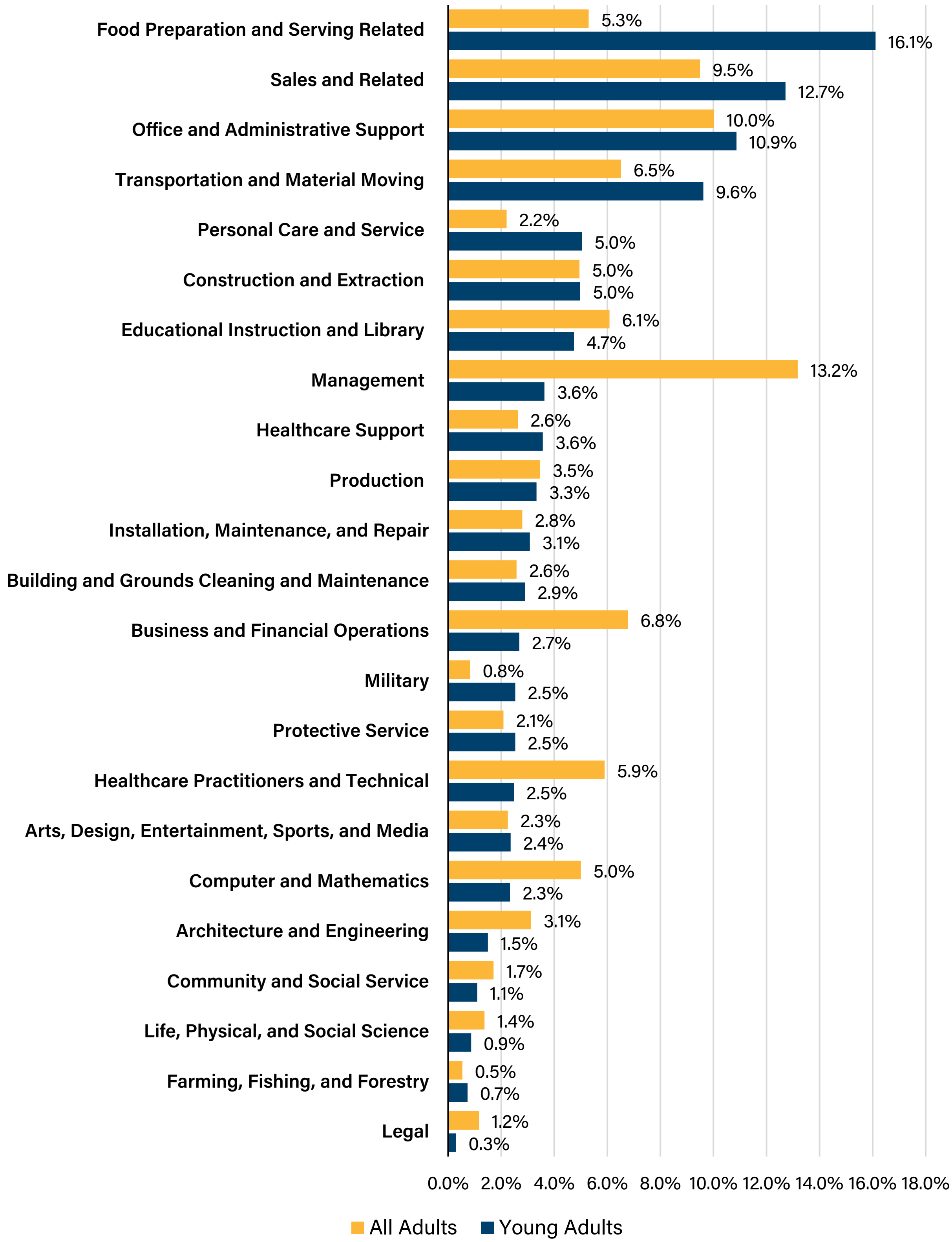
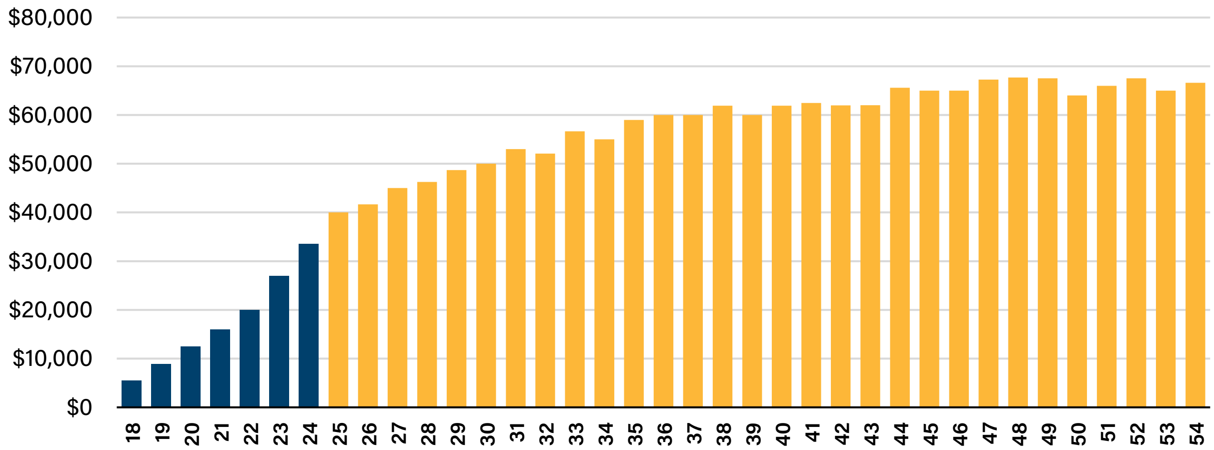


Figure 9. Median Wage by Age for Young and Prime Working-Age Adults
Colorado, 2023



Work Does Not Mean High Earnings

Lower wages combined with fewer hours worked translate directly into lower annual earnings for young adults. In 2023, the median wage and salary income for young adults in Colorado was $16,421—less than one third of the $56,275 earned by prime working-age adults.[19]

National evidence shows that early-career wages are structurally low, and that financial returns to education and job experience typically accrue over time.[20] For young adults living independently in a high-cost state like Colorado, however, these earnings are often insufficient to cover basic expenses without additional family support or public assistance.[21] While Figure 9 shows how earnings increase substantially during young adulthood, it is important to remember that an individual's cost of living for single adults is largely the same regardless of one's age. This results in a period of mismatch between what young adults earn and what they need to earn to cover their basic needs that persists past 24 years old for many Coloradans. According to the Self-Sufficiency Standard for Colorado, a single adult needed between $24,123 and $43,924 to meet basic needs in 2022, depending on their county of residence—an amount many young adult

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[19] "Prime working age" is a concept used in labor economics and demography to refer to adults who are between the ages of 25 and 54. These are the ages when adults are most likely to be working and least likely to be in school or retired.

[20] Danziger and Ratner, "Labor Market Outcomes and the Transition to Adulthood."

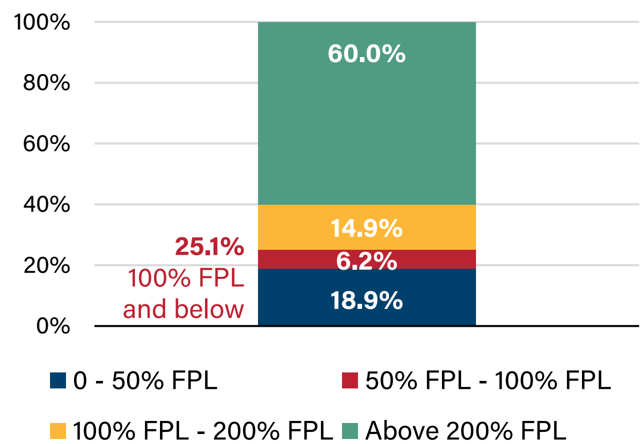
[21] Annie Kucklick and Lisa Manzer, *Overlooked & Undercounted: Coloradans Struggling to Make Ends Meet in 2019* (Seattle: Center for Women's Welfare, University of Washington; Denver: Colorado Center on Law and Policy, February 2022).

across ages 18 to 24 clearly struggle to earn.[22] And cost of living is even greater if a young adult is a parent.

Elevated Risk of Poverty During a Transitional Life Stage

As a result of low and unstable earnings, young adults face substantially higher rates of poverty and near-poverty than older adults. In 2023, 25.1 percent of Colorado young adults lived in households with incomes at or below the federal poverty level (FPL), compared to 9.4 percent of all adults. An additional 14.9 percent of young adults lived above the poverty line but below 200% of the federal poverty level, leaving many young adults economically exposed to even small economic shocks or unexpected expenses.

Figure 10. Young Adult Poverty Rates
Colorado, 2023



Poverty measures must be interpreted carefully for young adults. The metric is based on household income and can mask young adults' individual economic insecurity, particularly for those living with parents whose own earnings are low but whose family resources keep them above the poverty line. Conversely, students and young adults living independently may appear extremely income insecure based on the poverty measure despite receiving family support or assistance tied to their college or university. Such assistance is typically not accounted for in poverty statistics. Poverty thresholds also substantially understate economic insecurity. According to the Self-Sufficiency Standard for Colorado, a single adult needed between $24,123 and $43,924 to meet basic needs in 2022, depending on their county of residence—far above the federal poverty line of $13,590 that same year.[23]

[22] Annie Kucklick, Lisa Manzer, and Alyssa Mast, *The Self-Sufficiency Standard for Colorado 2022* (Seattle: Center for Women's Welfare, University of Washington School of Social Work; Denver: Colorado Center on Law and Policy, November 2022).
[23] Kucklick, Manzer, and Mast, *The Self-Sufficiency Standard for Colorado 2022*.

Differences Among Young Adults

Using 5-year American Community Survey (ACS) microdata for 2019-2023, we classified young adults into six groups based on four key characteristics related to economic security during the transition to adulthood: whether the young adult has children, is enrolled in school, has a disability or receive Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI), and whether they live with their parents. These factors shape young adults' labor-market attachment, available household resources, and interactions with the social safety net. Program eligibility, work requirements, benefit levels, and administrative burden may be felt differently across young adults in each of these groups, even among young adults of the same age.

Table 1 provides an overview of these groups. Note, our process of categorizing young adults into one of these six groups is based on the following order: Young adults with disabilities; young adult parents; students; and young adults living at home or away from parents. As such, young adults with disabilities and young adult parents may also be students or live with their parents, despite not appearing in these groups.

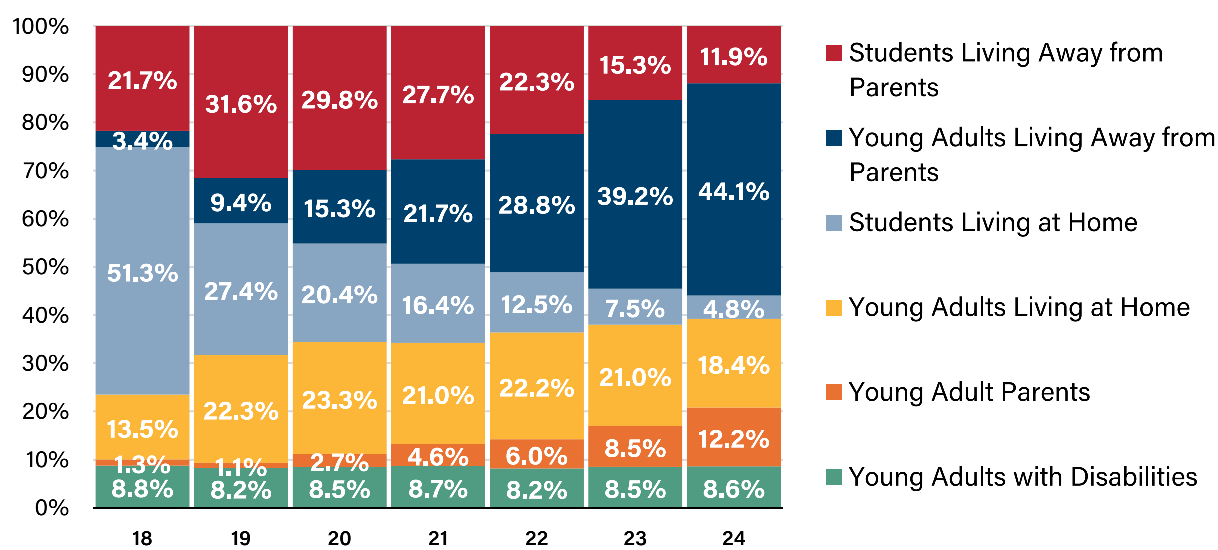
Table 1. Young Adult Profiles

Group	Share of Colorado Young Adults	Description
Young adults living away from parents	23.3%	Young adults without children who are not enrolled in school and live independently or with roommates. High exposure to housing and living costs despite strong labor-force engagement describe many young adults in this group. Young adults in this group may also be most directly affected by low wages, income volatility, and work requirements in safety-net programs
Students living away from parents	22.7%	Enrolled students without children who live independently or in group quarters, such as college dormitories. Many young adults in this group face elevated poverty risks during schooling while also experiencing limited eligibility for safety-net programs and uneven access to supports that may be provided through their school or from parents.
Young adults living with parents	20.2%	Young adults without children who are not enrolled in school and live with at least one parent. These young adults are often working, but earnings are typically low and unstable; living with parents can reduce housing costs while masking individual economic insecurity
Students living with parents	20.0%	Enrolled students without children who live with parents. Personal earnings are generally low due to school attendance. Family support can buffer hardships faced by this group as they attend school. Depending on their age, young adults in this group may be attending high school, as well as postsecondary institutions

Group	Share of Colorado Young Adults	Description
Young adults with disabilities	8.5%	Young adults with self-reported functional limitations or reporting income from SSI/SSDI, regardless of school enrollment or living arrangement. This group of young adults may face barriers to work and education due to their disability status, though the exact limitations faced or accommodations needed vary based on the nature of their disability.
Young adult parents	5.3%	Young adults with one or more children, regardless of school enrollment or living arrangement. Parenting substantially raises household costs and caregiving demands. Although more support is available for young adults with children through our safety net, supports often remain inadequate to ensure long-term economic stability.

In 2023, the largest group of young adults in Colorado were students and childless young adults, each split roughly evenly between those living with parents and those living independently. Smaller shares of young adults were parents or were living with a disability. Although these latter groups represent a minority of the young adult population in Colorado, they face disproportionately high economic risks due to higher household costs, caregiving demands, health-related work limitations, or reliance on public benefit programs and other supports.

Figure 11. Young Adult Group Membership by Age
Colorado, 2023



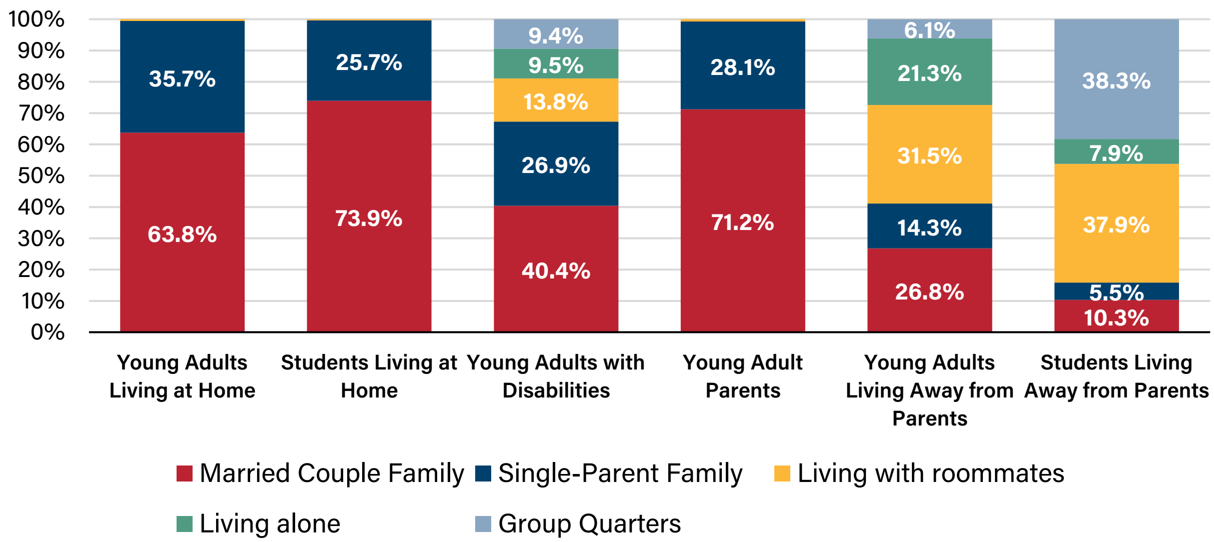
The composition of young adults shifted dramatically across ages 18 and 24 in the 2023 data, reflecting the transitions that are common for many during these ages of life. At age 18, a majority of young adults (51.3 percent) were students living with their parents, and only small shares were living independently or raising children. In this case, students were more likely to be attending high school than college, though one in five young adults were students living away from parents—most likely at college or university.

Among 24-year-olds, nearly half (44.1 percent) were non-students without children living away from their parents, compared to just 3.4 percent of 18-year-olds in 2023. Parenthood also became more common for older young adults, but remained rare, increasing from 1.3 percent of 18-year-olds to 12.2 percent of 24-year-olds. That said, this was the third largest group among 24-year-olds, after young adults living away from parents and young adults living with parents. In contrast, the share of young adults with disabilities remained relatively stable across ages, at roughly 8 to 9 percent, reflecting the fact that disability status is not a transitional life stage in the same way that schooling, parenthood, or living arrangements often are.

These patterns illustrate how quickly many young adults move from being primarily students living with their parents to adults who must support themselves—and, in some cases, children—often within just a few years after age 18. In the remainder of this section, we review how young adults in these groups compare across a range of socioeconomic topics. While there are major differences across groups, it is important to remember that most young adults will move across these groups over the course of this period of adulthood. In other words, a young adult may start as a student living at home at age 18, move to a student living away from parents, and then to a young adult living away from parents. As such, the risks to economic security and needs for support will vary depending on the group a given young adult falls into at any given time—and will likely change as they transition from one group to another.

Living Arrangements

Figure 12. Young Adults by Group and Living Arrangement
Colorado, 2023



Living arrangements vary substantially across young adult groups and help shape their economic security and access to supports. While most young adults living with parents lived in married-couple families, a substantial share of young adults living at home, both students and non-students, lived in single-parent households. In such households, parental capacity to provide financial support is more likely to be limited[24]—indeed, in many households, research suggests the young adult's own earnings are likely to contribute to household stability rather than the reverse.[25] Among young adults living independently, shared housing and roommates seem to be the primary affordability strategy, with only a small share living alone. That said, around one in five young adults living away from parents and not attending school lived alone, making these young adults potentially more likely to lose housing if faced with an unexpected event, such as sickness or job loss.

For students, living arrangements varied based on whether they lived with parents or not. For students living with parents, most lived in either a married-couple or single-parent household. Students living away from parents had much more diverse living arrangements. The majority

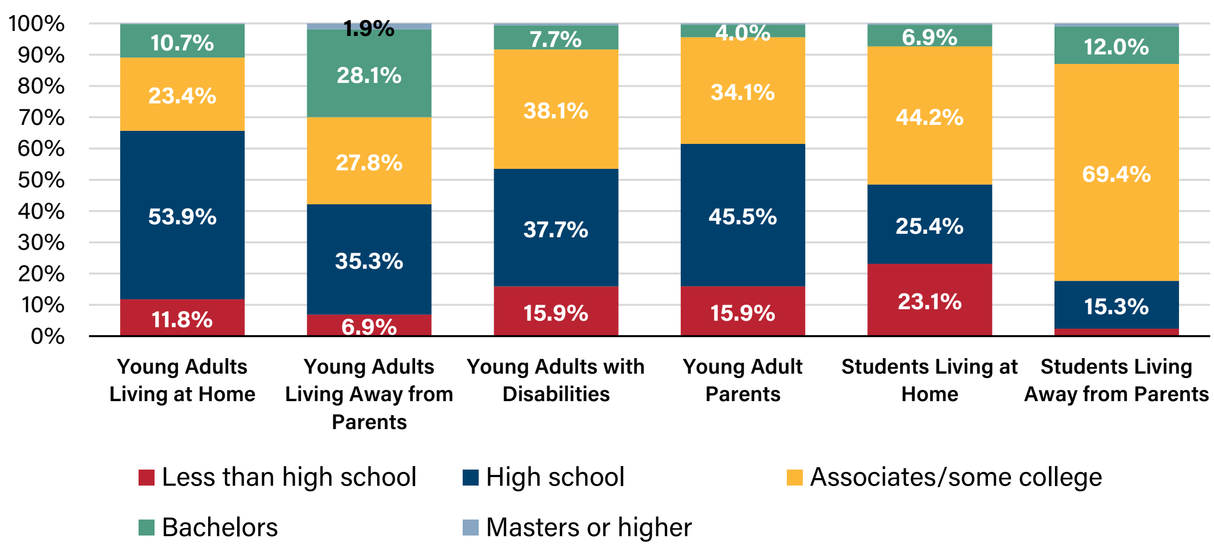
[24] Heeju Sohn, "Structural Inequities in the Kin Safety Net: Mapping the Three-Generational Network throughout Early Adulthood," *American Journal of Sociology* 128, no. 6 (May 2023): 1650–1677. https://doi.org/10.1086/724817.
[25] Teresa Toguchi Swartz, Minzee Kim, Mayumi Uno, Jeylan Mortimer, and Kirsten Bengtson O'Brien, "Safety Nets and Scaffolds: Parental Support in the Transition to Adulthood," *Journal of Marriage and Family* 73, no. 2 (April 2011): 414–429. https://doi.org/10.1111/j.1741-3737.2010.00815.x.

(38.3 percent) lived in group quarters such as college dormitories, followed closely by 37.9 percent who lived with roommates.

Young adult parents lived across a range of household types—married-couple, single-parent, and multigenerational—but nearly three in ten are in single-parent households, and even multigenerational arrangements do not eliminate financial strain when the extended family members on whom the young adult may rely also face their own economic insecurity. Young adults with disabilities live across the full range of household types, reflecting the diversity of disability itself; some likely rely on family support to navigate daily needs and public systems, while others may live independently.

Educational Attainment

Figure 13. Young Adults by Group and Educational Attainment
Colorado, 2023



Among non-student young adults living at home, the group most commonly stereotyped as disengaged from the labor force, more than half had a high school diploma or equivalent as their highest credential in 2023. This is consistent with research showing that financial constraints lead many lower-income young adults to delay, interrupt, or forgo postsecondary education, often while combining work with school.[26] Young adults living independently had higher attainment on average, with over half having some college experience or a degree. Young adult parents had the lowest educational attainment of any group. More than half had a high school diploma or less, and this group had the smallest share with any postsecondary experience—reflecting both early transitions out of schooling and the barriers caregiving responsibilities create for con-

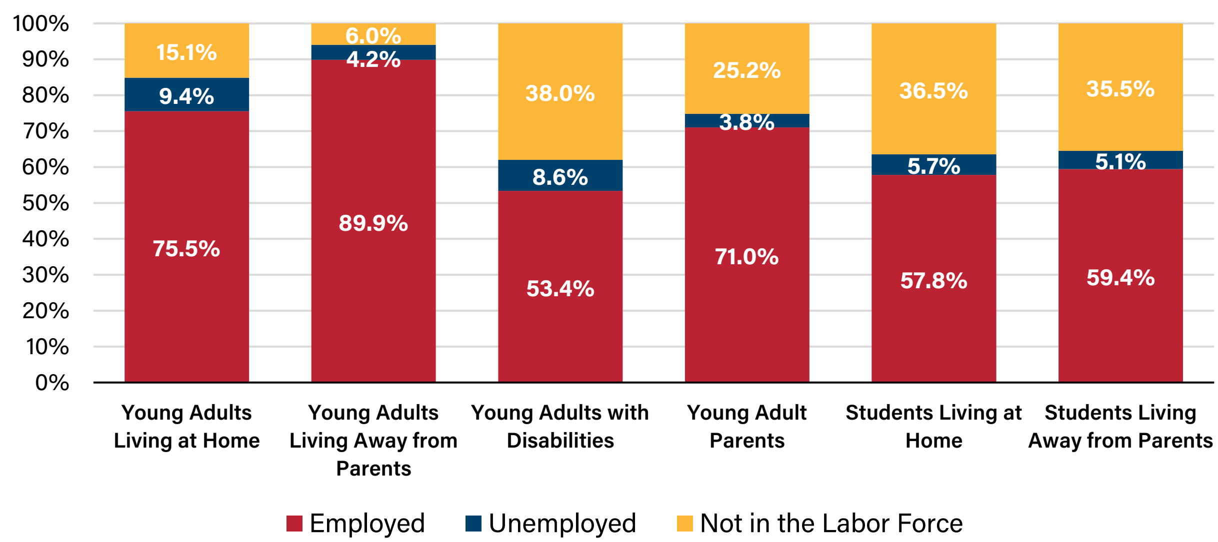
[26] Danziger and Ratner, "Labor Market Outcomes and the Transition to Adulthood."

tinuing education. Young adults with disabilities showed a notably different pattern: 40.9 percent were enrolled in school in 2023, a higher rate than other non-student groups.

While this data gives us a good snapshot of the educational attainment within each group of young adults, it should be noted that this is a time when many young adults are at various stages of pursuing a degree or credential. Depending on their circumstances and age, a young adult living at home and not attending school in 2023 may not have started college yet, or may be taking a gap year between high school and college. This is why most statistics that measure educational attainment include adults age 25 and older when educational attainment tends to be much more static than between the ages of 18 and 24.

Employment and Labor Force Participation

Figure 14. Young Adults by Group and Labor Force Status
Colorado, 2023

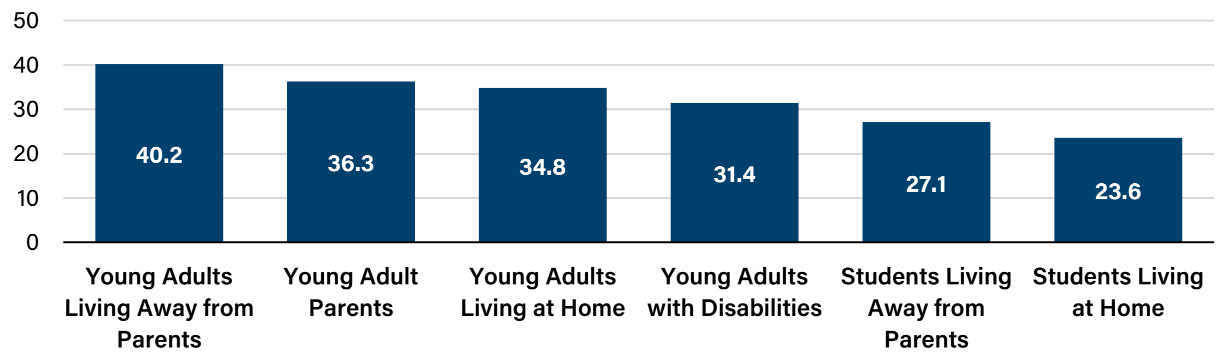


Employment rates and labor force engagement differed substantially across groups in 2023, though work was common for every group of young adults. Among non-student young adults, those living at home had an employment rate of 75.5 percent, higher than any student group and a slightly higher share than among young adult parents. Those living away from parents had the strongest overall labor market attachment, with only 6.0 percent not in the labor force. Among students, employment rates were lower but still substantial given school attendance—57.8 percent of students living at home and 59.4 percent of those living away from parents were employed.

Young adult parents had an employment rate of 71.0 percent, with lower labor force participation than non-parent, non-student young adults, likely reflecting caregiving demands and limited access to affordable child care in Colorado. Young adults with disabilities had the lowest employment rate at 53.4 percent. Still, more than half were working despite facing program rules that can penalize earnings and create disincentives to work.[27]

Earnings, Hours Worked, and Poverty

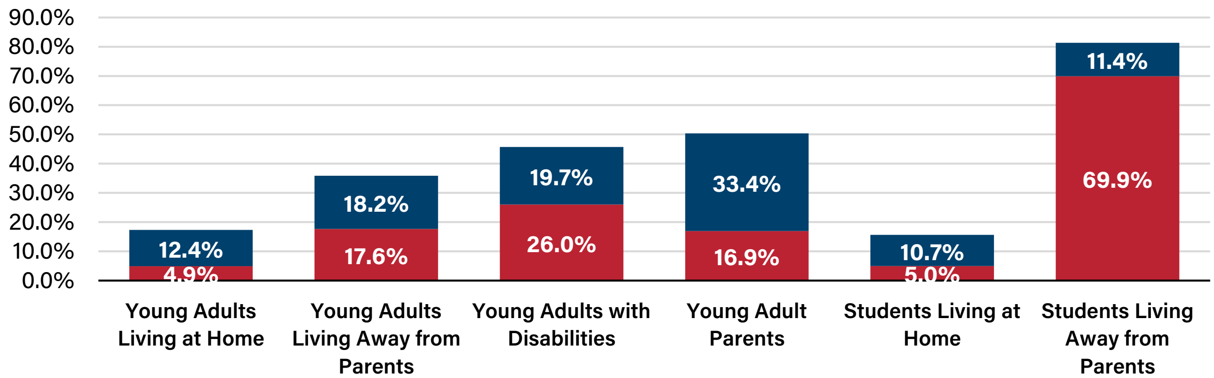
Figure 15. Young Adults by Group and Average Hours Worked
Colorado, 2023



Earnings, hours worked, and poverty rates varied considerably across groups in 2023, though low earnings relative to Colorado's cost of living were a common feature for all. Median annual wages ranged from $7,079 among students living at home to $31,238 among young adults living away from parents, with young adults living at home ($20,000), young adult parents ($24,990), and young adults with disabilities ($14,000) falling in between. Students living away from parents had median annual earnings of $7,705, similar to their peers living at home despite facing higher costs. Hours worked per week ranged from an average of 23.6 hours among students living at home—the fewest of any group—to 40.2 hours among young adults living away from parents, with students living away from parents (27.1), young adults with disabilities (31.4), young adults living at home (34.8), and young adult parents (36.3) falling in between.

[27] Bauer, Hardy, and Howard, *The Safety Net Should Work for Working-Age Adults*.

Figure 16. Young Adults by Group and Poverty Status
Colorado, 2023

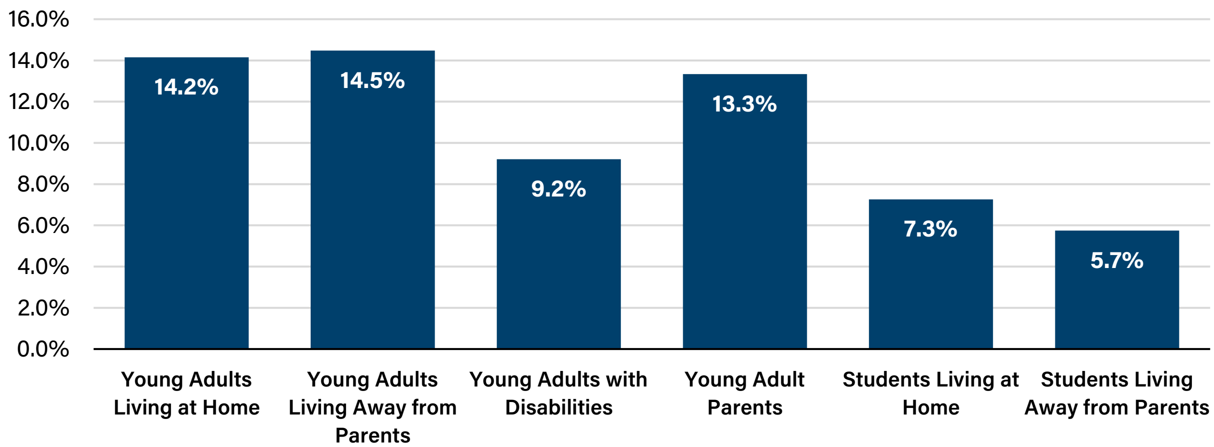


Official poverty rates varied substantially across groups in 2023. The two groups living with parents had the lowest rates: 4.9 percent of non-student young adults and 5.0 percent of students living with parents lived below the federal poverty line. Since poverty is calculated based on household income, this is likely a reflection of the additional resources available to young adults who still live with their parents. Young adult parents (17.0 percent), young adults living away from parents (17.6 percent), and young adults with disabilities (26.1 percent) had substantially higher shares experiencing poverty. Students living away from parents stood out sharply, with 69.9 percent living below the poverty line—by far the highest of any group, though this figure should be interpreted with caution as the ACS does not capture parental assistance, financial aid, meal plans, or housing subsidies that some students in this group receive from their parents and/or schools.

Looking at the broader threshold of 200 percent of the federal poverty level—the income range within which most public benefit programs are targeted—the picture shifts somewhat, but the same groups remain most likely to experience economic hardships. Young adults with disabilities had the second-highest share living at or below 200 percent of the poverty line, at 45.8 percent, just behind young adult parents at 50.4 percent. 35.8 percent of young adults living away from parents were below this threshold, while the two groups living with parents had the lowest shares. Across all young adults, 40.0 percent lived in households with incomes below 200 percent of FPL in 2023.

Health Insurance Coverage

Figure 17. Young Adults by Group and Uninsured Rates
Colorado, 2023

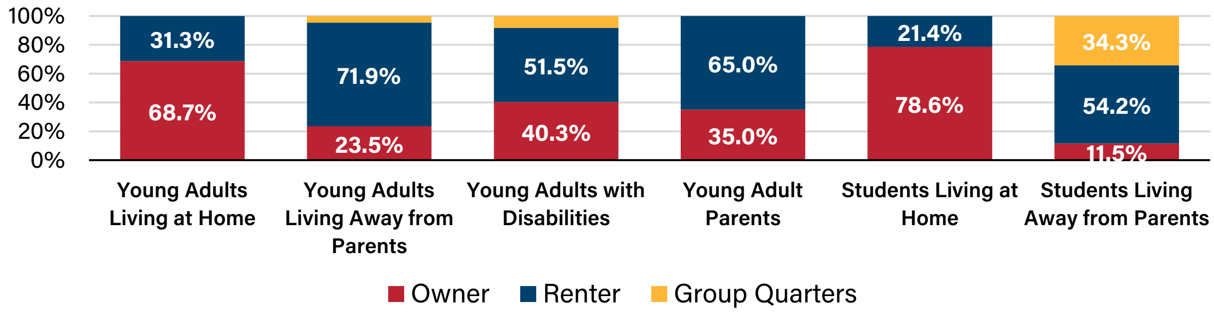


Uninsured rates varied across groups in ways that do not track neatly with poverty or earnings. Students living away from parents had the lowest uninsured rate of any group at 5.7 percent, despite having the highest poverty rates, a statistic likely reflecting access to student health plans or institution-based coverage. Students living at home had the second-lowest rate at 7.3 percent. Young adult parents and non-student young adults living at home had uninsured rates of 13.3 percent and 14.2 percent, respectively, while young adults living away from parents had the highest uninsured rate at 14.5 percent. Young adults with disabilities had lower uninsured rates overall, and 36.5 percent were covered through Medicaid—the highest Medicaid enrollment of any group. According to national research, young adults ages 18 to 24 are projected to be more likely to be uninsured than any other age group in 2025—at 11.3 percent, compared to 4.2 percent of children and 9.6 percent of adults ages 25 to 64.[28]

[28] Jameson Carter, Laura Skopec, Matthew Buettgens, and Jessica Banthin, *Uninsurance and Medicaid Eligibility among Young Adults in 2025: Patterns by State and Subgroup* (Washington, DC: Urban Institute, March 2025).

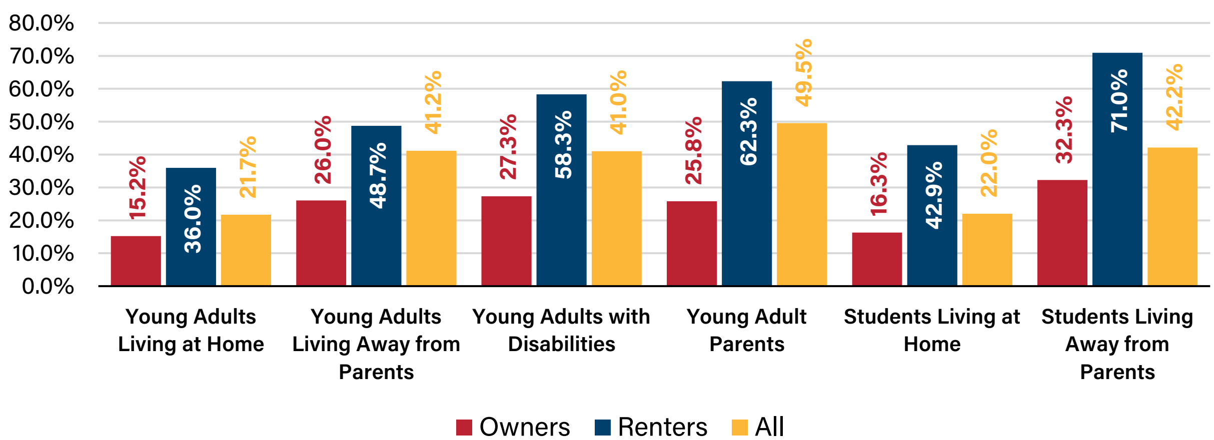
Housing, Costs, and Affordability

Figure 18. Young Adults by Group and Housing Type
Colorado, 2023



Whether a young adult lived in a home that was owned or rented differed substantially across groups, largely reflecting whether young adults lived with their parents or lived independently. The two at-home groups were predominantly in owner-occupied housing—78.6 percent of students living at home and 68.7 percent of non-student young adults living with parents lived in owner-occupied units, reflecting an important way parents support their young adult children during this time in their lives. Among groups living independently, the inverse was true: 71.9 percent of young adults living away from parents and 65.0 percent of young adult parents rented their home, as did 51.5 percent of young adults with disabilities. Students living away from parents were the most varied, with 54.2 percent renting and 34.3 percent in non-institutional group quarters, such as dormitories.

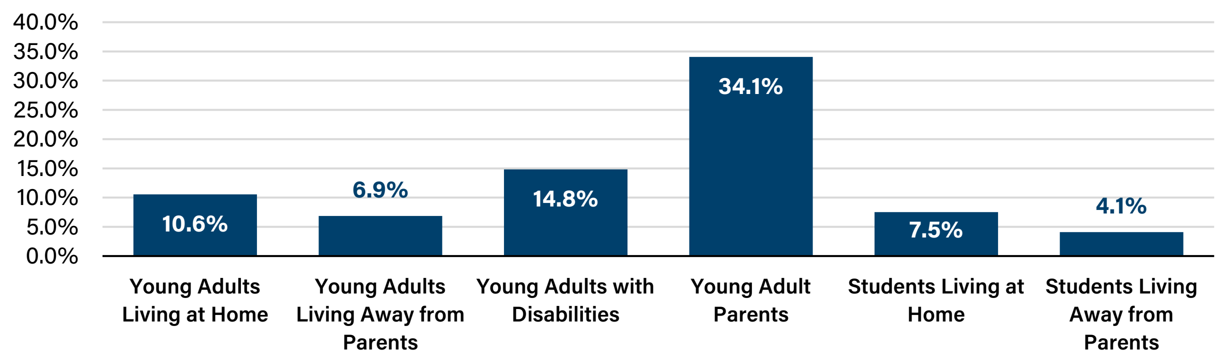
Figure 19. Young Adults by Group and Housing Cost Burden
Colorado, 2023



Nearly three-quarters of student renters living away from parents (71.0%) were cost burdened, spending more than 30 percent of their income on housing, and more than half (52.7%) were severely cost burdened, spending more than 50 percent. Young adult parent renters (62.3% cost burdened, 31.7% severely) and young adults with disabilities who rented (58.3% cost burdened, 33.3% severely) also faced exceptionally high housing cost burdens. Even among young adults living away from parents—the group with the highest earnings—nearly half of renters (48.7%) were cost burdened and more than one in five (21.5%) were severely cost burdened. The relatively lower overall cost burden rates for the two at-home groups (21.7% and 22.0%) reflect their parents' housing situations rather than their own; for those in these groups who do rent, cost burden rates were substantially higher (36.0% and 42.9%). Median renter costs were similar across groups, ranging from $1,541 to $1,845 per month in 2023, indicating that the variation in cost burden reflects income differences across groups rather than differences in housing costs.

SNAP Enrollment and Food Security

Figure 20. Young Adults by Group and SNAP Enrollment
Colorado, 2023



SNAP enrollment rates across the six groups illustrate both who the program reaches and, notably, who it does not. Young adult parents had the highest enrollment at 34.1 percent, reflecting their greater eligibility under household size and income rules. Young adults with disabilities were the second-highest group at 14.8 percent. Among the remaining groups, enrollment was substantially lower. Overall, 9.2 percent of young adults were enrolled in SNAP in 2023. The gap between enrollment rates and poverty rates is particularly pronounced for students living away from parents, who had the lowest SNAP enrollment of any group despite having the highest poverty rates—a pattern that reflects student eligibility restrictions that limit access even for students.[29] Available research suggests that food insecurity among young adults is substantially higher than SNAP enrollment rates indicate. One pre-pandemic study of 18- to 26-year-olds found that as many as 1 in 4 experienced hunger, a figure that has likely grown since.[30]

[29] Heather Hahn, Amelia Coffey, and Gina Adams, *Young People and Nutrition Assistance: Supplemental Nutrition Assistance Program* (Washington, DC: Urban Institute, February 2021).
[30] Hahn, Coffey, and Adams, *Young People and Nutrition Assistance*.

Conclusion

The data in this report point to a consistent finding: young adults in Colorado are broadly engaged in work and education, yet face economic conditions that standard measures frequently understate and that public programs were not designed to address.

One in four young adults lived below the federal poverty line in 2023, nearly three times the rate for all Colorado adults. Four in ten lived below 200 percent of FPL, the range within which most public benefit programs provide meaningful support. Yet SNAP enrollment among young adults stood at just 9.2 percent, and uninsured rates remain higher for this age group than for any other nationally. The median young adult in Colorado earned $16,421 in 2023, less than a third of the median income earned by prime working-age adults, while facing a cost of living that does not adjust for age. These outcomes are not evenly distributed. Young adults living independently, young adult parents, and young adults with disabilities face the highest rates of poverty and housing cost burden, the lowest earnings relative to their expenses, and the greatest exposure to program rules that were not designed with their circumstances in mind. Non-White young adults face compounding disadvantages rooted in structural inequities that extend well beyond early adulthood.

The data in this report describe the young adult population as a whole, but the medians and group profiles presented throughout likely understate the economic insecurity faced by young adults from lower-income families and by Black, Hispanic or Latino, and other non-White young adults in Colorado. As documented in this report, parental support is less likely to be available and tends to be smaller when parents have lower incomes and wealth, and Black and Hispanic or Latino young adults are more likely to provide financial support to family members rather than receive it.[31] In addition to these disparities, statewide data do not reflect the additional challenges young adults in rural Colorado face across many of the metrics included in this report, as rural young adults must contend with fewer nearby services and more limited access to the programs meant to serve them.

What the data do not show is a generation disengaged from work, indifferent to responsibility, or intentionally delaying growing up. Young adults in Colorado are working, often in multiple jobs, often while in school, and often in occupations that offer low wages, little stability, and/or opportunities for advancement. The gap between their effort and their ability to make ends meet is not a reflection of individual behavior. It is a product of structural conditions: a labor market that concentrates young workers in low-wage, variable-hour jobs; a housing market where rents have

[31] Floridi, "Inequality and Socio-Economic Divides in Parental Transfers."; Martinchek, *How Can States Help Young Adults Weather a Recession?*

grown far faster than entry-level wages; and a safety net built around assumptions, such as stable full-time work, predictable household structures, and available family support—all assumptions that describe a shrinking share of the young adults in Colorado.

The next report in this series examines the specific misconceptions that have allowed this mismatch to persist. Using the data and profile established here, Part 2 takes on nine common narratives about young adults, such as that they are delaying adulthood by choice, that they can rely on their families, that they are not working hard enough, that student poverty is normal and temporary, and others, to explore why such generalizations misread both the evidence and the structural conditions facing young adults.

Having an accurate picture of the challenges facing young adults is important, as the assumptions embedded in generalizations shape how programs are designed, who is eligible for assistance, and what kinds of public investment policymakers are willing to make to support this cohort during one of the most pivotal times of their lives.

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