

THE INFLATION HANGOVER

HOW THE POST-PANDEMIC PRICE SURGE RESHAPED AFFORDABILITY IN **COLORADO**

Just how much more are Colorado families having to spend on basic necessities today compared to 2019? The newest CSI report “The Inflation Hangover: How the Post-Pandemic Price Surge Reshaped Affordability in America” answers this question.

CSI estimates that households in Colorado needed to spend \$20,800 more in 2025 to cover shelter and utilities, groceries, health and car insurance, gas, and child care – more than the \$15,400 increase seen on average across the country. **Colorado is now the 9th least affordable state in the nation.**

Household Annual Cost Increases by Category



+\$7,560
Shelter and Utilities



+\$1,388
Car Insurance



+\$2,874
Groceries



-\$135
Gas



+\$1,195
Health Insurance



+\$7,931
Child Care

HOUSEHOLD INCOME

 **35.8%**

- Estimated household income rose 35.8% in CO between 2019 and 2025
 - > Estimated expense increase – 37%.
 - > Rising prices ate away 2% of household income in the state
 - > Shelter and utilities costs increased 40% between 2019 and 2025, the 13th largest increase in this category across the country

CAR INSURANCE

 **↑ 51.8%** 9TH FASTEST IN THE U.S.

CHILD CARE

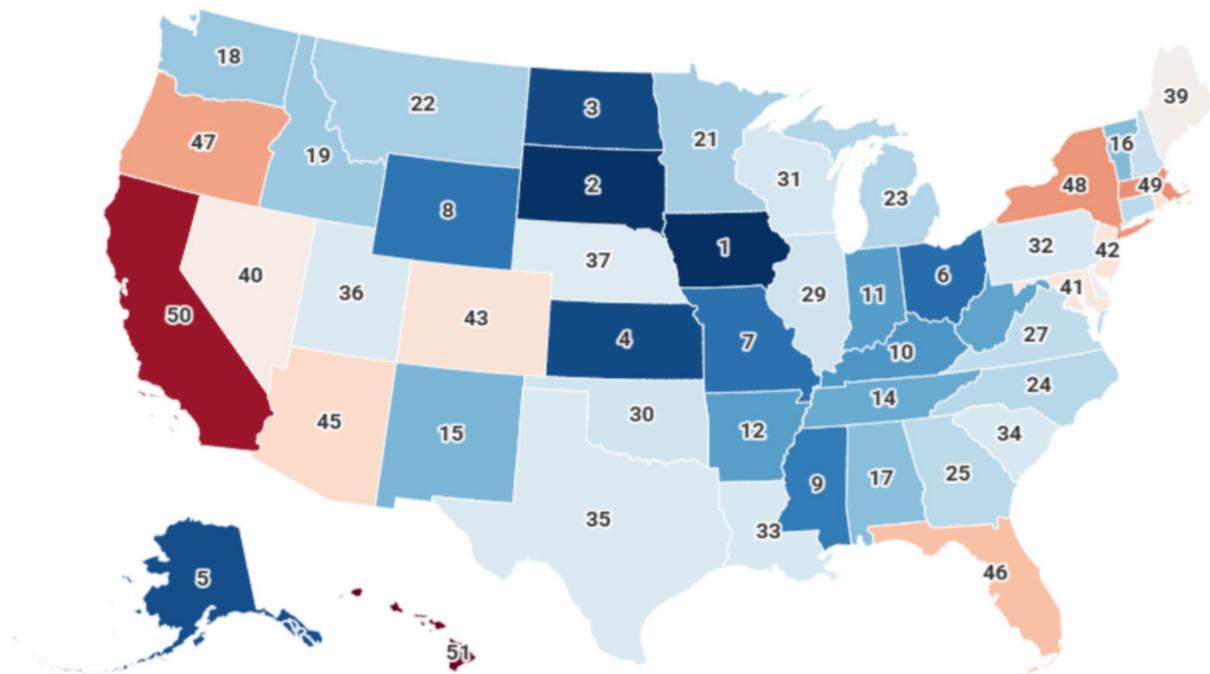
 **↑ 56.4%** 9TH FASTEST IN THE U.S.

- Colorado also saw some of the fastest rising car insurance (+51.8%, 9th fastest) and child care prices (+56.4%, 9th fastest) in the nation.

To read the full report, visit www.commonsenseinstituteus.org.

State Affordability Rankings, 2025

States in the mid west are some of the most affordable states in the nation, while states like Hawaii, Massachusetts, and California represent the low end of affordability. **Households in the 5 most affordable states have to commit around two-thirds of their income to cover necessary expenses, while households in the 5 least affordable states commit over 86%.**



Source: Bureau of Labor Statistics, US Census Bureau, CSI Calculations • NOTE: For a full list of sources see the Appendix. Colors reflect degree of affordability as measured by % of gross income left after measured expenses.

42%

CSI estimates it would take nearly **42% of the gross income** generated by one parent working full time at the prevailing median hourly wage to cover child care costs in the state.

+\$2,500/mo.

- > CSI estimates that households needed to earn roughly **\$2,500 more per month** than they did in 2025 just to maintain the same affordability as 2019.
- > Households in Colorado face the 10th largest combined federal and state income tax burden in the nation. If CO had a household income tax burden comparable to the national average, their affordability would improve 6 places in 2025.

