

AGING INTO THE FUTURE: ECONOMIC IMPLICATIONS OF COLORADO'S AGING DEMOGRAPHICS

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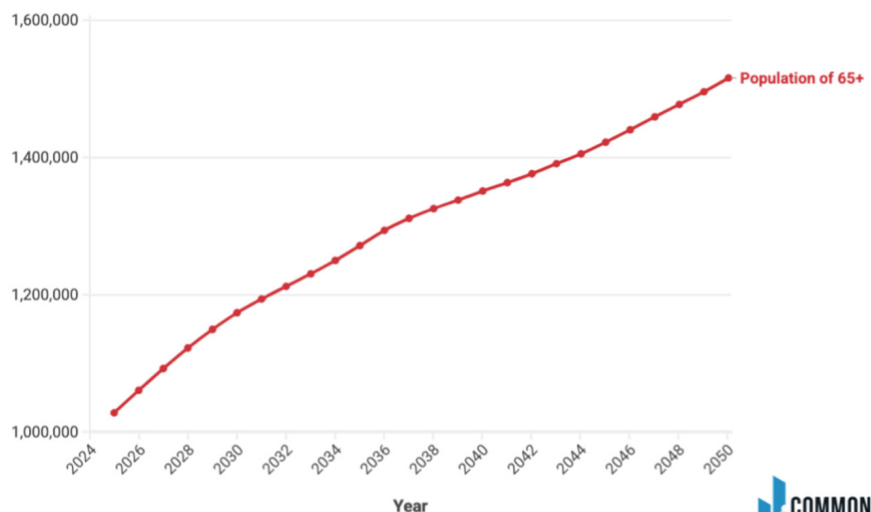
INTRODUCTION

Demographic shifts are a fundamental driver of long-term economic and fiscal dynamics, influencing labor supply, consumption patterns, and public expenditures. In Colorado, recent data from the U.S. Census Bureau and the Colorado State Demography Office (SDO) reveal a rapidly aging population, with residents aged 65 and older representing one of the fastest-growing demographic segments in the state. Relative to other states, between 2010 and 2020, Colorado's population in the 65+ age group grew at the **second-fastest rate in the nation**, trailing only Alaska. Looking ahead, this demographic is expected to experience consecutive gradual upticks in the share of the state's total population, representing nearly 19% of Coloradans by 2030, roughly 20% of the total share by 2040, and bumping up to approximately 21% by 2050. For context, in 2025, Colorado's 65+ population accounts for an estimated 17% of the state's total residents.ⁱⁱ

The growing aging population will have direct implications for the sustainability of a thriving economy and social insurance programs — particularly Social Security and Medicare, which are expected to face mounting fiscal pressures as the retiree population expands. This paper examines the projected growth of Colorado's senior population and assesses its potential impact on the state's economy — focusing on anticipated burdens on the labor market and housing over the coming decades. The analysis aims to inform state-level policy responses to ensure economic resilience in the face of demographic aging.

FIGURE 1

Expected Growth of Coloradans 65+: 2025-2050



Source: Colorado State Demography Office, 2025

KEY FINDINGS

- Relative to other states, between 2010 and 2020, Colorado's population in the 65+ age group grew at the **second-fastest rate in the nation**.
- The 65+ demographic pool is projected to grow by **48%** between now and 2050, expanding this population by 489,740 individuals.
- This demographic is expected to experience consecutive gradual upticks in the share of the state's total population, representing nearly 19% of Coloradans by 2030, roughly 20% of the total share by 2040, and bumping up to approximately 21% by 2050.
- While Colorado expects **40,000** retirees annually starting in 2030, current projections suggest that the state will not see a significant increase in workforce participation for those in the 65+ age group.
- Between 2023 and 2050, the level of 65+ households in Colorado is expected to increase by nearly **58%**, from an estimated 620,981 in 2023 to a projected 979,143 by the end of the forecast period.

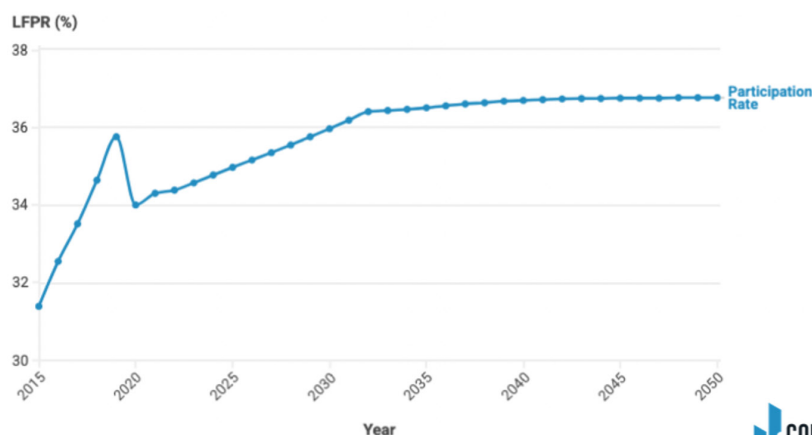
ECONOMIC IMPACTS OF GROWING 65+ COLORADANS

The Labor Market

By 2030, Colorado expects approximately 40,000 residents will retire per year.ⁱⁱⁱ Although labor force participation among individuals aged 65–74 is projected to rise slightly in the coming years, it is expected to stabilize beginning around 2035 and remain relatively flat through 2050 (Figure 2). In 2025, the labor force participation rate (LFPR) for individuals aged 65–74 is roughly 35%. By 2050, it is projected to rise to just 36.8%. This disparity presents a critical concern: although this age group is growing rapidly in size, a significantly larger portion is not expected to join or remain in the workforce.

FIGURE 2

Change in the Labor Force Participation Rate for 65-74-year-olds in Colorado: 2015-2050



Source: Colorado State Demography Office, 2025



The Housing Market

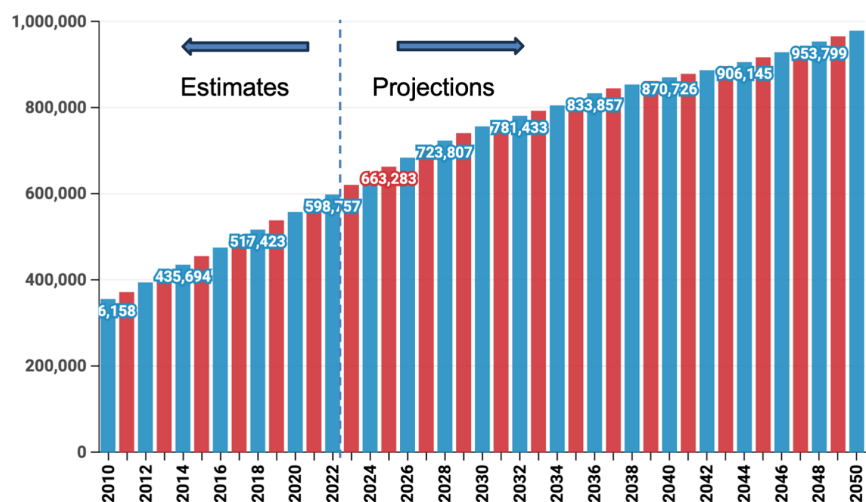
The 65+ demographic pool is projected to grow by 48% between now and 2050, expanding this population by 489,740 individuals. Between 2023 and 2050, the level of 65+ households in Colorado is expected to increase by nearly 58%, from an estimated 620,981 in 2023 to a projected 979,143 by the end of the forecast period (Figure 3).^{iv}

If these projections come to fruition, households led by individuals 65+ would account for about 41% of Colorado's current 2.34 million households, representing a significant shift in the state's housing landscape.^v Currently, these households represent approximately 28% of all Coloradan households.

Many Coloradans tend to stay in the state and their homes after retiring, keeping housing inventory down while raising average prices of homes.^{vi} At the same time, if there is not enough senior-friendly housing being built or a nursing home shortage occurs, it is rational to assume that senior citizens would stay in homes that could otherwise go to younger families — clogging up the housing pipeline and contributing to rising prices across segments. These dynamics constrain market supply and intensify competition for available units. Consequently, Colorado's growing 65+ population places upward pressure on housing prices by simultaneously driving demand and limiting availability.

FIGURE 3

Upward Pressure on Housing: Total Households Occupied by the 65+ Population in Colorado (2010-2050)



Source: Colorado State Demography Office, 2025



TRENDS COMPOUNDING THE IMPACTS OF THE STATE'S AGING POPULATION

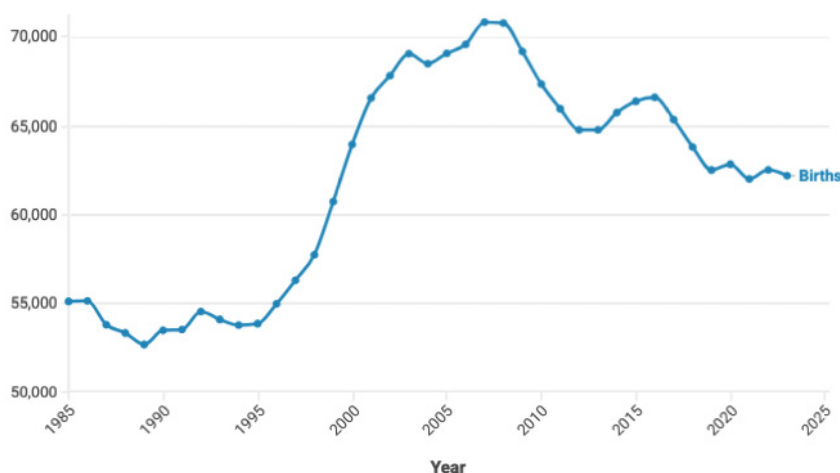
Colorado's Falling Birth Rates

According to a May 2025 [CSI report](#), Colorado's birth rate has been declining since 2005 and, since 2011, has fallen at a faster pace than the national average. This drop has long-term implications for the state's K-12 system, higher education institutions, and the workforce. With a higher level of Coloradans retiring and leaving the labor market, combined with a projected decline in levels of working aged individuals opting into the workforce, filling the gap between the talent supply and employer demand may be more difficult in the future.

Before 2010, Colorado's population was actually getting younger. The state attracted young professionals due to its outdoor recreation and robust job market.^{vii} This growth lowered the median age in the state to 26.2 in 1970 due to the spike in births within these young families. This trend reversed in the 1990s, with the median age rising past 29 by 1989. Now, in 2025, based on the most recent SDO forecast, the median age is 39, a roughly 34.5% rise since the 1980s. By 2050, this number is expected to increase to 42.4. According to a recent [CSI report](#) highlighting low birthrate impacts in the state, Weld County is currently the only county along the Front Range consecutively experiencing positive birth rates since 2021.

FIGURE 4

Colorado Births: 1985-2023



Source: Colorado State Demography Office, 2025



BOTTOM LINE

The continued rise in Colorado's 65+ population will have far-reaching implications for the state's economy. As this demographic expands, labor force participation from this age group is expected to remain relatively flat, resulting in a shrinking pool of available workers. At the same time, increased demand for healthcare, senior services, and age-appropriate housing will place additional strain on public resources and infrastructure. The combination of reduced workforce growth, changing consumption patterns, and constrained housing supply presents both economic risks and opportunities. Addressing these challenges will require thoughtful policy planning to ensure that Colorado's economy remains resilient and inclusive in the face of an aging population.

REFERENCES

- i. U.S. Census; Colorado State Demography Office, 2025.
- ii. U.S. Census; Colorado State Demography Office, 2025.
- iii. Colorado State Demography Office, 2025.
- iv. U.S. Census; Colorado State Demography Office, 2025.
- v. Colorado State Demography Office, 2025.
- vi. Colorado State Demography Office, 2025.
- vii. The Colorado Sun, "Colorado's median age is nearing 40 – and getting older. Here's what that looks like," Tamara Chuang, May 20, 2025.
- viii. U.S. Census; Colorado State Demography Office, 2025.