

Economists: State, U.S. face 'slowdown in growth'

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While Colorado new business filings were up in the first quarter of 2026 — viewed as a good sign for the economy — a host of other metrics portend increasing sluggishness. *-Note*

Both the state and the nation are "a real slowdown in growth," University of Colorado Leeds Business Research Division executive director Brian Lewandowski said Monday when the Quarterly Business and Economic Indicators report was released. The report is compiled by the BRD on behalf of Secretary of State Jena Griswold's office. *-BRD*

"Like the nation, Colorado's labor market is showing signs of stagnation," the report said, noting that in January the number of jobs in Colorado was down 11,000 year over year. *Note*

"In 2025, we had five negative months of employment growth," Lewandowski said. "But just to demonstrate how dominated the growth was by one industry — health care — if we remove the health care growth, then we actually had 10 months of losses." *Note*

After revisions, the U.S. Bureau of Labor Statistics has determined that Colorado actually lost jobs last year. *Note*

Demographics are no longer on Colorado's side, either. "We have slow population growth, particularly slow net in-migration to the state," Lewandowski said. "And we also have an aging population and a large number of individuals retiring per year." *Note*

CU economists are predicting that as a result of the war in Iran, the nation's "energy price spike has a high likelihood of "having a high severity impact" on the economy. That spike is already making its presence felt in inflation data.

The consumer price index in the Denver-Aurora-Lakewood region, a figure often used to represent the whole state's inflation picture, was up 4.2% last month compared with March 2025, the report said, "the highest rate since November 2023." *CPI*

Other indicators were a mixed bag.

In the first quarter of 2026, 54,620 new business entities were filed with the Secretary of State's office, up 12.3% year over year. *-Note*

"We were pleased to ... see this jump in new entity filings," Lewandowski said. "It was a really strong increase."

Existing entity renewals increased 1% over that period and delinquencies shot up 9.4%, while dissolutions dropped 3.5%.

Despite the prevalence of less-than-inspiring economic data, CU's report does include some other bright spots in which Colorado compares pretty favorably to other states.

"Colorado's labor force participation rate ranked 8th-highest in January, totaling 66.8%, a decrease of 0.8 percentage points over the year," the report said, while the state's per capita personal income ranked 9th in Q4

2025 with per capita income of \$87,178.

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