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MIGRATION PATTERNS OF PUBLIC ASSISTANCE RECIPIENTS

MOST RECENT DATA SHOW MODEST NET IN-MIGRATION

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In addition to studying broad migration trends among all residents, the MN State Demographic Center periodically receives questions about whether Minnesota attracts poor individuals in search of more generous public assistance¹ benefits. No data source exists that would allow us to determine the *motivations* of individuals who are moving. However, U.S. Census Bureau data do allow us to examine a limited number of *characteristics* of those who move across state lines. This Population Note examines the most recent data about the migration patterns of individuals receiving cash benefits who are current or prior Minnesota residents.

Our previous analysis on this topic found a modest positive net in-migration of individuals receiving assistance between 1995 and 2000, likely between 1,110 to 4,400 people. However, more recently in 2006, our office determined that no statistically significant pattern of net in- or out-migration was observed for persons receiving public assistance.² In this brief, data from the U.S. Census Bureau's American Community Survey during years 2008-2012 are used to provide an update on this important question.³ We find that, on net, Minnesota experienced a gain of an estimated 1,700 persons annually from other states who were receiving cash assistance during the past five years. Considering the range created by the error margins resulting from this survey, however, the actual figure could be as low as 600 or as high as 2,800 additional individuals in a given year. Importantly, we do not know whether these in-migrants received benefits in their previous state

¹ In this report, "public assistance," "public benefits" and "cash assistance" are used interchangeably and in place of the sometime pejorative term "welfare." Data are tallied from a survey question that asks about income from "Any public assistance or welfare payments from the state or local welfare office." The programs likely to be considered for this response are the state's Temporary Assistance to Needy Families (TANF) program(s). In Minnesota, these are called the Minnesota Family Investment Program (MFIP), the Diversionary Work Program (DWP) and the Work Benefit Program (WBP). A separate, earlier question on the survey asks about Social Security income, and Supplemental Security Income. States have different guidelines for their respective TANF programs, such that one may not qualify in one state, but will in another.

² See "Migration of Public Assistance Recipients," April 2008. Available at: <http://mn.gov/admin/images/Migration-of-Public-Assistance-Recipients-msdc-April2008.pdf>

³ Survey respondents are asked about their residence one year ago. However five years of these responses from 2008-2012 were examined in this report, to minimize sampling error. Therefore figures can be considered average annual characteristics during years 2008-2012.

of residence, or for how long these individuals received public assistance once in Minnesota. Patterns of in- and out-migration and state-by-state analysis follow.

ANNUAL NEW ARRIVALS TO MINNESOTA

About 2% of Minnesota's total population, or about 101,000 people, arrived in the state in the past year from another state. About half a percent, roughly 24,000 residents, also arrived from other countries. Of these new arrivals, an estimated 3,800 indicated they were receiving at least \$100 per year⁴ of public assistance in Minnesota. However, due to sampling error resulting from the survey, the number of people who received assistance may actually be somewhat lower or higher, but most likely falls in the range of 3,100-4,500 individuals. This includes about 3,000⁵ residents who lived in another state a year earlier, and about 800⁶ recent international arrivals (which may include refugees).

Of the approximately 3,000 new domestic arrivals who are receiving public assistance, the top former states of their residence are Illinois, Wisconsin, Texas, Iowa, and Michigan. Not surprisingly, they are geographically close, or more populous states, such as Texas and Illinois, from which the likelihood of anyone arriving is much greater. Together, former Illinois and Wisconsin residents account for about one-third of all domestic arrivals now receiving cash assistance, or about 1,000 in-migrants.

Those Minnesotans who are receiving public assistance are somewhat more likely to have moved into the state in the past year than those Minnesotans *not* receiving assistance (3.5% versus 1.9%, respectively). Lower-income populations typically experience higher rates of mobility and instability than higher-income individuals. (About 25% of Minnesotans receiving public assistance also moved *within* the state in the past year, compared to only about 12% of non-recipients.)

About 98,000 individuals who lived in other states and about 23,000 from other countries, who do not receive assistance now, also relocated to Minnesota in the past year. All together, Minnesota welcomes about 125,000 new residents each year who have relocated from anywhere on the globe — the sum of its in-migration—and about 3% of these new arrivals receive public assistance benefits. However, in-migration is only half of the story of the dynamic flow of people in and out of Minnesota.

Because we have data on international arrivals to Minnesota, but do not have data on out-migration to international destinations, the remainder of this document will focus only upon domestic migration — for those receiving assistance and all populations.

ANNUAL OUT-MIGRATION FROM MINNESOTA

About 1,300 individuals living in other states who receive public assistance left Minnesota within the past year. However, due to sampling error resulting from the survey, the number may actually be somewhat lower or higher, but most likely falls in the range of 1,000 to 1,700 individuals. (Again, additional out-migrants may have left the country, but the data do not permit us to know.) The top destination states are Wisconsin, Kansas, Texas, Oregon, and South Dakota. Wisconsin appears to be the largest receiving state, but due to the survey's error margins, the range for many of the above states overlap. If individuals who formerly received public assistance in Minnesota moved to a state in which they no longer qualify

⁴ A minimum of \$100 of public assistance is used because small amounts of assistance may be unreliably reported. Furthermore, amounts under \$100 are unlikely to motivate people to move. This is a consistent threshold of support used in prior analyses by the MN State Demographic Center.

⁵ This figure may be between 2,300-3,800 after considering the margin of error (90% confidence interval).

⁶ This figure may be between 500 and 1,000, after considering the margin of error (90% confidence interval).

for public assistance due to differing eligibility rules, or if they obtained work in their new state and therefore are no longer receiving public assistance, they are not visible in our data set.

NET MIGRATION AMONG PUBLIC ASSISTANCE RECIPIENTS

Among those individuals now receiving public assistance who relocated across state lines in the past year⁷, about 2,300 to 3,800 individuals arrived in Minnesota, while about 1,000 to 1,700 individuals left Minnesota. On net, Minnesota experienced a statistically significant gain of approximately 1,700 persons receiving cash benefits. However, considering the range created by the error margins resulting from this survey, the actual figure could be as low as 600 or as high as 2,800 additional individuals.

Minnesota is one of nine states that experienced a net increase of public assistance recipients that was statistically significant⁸. Meanwhile, six states and the District of Columbia experienced a net decrease, while for 35 states, the change was not conclusive. The other states that experienced a net increase of individuals receiving assistance were Pennsylvania, Washington, Colorado, Ohio, Oklahoma, Nevada, Connecticut and Nebraska. Those states that experienced a net decrease included Hawaii, Alaska, Arizona, Georgia, California and Illinois. However, changes among all states were modest, as no state experienced an estimated net gain or loss greater than 2,000 individuals (not accounting for error margins). See Figures 1 and 2 for in- and out-migration among individuals receiving public assistance, for all states and Washington, D.C.

Minnesota experienced overall positive net migration of about 12,600 people all together. But that figure is positive only due to the significant inflows of international individuals to our state, including foreign students, workers receiving VISAs, and other immigrants and refugees. If we examine only the state-to-state movement of peoples, Minnesota lost about 11,000 more residents than it gained. Thus the modest net in-migration of those receiving public assistance is counter to the overall trend of net domestic out-migration among Minnesota's total population in the most recent five years for which we have data.

DISCUSSION

These data do not permit us to examine migrants' motivations for moving. As with any movers, individuals receiving public assistance may have relocated to be closer to family or cultural support networks, or for perceived safer communities or better schools for their children. However, because this population is by definition low-income, these individuals may be more sensitive to relocating to places that they perceive to have greater opportunities for support, whether it is provided by new employment, training, or educational opportunities; local nonprofits; public benefits; generally welcoming communities; and/or personal relationships.

Notably, Minnesota experienced more favorable economic conditions than many states during the post-recessionary years of 2008 to 2012, the years reflected by these survey data. Thus, our state's economic landscape or public support services may have exerted a pull on those not currently employed, insofar as they had knowledge of this. The data do not allow us to know whether those who moved into Minnesota were receiving public assistance in their former state of residence.

⁷ The survey that produces the data asks about migration during the past year, but five years of data are used to increase the sample size. Therefore, these data can be considered average annual characteristics during 2008-2012.

⁸ Statistical significance was measured at the 90% confidence level.

Figure 1: Annual in-migration of individuals receiving public assistance, by state, 2008-2012

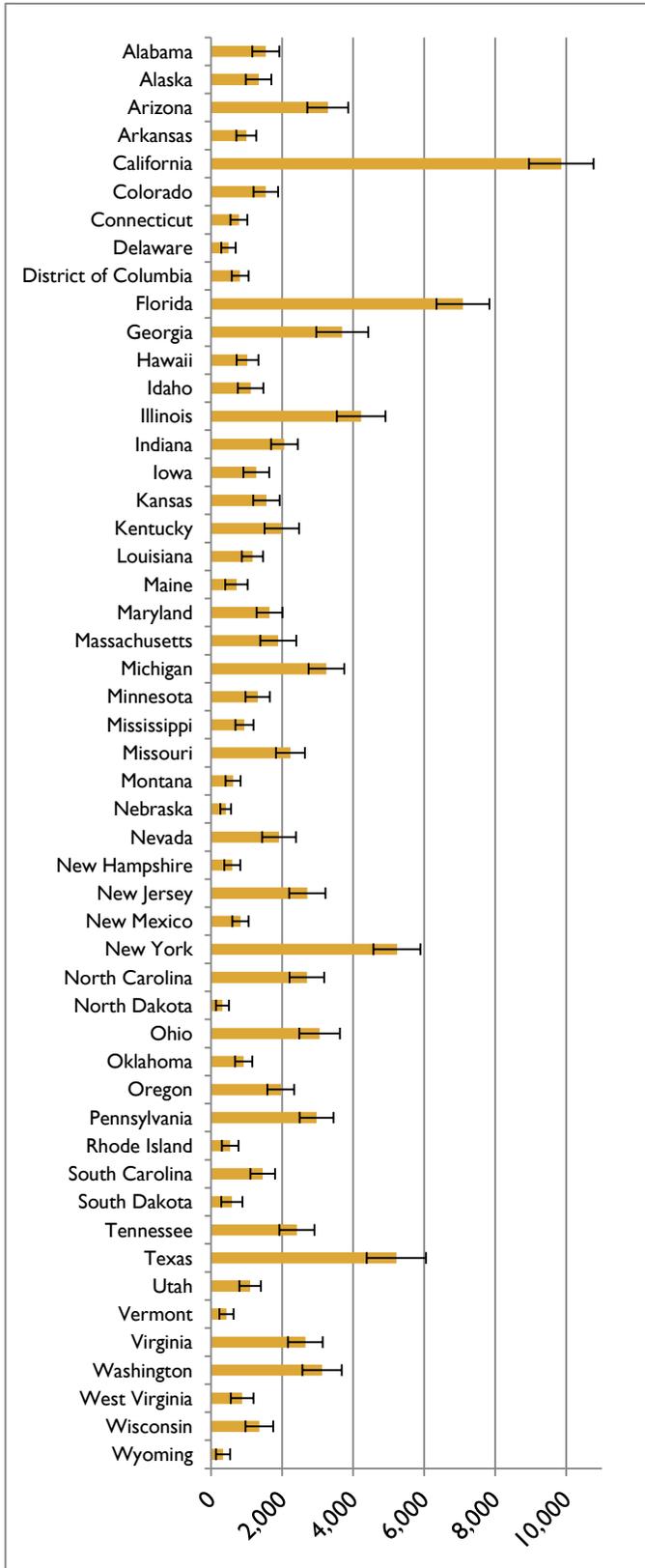
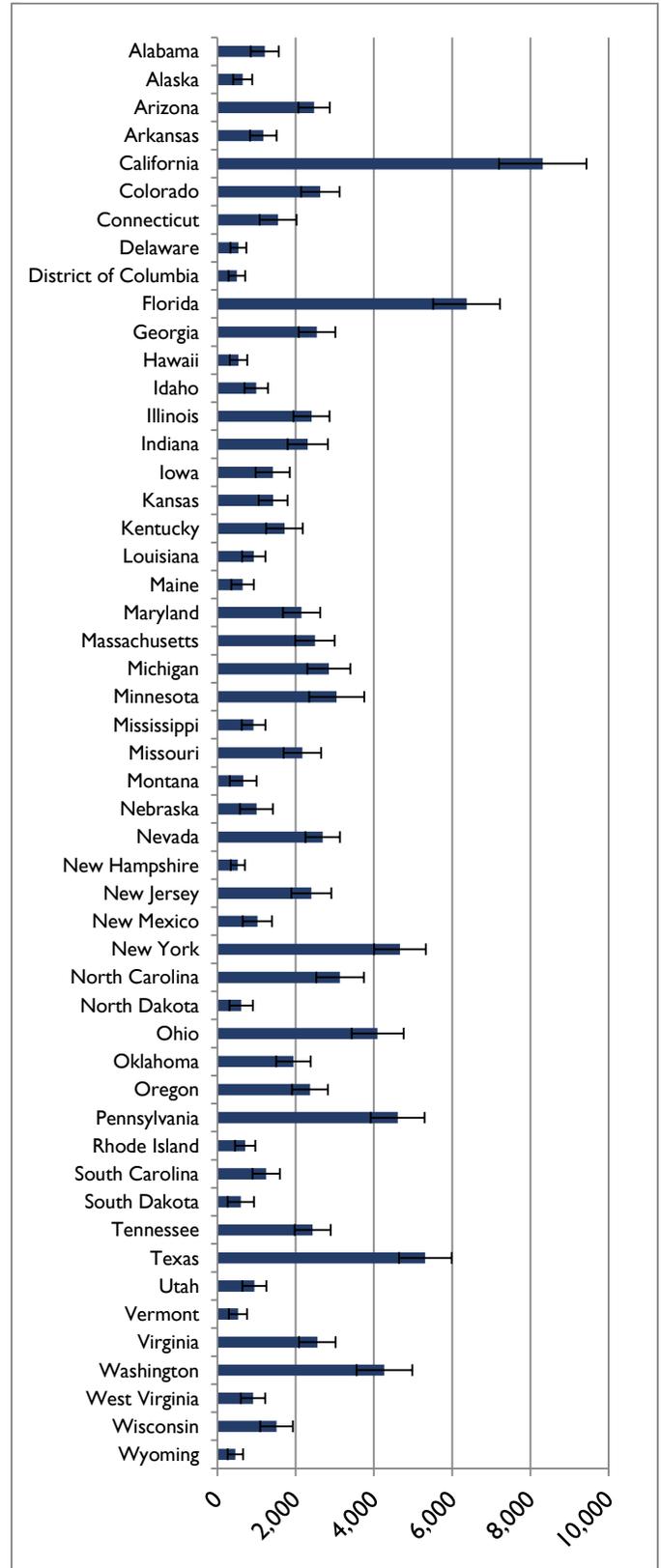


Figure 2: Annual out-migration of individuals receiving public assistance, by state, 2008-2012



Source for both figures: MN State Demographic Center analysis of IPUMS version of 2008-2012 American Community Survey. IPUMS-USA, University of Minnesota, www.ipums.org.
 Note: Confidence intervals are shown for a 90% margin of error.

For some public assistance recipients, this migration involved a return to the state of their birth. Among the approximately 3,000 recipients who migrated from another state into Minnesota, about one-fifth (600) were born in Minnesota and were returning. In addition, about a quarter were born in Illinois and about 5% were born in Wisconsin and Indiana, apiece. Minnesota receives a high degree of in-migration from Illinois in general, among people of all income levels. It is the third most likely sending state for any new arrivals in Minnesota.

About 14% of these in-migrating individuals receiving assistance were born somewhere in Africa, but were most recently living in another state. This indicates a high degree of *secondary* domestic migration among one-time international immigrants. Because Minnesota has a sizeable African immigrant community already, this raises the question of whether cultural ties played a role in encouraging other immigrants to move to Minnesota, but our data are not able to further explore this question.

Of those new arrivals to MN who were receiving public assistance and were of typical working age (18-64), about one-third were also working while receiving benefits. However, presumably their wages from work were insufficient raise their family income above the “exit level” for the public assistance program in which they were enrolled.

CONCLUSION

The most recent available data on domestic migration suggests that Minnesota experienced a net increase of between 600 and 2,800 individuals who received public assistance annually from other states during 2008-2012, mostly arriving from the Midwest. Knowledge of these populations is helpful for policymakers and program administrators seeking to anticipate potential budgetary impacts of this migration, as well as to build supports for these populations to assist them on their path to self-sufficiency. 

ABOUT THE DATA

The Minnesota Department of Human Services administers Minnesota Family Investment Program (MFIP), the Diversionary Work Program (DWP) and the Work Benefit Program (WBP), those programs most likely to be perceived by American Community Survey respondents as “public assistance or welfare payments,” the language on the U.S. Census Bureau’s American Community Survey, from which data for this brief was compiled. A separate question on the survey asks about Social Security income, and Supplemental Security Income. The survey respondents are given this instruction: *Mark the “Yes” box for each type of income this person received, and give your best estimate of the TOTAL AMOUNT during the PAST 12 MONTHS.* They are then are posed this sub-question about income: *Any public assistance or welfare payments from the state or local welfare office.* The resulting answers provide the data for our analysis.

The Minnesota Family Investment Program (MFIP), the Diversionary Work Program (DWP) and the Work Benefit Program (WBP) in Minnesota show an average monthly enrollment of about 112,900 individuals enrolled during the same years of our analysis of survey responses. However, about 90,700 individuals receiving benefits are reflected in the data from the American Community Survey data (approximately 22,000 fewer). This may be due to a variety of reasons, including that infants are not included in the ACS migration data (it is only tallied for those age 1 or older), lower-income populations are historically less likely to complete surveys, hesitancy to disclose enrollment, language or literacy barriers, or perhaps lack of awareness about which public program one is enrolled in. Therefore, these ACS data may not reflect the characteristics of the entire universe of individuals receiving benefits.

Administrative data are available at: http://www.dhs.state.mn.us/main/groups/agencywide/documents/pub/dhs_id_016338.pdf