

# Welfare migrants add to Minnesota's rolls

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For the first time, census data shows that more welfare recipients moved into Minnesota than moved out between 1985 and 1990. The cost to taxpayers was \$38 million a year, of which the state's share was about \$17 million.

June 1994

Minnesota's share of public assistance to these migrants was about 8 percent of the state's total welfare payments.

Most of the people coming into the state and receiving welfare were white women with children, many from Illinois, California, Texas and four neighboring states.

Based on a sample of the 1990 census, the data offers the first substantial picture of who is coming to Minnesota and receiving welfare. It shows a net gain of people who received public assistance in 1989 and were living in Minnesota in 1990.

The data does not reveal, however, whether they were on welfare before they moved to Minnesota, whether they came here to get on welfare or to get a job, whether they were on welfare at the time they were asked the census questions, or if they were, how long they stayed on welfare.

### 1989 Welfare Payments Received by Minnesota Migrants

	Dollars Received (Millions)	Number of Recipients
Moving In	\$63	14,300
Moving Out	\$26	6,600
Net	\$38	7,700

Note: These dollars include state and federal payments rounded to the nearest million. All numbers have been rounded to nearest 100.  
Source: Public Use Micro Data

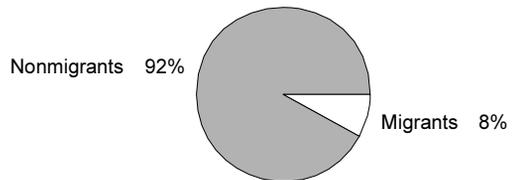
## Four percent of all migrants to state receive welfare

A total of 14,300 welfare recipients moved to Minnesota from other states (11,800) and nations (2,500) between 1985 and 1990 — 4 percent of all 362,500 migrants to Minnesota, according to the census data. At the same time, 6,600 welfare recipients moved out of the state, resulting in a net gain on the welfare rolls of almost 7,700. There were nearly 123,000 recipients total, including migrants, who received public assistance in Minnesota in 1990.

The census sample counted only the recipients of public assistance, or welfare; not included were other family or household members, who also may benefit from the aid. For example, a

family of any size is counted as one welfare recipient. As used in the 1990 census, public assistance includes cash payments for Aid to Families with Dependent Children, Supplemental Security Income, and General Assistance, but not medical care. Recipients include low-income, low-income elderly, blind and disabled people. Although the three assistance programs have different funding sources, the census did not distinguish among them. For this reason, the effect of the net migration on Minnesota's welfare budget must be estimated.

### Estimated Share of Minnesota Welfare Payments



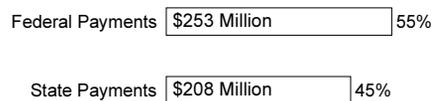
Source: Public Use Micro Data

## Migrants cost state about 8 percent of welfare budget

People moving to Minnesota from other states and countries received a total of \$63 million in federal and state welfare payments in 1989, while people moving out received about \$26 million: the net addition was nearly \$38 million, of which Minnesota contributed about \$17 million, or 8 percent of the state's share of total welfare payments. The estimate assumes that the migrants' use of the three public assistance programs is in the same proportion as that of all welfare recipients.

Counting all welfare recipients, including migrants, total federal and state welfare payments to Minnesota recipients in fiscal year 1990 were almost \$461 million. Of this, AFDC made up the

### Total Welfare Payments in Minnesota 1990 \$461 Million for Migrants and Nonmigrants



Note: All numbers have been rounded to nearest million and percent.  
Source: Department of Human Services

biggest share with \$294 million, more than half of which is federal dollars. SSI, the second biggest piece at nearly \$94 million, is totally federally funded. The smallest of the programs, GA, cost almost \$73 million, all of which was funded by the state. Minnesota's share of all public assistance payments was \$208 million, or 45 percent of the total.

## Many migrants come from neighbors, three other states

Almost half of the 11,800 interstate migrants on welfare came from seven states, four of which are neighbors: Wisconsin, Iowa, North Dakota and South Dakota. Illinois contributed the most migrants, followed by Texas and California. The other 52 percent of the migrants came from virtually every other state and territory in the nation, including only about 2 percent from Indiana.

Almost all 2,500 international migrants receiving welfare came from three countries in Asia: Laos (67 percent), Vietnam (13 percent) and Cambodia (10 percent). Ten percent of all international migrants to Minnesota were welfare recipients.

California, Texas, Wisconsin and Iowa, along with Missouri, were among the five top destinations of welfare recipients moving out of Minnesota; 47 percent of Minnesota's welfare migrants went to those states. Iowa, California, Wisconsin and South Dakota were close to break even.

Slightly more than half of the interstate welfare migrants moved into Hennepin or Ramsey County, with most settling in Minneapolis or St. Paul. These cities were also the destinations of 1,900 migrants from other nations.

## State's migrants shatter some stereotypes

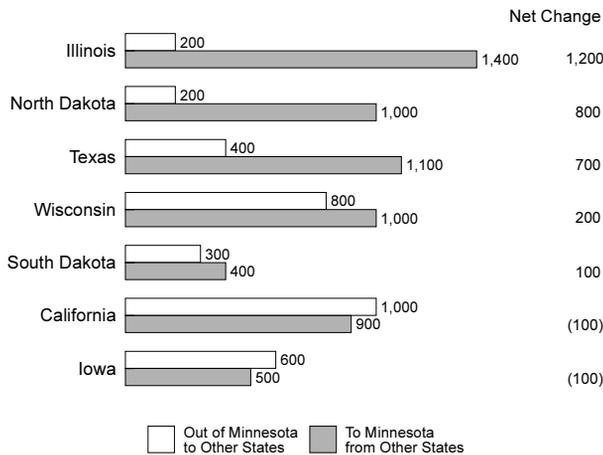
Many welfare migrants do not fit the stereotype. For example, contrary to popular belief, 40 percent have had education beyond high school and about one-fourth were born in Minnesota.

Seventy percent of the welfare recipients who moved to Minnesota were women. This result is not surprising because the largest public assistance program, AFDC, is directed toward families with children. Half of these women had never married at the time of the 1990 census, while a quarter were married and a quarter divorced.

Whites made up about half of the welfare recipients who moved into Minnesota and 72 percent who moved out. African Americans represented the second largest group of welfare migrants, with nearly 20 percent of those coming in and 8 percent of those going out.

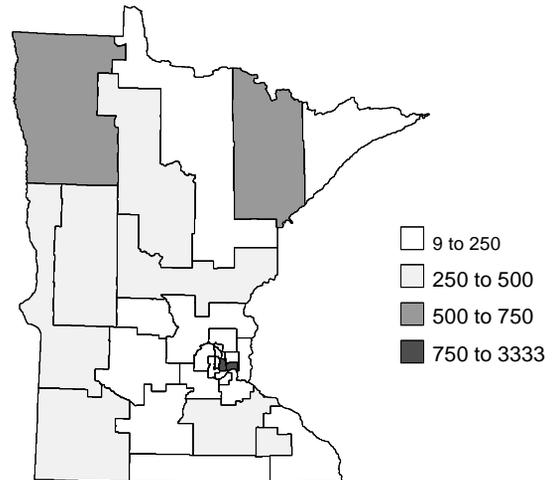
The proportion of welfare migrants to total migrants by race was 2 percent for whites, 14 percent for African Americans, 14 percent for Asians, 13 percent for Native Americans, and 8 percent for Hispanics.

**Interstate Welfare Migration Exchange Concentrated Among Seven States 1985 to 1990**



Note: All numbers have been rounded to the nearest 100.  
Source: 1990 Census Public Use Micro Data

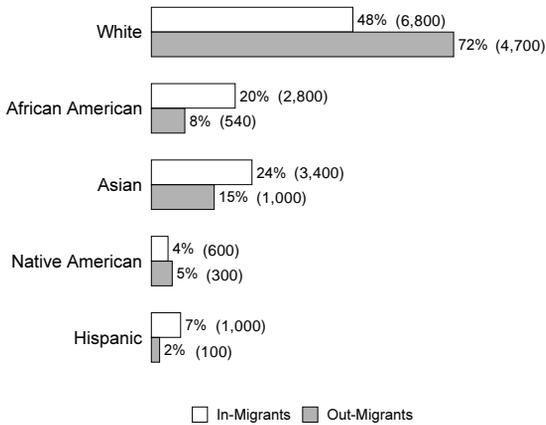
**Destination of Welfare Migrants to Minnesota From Other States 1990**



Note: Sample responses to the census survey are mapped by PUMS region. A concentration of migrants in one small area, such as a city, may represent the entire PUMS region.

Source: 1990 Census Public Use Micro Data

## Race of Welfare Migrants 1990 as a Percentage of In- or Out-Migration



Note: The numbers have been rounded to the nearest percent and nearest 100. Numbers on this graph do not sum up to 100 percent since Hispanics may be of any race and "other" race is not included.

Source: 1990 Census Public Use Micro Data

Most of the migrants receiving welfare were in their 20s. Their median age was 30 years, with only 4 percent over age 65.

Forty percent of the welfare recipients over the age of 25 who moved to Minnesota had some college or technical school beyond high school, though only 1,000 of this group had college degrees. Twenty-seven percent had a high school degree only, while more than a third did not.

More than one-quarter of the welfare migrants moving into the state reported having a work-related disability of which more than half cannot work at all. Disability, along with low income, triggers eligibility for public assistance. In comparison, 3.7 percent of all Minnesotans 16 or older have a work-related disability and 5.8 percent cannot work at all because of a disability.

More than a fourth of the welfare recipients who moved to Minnesota came back to the state of their birth. Information was not available on whether these migrants had ever lived for any time in the state, only whether they were born here. Of the migrants who left Minnesota, less than 17 percent were born here and 33 percent were born in other countries.

## Technical Notes

This analysis is based on the 1990 Census Public Use Micro Data, a 5 percent random sample of the approximately one-in-six household sample in the 1990 census.

The PUMS data file for Minnesota contains more than 230,000 respondents. Because interstate migrants who are public assistance recipients are a relatively small group in the population, the

sample size for public assistance migrants to Minnesota is only 502 cases.

Census self-reported public assistance income was within 5.6 percent of the actual Minnesota public assistance expenditures for fiscal year 1990. However, respondents may have confused income categories such as Social Security and public assistance; therefore, to reduce the possibility of error, people reporting public assistance under \$100 were excluded from the sample.

Migration status is based on place of residence in 1985, and compared with place of residence in 1990. People who lived in Minnesota in 1990, but in another state or nation in 1985 were classified as in-migrants. People who lived in Minnesota in 1985, but in another state in 1990 were out-migrants.

For a detailed working paper about the census survey and this analysis, contact the Census Help Line at Minnesota Planning.

*Line Item* is a series of brief publications highlighting key facts and findings from Minnesota Planning's in-progress study of government spending. The study will examine past local and state government spending and revenues, identify major driving forces and forecast what is expected to happen in the next five to 10 years.

*Line Item* reports will be issued periodically during the course of the study, and a final report will be released in December 1994.

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