



In-migration to Minnesota continues in the late 1990s

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Movement from other states and from foreign countries has contributed substantially to Minnesota's population growth during the 1990s. Census Bureau estimates show that about one-third of all the state's population growth from 1990 to 1999 was attributable to migration. The remaining population growth was due to natural increase, the excess of births over deaths.

In every year starting in 1987-1988 and continuing through 1998-1999, more people moved into Minnesota than left. U.S. Census Bureau estimates show that between 1995 and 1999, there was a net in-migration of more than 65,000 people into the state. Internal Revenue Service data, based on matched income tax returns, suggests that the peak years for domestic net in-migration in the past

decade were between 1992 and 1993 and between 1998 and 1999.

International migration

Net international migration escalated during the decade and is probably higher now than it has been in many years. Though immigration from other countries appears to be rising, data on this topic is inadequate at best. The consensus is that rising numbers of immigrants from Mexico, Latin American and Africa, especially Somalia, have played a significant part in this trend. For an assessment of information on immigration, see *PopBites*, Minnesota State Demographic Center, May 1999. The 2000 census should provide better information about Minnesota's foreign-born population.

Wisconsin is number one source of in-migrants and number one destination of out-migrants

In terms of raw numbers, Internal Revenue Service data shows Minnesota's largest exchange of migrants is with Wisconsin, which has been the leading origin and destination for Minnesota migrants for many years. Wisconsin is the most populous of the states bordering Minnesota, and in addition is adjacent to the Minneapolis-St. Paul region, Minnesota's largest population center. Other major Minnesota migration streams involve California, North Dakota, Illinois and Texas.

Between 1998 and 1999, the largest net gains (in-migrants minus out-migrants) were from North Dakota, Illinois, Iowa

HIGHLIGHTS

- Sherburne, Chisago, Scott and Carver counties had the highest rates of net in-migration from 1995 to 1998.
- Total income of people leaving Minnesota exceeded the income of people moving into the state.
- Suburban and lake area counties gain income as a result of migration.
- Counties with high rates of population growth usually have high rates of both in- and out-migration, with in-migration being higher.

and California. Minnesota had a modest net gain of migrants from Wisconsin. The largest net losses were to Arizona, Florida and Colorado.

North Dakota has highest rates of migration to and from Minnesota

Looking at migration rates rather than the raw numbers provides another way to analyze migration. Population exchanges between North Dakota and Minnesota are huge relative to the small size of North Dakota's population. Rates of in-, out- and net migration with North Dakota are far higher than with any other state. Between 1998 and 1999, about one percent of North Dakota's population moved to Minnesota. Of course, many Minnesotans also moved to North Dakota.

The fact that two of North Dakota's largest cities, Fargo and Grand Forks, are situated on the Minnesota border contributes to this very high rate of migration.

Minnesota loses income as a result of migration

Although more people move into Minnesota than move out, migration produces a net loss of income to the state. This appears to be due to a disproportionate loss of very high income households.

The difference in the median income of in- and out-movers is actually quite small - \$21,173 for filers moving to Minnesota from other states versus \$21,936 for those going in the opposite direction between 1998 and 1999. One might expect that this slight difference would be balanced

by the fact that substantially more people move to Minnesota than move out. This is not the case, however. Internal Revenue Service data indicate that between 1998 and 1999, more than \$170 million of income was drained out of Minnesota as a result of migration. Since the median incomes are not that different, this suggests that Minnesota is losing more high-income people than it is attracting.

Loss of affluent retirees to the Sunbelt may be a factor in this income loss. The largest net dollar losses between 1998 and 1999 were to Florida (net loss over \$150 million) and Arizona (net loss more than \$94 million). There were also losses to South Dakota, North Carolina, Colorado, and Nevada.

While losing net income to South Dakota and the Sunbelt,

Minnesota gains income from most midwestern states and from a belt of northern states extending from Illinois and out through Pennsylvania and New York. The largest net dollar gain is from Illinois. As a result of migration to Minnesota, Illinois lost more than \$59 million between 1998 and 1999. Other substantial gains came from Iowa and Pennsylvania.

Though a net loss of \$170 million seems large, it is only 0.2 percent of the total income of non-movers, which was almost \$91 billion in 1999. Minnesota does not experience a net loss of income to migration every year. Internal Revenue Service figures show a net gain of income each year from 1992-1993 through 1995-1996, followed by net losses the following three years.

Minnesota's Major Migration Trading Partners, 1998 - 1999

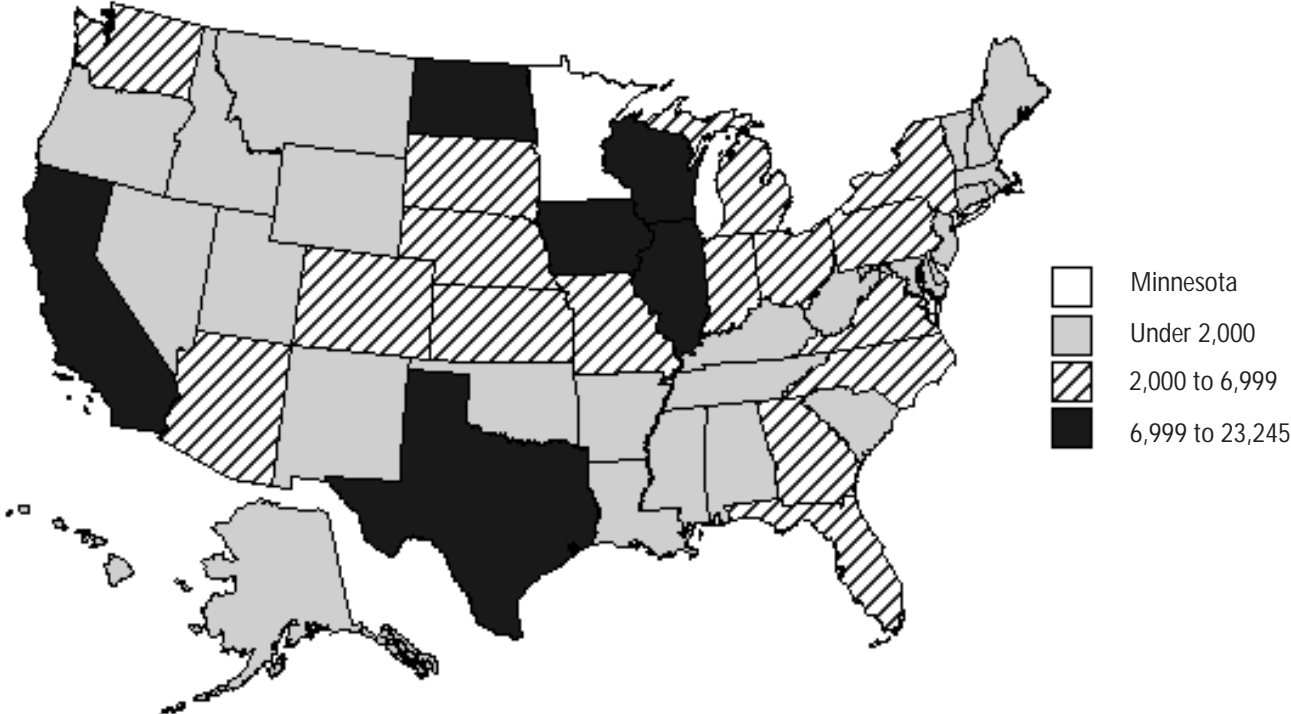
| In-migration: | | Out-migration: | | Net in-migration: | | Net out-migration: | |
|--|--------|--|--------|---|-------|--|--------|
| Largest number of in-migrants | | Largest number of out-migrants | | Largest number of net in-migrants | | Largest number of net out-migrants | |
| Wisconsin | 11,971 | Wisconsin | 11,274 | North Dakota | 1,834 | Arizona | -1,429 |
| California | 6,902 | California | 5,634 | Illinois | 1,682 | Florida | -710 |
| North Dakota | 6,501 | Texas | 5,255 | Iowa | 1,682 | Colorado | -558 |
| Illinois | 6,055 | North Dakota | 4,676 | California | 1,268 | Nevada | -177 |
| Texas | 5,576 | Illinois | 4,373 | Wisconsin | 697 | Georgia | -153 |
| Highest rates of in-migration (per 100,000 population in the origin state) | | Highest rates of out-migration (per 100,000 population in the destination state) | | Highest rates of net in-migration (per 100,000 population in the trading state) | | Highest rates of net out-migration (per 100,000 population in the trading state) | |
| North Dakota | 1024.0 | North Dakota | 735.5 | North Dakota | 288.5 | Arizona | -30.5 |
| South Dakota | 473.9 | South Dakota | 396.5 | South Dakota | 77.5 | Colorado | -13.9 |
| Wisconsin | 228.9 | Wisconsin | 215.3 | Iowa | 56.6 | Nevada | -10.0 |
| Iowa | 190.7 | Iowa | 134.0 | Nebraska | 31.1 | Idaho | -8.1 |
| Montana | 97.6 | Montana | 82.6 | Wyoming | 30.2 | Florida | -4.7 |

Source: Internal Revenue Service data based on matched income tax returns. Number of migrants is the number of exemptions claimed on returns.

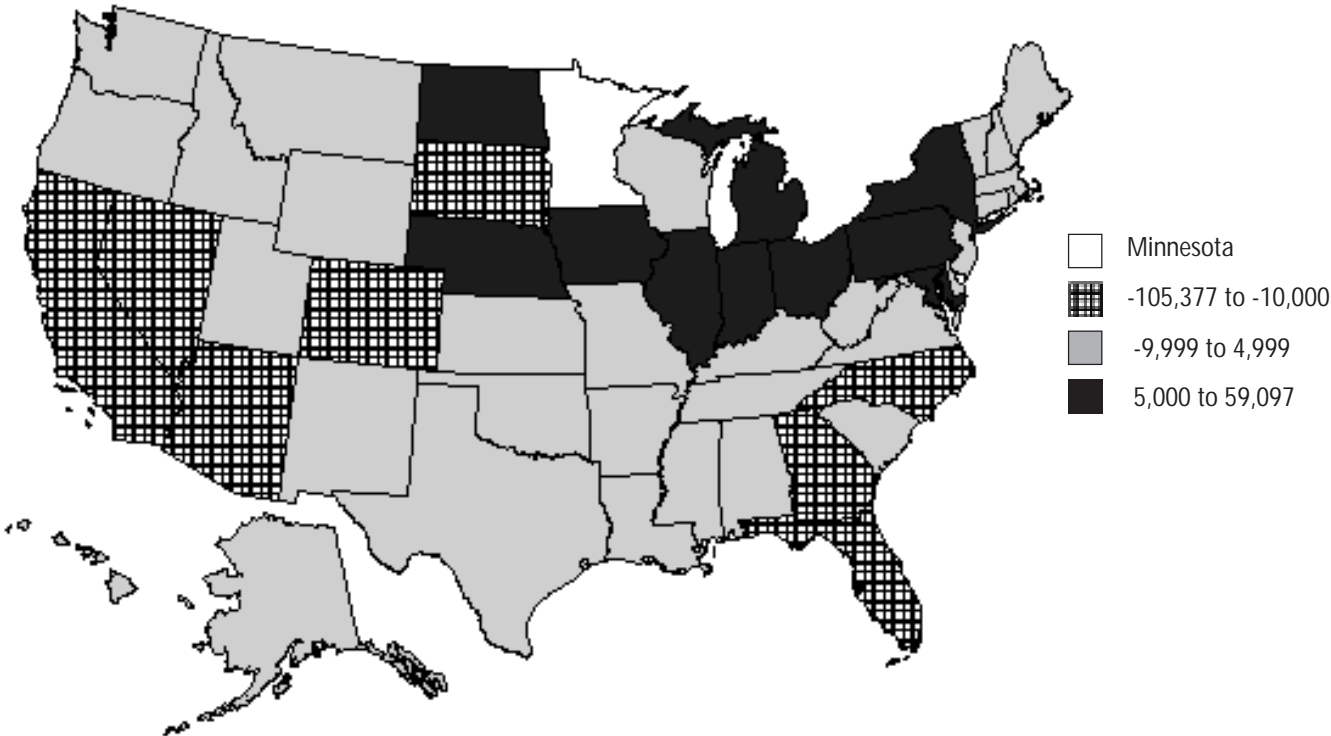
Net migration is in-migration minus out-migration.

State population estimates for 1999 from U.S. Bureau of the Census.

Gross migrants (in + out) to or from Minnesota
1998-1999, IRS data



Minnesota's income gain or loss due to migration, in \$000s
1998-1999, IRS data



Movers on average have considerably lower incomes than people who do not move. Migrants are disproportionately likely to be young adults, who have lower incomes than the middle-aged. As people get older, they generally have higher incomes. They also become more tied to jobs, families and houses and thus are less likely to move. As a result, the median income of filers who did not move between 1998 and 1999, \$31,428, was considerably higher than the figures for either in- or out-migrants.

County migration rates are related to population growth and loss

Migration rates are the major determinant of county population trends. Counties with the highest rates of net in-migration are generally growing the fastest, while net out-migration is associated with population loss or very low growth. In the late 1990s, the highest rates of net in-migration were in Twin Cities suburban counties. Sherburne County had the overall highest net in-migration rate, followed by Chisago, Scott and Carver counties. These counties are among those with the highest rates of population growth in the 1990s (*Population Notes*, Minnesota State Demographic Center, February 2000).

Many counties in the lakes and resorts areas of northern Minnesota have joined the list of leading in-migration destinations. Cook, Aitkin, Crow Wing and Cass counties all rank among the top 11 counties for net in-migration rates. These counties have all benefitted from retirement

Net migration, 1995-1998, by county

| County | Net migration 1995-1998 | Per 100 average population | County | Net migration 1995-1998 | Per 100 average population |
|-------------------|-------------------------|----------------------------|-----------------|-------------------------|----------------------------|
| Aitkin | 861 | 1.6 | Martin | 18 | 0.0 |
| Anoka | 9,186 | 0.8 | Meeker | 410 | 0.5 |
| Becker | 304 | 0.3 | Mille Lacs | 1,152 | 1.4 |
| Beltrami | 675 | 0.5 | Morrison | 476 | 0.4 |
| Benton | 464 | 0.3 | Mower | (23) | -0.0 |
| Big Stone | (33) | -0.1 | Murray | (22) | -0.1 |
| Blue Earth | (112) | -0.1 | Nicollet | 259 | 0.2 |
| Brown | 373 | 0.3 | Nobles | (399) | -0.5 |
| Carlton | 774 | 0.6 | Norman | (202) | -0.7 |
| Carver | 4,210 | 1.7 | Olmsted | 2,120 | 0.5 |
| Cass | 1,264 | 1.3 | Otter Tail | 1,678 | 0.8 |
| Chippewa | (25) | -0.0 | Pennington | 151 | 0.3 |
| Chisago | 3,272 | 2.1 | Pine | 1,027 | 1.1 |
| Clay | (109) | -0.1 | Pipestone | 17 | 0.0 |
| Clearwater | 21 | 0.1 | Polk | (1,110) | -0.9 |
| Cook | 299 | 1.7 | Pope | 238 | 0.5 |
| Cottonwood | 268 | 0.5 | Ramsey | (6,690) | -0.3 |
| Crow Wing | 2,784 | 1.4 | Red Lake | (66) | -0.4 |
| Dakota | 11,974 | 0.9 | Redwood | 35 | 0.1 |
| Dodge | 316 | 0.5 | Renville | (57) | -0.1 |
| Douglas | 986 | 0.8 | Rice | 1,183 | 0.6 |
| Faribault | (76) | -0.1 | Rock | (27) | -0.1 |
| Fillmore | 118 | 0.1 | Roseau | (103) | -0.2 |
| Freeborn | (356) | -0.3 | St. Louis | 1,182 | 0.1 |
| Goodhue | 583 | 0.3 | Scott | 5,547 | 1.9 |
| Grant | 20 | 0.1 | Sherburne | 6,818 | 3.1 |
| Hennepin | (3,564) | -0.1 | Sibley | 241 | 0.4 |
| Houston | 183 | 0.2 | Stearns | 2,363 | 0.5 |
| Hubbard | 718 | 1.1 | Steele | 324 | 0.3 |
| Isanti | 920 | 0.8 | Stevens | 45 | 0.1 |
| Itasca | 1,305 | 0.8 | Swift | 296 | 0.7 |
| Jackson | 31 | 0.1 | Todd | 121 | 0.1 |
| Kanabec | 696 | 1.3 | Traverse | (79) | -0.5 |
| Kandiyohi | 148 | 0.1 | Wabasha | 384 | 0.5 |
| Kittson | (42) | -0.2 | Wadena | 191 | 0.4 |
| Koochiching | (8) | -0.0 | Waseca | 523 | 0.7 |
| Lac qui Parle | (67) | -0.2 | Washington | 12,076 | 1.6 |
| Lake | 313 | 0.7 | Watonwan | (197) | -0.4 |
| Lake of the Woods | 196 | 1.1 | Wilkin | (135) | -0.5 |
| Le Sueur | 500 | 0.5 | Winona | 288 | 0.1 |
| Lincoln | (70) | -0.3 | Wright | 5,409 | 1.7 |
| Lyon | (21) | -0.0 | Yellow Medicine | 36 | 0.1 |
| McLeod | 560 | 0.4 | Minnesota | 37,932 | 0.2 |
| Mahnomen | 1 | 0.0 | | | |
| Marshall | (270) | -0.6 | | | |

Net migration is the difference between population change and natural increase (births minus deaths).

migration and from a boom in recreation and vacation homes.

Overall, 26 of 87 counties had out-migration between 1995 and 1998. Agricultural counties in western Minnesota and along the southern border continue to experience the highest rates of net out-migration. These counties have long histories of out-migration, especially among young people. Floods and plant closures have also affected some counties. The devastating Red River Valley flood of 1997 contributed to out-migration in Polk County, while the closing of a poultry plant in Worthington increased out-migration from Nobles County.

Out-migration in the state's two largest counties, Hennepin and Ramsey, reflects continued movement to outlying

suburban areas. Out-migration has been the norm in these two central-city counties for many years.

Migration streams are mostly to nearby destinations

Most moves are over short distances. Internal Revenue Service figures show the largest migration streams are almost always between adjacent counties. For example, the leading origins of migrants to LeSueur County are Scott, Nicollet and Blue Earth counties, all of them next door. Counties with large populations, particularly Hennepin County, the state's largest, also appear frequently on the list of major origins and destinations for smaller counties. More distant counties rarely appear on the list of significant migration

partners. One exception is that several counties in Texas, notably Hidalgo and Cameron counties, are major origins or destinations for some counties in southern Minnesota. Many Texas residents have moved to Minnesota to work in agricultural or food-processing jobs. There is also frequent movement from Minnesota back to Texas.

County migration patterns vary

Migration patterns differ considerably from one county to the next. While fast-growing counties generally have high rates of in-migration, many also have high rates of out-migration. Some counties draw new residents mainly from within Minnesota, while others exchange a large volume of migrants with other states. Wealthier migrants are drawn to some counties and the less well-off to others.

High in-migration and high out-migration often occur together

Rates of in-migration are highest in the Twin Cities suburbs, the Rochester and St. Cloud areas, and in a band of counties extending through north central Minnesota up to the Canadian border. These are generally the regions of greatest population growth. Southwestern Minnesota, northeastern Minnesota and counties along the southern border have the lowest rates of in-migration.

Though it might seem paradoxical at first glance, counties with the highest rates of in-migration and population growth often have high rates of out-migration as well. High-growth areas have significant

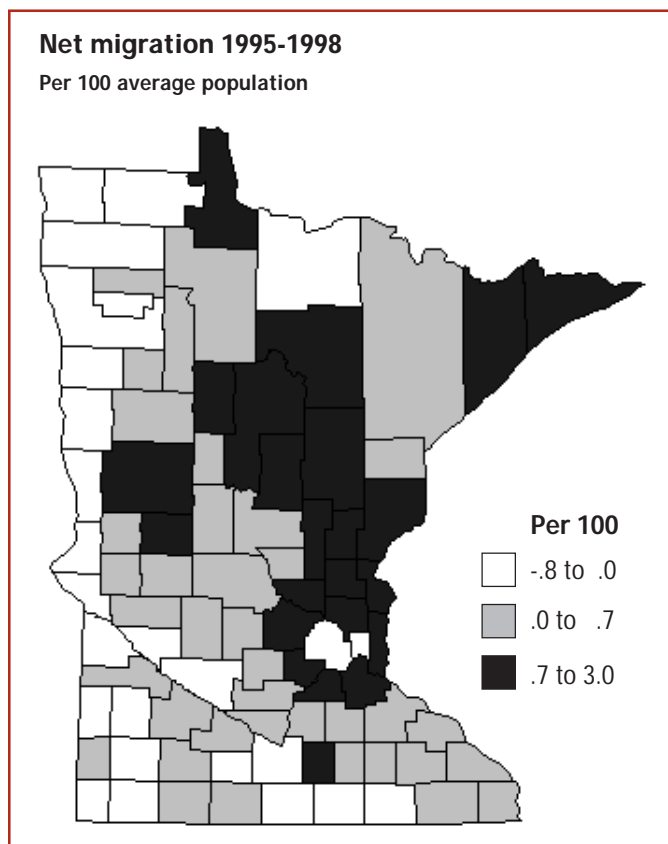
population "churning," with large numbers of people leaving but even larger numbers moving in. This pattern describes many suburban counties in the Minneapolis-St. Paul area as well as parts of north central Minnesota.

The combination of low in-migration with high out-migration is uncommon and usually a certain recipe for population loss. Traverse County is an example of this pattern. Traverse County's population fell almost 3 percent between 1995 and 1998.

Swift County is an exception to this rule. In Swift County, the population grew by 2.3 percent despite the combination of low in-migration and high out-migration of tax filers. The net loss of tax filers has been offset by a substantial gain in the number of prisoners sent to the private prison in Appleton. Prisoners are counted as part of the population, but many do not appear in the Internal Revenue Service database because they do not file tax returns.

Central Minnesota counties exchange fewer migrants with other states

Most Minnesotans who move go to another Minnesota county, but some areas are relatively more involved in exchanges with other states. Counties along state borders, especially the western border, Hennepin and Dakota counties in the Twin Cities area, and Olmsted County (Rochester) are among the more outward-oriented. Along the western border, interstate exchanges tend to be with North and



Leading origins of in-migrants 1998-1999
(Internal Revenue Service data)

Leading destinations of out-migrants 1998-1999
(Internal Revenue Service data)

| County name | First | Second | Third | Fourth | First | Second | Third | Fourth |
|-------------------|---------------|---------------|-----------------|---------------|--------------|------------|---------------|---------------------------|
| Aitkin County | Hennepin | Anoka | Crow Wing | Ramsey | Crow Wing | Hennepin | Anoka | Itasca, St. Louis |
| Anoka County | Hennepin | Ramsey | Dakota | Washington | Hennepin | Ramsey | Sherburne | Isanti |
| Becker County | Cass, ND | Otter Tail | Clay | Hubbard | Otter Tail | Clay | Cass, ND | Hubbard |
| Beltrami County | Clearwater | Hennepin | Cass | Hubbard | Clearwater | Hennepin | Cass | Hubbard |
| Benton County | Stearns | Sherburne | Hennepin | Morrison | Stearns | Sherburne | Hennepin | Mille Lacs |
| Big Stone County | Lac qui Parle | Not listed | Not listed | Not listed | Grant | Not listed | Not listed | Not listed |
| Blue Earth County | Nicollet | LeSueur | Hennepin | Waseca | Nicollet | Hennepin | Dakota | LeSueur |
| Brown County | Blue Earth | Nicollet | Redwood | Hennepin | Nicollet | Hennepin | Blue Earth | Redwood, Hidalgo, TX |
| Carlton County | St. Louis | Pine | Hennepin | Waseca | St. Louis | Pine | Douglas, WI | Hennepin, Aitkin |
| Carver County | Hennepin | Scott | Dakota | Ramsey | Hennepin | Scott | Dakota | McLeod |
| Cass County | Crow Wing | Hennepin | Beltrami | Anoka | Crow Wing | Beltrami | Hennepin | Itasca |
| Chippewa County | Kandiyohi | Lac qui Parle | Yellow Medicine | Swift | Kandiyohi | Hennepin | Lac qui Parle | Yellow Medicine, Renville |
| Chisago County | Ramsey | Anoka | Washington | Hennepin | Ramsey | Washington | Anoka | Hennepin |
| Clay County | Cass, ND | Becker | Otter Tail | Norman | Cass, ND | Becker | Otter Tail | Hennepin |
| Clearwater County | Beltrami | Polk | Not listed | Not listed | Beltrami | Polk | Roseau | Not listed |
| Cook County | St. Louis | Hennepin | Not listed | Not listed | St. Louis | Lake | Hennepin | Not listed |
| Cottonwood County | Watonwan | Jackson | Not listed | Not listed | Jackson | Nobles | Brown | Redwood |
| Crow Wing County | Cass | Hennepin | Anoka | Morrison | Cass | Hennepin | Aitkin | Morrison |
| Dakota County | Hennepin | Ramsey | Washington | Scott | Hennepin | Ramsey | Washington | Scott |
| Dodge County | Olmsted | Steele | Mower | Goodhue | Olmsted | Steele | Mower | Goodhue |
| Douglas County | Hennepin | Stearns | Pope | Todd | Hennepin | Pope | Otter Tail | Stearns |
| Faribault County | Freeborn | Blue Earth | Martin | Not listed | Blue Earth | Freeborn | Martin | Hennepin |
| Fillmore County | Olmsted | Winona | Mower | Houston | Olmsted | Mower | Winona | Houston |
| Freeborn County | Mower | Steele | Faribault | Dakota | Steele | Mower | Hennepin | Faribault |
| Goodhue County | Dakota | Olmsted | Hennepin | Pierce, WI | Dakota | Olmsted | Pierce, WI | Hennepin |
| Grant County | Otter Tail | Douglas | Not listed | Not listed | Douglas | Otter Tail | Stevens | Hennepin |
| Hennepin County | Ramsey | Anoka | Dakota | Carver | Ramsey | Anoka | Dakota | Carver |
| Houston County | LaCrosse, WI | Winona | Fillmore | Allamakee, IA | LaCrosse, WI | Winona | Fillmore | Olmsted |
| Hubbard County | Beltrami | Cass | Hennepin | Becker | Beltrami | Cass | Wadena | Hennepin |
| Isanti County | Anoka | Hennepin | Ramsey | Chisago | Anoka | Hennepin | Chisago | Mille Lacs |
| Itasca County | St. Louis | Hennepin | Aitkin | Anoka | St. Louis | Hennepin | Aitkin | Ramsey |
| Jackson County | Cottonwood | Nobles | Martin | Dickinson, IA | Nobles | Martin | Cottonwood | Minnehaha, SD |

Leading origins of in-migrants 1998-1999
(Internal Revenue Service data)

Leading destinations of out-migrants 1998-1999 (continued)
(Internal Revenue Service data)

| County name | First | Second | Third | Fourth | First | Second | Third | Fourth |
|--------------------------|-----------------|-----------------|---------------|-------------------|-----------------|-----------------|-----------------|---------------|
| Kanabec County | Pine | Isanti | Anoka | Hennepin | Pine | Hennepin | Isanti | Anoka |
| Kandiyohi County | Renville | Stearns | Hennepin | Chippewa | Stearns | Hennepin | Meeker | Swift |
| Kittson County | Pembina, ND | Not listed | Not listed | Not listed | Pennington | Not listed | Not listed | Not listed |
| Koochiching County | St. Louis | Hennepin | Roseau | Beltrami | Chippewa | Lyon | Hennepin | Not listed |
| Lac qui Parle County | Chippewa | Not listed | Not listed | Not listed | St. Louis | Hennepin | Not listed | Not listed |
| Lake County | St. Louis | Hennepin | Cook, MN | Carlton | Roseau | Not listed | Not listed | Not listed |
| Lake of the Woods County | Roseau | Not listed | Not listed | Not listed | Blue Earth | Rice | Scott | Hennepin |
| Le Sueur County | Scott | Nicollet | Blue Earth | Rice | Pipestone | Lyon | Brookings, SD | Not listed |
| Lincoln County | Lyon | Pipestone | Not listed | Not listed | Hennepin | Yellow Medicine | Lincoln | Minnehaha, SD |
| Lyon County | Redwood | Yellow Medicine | Minnehaha, SD | Hennepin, Lincoln | Meeker | Hennepin | Carver | Sibley |
| McLeod County | Hennepin | Carver | Meeker | Sibley | Becker | Polk, MN | Not listed | Not listed |
| Mahnomen County | Becker | Polk | Not listed | Not listed | Pennington | Grand Forks, ND | Polk | Roseau |
| Marshall County | Pennington | Roseau | Polk | Grand Forks, ND | Kanabec | Anoka | Hennepin | Ramsey |
| Martin County | Jackson | Faribault | Watonwan | Blue Earth | Blue Earth | Hennepin | Faribault | Emmet, IA |
| Meeker County | McLeod | Wright | Stearns | Hennepin | McLeod | Stearns | Wright | Kandiyohi |
| Mille Lacs County | Anoka | Hennepin | Sherburne | Isanti | Benton | Hennepin | Sherburne | Anoka |
| Morrison County | Stearns | Benton | Todd | Hennepin | Stearns | Benton | Todd | Crow Wing |
| Mower County | Olmsted | Freeborn | Steele | Fillmore | Olmsted | Freeborn | Hennepin | Steele |
| Murray County | Nobles | Lyon | Not listed | Not listed | Nobles | Minnehaha, SD | Lyon | Pipestone |
| Nicollet County | Blue Earth | LeSueur | Brown | Hennepin | Blue Earth | LeSueur | Hennepin | Brown |
| Nobles County | Jackson | Minnehaha, SD | Murray | Rock | Minnehaha, SD | Murray | Jackson | Hennepin |
| Norman County | Cass, ND | Clay | Polk | Mahnomen | Clay | Cass, ND | Polk | Not listed |
| Olmsted County | Dodge | Hennepin | Wabasha | Winona | Hennepin | Dodge | Wabasha | Dakota |
| Otter Tail County | Cass, ND | Hennepin | Becker | Clay | Cass, ND | Becker | Hennepin | Douglas |
| Pennington County | Marshall | Roseau | Polk | Grand Forks, ND | Polk | Marshall | Grand Forks, ND | Cass, ND |
| Pine County | Anoka | Hennepin | Ramsey | Chisago | Kanabec | Anoka | Hennepin | Ramsey |
| Pipestone County | Lincoln | Minnehaha, SD | Murray | Lyon | Minnehaha, SD | Rock | Lyon | Nobles |
| Polk County | Grand Forks, ND | Red Lake | Cass, ND | Marshall | Grand Forks, ND | Cass, ND | Beltrami | Pennington |
| Pope County | Douglas | Stevens | Hennepin | Stearns | Douglas | Stevens | Stearns | Hennepin |
| Ramsey County | Hennepin | Dakota | Washington | Anoka | Hennepin | Washington | Dakota | Anoka |
| Red Lake County | Pennington | Polk | Not listed | Not listed | Polk | Pennington | Not listed | Not listed |
| Redwood County | Renville | Lyon | Brown | Kandiyohi | Lyon | Renville | Hennepin | Kandiyohi |

Leading origins of in-migrants 1998-1999
(Internal Revenue Service data)

Leading destinations of out-migrants 1998-1999 (continued)
(Internal Revenue Service data)

| County name | First | Second | Third | Fourth | First | Second | Third | Fourth |
|------------------------|---------------|--------------|-------------------|---------------|---------------|-------------------|-----------------|-----------------|
| Renville County | Redwood | Kandiyohi | Hidalgo, TX | McLeod | Kandiyohi | Redwood | McLeod | Hidalgo, TX |
| Rice County | Dakota | Hennepin | Steele | LeSueur | Dakota | Hennepin | Steele | LeSueur |
| Rock County | Minnehaha, SD | Nobles | Pipestone | Not listed | Minnehaha, SD | Nobles | Lyon, IA | Not listed |
| Roseau County | Koochiching | Pennington | Lake of the Woods | Kittson, Polk | Pennington | Lake of the Woods | Hennepin | Marshall |
| St. Louis County | Hennepin | Carlton | Douglas, WI | Itasca | Hennepin | Douglas | Carlton | Ramsey |
| Scott County | Hennepin | Dakota | Carver | LeSueur | Dakota | Hennepin | Carver | LeSueur |
| Sherburne County | Hennepin | Anoka | Wright | Stearns | Stearns | Hennepin | Anoka | Wright |
| Sibley County | McLeod | Carver | LeSueur | Cameron, TX | McLeod | Carver | LeSueur | Hennepin, Scott |
| Stearns County | Benton | Sherburne | Hennepin | Wright | Benton | Hennepin | Sherburne | Wright |
| Steele County | Rice | Waseca | Dodge | Freeborn | Rice | Freeborn | Dodge | Hennepin |
| Stevens County | Douglas | Not listed | Not listed | Not listed | Hennepin | Pope | Douglas | Ramsey |
| Swift County | Kandiyohi | Chippewa | Stearns | Stevens | Kandiyohi | Chippewa | Lac qui Parle | Douglas |
| Todd County | Stearns | Morrison | Hennepin | Douglas | Stearns | Morrison | Douglas | Wadena |
| Traverse County | Not listed | Not listed | Not listed | Not listed | Not listed | Not listed | Not listed | Not listed |
| Wabasha County | Olmsted | Goodhue | Winona | Dakota | Olmsted | Goodhue | Winona | Dakota |
| Wadena County | Otter Tail | Hubbard | Todd | Hennepin | Todd | Otter Tail | Hubbard | Crow Wing |
| Waseca County | Blue Earth | Steele | LeSueur | Rice | Blue Earth | Steele | Hennepin | LeSueur |
| Washington County | Ramsey | Dakota | Hennepin | Anoka | Ramsey | Dakota | Hennepin | Anoka |
| Watonwan County | Blue Earth | Martin | Cameron, TX | Cottonwood | Blue Earth | Hidalgo, TX | Brown | Martin |
| Wilkin County | Richland, ND | Otter Tail | Cass, ND | Not listed | Richland, ND | Otter Tail | Cass, ND | Not listed |
| Winona County | Olmsted | LaCrosse, WI | Houston | Wabasha | Olmsted | Hennepin | Trempealeau, WI | LaCrosse, WI |
| Wright County | Hennepin | Sherburne | Anoka | Stearns | Hennepin | Sherburne | Stearns | Anoka |
| Yellow Medicine County | Lyon | Chippewa | Lac qui Parle | Kandiyohi | Lyon | Chippewa | Hennepin | Not listed |

Note: all counties in Minnesota unless noted. Very small flows are not listed.

South Dakota. For example, most out-of-staters who move to Clay County (Moorhead), Minnesota, are from North Dakota, especially from Cass County (Fargo). In the other high-exchange counties, migrants are exchanged with a more diverse group of states. Hennepin County, the state's largest, receives large numbers of new residents from California, Arizona, and Washington State as well as from North Dakota and Wisconsin.

Counties lying north and directly west of the Twin Cities generally do not exchange as many migrants with other states. Though many of these counties (e.g. Chisago, Wright and Mille Lacs) are gaining population, they do so mostly by drawing people from elsewhere in Minnesota.

The highest rates of gross migration exchanges (in-migrants plus out-migrants as a fraction of the number of non-migrants) between Minnesota counties occur in the east central part of the state. Counties along the western and southern border and in the northeast are less involved in migration within Minnesota.

Suburbs and lakes areas gain income from migration

As a result of migration, some counties lose income while others gain. Income can be lost if more people move out than in, or if those who leave have higher incomes than those who move in.

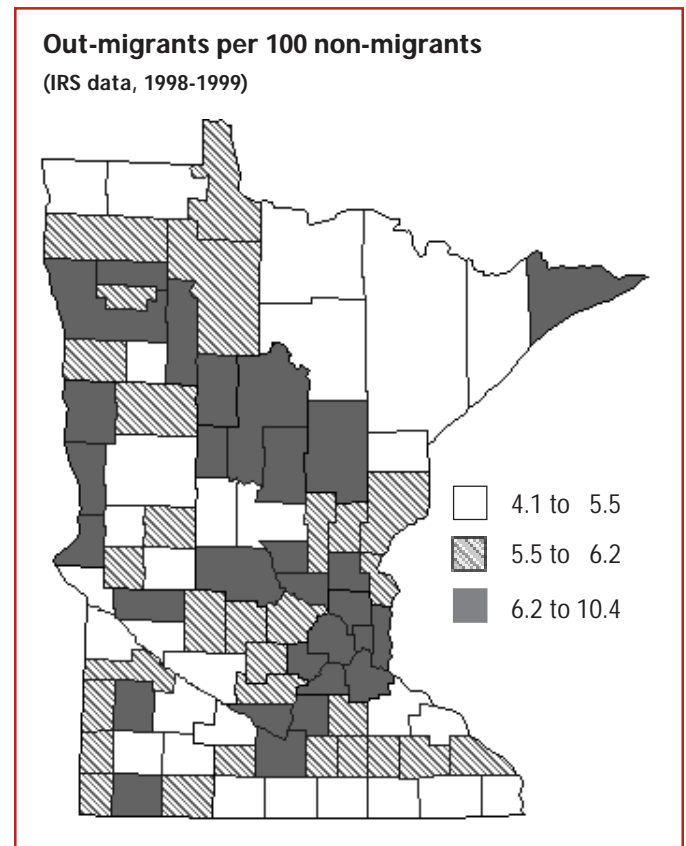
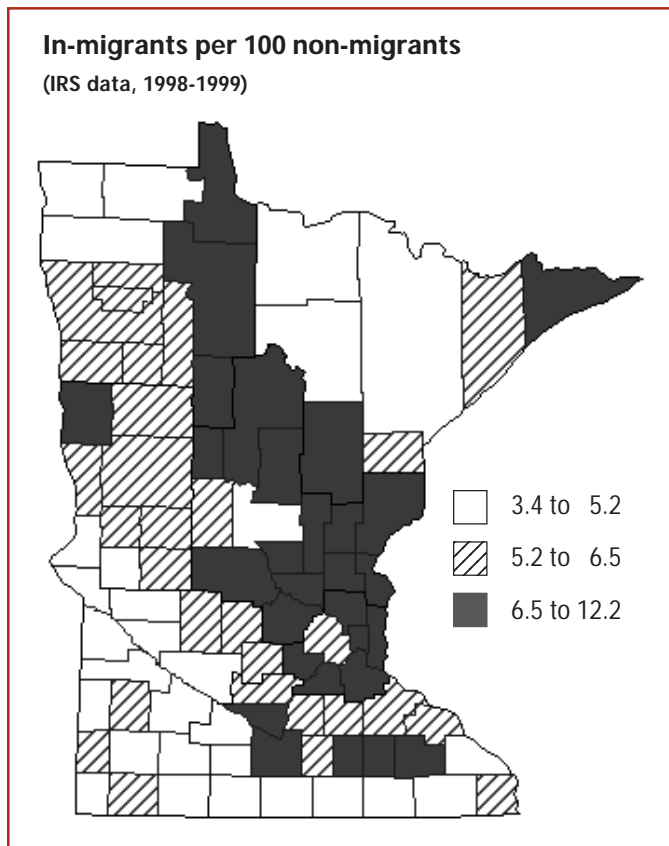
The main financial gainers are the suburban counties around the Twin Cities and the lakes

area of north central Minnesota. The main losers are counties in western Minnesota and Hennepin County. Life cycle effects may explain some of these differences. Suburban counties attract more affluent residents who may be "moving up" to a more expensive home. Lake area counties attract well-off retirees and others who want to make a lifestyle change. Hennepin County, in contrast, draws lower-income young adults who are attending college or who move to urban areas to improve their economic status. Western counties may lose income simply because more people move out than move in.

As noted earlier, in-migrant incomes are noticeably lower than resident incomes in almost all cases. In counties with large cities (Hennepin and

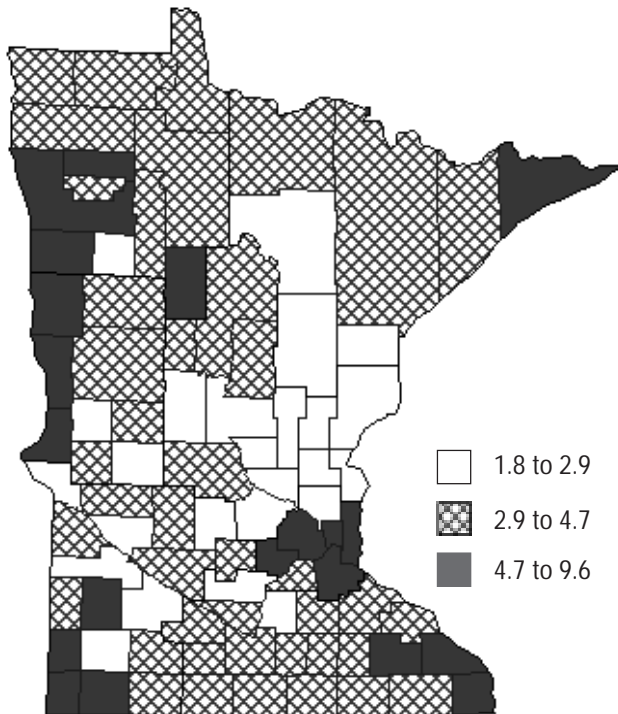
St. Louis) or with college campuses (Beltrami, Clay, Stevens and several others), the ratio of in-migrant to resident income is particularly low, reflecting the large young adult population moving to these areas.

In only a few counties – notably Cass, Hubbard and Aitkin in north central Minnesota – do in-migrants actually have higher incomes than non-movers. The people moving to these counties are generally middle-aged or older adults with fairly substantial incomes. Incomes of long-term residents, in contrast, are generally below the state average, so incomes of new arrivals are higher by comparison.



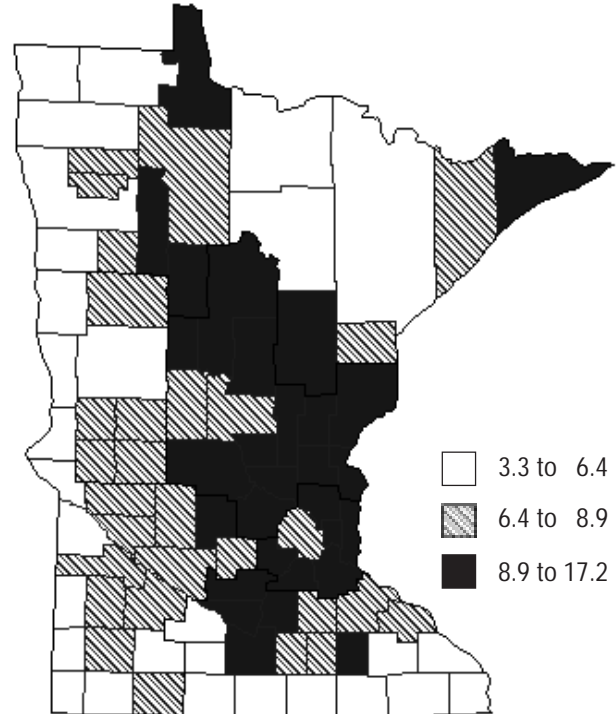
Gross migration exchanges with other states

In + out per 100 nonmigrants, 1998-1999
(IRS data)



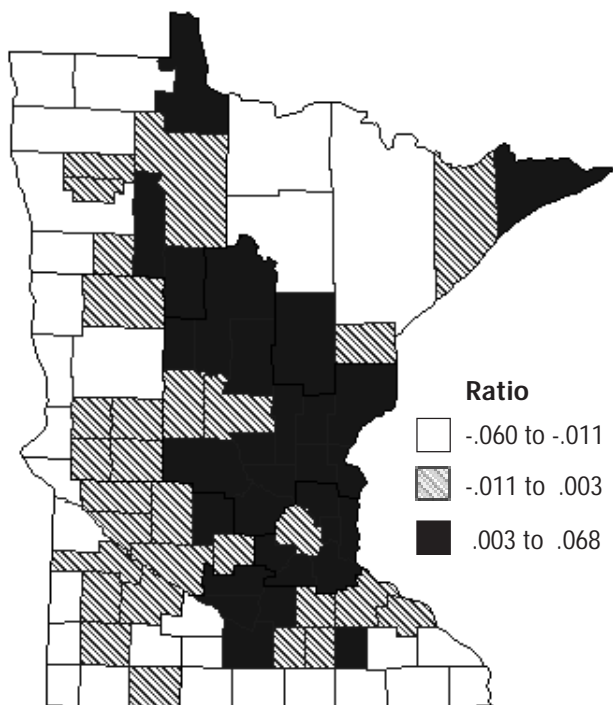
Gross migration exchanges within Minnesota

In + out per 100 nonmigrants, 1998-1999
(IRS data)



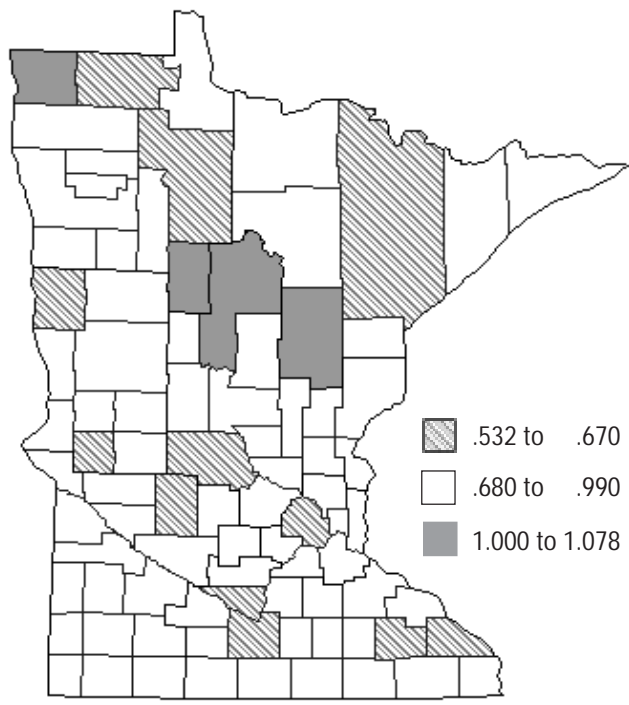
Ratio of dollar gains or losses due to migration to income of nonmigrants, 1998-1999

(IRS data)



Ratio of median in-migrant income to median nonmover income, 1998-1999

(IRS data)



Minnesota Population Change and Net Migration Comparing U.S. Census Bureau Estimates and Internal Revenue Service Data

Census Bureau estimates

| Date | Population Change | Natural Increase | Net Domestic Migration | Net International Migration | Net Federal Migration | Residual |
|--------------|-------------------|------------------|------------------------|-----------------------------|-----------------------|----------|
| 7/98 to 7/99 | 49,097 | 27,519 | 13,743 | 7,877 | (4) | (38) |
| 7/97 to 7/98 | 38,685 | 26,745 | 5,044 | 7,270 | 40 | (414) |
| 7/96 to 7/97 | 40,003 | 27,525 | 4,978 | 7,635 | 84 | (219) |
| 7/95 to 7/96 | 42,278 | 25,842 | 11,999 | 5,838 | (4) | (1,397) |
| 7/94 to 7/95 | 39,417 | 26,768 | 7,969 | 5,994 | 97 | (1,411) |
| 7/93 to 7/94 | 44,319 | 27,913 | 12,989 | 5,000 | 168 | (1,751) |
| 7/92 to 7/93 | 50,206 | 29,397 | 16,045 | 5,315 | 214 | (765) |
| 7/91 to 7/92 | 44,074 | 31,473 | 8,007 | 5,378 | 309 | (1,093) |
| 7/90 to 7/91 | 40,146 | 32,252 | 5,432 | 3,858 | 70 | (1,466) |

Estimates from U.S. Census Bureau. Natural increase is births minus deaths. Net federal migration refers to movement of U.S. civilians to and from other countries. The residual is needed to make the components sum to the total change in population.

Internal Revenue Service data

| Date | In-mover Exemptions | Out-mover Exemptions | Net Exemptions |
|-----------|---------------------|----------------------|----------------|
| 1998-1999 | 91,243 | 79,933 | 11,310 |
| 1997-1998 | 85,820 | 83,909 | 1,911 |
| 1996-1997 | 84,679 | 81,090 | 3,589 |
| 1995-1996 | 84,645 | 74,689 | 9,956 |
| 1994-1995 | 82,800 | 74,495 | 8,305 |
| 1993-1994 | 81,200 | 71,967 | 9,233 |
| 1992-1993 | 83,989 | 68,900 | 15,089 |
| 1991-1992 | 77,062 | 69,731 | 7,331 |
| 1990-1991 | 77,952 | 72,571 | 5,381 |

Data are from the U.S. Internal Revenue Service and are based on tax returns matched on the Social Security number of the filer.

Sources

There are a variety of sources of migration data, including the Census Bureau, the State Demographic Center, and the Internal Revenue Service.

None of these is ideal, but together they provide a good overview of recent trends. Internal Revenue Service tax return data based on matched income tax returns provides information on migration to and from other states. This data is invaluable for tracking trends and making comparisons, but it misses international immigrants. College students, other young adults and people filing tax returns for the first time are also underrepresented by this data.

U.S. Census Bureau estimates of net migration by state are available on their web site at <http://www.census.gov/population/estimates/state/st-99-7.txt>

Census Bureau estimates of annual population change and net migration for

Minnesota counties for the 1990 to 1999 period can be found at: http://www.census.gov/population/estimates/county/co-99-8/99C8_27.txt

Though the Census county data provide estimates of international immigration by county, these estimates do not pick up sudden changes in immigration at the county level. The Census Bureau method estimates immigration at the state level, then assigns immigrants by county based largely on 1990 census data. The state-level immigration estimate may miss secondary migration and some movement of undocumented people. Despite these potential problems, this is the only source now available on immigration at the county level.

Net migration by county from 1995 to 1998 was calculated by the State Demographic Center using the residual method. Residual net migration is estimated by

subtracting natural increase (births minus deaths) from total population change. Birth and death data are only available through 1998, so migration was only calculated through 1998.

Population Notes is published periodically by the State Demographic Center at Minnesota Planning.

Upon request, *Population Notes* will be made available in an alternate format, such as Braille, large print or audio tape. For TTY, contact Minnesota Relay Service at 800-627-3529 and ask for Minnesota Planning. For information or additional copies of *Population Notes*, contact:

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New Census Bureau reports on income, foreign-born population and education

The Census Bureau estimates that 26.4 million foreign-born people lived in the United States in 1999. The Midwest has a smaller concentration of foreign-born people than other areas. About 10 percent of the foreign-born live in the Midwest, while about a quarter of the native population lives in that region. (U.S. Census Bureau, Current Population Reports, P20-519, August 2000)

Americans are more educated than ever, says a new U.S. Census Bureau report. Among adults age 25 or older, 83 percent have completed at least high school and 25 percent have attained at least a bachelor's degree. Among young people ages 25 to 29, women have more education than men. (Current Population Reports, P20-528, August 2000.)

Minnesotans are more affluent than the national average, according to another recent Census Bureau report. Median household income for the three-year period 1997 to 1999, in 1999 dollars, was estimated to be \$46,802

(± \$1,261) in Minnesota. This was well above the national average of \$39,657 (± \$143). (Current Population Reports, P60-209, September 2000.) The average poverty rate in Minnesota for the same period was 9.1 percent (± 1.03), versus 12.6 percent (± 0.15) in the entire country (Current Population Reports, P60-210, September 2000.)

Are the rich getting richer and the poor getting poorer? A new U.S. Census Bureau report on trends in income distribution (Current Population Reports, P-60-204, June 2000) attempts to answer this question. The issue is complex because there are several ways to measure the inequality of income distribution. Results using alternative measures often lead to different conclusions. Most of the indicators show that income inequality in the U.S. rose between 1967 and 1992. Increases in inequality were especially striking in the 1980s. Since about 1992, the distribution of income has not changed much.

All these reports can be viewed on the U.S. Census Bureau web site, www.census.gov

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