
PUBLIC ASSISTANCE AND INCOME: CHANGES OVER TIME

Executive Summary

By looking at the changing economic circumstances of Washington families over a four-year period, we found changes in annual family income to be common. Such changes in income are called "income mobility." Over the period we studied, increases in family incomes were more common than decreases; national studies have reported similar findings. Our state's longitudinal study, the *Family Income Study*, allows us to see income mobility over four years (1988-1991) among low-income families in Washington State.

Principal Findings

- In Washington State, changes in women's household economic status were common.
- Public assistance receipt was usually temporary; most women used public assistance for only a short time. Within a 27-month period, over half (53 percent) of the women on assistance had *left* assistance for at least 12 months.
- Of the 53 percent who left assistance, about half (27 of the 53 percent) moved to income levels *above* 125 percent of the federal poverty line, and half (26 percent) moved to income levels *at or below* 125 percent of the federal poverty line.
- Over half (54 percent) of the *lower-income* households that had household incomes at or below 125 percent of the federal poverty line in 1988 and were not on assistance had moved to income levels *above* 125 percent of the federal poverty line by 1991. About one-third (32 percent) remained in the non-assistance, lower-income category, and 14 percent went on public assistance.
- Most (72 percent) of the *higher-income* households that had household incomes *above* 125 percent of the federal poverty line in 1988 and were not on assistance experienced an increase in household income by 1991. Of the 28 percent that experienced a decrease in income, 13 percent remained above 125 percent of the federal poverty line, 7 percent fell to a level at or below 125 percent of the federal poverty line, and 8 percent went on public assistance.