



**Economic Impacts of Federal Immigration
Enforcement in Los Angeles County
90-Day Update of Ongoing Analysis
September 15, 2025**

Dear Los Angeles County Department of Economic Opportunity (DEO),

The Institute for Applied Economics (IAE) at the Los Angeles Economic Development Corporation (LAEDC) is in the midst of analyzing the economic impacts of federal immigration enforcement efforts in Los Angeles County. The purpose is to quantify and understand the cascading economic effects across small businesses, key industries, informal work sectors, and households—especially those in immigrant and mixed-status communities—resulting from these enforcement efforts. This memorandum provides a 90-day update of our ongoing analysis.

Scope of Work

LAEDC has been tasked with the following analyses to understand the impacts of federal immigration enforcement in Los Angeles County:

- Assessing the economic impact on small businesses due to loss of workforce, including identifying the most impacted areas and most impacted types of businesses in Los Angeles County;
- Assessing the economic impact of property damage and imposed curfews; and
- Identifying available supportive services for impacted small business and ways to make them available in a manner that is responsive to their language and immigration needs.

All three tasks are underway and are being conducted concurrently. Additionally, we are compiling relevant facts and stories that support these tasks as we come across them.

Broader Context

Supreme Court of the United States (SCOTUS) Ruling

On September 8th, 2025, SCOTUS placed a stay on a July 11th, 2025 ruling by District Judge Maame Ewusi-Mensah Frimpong, allowing the return of “roving patrols” by ICE.¹ The original ruling by Judge Frimpong placed a temporary restraining order (TRO) on ICE from coordinating arrests in the greater Los Angeles² area using factors they had been found to use, such as race, spoken language, accent, and place of work, as these factors did not demonstrate enough “reasonable suspicion” for ICE to detain a suspect.³ The district court will hear more arguments on September 24th regarding extending the initial TRO, as SCOTUS’s stay only refers to the July 11th ruling.⁴ After SCOTUS’s decision was made public, the DHS x.com account posted, “DHS law enforcement will continue to FLOOD THE ZONE in Los Angeles.”⁵

¹ https://www.supremecourt.gov/opinions/24pdf/25a169_5h25.pdf

² This includes Los Angeles, Orange, Ventura, Riverside, San Bernardino, Santa Barbara, and San Luis Obispo counties.

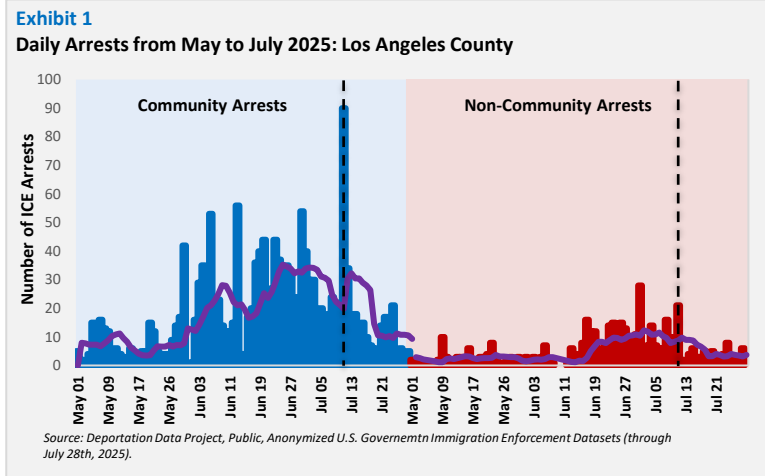
³ <https://www.politico.com/news/2025/07/11/federal-judge-blocks-roving-immigration-arrests-amid-los-angeles-crackdown-00449914>

⁴ <https://www.aclusocal.org/en/press-releases/us-supreme-court-grants-stay-la-raids-case>

⁵ <https://x.com/DHSGov/status/1965096915319902465>

The SCOTUS ruling and DHS post have raised fears of a surge in immigration enforcement throughout the Los Angeles area. Some outdoor celebrations that may be targeted by ICE have been canceled, such as the Dia de Los Muertos Parade and Arte y Ofrendas Festival in Long Beach.⁶ However, other events, such as East Los Angeles's Mexican Independence Day Parade and South Los Angeles's Anti-ICE Block Party, continued despite heightened concerns.^{7,8}

While the Deportation Data Project data has not been updated since the last report, we analyzed the change in daily arrest behavior around the original July 11th TRO by Judge Frimpong. We note, however, that the Deportation Data Project only has data up through July 28th, which is only 17 days after the July 11th ruling. **Exhibit 1** shows the daily arrest levels between May and July of this year. The 7-day moving averages (the purple line) show heightened arrest levels in June and the first 10 days of July, a sudden spike on July 11th (the black dashed line), and then a return to early June arrest levels onward from July 18th. The exhibit also displays that the drop in arrest levels after July 11th seems to be primarily driven by a drop in community arrests (blue bars), or arrests made in places such as work or at home, which the TRO would have directly impacted. Our analysis is suggestive evidence that the TRO decreased ICE arrests in the Los Angeles area, and that its removal may cause a resurgence in arrests. We will continue to update this analysis as more data becomes available.



Other News Updates

- The California state legislature passed two bills recently focusing on public identification of federal police officers on duty in California. The first bill, Senate Bill 627 or the “No Secret Police Act”, would prohibit officers from covering their faces while on duty.⁹ The other bill, Senate Bill 805 or the “No Vigilantes Act”, would require officers to display identification, including their name and/or badge number, while on duty.¹⁰ Governor Newsom will have 30 days to sign either law.¹¹
- The first-day attendance at Los Angeles Unified School District was up 2% compared to last year.¹² The fact that attendance remained steady despite increased immigration enforcement can be tied to several new security measures, such as placing school staff on the perimeter around schools impacted by ICE raids.

⁶ <https://www.latimes.com/california/story/2025-09-14/long-beach-cancels-dia-de-los-muertos-parade-fears-immigration-raids>

⁷ <https://www.cbsnews.com/losangeles/video/east-las-mexican-independence-day-parade-still-draws-crowds-despite-fear-of-ice-operations/>

⁸ <https://www.foxla.com/video/1707373>

⁹ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB627

¹⁰ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB805

¹¹ <https://calmatters.org/explainers/california-gavin-newsom-bills-signing/#:~:text=by%20CalMatters%20Staff%20September%2016,chart%20a%20more%20moderate%20image?>

¹² https://www.huffpost.com/entry/los-angeles-school-district-ice_n_68c05e75e4b059d8ed35e84c

- The Rent Brigade has published a report documenting the financial hardship faced by 120 immigrant renters in Los Angeles County due to recent increased immigration enforcement.¹³ The report details that respondents' average weekly earnings have fallen 62% after the immigration raids began, causing large spikes in fear of eviction and rent burden.
- Several Los Angeles businesses in the party supply industry have reported lower revenues due to ICE raids in their community, as locals fear outdoor celebrations could be a target for immigration enforcement.¹⁴
- At the end of August, ICE was reportedly looking to hire 10,000 new agents by the end of the year.¹⁵ A recent post on x.com by Department of Homeland Security (DHS) Secretary Kristi Noem suggests that ICE has received 150,000 applications and made 18,000 tentative job offers.¹⁶
- The most recent update from DHS on August 27th suggests that ICE has made over 5,000 arrests in the Los Angeles area since June.¹⁷
- Approximately 475 people, mostly from South Korea, were detained by ICE at a Hyundai plant in Georgia, which was the largest single-location immigrant raid of President Trump's second term.¹⁸ The raid highlights the rise in immigration enforcement targeting AAPI communities under the Trump administration. As the UCLA Asian American Studies Center reports, the number of Asians arrested by ICE from February to May tripled between 2024 and 2025.¹⁹

Impacted Businesses in Los Angeles County

As part of its efforts to analyze the economic impacts of intensified federal immigration enforcement on businesses in Los Angeles County, LAEDC has undertaken an analysis of the economic contribution of the undocumented workforce in Los Angeles County.

Distribution of Undocumented Workforce across Industries

Understanding the industry distribution of undocumented workers is an important first step for assessing both their economic contributions and the industries most vulnerable to changes in immigration enforcement policy. **Exhibit 2** provides a detailed breakdown of undocumented immigrant employment across major industries in Los Angeles County in 2021. The first two numerical columns report the estimated number and share of undocumented workers in each industry. The next column shows the total size of workforce in each industry, while the last column shows the percentage of undocumented workers relative to total employment in the corresponding industry. **Exhibit 3** visually depicts this distribution for ease of comparison.

¹³

<https://static1.squarespace.com/static/67931cff4d613f32d7b66deb/t/68b77b270078c3404eaf98fa/1756855079588/Disappeared-and-Displaced-September-2025.pdf>

¹⁴ https://www.theeastsiderla.com/neighborhoods/boyle_heights/ice-raids-disrupt-eastside-party-supply-industry/article_99a1818c-283b-42d8-b483-6444a493e849.html

¹⁵ <https://www.latimes.com/california/story/2025-08-29/ice-hiring-expo>

¹⁶ https://x.com/Sec_Noem/status/1967707043600470021

¹⁷ <https://www.dhs.gov/news/2025/08/27/despite-riots-and-assaults-ice-and-border-patrol-arrest-worst-worst-criminal>

¹⁸ <https://www.bbc.com/news/articles/cz9j585g23go>

¹⁹ https://www.aasc.ucla.edu/resources/policyreports/ICE_arrests_Ong_Ong_2025.pdf

Out of an estimated total 537,647 undocumented workers in the county, the largest concentration is in retail trade, which accounts for 125,692 workers, or 23.4 percent of the total. This is followed by construction, employing nearly 87,000 undocumented workers (or 16.2 percent of the total). These two industries alone account for nearly 40 percent of all undocumented immigrant employment in Los Angeles County. Other industries with particularly high concentrations of undocumented workforce include other services (including a range of personal services, repair, and maintenance services), which employs roughly 77,800 undocumented workers (14.5 percent) and manufacturing, with more than 71,300 undocumented workers (13.3 percent). Together, these four industries account for nearly two-thirds of all undocumented employment in the county.

Beyond these top industries, undocumented workers are also spread across professional services (8.2 percent), transportation and warehousing (6.6 percent), wholesale trade (4.7 percent), and agriculture (4.4 percent). Smaller but still notable shares are found in health services (3.2 percent) and finance (2.2 percent). Meanwhile, sectors such as information, education, and utilities employ relatively small numbers of undocumented workers, each representing less than 2 percent of the total undocumented workforce.

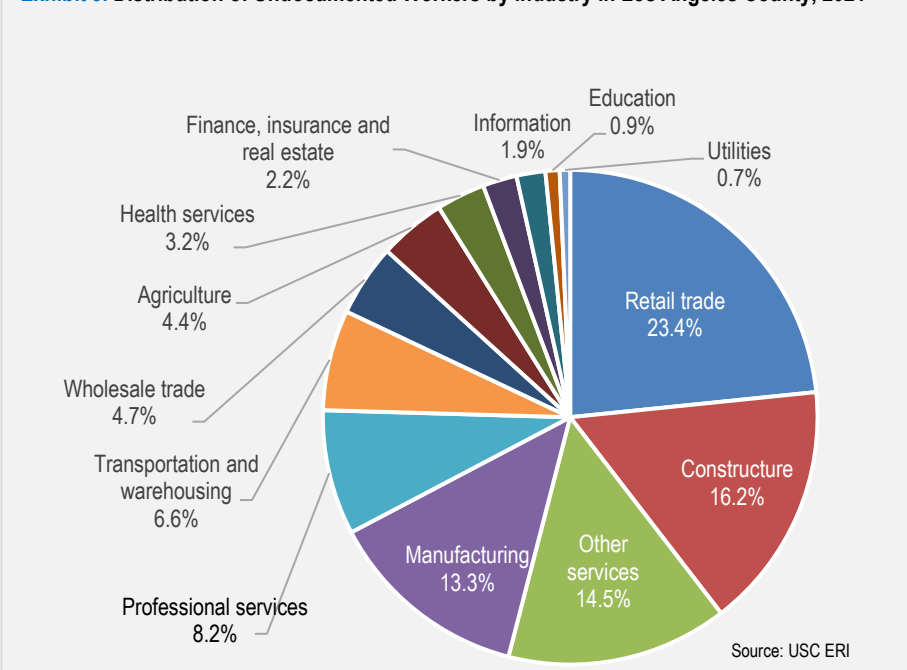
The share of undocumented workers as a percentage of the total workforce of a specific industry (last column in Exhibit 2) highlights the ones with the highest dependency on undocumented labor (also see **Exhibit 4**). Agriculture stands out most prominently: while the sector employs a relatively small

Exhibit 2. Undocumented Immigrant Workers by Industry in Los Angeles County (2021)

Industry	Undocumented Worker	% of Total Undocumented Workers	Total Workforce	% Total Workforce
Retail trade	125,692	23.4%	815,460	15.4%
Constructure	86,980	16.2%	302,813	28.7%
Other services	77,758	14.5%	717,003	10.8%
Manufacturing	71,378	13.3%	408,371	17.5%
Professional services	43,876	8.2%	560,005	7.8%
Transportation & warehousing	35,318	6.6%	298,682	11.8%
Wholesale trade	25,301	4.7%	158,571	16.0%
Agriculture & mining	23,458	4.4%	75,754	31.0%
Health services	17,129	3.2%	458,450	3.7%
Finance, insurance & real estate	11,996	2.2%	279,108	4.3%
Information	10,139	1.9%	174,905	5.8%
Education	4,965	0.9%	411,989	1.2%
Utilities	3,657	0.7%	47,281	7.7%
Public administration	0	0.0%	172,914	0.0%
Total	537,647	100.0%	4,881,306	11.0%

Source: USC ERI California Immigrant Data Portal

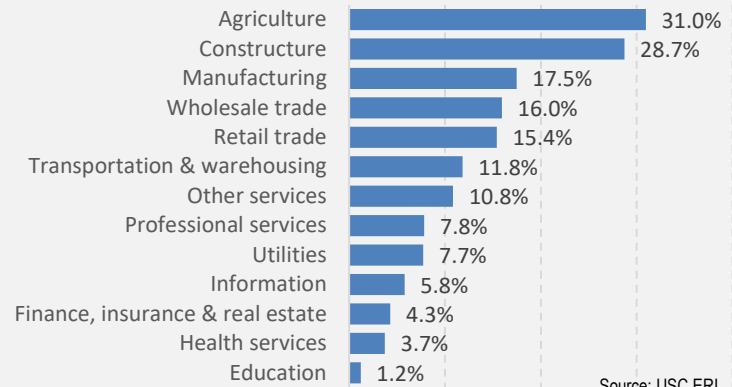
Exhibit 3. Distribution of Undocumented Workers by Industry in Los Angeles County, 2021



absolute number of undocumented workers, they represent 31 percent of its total workforce, indicating its heavy dependence on immigrant labor. Construction shows a similar pattern, with undocumented workers comprising 28.7 percent of the workforce. High concentrations of undocumented labor are also observed in manufacturing (17.5 percent) and wholesale trade (16.0 percent). Overall, undocumented immigrants make up about 11 percent of the total county workforce.

These figures will be updated with 2023 data in the following monthly reports.

Exhibit 4. Industry Workforce Dependence on Undocumented Labor



Economic Contribution of the Undocumented Workforce in Los Angeles County

To estimate the economic contribution of undocumented workers in Los Angeles County, we first estimated their numbers for 2023. The total undocumented immigrant population in the county grew from approximately 809,476 in 2021²⁰ to 948,700 in 2023,²¹ an increase of about 17 percent. Applying this growth rate to the undocumented workforce base of 537,647 workers in 2021, we estimate there were about 630,118 undocumented workers in Los Angeles County in 2023.

For purposes of economic modeling, we assumed that the industry distribution of undocumented workers remained unchanged between 2021 and 2023. In other words, the industry shares of undocumented workers shown in the second numerical column of Exhibit 2 were applied to the estimated total of 630,118 undocumented workers in 2023. These adjusted 2023 workforce estimates by industry were then used as inputs in the IMPLAN input-output model to quantify the total economic contribution of undocumented workers in Los Angeles County.

Exhibit 5 illustrates the significant economic contribution of undocumented workers to the Los Angeles County economy. In total, undocumented workers generate an estimated \$253.9 billion in output, representing about 17 percent of the county's overall economic activity. This impact is not limited to direct production contributed by the undocumented workers in their respective industries. It also includes indirect activity in the county economy generated through supply chain linkages (indirect effects) and induced spending as these workers and others supported along the supply chain spend their earnings in the local economy (induced effects). Direct contributions account for roughly \$159 billion, while an additional \$49.6 billion is generated through indirect effects and \$45.4 billion via induced channels.

Exhibit 5. Estimated Economic Contribution of Undocumented Workers in Los Angeles County (2023)

Output (\$ millions)	\$253,878.6
Direct	\$158,804.7
Indirect	\$49,634.5
Induced	\$45,439.3
Employment (jobs)	1,062,550
Direct	630,120
Indirect	194,800
Induced	237,630
Labor income (\$ millions)	\$80,443.9
Direct	\$47,696.8
Indirect	\$16,725.9
Induced	\$16,021.2
Value added (\$ millions)	\$147,361.0
Direct	\$88,388.8
Indirect	\$30,040.2
Induced	\$28,932.1

Source: IMPLAN; estimates by LAEDC

²⁰ USC ERI. 2024. *California Immigrant Data Portal*. <https://immigrantdata.org/indicators/immigration-status>.

²¹ USC ERI. 2025. *Undocumented Immigrants in LA County*, p.5. https://dornsife.usc.edu/eri/wp-content/uploads/sites/41/2025/07/USC_ERI_LA_County_Undoc_Estimates_July2025.pdf.

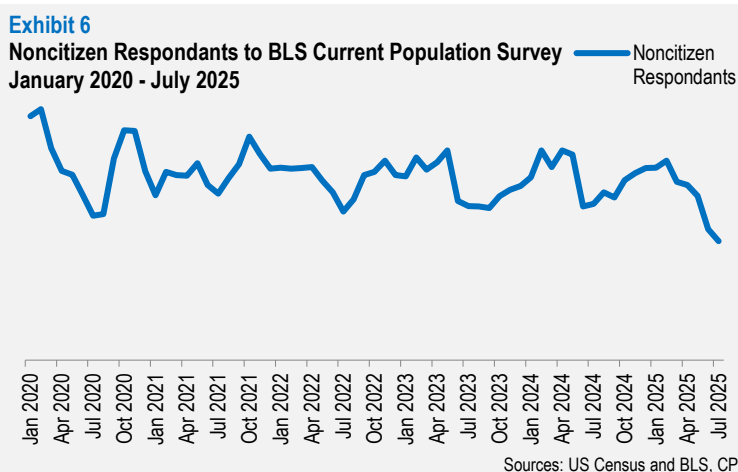
The employment contribution is similarly substantial. Undocumented workers support more than 1.06 million jobs, or 16 percent of county total employment. Roughly 630,120 of these jobs represent direct employment held by undocumented workers, while an additional 194,800 jobs are sustained indirectly in industries in the supply chain, and about 237,630 jobs result from induced economic effects. These figures highlight that undocumented labor not only fills direct positions but also supports broader employment, benefiting both citizens and non-citizens, through their contribution to regional economic activity.

Labor income contributions amount to \$80.4 billion, or 15 percent of the county total. This includes \$47.7 billion in direct labor income to undocumented workers, supplemented by \$16.7 billion and \$16.0 billion in indirect and induced labor income for households across the county. In terms of value added (a measure closely aligned with gross county product), undocumented workers account for \$147.4 billion, or 16 percent of the county's total. According to a report by the Bay Area Council Economic Institute, undocumented labor contributes an estimated \$278 billion to California's gross state product (GSP).²² Based on this, **undocumented workers in Los Angeles County account for roughly 57.5 percent of the statewide GSP contribution attributable to undocumented labor.**

When interpreting the results of this analysis, several caveats should be kept in mind. First, using counts of undocumented workers as the sole inputs into the IMPLAN model assumes these jobs are equivalent to average industry positions in terms of hours worked, wages, and productivity. In practice, undocumented workers are often more likely to work fewer hours, hold seasonal or multiple jobs, and earn below industry-average wages. These factors could lead the model to overstate labor income and value-added. Furthermore, while IMPLAN estimates induced effects based on household spending, undocumented workers may remit a portion of their earnings outside the local economy, creating leakages that reduce local spending and potentially leading to overestimation of the induced impacts. On the other hand, the analysis may underestimate contributions due to possible undercounting of undocumented employment and untracked informal or cash-based economic activity. Considering all of these potential upward and downward factors, results in the above analysis should be viewed as indications of the size and scale of economic contributions rather than precise measures of the net contribution by the undocumented labor in Los Angeles County.

Fewer Noncitizen Respondents in CPS

In 2025, the Current Population Survey (CPS), a monthly household survey jointly administered by the U.S. Census Bureau and the Bureau of Labor Statistics, has recorded a sharp decline in the number of noncitizen respondents in Los Angeles County, coinciding with the recent intensification of federal immigration enforcement efforts (**Exhibit 6**). Whereas the CPS consistently included 300 to 350 noncitizen respondents per month in the early 2020s, participation has fallen to new lows this year, with only 242 respondents in June 2025 and 220 in July 2025, the lowest levels observed since tracking began in 2010. This downward shift in participation reflects the broader impact of enforcement policies on immigrant communities, suggesting that more restrictive environments may be discouraging



²² Bay Area Council Economic Institute and UC Merced. June 2025. *The Economic Impact of Mass Deportation in California*. <https://www.bayareaeconomy.org/report/economic-impact-of-mass-deportation-in-california/>.

noncitizens from engaging with official surveys. The decline in respondent counts highlights the importance of considering enforcement contexts when examining labor force outcomes for immigrant populations.

Downtown Los Angeles Curfew and Property Damage

Analysis of Foot Traffic

Mayor Karen Bass imposed a nightly curfew in downtown Los Angeles from June 10, 2025 to June 16, 2025 in response to protests tied to intensified federal immigration enforcement. The curfew covered an approximately one-square-mile area bounded by the 5, 10, and 110 freeways. While the curfew was effective in protecting businesses, residents, and the local community, it also resulted in lost business hours and disruptions to economic activity.

LAEDC is currently undertaking an analysis of historical foot traffic in the downtown Los Angeles curfew areas. The analysis seeks to quantify overall the extent to which consumer activity in the downtown area decreased during the curfew, as well as the length that it took to rebound. The analysis is also exploring whether decreased consumer activity can be discerned by industry sectors (e.g., Retail Trade, Accommodation and Food Services).

Secondary Research on Property Damage

Little public or private data has been publicized on property damage experienced by downtown Los Angeles businesses with respect to the protests and events that led to the curfew. Consequently, LAEDC is exploring sources of secondary research on property damage. LAEDC has reached out to organizations such as the DTLA Alliance and the Central City Association of Los Angeles to determine whether they have compiled information from their members regarding property damage and other losses. LAEDC will share any findings of note in future reports.

Supportive Services for Impacted Small Businesses

Resource Guide

LAEDC and LA County's Department of Economic Opportunity (DEO), in collaboration with the Department of Immigrant Affairs, has developed the *Resource Guide for Businesses Affected by ICE Raids in Los Angeles*. Designed as a quick-reference tool, the Resource Guide serves as a comprehensive document to support individuals, families, and communities impacted by the ICE raids across the Los Angeles area. The Resource Guide centralizes critical information on legal aid, workers' rights, emergency financial assistance, housing resources, and mental health services. It also includes guidance for employers on maintaining workplace protections and fostering a safe, inclusive environment.

The Resource Guide is expected to be posted on the LAEDC and DEO websites by September 18.

Community Engagement

LAEDC launched its business impact survey on September 16. LAEDC developed the survey to better understand how recent federal immigration enforcement activities have affected local businesses and workers in Los Angeles County. It seeks to gather information on the characteristics of affected businesses, impacts to their operations and workforce, and how they have had to adjust and adapt.

LAEDC is using multiple channels to distribute its survey. These include its own network of businesses developed over time through its Business Assistance Program, DEO's network of organizations, and the Los Angeles Economic Equity Accelerator & Fellowship (LEEAF).

LAEDC is also partnering with the LEEAF to strengthen community engagement efforts across the region. This collaboration focuses on ensuring outreach to vulnerable and hard-to-reach communities, with the goal of capturing voices and perspectives that are often underrepresented in traditional economic analyses. It is expected that LEEAF will engage in deep-listening interviews and analysis; host one in-person and one virtual town hall; undertake one-on-one interviews with key organizations; support outreach and promotion for LAEDC's business impact survey; and provide feedback on the Resource Guide.

The contracting process to bring LEEAF onboard is nearly complete. It is anticipated that LEEAF will finalize its contract review within the next two weeks, at which point it can commence its work and contribute initial findings in the next report back in October.

Next Steps:

IAE will continue to update this economic analysis on a monthly basis as we obtain more information over time from impacted businesses, workers and affected stakeholders.

In addition to releasing the resource toolkit and distributing the business impact survey, we expect to further undertake our economic impact analyses. In particular, IAE is currently estimating the economic impacts of the June 2025 curfew, focusing on business disruptions. The analysis is evaluating both the initial impacts that occurred during the one-week curfew period in June as well as potential longer-term disruption scenarios extending from June through end of the year. These scenarios will be informed by multiple data sources, including news reports on observed impacts, foot traffic data, and insights from a literature review of comparable events in other cities. These analyses will inform the modeling of potential economic consequences if similar disruptions were to occur again before the end of the year under current conditions.

About Los Angeles County Economic Development Corporation (LAEDC) www.laedc.org

The Los Angeles County Economic Development Corporation (LAEDC) is a public-benefit nonprofit organization dedicated to advancing a strong, growing, and sustainable economy for the Los Angeles region. Now in its 44th year, LAEDC works collaboratively with partners across the county to improve the quality of life for residents by fostering job creation, supporting key industries, and strengthening the region's economic resilience. As a trusted leader, LAEDC serves the people of Los Angeles County by promoting a healthy economy and high standard of living.