



Preliminary Economic Impacts of Federal Immigration Enforcement in Los Angeles County

July 1, 2025

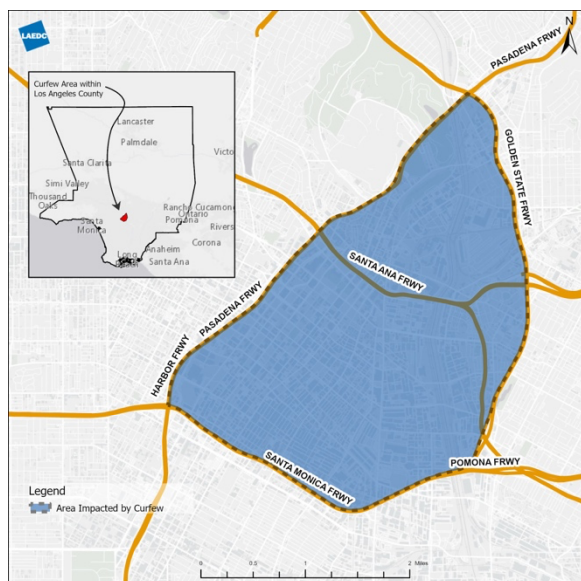
In June 2025, the federal government intensified its enforcement of national immigration policies, particularly in Los Angeles County, through increasingly aggressive efforts to arrest and detain unauthorized immigrants. Agents from the Department of Homeland Security (DHS) targeted individuals in retail sites, day labor locations, carwashes, and a variety of other workplaces and settings. Additionally, as residents of the County protested these enforcement actions, the federal government heightened tensions by deploying approximately 4,000 California National Guard troops and 700 U.S. Marines to Los Angeles ostensibly to protect federal buildings and otherwise provide support to DHS. This escalation essentially resulted in larger and more widespread protests across the County, some of which led to the imposition of a curfew in Downtown Los Angeles (see **Exhibit 1**).

These immigration enforcement actions have significantly impacted the businesses and workforce in Los Angeles County in a number of ways: First, they have reduced the labor force in the County by detaining some workers and by instilling fear in others, forcing them to stay home or otherwise remain in hiding. Second, they have reduced spending on goods and services in the County as undocumented and immigrant families stay at home for fear of being targeted. Third, the protests surrounding these enforcement actions have in some cases resulted in vandalism and property losses to businesses. Finally, the curfew in Downtown Los

Angeles as well as protests have led to business disruptions by preventing many businesses from operating.

Exhibit 1

Curfew Area in Downtown Los Angeles



The Institute for Applied Economics (IAE) at the Los Angeles Economic Development Corporation (LAEDC) has begun an analysis of 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. Developing real-time, localized data can help guide County response efforts and direct supportive interventions.

Curfew Area in Downtown Los Angeles

Based on business-level data from Dun & Bradstreet, **IAE estimates that the curfew in Downtown Los Angeles potentially impacted a total of 19,461 businesses.** The concentration of potentially affected businesses is shown in the map in **Exhibit 2**. Each point in the map represents a business location, while the heatmap shows business density, with the highest concentrations in the central and southwestern parts of the curfew zone. These areas include key commercial corridors that support a large number of small and locally owned businesses.

The 19,461 businesses represent approximately 3.3% of all business establishments in the County.¹ However, **IAE also estimates that these businesses employ a total of 253,713 workers, representing about 6.5% of the County's average monthly employment.** This means that the curfew, while intended to address public safety concerns, may have disrupted economic activity in one of Los Angeles's most commercially active neighborhoods.

Exhibit 3 shows the largest impacted industries by the number of businesses, while **Exhibit 4** highlights the distribution across these industries. It indicates that Retail Trade was the most impacted industry with a total of 3,707 businesses (18%). This was followed by Professional, Scientific, and Technical Services with 3,492 businesses (17%), Wholesale Trade with 2,448 businesses (12%), and Other Services (except Public Administration) with 1,242 businesses (6%). Many of the businesses in Professional, Scientific, and Technical Services are located in the Downtown high rises.

Exhibit 2

Business Locations in Downtown Los Angeles Curfew Area

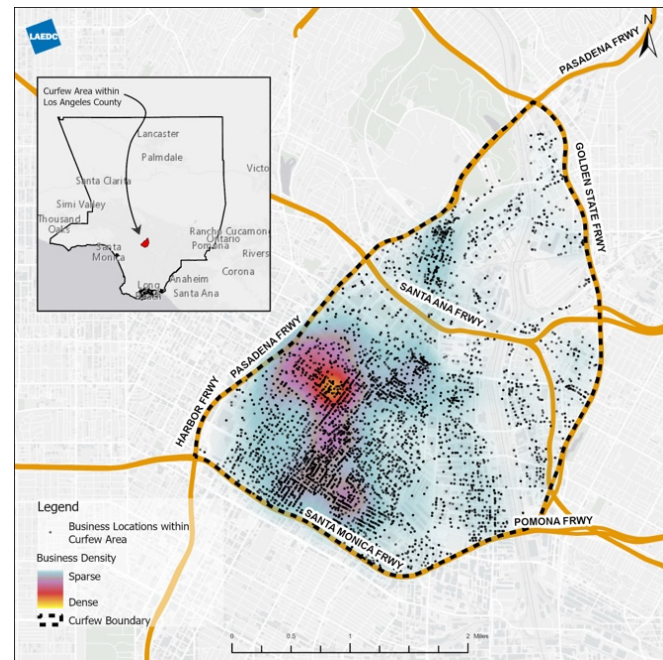


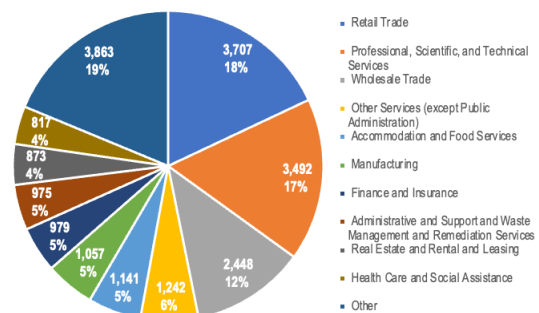
Exhibit 3

Largest Impacted Industries by Number of Businesses

NAICS Sector	Industry Description	Businesses
44-45	Retail Trade	3,707
54	Professional, Scientific, and Tech Services	3,492
42	Wholesale Trade	2,448
81	Other Services (except Public Admin)	1,242
72	Accommodation and Food Services	1,141
31-33	Manufacturing	1,057
52	Finance and Insurance	979
56	Administrative and Support Services	975
53	Real Estate and Rental and Leasing	873
62	Health Care and Social Assistance	817
---	Other	3,863
Total		19,461

Exhibit 4

Distribution of Businesses in Impacted Industries

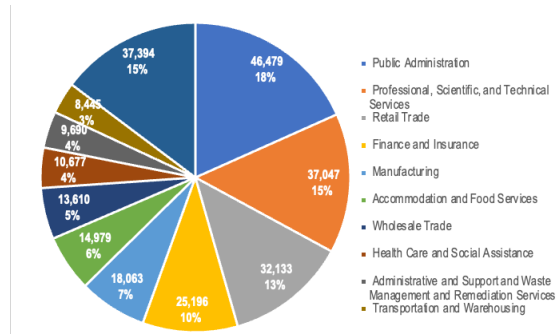


¹ U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Los Angeles County, 3rd Quarter, 2024

Exhibits 5 and 6 present the largest impacted industries by the number and distribution of employees. They show that the largest impacted industry is Public Administration, with 46,479 employees (18%). This is not surprising given the high concentration of government facilities in Downtown. Second is Professional, Scientific, and Technical Services with 37,047 employees (15%), followed by Retail Trade with 32,133 employees (13%), Finance and Insurance with 25,196 employees (10%), and Manufacturing with 18,063 employees (7%).

Exhibit 5**Largest Impacted Industries by Number of Employees**

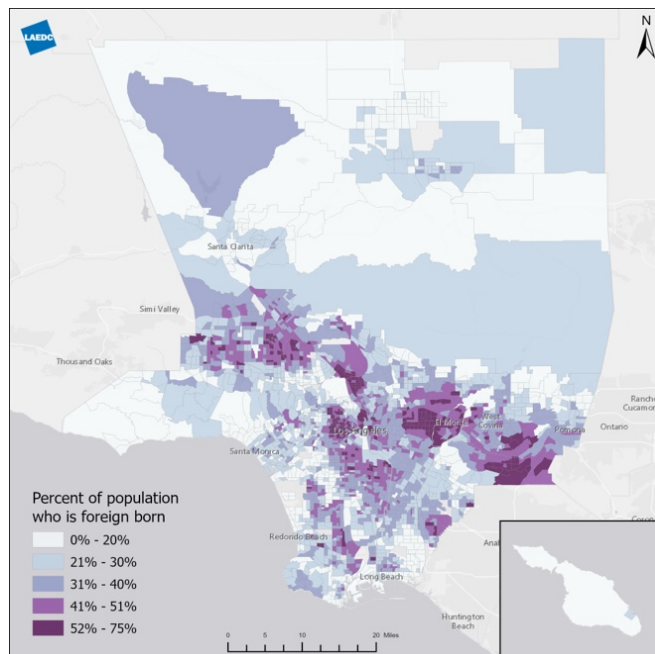
NAICS Sector	Industry Description	Employees
92	Public Administration	46,479
54	Professional, Scientific, and Tech Services	37,047
44-45	Retail Trade	32,133
52	Finance and Insurance	25,196
31-33	Manufacturing	18,063
72	Accommodation and Food Services	14,979
42	Wholesale Trade	13,610
62	Health Care and Social Assistance	10,677
56	Administrative and Support Services	9,690
48-49	Transportation and Warehousing	8,445
---	Other	37,394
Total		253,713

Exhibit 6**Distribution of Employees in Impacted Industries**

Some of these businesses experienced vandalism and property losses in addition to disruptions. While there currently is little publicly available data on vandalism and property losses, the Los Angeles City Controller estimates that federal enforcement actions so far have cost Los Angeles taxpayers \$1.4 million for cleaning up damage to public properties.²

Impacted Businesses in Los Angeles County

The broader economic impacts of federal immigration enforcement across Los Angeles County will depend on multiple factors. One factor is demographics. Based on data from the U.S. Census Bureau's American Community Survey, **Exhibit 7** shows the share of residents in each census tract of Los Angeles County who were born outside the United States.³ Foreign-born individuals play a central role in the county's economic, cultural, and civic life. The highest concentrations are found in the San Gabriel Valley, Central and South Los Angeles, and the San Fernando Valley. In these areas, the foreign-born

Exhibit 7**Percent of Population Who is Foreign Born**

² <https://x.com/lacontroller/status/1936144809166860374>

³ U.S. Census Bureau, American Community Survey 2023 5-Year Estimates, Table B05002

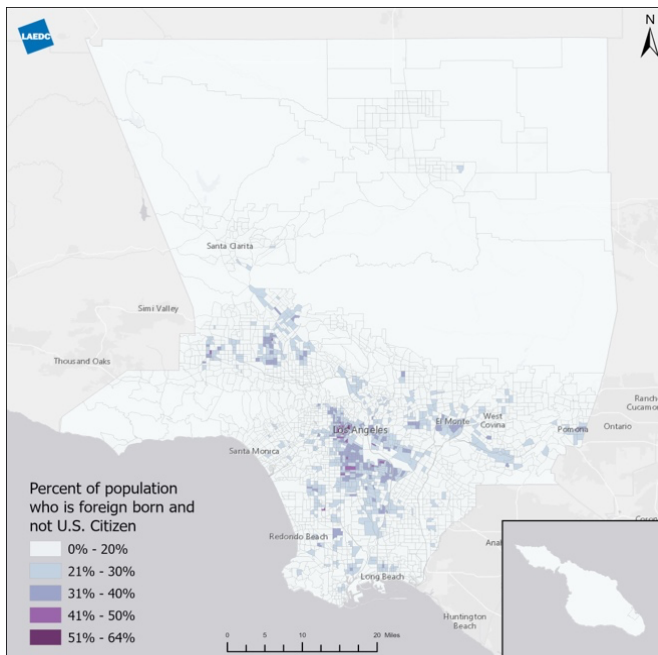
population often exceeds 50%, reflecting long-standing immigrant communities and recent patterns of migration.

While these neighborhoods are home to diverse, resilient communities, the concentration of foreign-born residents may also draw increased attention from federal immigration authorities. This can create added concern for residents and service providers in areas where large numbers of people may be affected by enforcement activity.

Exhibit 8 focuses on the share of residents who are foreign born and have not become U.S. citizens. This includes lawful permanent residents, individuals on temporary visas, and those without legal immigration status. The highest percentages are seen in neighborhoods such as Pico-Union, Westlake, Koreatown, Boyle Heights, and parts of El Monte, South Los Angeles, and the San Fernando Valley. While some of these areas overlap with high foreign-born concentrations in Exhibit 7, the overall percentages are lower, indicating that many foreign-born residents in the county have gone on to naturalize.

Exhibit 8

Percent of Population Who is Foreign Born and Not a U.S. Citizen



Communities with higher shares of non-citizen residents may face additional challenges related to immigration enforcement. These can include increased fear, reluctance to access services, and disruptions to family and community life. The presence of a large non-citizen population may also influence the need for legal aid, language access, and public information efforts.

A second factor that will shape the broader economic impacts of federal immigration enforcement across Los Angeles County is the distribution of businesses and industries that are more likely to employ immigrants or unauthorized individuals. The Pew Research Center estimates that as of 2022 there are 1,450,000 unauthorized immigrant workers in California representing 7.2% of the state's labor force.⁴ They also note that unauthorized immigrants make up a relatively larger share of the civilian workforce in some industries than others, such as agriculture and construction. Unauthorized immigrant workers are also found in greater numbers in the leisure and hospitality industry, in some services and in manufacturing. In California in 2022, construction was the industry with the most unauthorized immigrant workers while agriculture was the industry with the largest percentage of workers who are unauthorized immigrants.

⁴ Pew Research Center, "What we know about unauthorized immigrants living in the U.S.," *Short Reads*, July 22, 2024

Exhibit 9 shows the industrial super sectors in Los Angeles County that likely have the greatest concentrations of unauthorized immigrant workers.⁵ These five super sectors will be disproportionately impacted by disruptions. Combined, these vulnerable sectors represent a total of 177,690 establishments and employ nearly 1.8 million payroll workers in the County. They also are responsible for nearly \$34 billion in total quarterly payroll, or more than \$135 billion annually. Consequently, significant disruptions to the operations in these industries could have severe impacts on the County's economy.

Exhibit 9**Quantifying Industries with Largest Concentrations of Unauthorized Workers, Los Angeles County**

NAICS Super Sector	Industry Description	Establishments	Employees	Quarterly Payroll (thousands)
23	Construction	19,945	151,121	\$3,162,973
31-33	Manufacturing	12,495	309,144	\$6,900,778
54-56	Professional and Business Services	66,548	638,016	\$15,302,258
71-72	Leisure and Hospitality	47,340	537,647	\$6,334,996
81	Other Services	31,362	151,933	\$2,105,682
Subtotal		177,690	1,787,861	\$33,806,687

Supportive Services for Impacted Small Businesses

Small businesses throughout Los Angeles County that are impacted by past and ongoing federal immigration enforcement actions might require supportive services as a result. **Exhibit 10** below provides a preliminary list of available supportive services for impacted small businesses that are also sensitive to language and information needs. The organizations included in **Exhibit 10** will continue to be updated on a regular basis.

Exhibit 10**Inventory of Supportive and Legal Services for Immigrants in Los Angeles**

Category	Organization	Services Provided	Contact Information
Legal Aid & Referrals	Immigrant Defenders Law Center (ImmDef)	Deportation defense, removal defense for detained individuals, children, veterans	213-833-8283 (24/7 hotline)
	CHIRLA	Free consultations, deportation defense, rapid response to ICE activity	888-624-4752 (hotline)
	Public Counsel	Pro bono legal immigration support	www.publiccounsel.org
	EI Rescate Legal Services	Low-cost DACA, asylum, citizenship, SIJS, U-Visa help	www.elrescate.org
	CHIRLA / LARRN	ICE activity reporting, deployment of legal support teams	888-624-4752
Emergency Hotlines	ImmDef	Southern California ICE removal defense hotline	213-833-8283
	ACLU SoCal	Legal support, ICE raid reporting	213-353-1333
	LA County Office of Immigrant Affairs	KYR cards/workshops, legal referrals in multiple languages	800-593-8222 / immigrants.lacounty.gov
Know Your Rights (KYR)	NDLON	Day laborer-focused KYR materials	www.ndlon.org
	ACLU SoCal	Rights education during ICE raids	www.aclusocal.org
Community Support	Los Angeles Rapid Response Network (LARRN)	Coalition of 15+ orgs deploying monitors, response teams	Through CHIRLA or ImmDef
	Community Self-Defense Coalition	Organizing protest actions, community ICE patrols	Via local organizing hubs

⁵ U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Los Angeles County, 3rd Quarter, 2024

Exhibit 10**Inventory of Supportive and Legal Services for Immigrants in Los Angeles**

	KIWA	Immigrant workers' rights advocacy (esp. Koreatown)	www.kiwa.org
	TransLatin@ Coalition	Transgender Latinx immigrant advocacy and services	www.translatinacoalition.org
	Thai CDC	Southeast Asian immigrant support (housing, health, jobs)	www.thaicdc.org
Specialized Support	Program for Torture Victims (PTV)	Legal affidavits, mental health & trauma care for asylum seekers	www.ptvla.org
	National Health Law Program (NHLP)	Civil and health rights for immigrant communities	www.healthlaw.org
Fraud Prevention	CA Attorney General & ABC7	Guidance against notario fraud and unauthorized immigration consultants	www.oag.ca.gov

IAE will continue to update this analysis on the economic impacts of federal immigration enforcement in Los Angeles County on a monthly basis as we obtain more information over time from impacted businesses, workers and affected stakeholders.

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.