Unaccompanied Migrant Children and Violations of Federal Child Labor Legislation

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Abstract

This project aims to investigate the resurgence of child labor violations in the United States, focused on the convergence of two factors: the increased arrival of unaccompanied migrant children and the evolving landscape of state-level labor legislation. We employ detailed data on child labor violations and penalties and state-level policy changes from the US Department of Labor, combined with data on the release of unaccompanied migrant children from the Office of Refugee Resettlement. The analysis assesses the impact of recent unaccompanied minor inflows and changes in state-level standards on the occurrence and severity of child labor violations, considering the number of involved children and the prevalence of hazardous work. Additionally, establishment-level data on penalties for labor violations is examined to evaluate the effectiveness of fines in preventing recidivism and deterring other establishments from engaging in similar practices.

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1. Introduction

Child labor violations in the United States have seen a resurgence in recent years, marking a stark reversal from the declining trend observed between 2001 and 2015 (Radde, 2023; Figure 1). The fourfold increase in violations has been accompanied by a rise in the number of minors involved in each violation and an uptick in the number of youths working in hazardous occupations (Dreier, 2023b). Several factors may have contributed to fueling this alarming trend. Labor shortages, fueled by the COVID-19 pandemic and the retirement of baby boomers, along with inflationary pressures, may have prompted various states to reassess and, in some cases, relax child labor laws (Venhuizen, 2023). Legislative changes in multiple states have expanded the hours teenagers can work, often placing them in hazardous occupations, such as construction and meatpacking, and exposing them to increased occupational risks (Elliot, 2023).

Proponents of these more lenient child labor laws argue that they help alleviate labor shortages and preserve parental autonomy in deciding on the employment of their children (Gurley, 2024). However, news reports have uncovered a growing number of cases involving unaccompanied migrant children for whom the argument of parental choice would seem irrelevant. Dreier (2023b) estimates that most of the 250,000 unaccompanied youth crossing into the United States over the past two years are engaged in full-time jobs. These figures underscore the potential impact the increasing flow of unaccompanied migrant children entering the country, along with the rising number of states relaxing their labor laws, may have on the escalating incidence, intensity, and severity of federal child labor law violations.

In this study, we aim to gain a better understanding of the factors driving the increase in federal child labor law violations. To that end, we investigate whether the *growing number of unaccompanied migrant children* arriving in recent years is linked to the increasing trend of child labor violations while considering the mediating role of contextual factors, including pre-existing and *more lenient child labor regulations at the state*

level. We combine county-level data on child labor violations, along with information on the release of unaccompanied migrant children (UMC) to individual sponsors from the custody of the Office of Refugee Resettlement (ORR) and data on state-level child labor legislation. Our findings reveal that a higher volume of sponsored unaccompanied children by either immediate or distant family members other than the parents or legal guardians is seemingly contributing to a higher number of children employed in violation across all states, albeit slightly more in states with more lenient child labor regulations.

Overall, the analysis sheds light on how the rising inflow of unaccompanied minors released to individuals other than the parents and legal guardians, in combination with relaxed state child labor standards, may have contributed to the growing incidence, intensity, and severity of child labor violations amid labor shortages and inflationary pressures. Although news reports have recently covered the resurgence of child labor in the US, academic literature is surprisingly absent. Thus, the employment policy implications of this empirical analysis are numerous. At the state level, the results inform about the consequences of lenient child labor standards in the current migration context, underscoring the need for safeguards to protect children. On a federal level, our research provides valuable insights into the regulatory controls to ensure the well-being of released immigrant youth. This could include revamping the Office of Refugee Resettlement's (ORR) capacity for tracking these children and ensuring their safety, education, and welfare. In addition, assessing the penalties for prior child labor violations helps us gauge the effectiveness of such an approach in preventing recidivism and deterring establishments from engaging in child labor violations. The findings may prompt a reconsideration of the current sanctions and punitive approach.

2. Institutional Background

Child labor is not a new phenomenon. For centuries, children participated in the labor market, although their contributions became potentially most notable during the Industrial Revolution when many also worked performing hazardous tasks. In the case of the United States, the regulation of child labor started to change with the creation of the National Child Labor Committee in 1904, which advocated for a safe working environment for children. In 1938, after several prior legislative attempts, the Fair Labor Standards Act (FLSA) was enacted. The FLSA regulates minimum wage and overtime work and restricts the employment of children aged 16 and above (18+ in the case of hazardous occupations). While this limit has been lowered during certain times, as during WWII, the law continues to regulate youth employment in agriculture and non-agriculture occupations at the federal level. It specifies the times of day and maximum number of hours that youth can work based on their age, whether it is a school or non-school day, and their employment in hazardous occupations.

Nevertheless, despite the existing federal standard, states have taken the lead in regulating child labor, establishing working hour limits that are usually lower during the school year, limiting night work hours to ensure children's proper rest, and restricting youth employment in hazardous occupations, among other things. Yet, a tight labor market characterized by high labor demand, low unemployment rates, and inflationary pressures incentivized proposals to weaken child labor standards in numerous states, especially as the economy opened after the COVID-19 pandemic.

According to the Economic Policy Institute, 28 states have introduced proposals to weaken child labor standards since 2021, and 12 states have enacted such legislation (Mast, 2024). Some states, such as Georgia, Iowa, Minnesota, and New York, even expanded youth employment in hazardous occupations. At the same time, 14 states have strengthened their child labor laws in other areas amid the growing prevalence of child labor violations (Mast, 2024). They have done so by mandating the education of high

school students about their workplace rights (*e.g.,* Illinois, Maryland, New York, and Rhode Island), eliminating state law provisions that allow paying minors a subminimum wage (*e.g.,* New Jersey, Rhode Island), and/or increasing both civil and criminal penalties when children get injured while employed illegally (*e.g.,* Colorado, Nebraska, Virginia).

With this legislative backdrop, child labor violations, which had decreased between the early 2000s and 2015, as depicted in Figure 1, started to rise. By 2022, the rate had almost quadrupled, rising to roughly 3,800 from around 1,000 in 2015. Furthermore, the state legislative environment appeared to have played a significant role. Using data from the US Department of Labor, Figure 2 reveals that the recent increase in child labor violations stemmed from states with relatively more lenient child labor laws.[2] Over much of the period under study, child labor violations in states with a more lenient child labor regulation generally doubled those in states with more protective provisions.

In addition to the relaxation of child labor laws in some states, news media reports revealed how, in many instances, unaccompanied minors who had been discharged by the Office of Refugee Resettlement (ORR) to individual sponsors were found to be working in jobs that violated child labor laws (Dreier, 2023b; Strickler & Ainsley, 2023). Unfortunately, ORR does not keep track of children reunified with their sponsors beyond a short phone call during the first few weeks following their discharge (Kandel, 2021), raising concerns about the possibility that children may fall victim to abuse during what often proves to be a complex environment for both children and sponsors (Montoya-

[2] To identify states with relatively more lenient or stricter child labor laws at baseline (2014), we compiled information on whether each state had adopted provisions more stringent than those stipulated in the FLSA along the following 12 dimensions. In *agricultural employment*: the minimum age for employment during and outside school hours, whether employment or age certificates are required, the maximum daily and weekly employment hours for minors under 16, and the maximum weekly employment days for minors under 16. In *non-farm employment*: the maximum daily and weekly hours and days per week for minors under 16 and for minors between 16 and 17, whether nightwork is prohibited for minors under 16 and for minors between 16 and 17, and whether employment or age certificates are required. We coded a state as lenient if the number of standards above the FLSA is below the national mean and as restrictive if the number of standards above the FLSA is at or above the national mean.

Galvez, 2023). This may be particularly true when children are discharged to family members other than their parents or legal guardians.

In what follows, we examine the role that the growing inflow of unaccompanied migrant children discharged to various types of sponsors, amid an increasingly lax regulation of child labor in some states, may have played in explaining the increase in the incidence, intensity, and severity of child labor violations, especially in hazardous occupations.

3. Data

To conduct the analysis, we integrate several data sources. First, we use county-level annual data on child labor law violations from fiscal year 2018 to 2022, obtained through a Freedom of Information Act request from the US Department of Labor. This dataset includes four variables: the total number of child labor violation cases, the number of minors involved in these cases, the number of cases involving hazardous occupations, and the number of minors involved in hazardous occupation cases. This information is merged with contemporaneous county-level annual data on the number of unaccompanied migrant children (UMC) released from the custody of the Office of Refugee Resettlement (ORR) to individual sponsors. We apply an IHS transformation to the child labor and UMC discharge variables to account for their heavily skewed distribution toward zero.

We further incorporate data on demographic and socioeconomic conditions that may correlate with child labor law violations. Regarding demographic conditions, we compile county-level data on the Hispanic population share and the youth population share from the US Census Bureau, in addition to COVID-19 death rates from USAFacts. These variables account for demographic and contextual dynamics that could have affected child labor violations along the intensive and extensive margins. In terms of socioeconomic conditions, we include data on unemployment rates and industry location

quotients from the US Department of Labor, which reflect the relative concentration of specific sectors. Additionally, we merge data on youth poverty rates from the Census Bureau and state-level changes in personal consumption expenditures per capita from the US Bureau of Economic Analysis to account for inflation.

Table 1 provides summary statistics of our sample. On average, during each of the years in our study period (*i.e.*, FY2018 through FY2022), 20 children were released to sponsors in any given US county. In addition, on average, US counties had roughly one minor employed in violation of child labor laws, even though the prevalence of child labor violation cases was lower, revealing that many of those cases involved more than one child. Similarly, on average, the number of children employed in hazardous occupations is higher than the average number of cases of children working in those jobs. In addition, Table 1 presents summary statistics for county-level demographic and economic conditions.

At first sight, are child labor law violations related to the number of unaccompanied children released to sponsors? To explore this question, Figure 3 plots county-level changes in the volume of minors involved in child labor law violations in panel (a) and the number of unaccompanied children released to sponsors by ORR during the period under consideration in panel (b). Examining these figures reveals a notable geographical correlation across several regions—the Northeast, Southwest, Pacific Northwest, Florida, and cities across the Midwest and Southeast of the United States. Locations that experienced a higher number of sponsors receiving unaccompanied migrant children align with an increased number of child labor law violations.

Because child labor violations are likely dependent on the regulatory framework, we also incorporate state-level information on child labor legislation from the Department of Labor into the analysis. This dataset includes child labor standards across multiple dimensions as of 2014, setting a baseline legal context before the observed resurgence in child labor in 2015. Using these data, we develop an index that captures the

restrictiveness of each state's child labor laws. Specifically, we compiled information on whether each state had adopted provisions that were more stringent than those stipulated in the FLSA along distinct dimensions, depending on whether the work was in agriculture or non-farm employment. In *agricultural employment*, we paid attention to the following dimensions: the minimum age for employment during and outside school hours, whether employment or age certificates are required, the maximum daily and weekly employment hours for minors under 16, and the maximum weekly employment days for minors under 16. In the case of *non-farm employment*, we considered the following parameters: the maximum daily and weekly hours and days per week for minors under 16 and minors between 16 and 17, whether nightwork is prohibited for minors under 16 and minors between 16 and 17, and whether employment or age certificates are required. A state was coded as *restrictive* if the number of standards above the FLSA is at or above the national mean. We then interacted this baseline state-level measure of child labor restrictiveness with a time trend to capture changes in the volume of children employed in violation related to the evolution of the child labor regulation environment. In our most complete model specification, we consider the intermediating role of that regulatory environment in explaining the increase in children employed in violation as the volume of unaccompanied minors being sponsored rises.

4. Methods

To identify the potential contribution of the rising volume of sponsored UMC to the number of child labor law violations, our methodology leverages the temporal and geographic variation shown in Figure 3. The analysis estimates the following benchmark model:

$$Y_{ct} = \alpha + \beta(UMC\ being\ sponsored_{ct}) + X_{c(s)t}\gamma + \theta_c + \theta_t + \varepsilon_{ct}, \quad (1)$$

where Y_{ct} stands for the number of minors employed in violation of child labor laws in county c during year t. Our key regressor, $UMC\ being\ sponsored_{ct}$, indicates the number

of unaccompanied minors sponsored in county c at time t.[3] Because of parental investments in children, one might expect children discharged to distant or immediate family members that do not include their parents or legal guardians to be at greater risk of being involved in child labor violations. Therefore, our analyses differentiate among unaccompanied minors discharged to parents and legal guardians, children discharged to other immediate family members, and youth discharged to distant family members or friends.

The vector $X_{c(s)t}$ includes county-level information on population composition and economic conditions, as well as state-level information on child labor laws and the percent change in personal consumption expenditure per capita as a measure of inflation. In addition, we incorporate county (θ_c) and year (θ_t) fixed effects to account for time-invariant county and year-level unobservable factors affecting child labor law violations, such as local conditions and nationwide policy changes. The coefficient of interest, β, captures the relationship between the number of unaccompanied children released by ORR and sponsored by someone in a given county and year and the number of minors involved in child labor violation cases in that locality at that point in time. A positive coefficient suggests that the increasing number of sponsored unaccompanied minors may have contributed to the rise in the number of minors involved in child labor law violations.

Importantly, that relationship may be conditional on the regulatory framework in place. To account for the potentially mediating role of more lax child labor standards on the frequency of violations, we interact the state-level policy indicators in vector $X_{c(s)t}$ with the count of unaccompanied minors released by ORR in each county c at time t.[4] In

[3] In additional specifications, we will experiment with using the volume of unaccompanied children released by ORR in various age ranges to match age conditions regulated in child labor laws closely.

[4] In robustness checks, we will employ data on other types of labor violations to investigate their connection to the release of UMCs.

this manner, we gauge whether the number of minors employed in violation of labor laws is more or less responsive to the volume of unaccompanied children released to sponsors in that locality based on the leniency vs. strictness of the state child labor laws.

Additionally, in robustness checks, we extend the analysis beyond the *number of minors* involved in child labor law infractions to the impact on the overall *number of cases* and the *severity* of the violations based on children's employment in hazardous occupations.

5. Discharges of Unaccompanied Minors and Children Employed in Violation

5.1. Main Findings, Identification, and Robustness Checks

Our primary goal is to learn how the discharge of unaccompanied children to sponsors may have contributed to the increase in minors employed in violation of labor laws. Table 2 contains the results from estimating the benchmark model in equation (1). We experiment with multiple model specifications that progressively add controls. For conciseness, we focus our interpretation on the estimates in the last column, where we account for the mediating role that the state's child labor laws may have played in the relationship between the volume of children discharged to sponsors and the number of children employed in violation of labor laws. Because the dependent variable and our key regressors are IHS-transformed, we interpret the estimates as elasticities. The results indicate that in lenient states (*i.e.,* those that did not offer any protections against child labor above the FLSA standards in 2014), the 430% increase in the number of minors discharged to sponsors over the period under study (*i.e.,* 2018 through 2022) contributed to boosting the number of children employed in violation by 11%. The impact would not be much different in restrictive states (*i.e.,* those that offered the most protections against child labor above the FLSA standards in 2014); however, the average increase in the number of children being sponsored in those states over the same period hovered around 270%, raising the number of children employed in violation by approximately 7%. Based

on Figure 2, in 2022, the estimated impacts would result in roughly an additional 300 minors employed in violation of labor laws in states with more lenient child labor laws (about 81 additional minors in states with more restrictive child labor laws).

A concern with the estimates in Table 2 refers to their potential endogeneity with respect to unobserved county-level changes correlated with the discharge of unaccompanied minors. For instance, one may be concerned that sponsors in less affluent counties may be more willing to sponsor relatives or friends if they are more likely to contribute to the household income, potentially raising the number of minors employed in violation of labor laws in these jurisdictions. While the model in equation (1) already includes a series of county-level demographic and economic traits, as well as county fixed effects, to capture the condition of local labor markets and concentration of specific industries—which may have a higher likelihood of employing youth labor—we address this concern in Table 3. Specifically, we regress various demographic and economic county traits on the number of unaccompanied minors released to sponsors within a county each year to gauge how those traits are responding to those releases, if at all.

As shown therein, for most regressors, we find no evidence of a statistically significant or meaningful link between the volume of discharged unaccompanied minors and the county's population composition or economic traits. Yet, in three instances, the number of unaccompanied children discharged to sponsors appears to be correlated with county characteristics—namely, the unemployment rate, the percent change in personal consumption expenditure per capita, and the share of Hispanics. Yet, the impacts are remarkably small in magnitude. For instance, a 10% increase in the number of discharged minors to sponsors in the county would raise the unemployment rate by 0.006 percentage points and its Hispanic population share by 0.026 percentage points while lowering personal expenditures per capita by 0.007 percentage points. Overall, we do not find evidence of an economically meaningful correlation between the number of minors discharged to individual sponsors and the local economic and demographic conditions.

In addition, to address the extent to which our estimates may be the byproduct of spurious correlations between the volume of unaccompanied children discharged to sponsors and the number of minors employed in violation of labor laws, we re-estimate equation (1) by randomly changing the number of unaccompanied children discharged to sponsors in the county. We repeat this exercise 500 times and plot the distribution of the placebo point estimates. Figure 4 displays this placebo distribution and the point estimate obtained with the actual number of minors discharged in the county. As shown therein, the marginal effect is similar to the overall estimate in Table 2. It lies outside the 95 percent confidence interval in the placebo distribution, supporting that the estimated point estimate is not the byproduct of seemingly spurious correlations.

To conclude, as a robustness check, we explore the impact that the discharge of unaccompanied minors to sponsors may have played on other outcomes related to the number of minors employed in violation, such as the volume of child labor law violations, the number of cases involving employment in hazardous occupations, and the number of minors involved in those more egregious cases. The results from this exercise are displayed in Table 5. As shown therein, we consistently find evidence of the number of unaccompanied children discharged to sponsors being related to the number of child labor law violations, including more egregious ones. Specifically, a 10% increase in the number of unaccompanied children discharged to sponsors raises the number of child labor cases by 0.2%, the number of child labor cases involving employment in hazardous occupations by 0.1%, and the number of minors employed in those more severe infractions by 0.3%. These impacts are smaller in states with more restrictive child labor laws, albeit by not much less.

5.2. Heterogeneous Analyses

As noted earlier, not all discharges of unaccompanied minors may have the same impact on the volume of children employed in violation. One might reasonably expect

that discharges to parents and legal guardians have a potentially different impact than those to other family members, such as distant relatives or friends with weaker ties to the child. In those instances, especially if the sponsoring household is low-income, there may exist an expectation for the child to contribute to the household's living expenses. To gauge if that is the case, we repeat the analysis in Tables 2 and 4, distinguishing between whether the child was being sponsored by parents or legal guardians, other immediate family members, or distant relatives and unrelated adults.

Table 5 displays the results for all child labor violations. As expected, the observed increases in child labor violations stem primarily from unaccompanied minor discharges to immediate relatives that do not include the parents or legal guardians, as well as discharges to distant family members or unrelated adults. In particular, in lenient states, where the increase in unaccompanied minor discharges over the period under consideration average 430%, the number of children employed in violation would have risen by approximately 10%—an estimated 258 children in 2022. In more restrictive states, where the increase in unaccompanied minors' discharges was more moderate (~270%), the volume of children employed in violation would have risen by approximately seven children. These increases in child labor violations are even more remarkable in the instance of children discharged to distant family members or unrelated adults, as we might have expected. In those instances, the same increases in the number of children discharged over the period under consideration would have boosted the number of children employed in violation by 18%. Based on the figures for 2022, this would be equivalent to an additional 466 children employed in violation in lenient states and 212 children in more restrictive states.

Table 6 displays the results when we distinguish between the types of sponsors and focus on alternative measures of child labor violations, such as the overall volume of cases or measures of more egregious child labor violations. As with the results in Table 5, we observe a progressively larger impact of unaccompanied minor discharges on cases

of child labor violations as the child's kinship ties weaken. Of particular interest is the effect on the employment of children in hazardous occupations. Focusing, for instance, on the number of minors employed in those types of jobs, we find that the 430% increase in child discharges in lenient states would have risen the volume of children working these jobs between 11% and 15%—contributing to an additional 284 to 387 children employed in hazardous occupations (130 to 177 in more restrictive states).

6. Preliminary Summary and Conclusions

In light of reports documenting an increase in the number of discharged unaccompanied minors employed in violation of labor laws, we explore the relationship between the volume of unaccompanied minors sponsored and the number of children engaged in illegal employment at the county-year level while also accounting for the mediating role of child labor regulations in the state. Using a variety of data sources on the volume of sponsored unaccompanied minors, recorded child labor violations, and county-level traits, we find evidence of child labor violations rising with the volume of sponsored unaccompanied minors across all counties, albeit to a slightly lesser extent in counties with more restrictive child labor regulations. The impacts appear to be primarily driven by child discharges to sponsors other than their parents or legal guardians, being particularly acute when they involve distant family members and unrelated adults.

In future analyses, we plan to incorporate information on penalties imposed on violators to learn the extent to which these penalties are effective in preventing infractions by employers in the nearby area and, if they are, beyond which threshold. In addition, we will explore recidivism among child labor violators and the role that imposed penalties may play in preventing such behavior.

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Table 1: Descriptive Statistics

	Mean	Std. dev.	Min.	Max.
Unaccompanied children discharged to sponsors	20.286	162.217	0.0	8,248
Children discharged to parents or legal guardians	9.294	65.328	0.0	3,078
Children discharged to immediate relatives	11.706	77.624	0.0	3,903
Children discharged to distant relatives or unrelated adults	2.852	21.388	0.0	1,305
Child labor outcomes				
Children employed in violation	0.996	8.117	0.0	573
Child labor cases	0.269	0.932	0.0	25
Child labor cases in hazardous occupations	0.079	0.401	0.0	15
Children employed in hazardous occupations	0.189	1.467	0.0	78
County characteristics				
Unemployment rate (%)	4.600	1.970	0.6	22.60
Personal consumption expenditure per capita (%Δ from previous year)†	5.177	4.817	-4.8	14.90
Prevailing minimum wage is above the federal minimum wage (1=yes) †	0.440	0.496	0.0	1.0
Poverty rate (%)	14.467	5.636	2.6	64.00
Youth poverty rate (%)	19.774	8.382	2.4	68.30
Hispanic population share (%)	8.732	12.782	0.0	99.17
COVID-19 deaths per 100,000 (2019 ref. pop.)	12.569	43.971	0.0	1,771.81
Industry concentration (location quotients)				
Manufacturing	1.229	0.607	0.08	6.98
Natural resources and mining	3.919	4.161	0.01	34.44
Construction	1.175	0.433	0.06	3.91
Trade, transportation, and utilities	1.152	0.231	0.24	2.64
Education and health services	0.729	0.426	0.05	3.87
Leisure and hospitality	1.078	0.363	0.10	3.87
Observations		15,080		

Notes: County means and standard deviations in parentheses. †=state level

Table 2
Impact of Unaccompanied Children Discharges to Sponsors
on the Number of Children Employed in Labor Violation by County, FY 2018-FY 2022

Dependent variable:	**Children employed in labor law violation**			
Model specification:	**(1)**	**(2)**	**(3)**	**(4)**
Minors discharged to sponsors	0.016**	0.014**	0.026***	0.026***
	(0.007)	(0.007)	(0.009)	(0.009)
Restrictiveness trend	—	-0.000	0.002	0.001
		(0.002)	(0.002)	(0.002)
Minors discharged × restrictiveness trend	—	—	-0.001	-0.001**
			(0.000)	(0.000)
County time-varying controls	No	Yes	No	Yes
Time FEs	Yes	Yes	Yes	Yes
County FEs	Yes	Yes	Yes	Yes
Observations	15,062	15,062	15,062	15,062
R^2	0.529	0.530	0.529	0.530

Notes: The table presents the impact of the number of minors discharged to individual sponsors on the number of children employed in violation by county. Both variables are IHS-transformed, so the coefficient can be interpreted as elasticity. The county time-varying controls include the unemployment rate, the location quotients for several industries to capture their relative concentration, the youth poverty rate, the Hispanic population share, and the COVID-19 death rate per 100,000 people. Data on discharges to the different types of sponsors were obtained from Dreier (2023a). *p < 0.1; **p < 0.05; ***p < 0.01.

Table 3: Potential Confounding Factors

Dependent variable:	Unemployment rate (%)	PCE per capita (%Δ from previous year)	Industry concentration (location quotients)				Demographic characteristics		
			Manufacturing	Natural resources, mining	Construction	Leisure, hospitality	Youth poverty rate (%)	Hispanic population share (%)	Youth population rate (%)
Column:	**(1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**	**(9)**
L1 Minors discharged to sponsors	0.062***	-0.074***	0.001	0.008	0.002	0.002	-0.039	0.258***	0.012
	(0.016)	(0.019)	(0.002)	(0.008)	(0.001)	(0.001)	(0.040)	(0.076)	(0.011)
Restrictiveness trend	-0.003***	0.044***	-0.000	-0.002***	-0.000***	-0.000***	0.002	-0.030***	-0.001**
	(0.001)	(0.004)	(0.000)	(0.000)	(0.000)	(0.000)	(0.002)	(0.004)	(0.001)
L1 Minors discharged × restrictiveness trend	-0.000	-0.000	-0.001	-0.000	-0.000	-0.000	0.002	0.158***	0.004*
	(0.003)	(0.001)	(0.000)	(0.002)	(0.000)	(0.000)	(0.008)	(0.016)	(0.002)
Time FEs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
County FEs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	11,996	11,996	11,996	11,996	11,996	11,996	11,996	11,996	11,996
R^2	0.887	0.978	0.983	0.993	0.981	0.977	0.971	0.982	0.958
Dependent variable mean	4.600	5.177	1.229	3.919	1.175	1.152	0.729	1.078	19.77

Notes: The table presents the coefficients from separate regressions estimated with each potential confounding factor as a dependent variable. PCE=Personal consumption expenditures. *p < 0.1; **p < 0.05; ***p < 0.01.

Table 4
Impact of Unaccompanied Children Discharges to Sponsors
on Related Child Labor Law Violation Indicators by County, FY 2018-FY 2022

Dependent variable:	**Child labor cases**	**Child labor cases in hazardous occupations**	**Minors employed in hazardous occupations**
Column:	**(1)**	**(2)**	**(3)**
Minors discharged to sponsors	0.019***	0.012***	0.027***
	(0.005)	(0.003)	(0.006)
Restrictiveness trend	0.002	-0.000	0.000
	(0.001)	(0.001)	(0.001)
Minors discharged × restrictiveness trend	-0.001***	-0.001***	-0.002***
	(0.000)	(0.000)	(0.000)
County time-varying controls	Yes	Yes	Yes
Time FEs	Yes	Yes	Yes
County FEs	Yes	Yes	Yes
Observations	15,062	15,062	15,062
R^2	0.603	0.457	0.382

Notes: The table presents the point estimates obtained from regressing the dependent variables indicated at the top of each column on the number of children employed in violation by county. The variables are IHS-transformed, so the coefficients can be interpreted as elasticities. The county time-varying controls include the unemployment rate, the location quotients for several industries to capture their relative concentration, the youth poverty rate, the Hispanic population share, and the COVID-19 death rate per 100,000 people. *p < 0.1; **p < 0.05; ***p < 0.01.

Table 5
Impact of Unaccompanied Children Discharges to Various Types of Sponsors on the Number of Children Employed in Labor Violation by County, FY 2018-FY 2022

Dependent variable:	**Children employed in labor law violation**					
Key independent variable:	**Minors discharged to parents or legal guardians**		**Minors discharged to immediate relatives**		**Minors discharged to distant relatives or unrelated adults**	
Model specification:	**(1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**
Minors discharged	0.017	0.017	0.025**	0.024**	0.044***	0.042***
	(0.012)	(0.012)	(0.012)	(0.012)	(0.015)	(0.015)
Minors discharged × restrictiveness trend	-0.000	-0.000	-0.000	-0.000	-0.000	-0.001
	(0.000)	(0.001)	(0.000)	(0.000)	(0.001)	(0.001)
Restrictiveness trend	0.001	0.000	0.001	0.001	0.001	0.001
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
County time-varying controls	No	Yes	No	Yes	No	Yes
Time FEs	Yes	Yes	Yes	Yes	Yes	Yes
County FEs	Yes	Yes	Yes	Yes	Yes	Yes
Observations	15,062	15,062	15,062	15,062	15,062	15,062
R^2	0.529	0.530	0.529	0.530	0.529	0.530

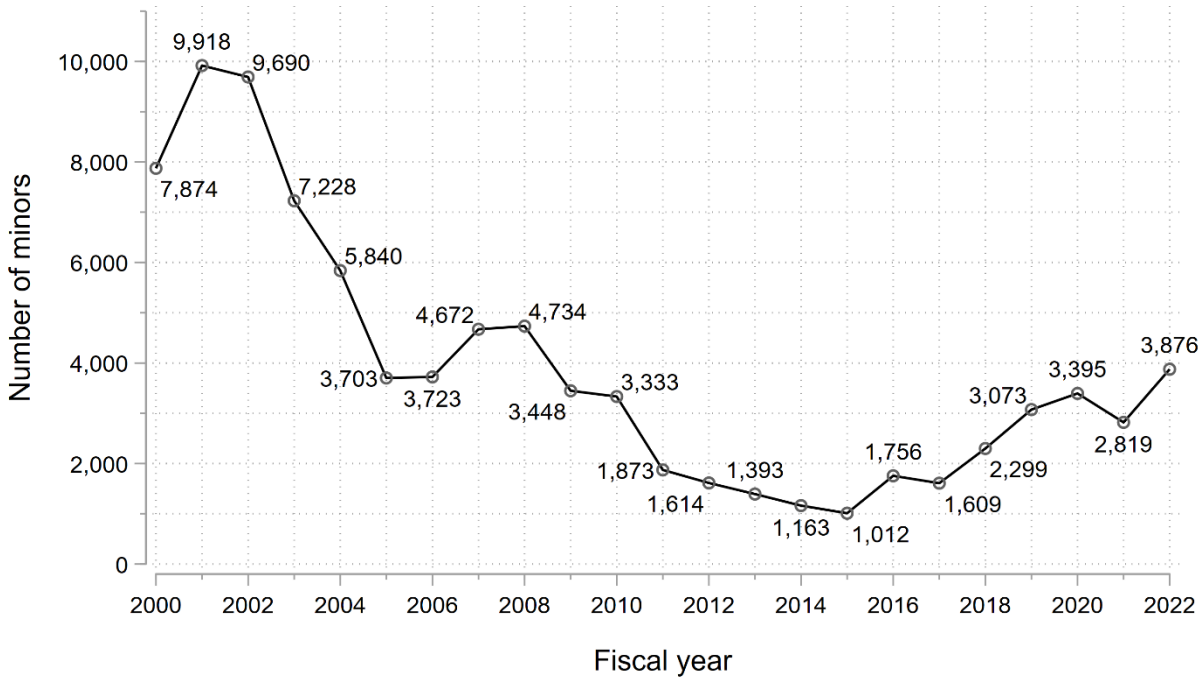
Notes: The table presents the impact of the number of minors discharged to various types of individual sponsors on the number of children employed in violation by county. Immediate relatives include siblings, grandparents, aunts, uncles, and cousins. The dependent and independent variables are IHS-transformed, so the coefficients can be interpreted as elasticities. The county time-varying controls include the unemployment rate, the location quotients for several industries to capture their relative concentration, the youth poverty rate, the Hispanic population share, and the COVID-19 death rate per 100,000 people. Data on discharges to the different types of sponsors were obtained from Dreier (2023a). *p < 0.1; **p < 0.05; ***p < 0.01.

Table 6
Impact of Unaccompanied Children Discharges to Various Types of Sponsors on Child Labor Law Violation Indicators by County, FY 2018-FY 2022

Dependent variable:	**Child labor cases**			**Child labor cases in hazardous occupations**			**Minors employed in hazardous occupations**		
Sponsors' relationship to discharged children:	**Parents or legal guardians**	**Immediate relatives**	**Distant relatives or unrelated adults**	**Parents or legal guardians**	**Immediate relatives**	**Distant relatives or unrelated adults**	**Parents or legal guardians**	**Immediate relatives**	**Distant relatives or unrelated adults**
Model specification:	**(1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**	**(9)**
Minors discharged	0.018***	0.017***	0.034***	0.011***	0.008**	0.016***	0.026***	0.025***	0.034***
	(0.007)	(0.007)	(0.009)	(0.004)	(0.004)	(0.006)	(0.007)	(0.007)	(0.009)
Minors discharged × restrictiveness trend	-0.001***	-0.001***	-0.002***	-0.001***	-0.001***	-0.001***	-0.002***	-0.002***	-0.003***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Restrictiveness trend	0.002**	0.003**	0.003**	0.000	0.000	-0.000	0.001	0.002*	0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
County time-varying controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time FEs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
County FEs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	15,062	15,062	15,062	15,062	15,062	15,062	15,062	15,062	15,062
R^2	0.603	0.603	0.603	0.457	0.458	0.457	0.381	0.382	0.381

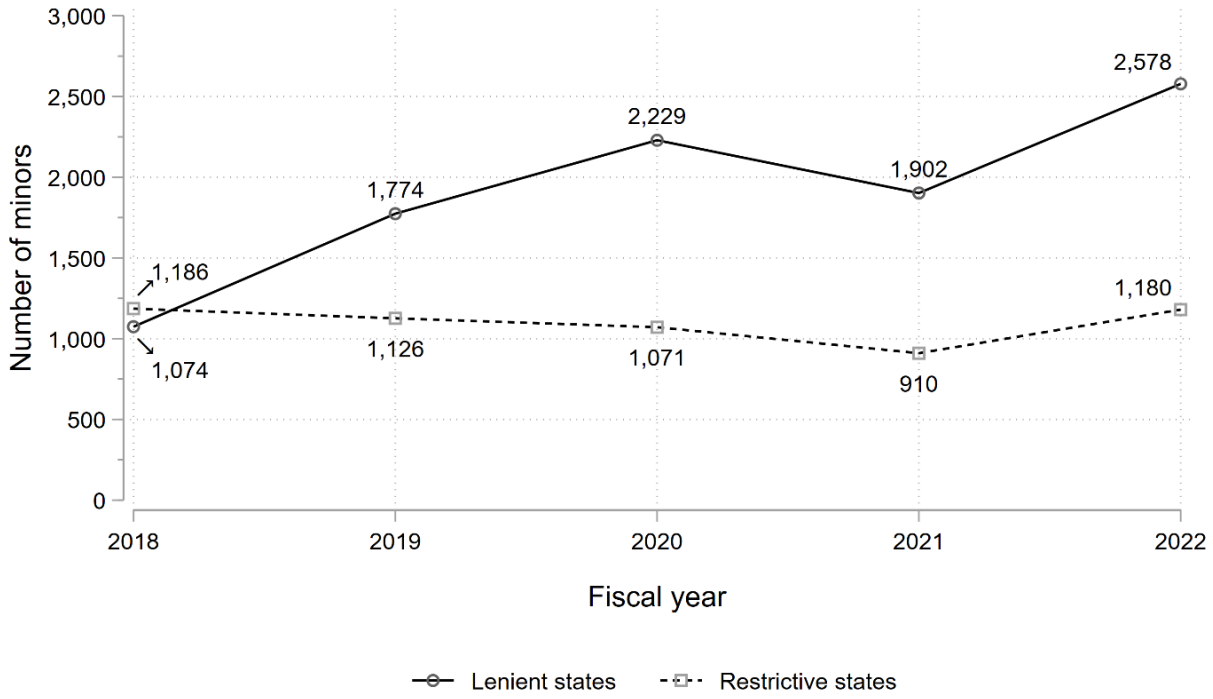
Notes: The table presents the impact of the number of minors discharged to various types of individual sponsors on the dependent variables indicated at the top of each column. The dependent and independent variables are IHS-transformed, so the coefficients can be interpreted as elasticities. The county time-varying controls include the unemployment rate, the location quotients for several industries to capture their relative concentration, the youth poverty rate, the Hispanic population share, and the COVID-19 death rate per 100,000 people. Data on discharges to the different types of sponsors were obtained from Dreier (2023a). *p < 0.1; **p < 0.05; ***p < 0.01.

Figure 1
Minors Employed in Labor Law Violation, FY2000-FY2022



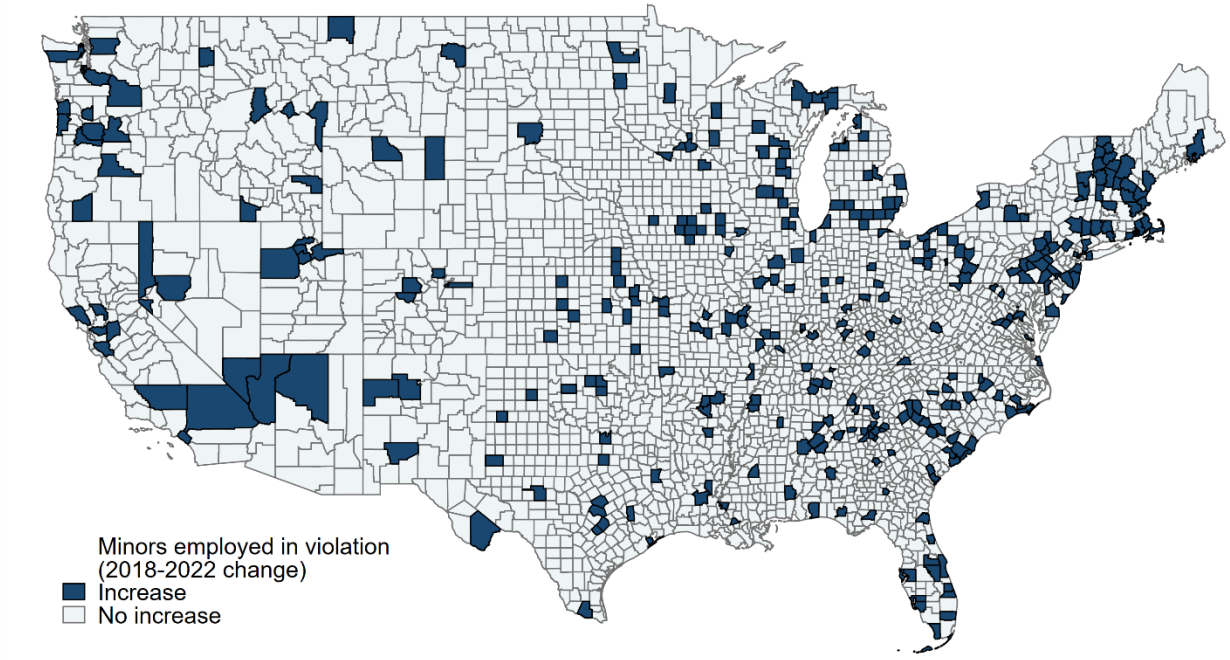
Notes: Elaborated by the authors with data on child labor enforcement statistics from the US Department of Labor Wage and Hour Divison. See: https://www.dol.gov/agencies/whd/data/charts/child-labor. Last accessed May 2024.

Figure 2
Minors Employed in Labor Law Violation by States' Leniency, FY2018-FY2022

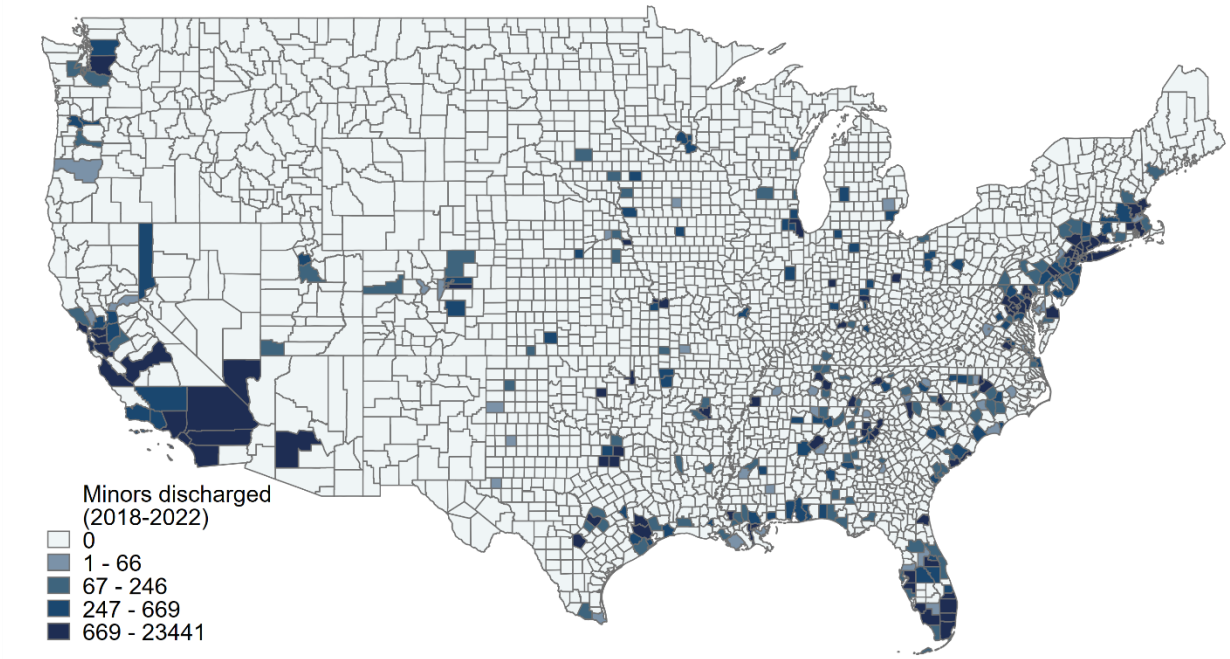


Notes: Elaborated by the authors with data on child labor enforcement statistics obtained through a FOIA request submitted to the US Department of Labor. Individual state's leniency status was determined following the procedure outlined in footnote 2 and the Data section.

Figure 3
Changes in the Number of Minors Employed in Labor Law Violation and Unaccompanied Children Discharges to Sponsors by County, FY2018-FY2022

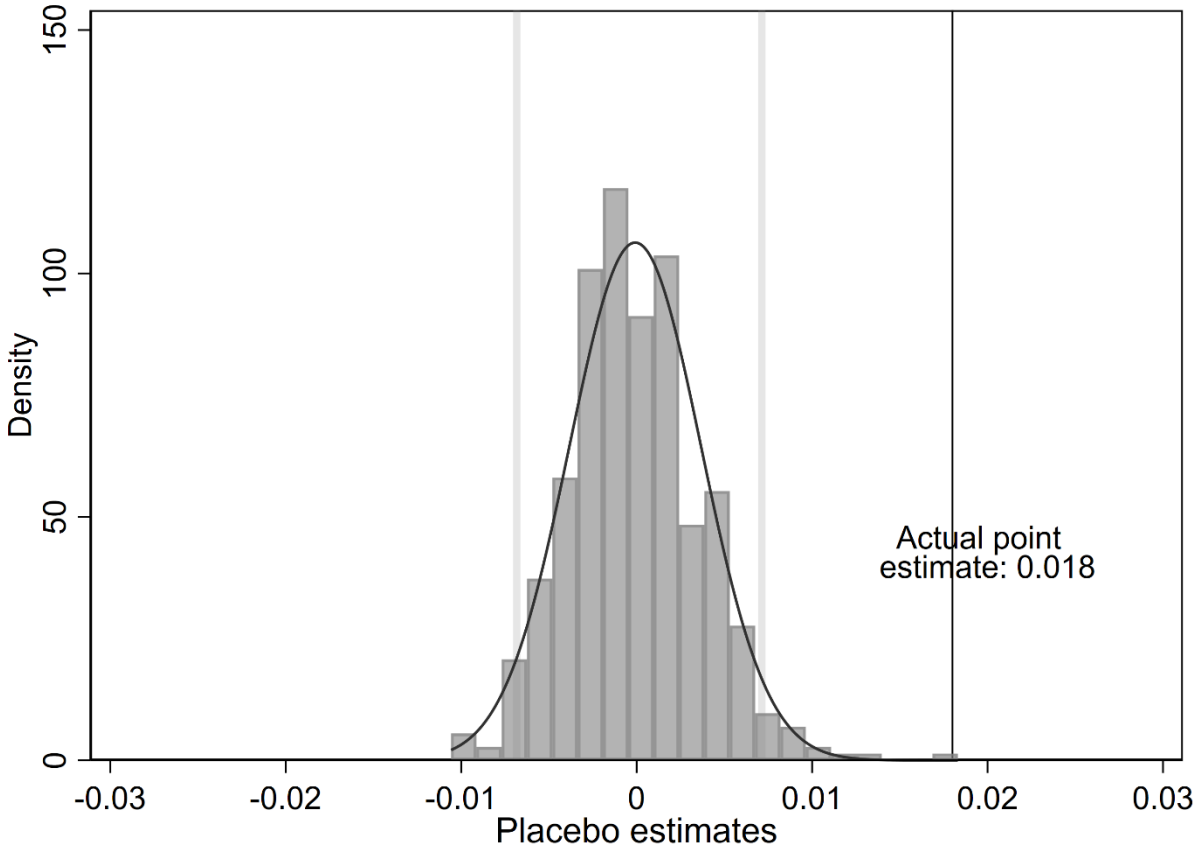


(a) Change in child labor violations



(b) Unaccompanied children discharged to individual sponsors

Figure 4
Placebo Check for the Number of Minors Employed in Labor Law Violation, FY2019-FY2022



Notes: The figure illustrates the distribution of placebo estimates generated by randomly changing the number of minors discharged to sponsors in each county and re-estimating the main model specification 500 times. The gray vertical bars represent the 95 percent confidence interval for the placebo distribution, and the black vertical line indicates the point estimate obtained with the actual number of minors discharged in each county.