

April 7, 2026

Samantha Deshommès, Chief
Regulatory Coordination Division
Office of Policy and Strategy
U.S. Citizenship and Immigration Services
Department of Homeland Security
5900 Capital Gateway Drive
Camp Springs, MD 20746

Re: DHS Docket No. USCIS–2025–0370; RIN 1615–AC97
Employment Authorization Reform for Asylum Applicants
91 Fed. Reg. 8616 (February 23, 2026)

Dear Chief Deshommès:

We submit this comment in response to the above-referenced proposed rule. After sharing the Regulatory Impact Analysis (RIA) in the Notice of Proposed Rule Making (NPRM), the Department of Homeland Security (hereafter DHS or Department) invites public comment, including evidentiary findings, that would inform estimates on earnings of other US workers and federal employment taxes paid should the Department’s new rules on limiting employment authorization for asylum applicants go into effect. (NPRM at p. 8693). Moreover, much of the RIA is grounded in the NPRM’s earlier discussion of how Employment Authorization Document (hereafter EAD) access after an asylum application is pending 180 days is a magnet for asylum applications and thus DHS posits that eliminating or restricting access to EADs will reduce new asylum applications and drive backlog reduction. In this regard, DHS invited all interested parties to submit data, information, and authority supporting a change to any aspect of the proposed rule. (NPRM at p. 8617). We write to respond to these invitations for comment.

Specifically, the proposed rule rests on two empirical premises that we challenge with new analysis and data: (1) that asylum seekers displace American workers or weaken local labor markets; and (2) that Employment Authorization Documents (EADs) act as a “magnet” driving asylum filings, including frivolous filings, and thus restricting EADs will materially reduce the asylum backlog. The current administrative record DHS has assembled does not support those premises. Because the Department is proposing a new regulation that will instead will be very costly to Americans and will not solve the problems it states it is trying to solve, DHS should not proceed with the rule as proposed.

We are experts in immigration, labor economics, and economic development. Michael Clemens is an economist studying the economic causes and effects of migration. A full professor at George Mason, he is a founding faculty member of the Johns Hopkins School of Government and Policy. Amy Nice is a lawyer who is expert in immigration law and policy, including agency rulemaking as

a policymaking tool. She is an Immigration Law and Policy Fellow at Cornell. Natalia Rigol is an economist studying entrepreneurship and impacting investing in low- and middle-income countries, as an associate professor at Harvard Business School.

We write because our expertise, and submission, is directly relevant to the rulemaking process under the Administrative Procedure Act, which at its core is about enhancing public engagement in rulemaking for the purpose of ensuring agencies receive the most comprehensive information possible to solve problems for the American people.¹ A fulsome and rational consideration of and response to data and evidence presented in public comment, such as our comment, allows agencies to benefit when “situated knowledge” is shared as part of rulemaking efforts; in other words, public officials benefit from having access to knowledge that is widely dispersed among stakeholders.² “In particular, agencies need information from the industries they regulate, other experts, and citizens with situated knowledge of the field in order to understand the problems they seek to address, the potential regulatory solutions, their attendant costs, and the likelihood of achieving satisfactory compliance.”³

We share DHS’s concern that the asylum backlog is unsustainable and that processing reforms are needed. Vitally, we also agree with DHS that the integrity of the asylum system matters. Our disagreement is not with the goals of efficient processing and system integrity. However, the empirical record, including the evidence we present here, indicates that restricting employment authorization will not achieve those goals and instead will impose large economic costs on Americans—both as workers and as shareholders of American businesses.

This comment presents original empirical research that directly addresses the factual and economic premises underlying the proposed rule. Our analysis draws on immigration court records, Bureau of Labor Statistics data, Bureau of Economic Analysis data, American Community Survey microdata, World Bank indicators, and UNHCR global asylum statistics. Two technical appendices containing our full analyses are attached.

1 Executive Summary

If DHS was right that asylum seekers take jobs from Americans, we should see native employment falling and unemployment rising the places that received the most asylum seekers. The evidence reveals the opposite. In particular, we find:

1. **The record does not support a simple labor-displacement narrative.** [Technical Appendix A](#) presents original causal evidence across 450–600 U.S. commuting zones (depending on the data source) during the 2021–2023 asylum surge. Areas receiving larger asylum inflows experienced higher employment rates for native-born workers, citizens, and the broader incumbent workforce, higher wages across all groups, and lower unemployment. For this

¹84 Fed. Reg. 2139 at 2146–2148 (February 6, 2019).

²M. Sant’Ambrogio and G. Staszewski, Michigan State University, *Public Engagement with Agency Rulemaking* (Administrative Conference of the United States, November 19, 2018) at p. 3.

³Id. at p. 10.

reason, real GDP also rises, with a conservative estimate implying approximately \$263,000 in additional GDP per asylum seeker and \$200 billion in total GDP growth caused by the asylum surge. This macroeconomic effect is comparable in magnitude to independent estimates, using entirely different methods, by the US Congressional Budget Office and the Penn Wharton Budget Model at the University of Pennsylvania. These findings are inconsistent with the NPRM’s premise that asylum-related labor supply broadly harms U.S. workers or weakens local labor markets. (Sections 2–3; [Technical Appendix A](#))

2. **Incumbent workers are not displaced.** We find that the asylum surge caused higher employment rates rise for native-born workers, for US citizens, and collectively for ‘incumbent workers’ (all citizens plus non-citizens who entered the U.S. before the surge). Wages rise across all three groups, with the strongest effects among the broadest incumbent group. Medicaid enrollment and welfare receipt decline for all three groups. These findings are inconsistent with the premise that asylum seekers simply replace existing workers one-for-one or broadly strain public programs. (Section 2; [Technical Appendix A](#))
3. **The Regulatory Impact Analysis rests on uncertain and poorly supported assumptions.** DHS’s RIA adopts a two-scenario framework built around labor replacement, but acknowledges substantial uncertainty regarding the actual replacement rate. [Technical Appendix A](#) is directly relevant to that uncertainty because it provides evidence against a simple displacement account. DHS also uses wage and benefits assumptions that appear poorly matched to the likely occupations of affected workers. (Section 3; [Technical Appendix A](#))
4. **Restricting asylum-based work authorization is likely to harm U.S. workers, employers, and local economies.** If asylum applicants are prevented from working lawfully while their claims are pending, employers lose access to labor, communities lose output, and more work is pushed into informal channels. The rule is therefore likely to reduce local economic activity in the places most affected by recent asylum inflows. (Section 4; [Technical Appendix A](#))

If DHS was right that EADs serve as a magnet and that, therefore, there will be an 80% reduction in asylum filings following implementation of the proposed EAD rule, there would not be evidence of origin-country crises—and resolution thereof, route changes, and processing mechanics that better, and fully, explain asylum filing patterns. Our findings are that:

5. **The record does not support the claim that EADs are a principal driver of the filing surge.** The 180-day EAD waiting period has effectively been in place since 1995. A long-standing policy is a poor explanation for a sudden, nationality-specific surge beginning decades later. The NPRM’s strongest historical evidence—the 1994 reform—does not hold up: the post-1994 decline was concentrated in El Salvador and Guatemala, where asylum flows abated due to the coincidental end of civil wars; filings from all other nationalities did not show a comparable decline and simply tracked European asylum trends, reflecting global

abatement of asylum pressures as the Cold War ended rather than U.S. policy effects; and grant rates rose as filings recovered, which by the NPRM’s own logic indicates more valid claims. The recent increase in filings is concentrated among nationalities experiencing acute crises, and similar surges appear in other destination countries that do not share U.S. EAD policy. (Section 5; [Technical Appendix B](#))

6. **The “frivolous filing” characterization is not well supported.** Grant rates rose alongside filings rather than falling, the nationality composition of the surge does not match what a simple frivolous-filing story would predict, and DHS’s own fraud figures do not support treating the surge as predominantly fraudulent or frivolous. (Section 6; [Technical Appendix B](#))
7. **EAD restrictions have not been shown to reduce asylum backlogs.** Moreover, the record shows that any deterrence effect is non-selective, discouraging valid asylum filings. (Section 7; [Technical Appendix B](#))

This comment is organized as follows after this executive summary. Sections 2–4 present original evidence on the economic effects of asylum seeker inflows and explain why the proposed rule’s Regulatory Impact Analysis is not adequately supported by the record. Sections 5–6 address the EAD “magnet” and “frivolous filing” hypotheses, beginning with the 1994 analogy that the NPRM relies on most heavily. Section 7 addresses the backlog rationale.

2 Asylum Seekers Generate Positive Economic Effects, Not Displacement

A central premise of the proposed rule is that employment authorization for asylum applicants harms U.S. workers by facilitating labor-market displacement. The NPRM states:

“If DHS was justified in terminating a form of work authorization in 1974 in order to protect the possible displacement of approximately 150,000 American workers, DHS would similarly be justified today to consider the potential impact on 1.2 million American workers when reviewing a discretionary EAD category like the (c)(8)s.” (NPRM at p. 8641)

The RIA similarly assumes no meaningful, negative effects on wages, growth, or small businesses associated with the removal of asylum applicants from the workforce. But [Technical Appendix A](#) provides evidence inconsistent with that premise. Using local labor-market variation during the recent asylum surge, [Technical Appendix A](#) finds that larger asylum inflows are associated with higher employment rates and wages for incumbent workers at all levels of nativity, lower unemployment, and higher real GDP. Those are not the patterns one would expect if asylum seekers primarily displaced existing workers or broadly weakened local labor markets.

[Technical Appendix A](#) presents the full methodology and results. We summarize the approach and the implications for the NPRM here.

2.1 Our Approach

[Technical Appendix A](#) asks a straightforward question relevant to the NPRM’s labor-market claims: when a surge causes local labor markets to receive more asylum seekers, what happens to employment, wages, and productivity for native workers?

We compare changes in economic outcomes across 450–600 U.S. commuting zones (depending on the data source) during the 2021–2023 asylum surge. Because asylum seekers do not settle randomly, [Technical Appendix A](#) uses a standard shift-share (Bartik) research design that predicts local inflows from pre-surge nationality settlement patterns and nationwide, nationality-specific inflows. In plain terms, this approach works like a natural experiment: it compares cities where asylum seekers happened to settle—based on where earlier immigrants from the same countries had already established communities—against otherwise-similar cities that received fewer. This addresses the concern that positive economic conditions attracted asylum seekers rather than the other way around, allowing a causal interpretation of the results.⁴

When using this research design it is important to check that the areas receiving more asylum-seeker inflows for historical reasons were not areas likely to experience economic improvements for unrelated reasons. Thus, we also show that the areas where earlier immigrants from the same country had settled, which determined different areas’ degree of exposure to the asylum wave, were not systematically areas that had already been on better economic trajectories. [Technical Appendix A](#) also shows that our main estimates remain valid after controlling for pre-surge economic conditions, baseline labor-market characteristics, industry composition, and state fixed effects ([Technical Appendix A](#), Supplementary Tables).

[Technical Appendix A](#) examines the same question across multiple independent sources of local economic data:

- **Bureau of Economic Analysis (BEA):** county-level real GDP;
- **American Community Survey (ACS):** household microdata used to measure employment, wages, and public-program enrollment for three nested population groups: native-born workers, all U.S. citizens, and the full incumbent workforce (citizens plus non-citizens who arrived before the surge). The ACS is the only nationally representative survey with samples large enough to separately measure labor-market outcomes for these subgroups at the local labor-market level (Public Use Microdata Areas, which we aggregate to commuting zones);
- **Local Area Unemployment Statistics (LAUS):** county-level unemployment estimates produced by BLS.

Looking across these sources matters. If the NPRM’s displacement premise were correct, one would expect asylum inflows to be associated with weaker labor-market outcomes. The analysis in [Technical Appendix A](#) does not find that pattern.

⁴The identifying assumption is that pre-surge settlement patterns affect post-surge outcomes only through new asylum inflows, not through other correlated channels. For a discussion of shift-share identification, see Goldsmith-Pinkham, Sorkin, and Swift, “Bartik Instruments: What, When, Why, and How,” *American Economic Review*, 110(8): 2586–2624, 2020; Borusyak, Hull, and Jaravel, “Quasi-Experimental Shift-Share Research Designs,” *Review of Economic Studies*, 89(1): 181–213, 2022.

2.2 Incumbent Workers Are Not Displaced

The NPRM’s displacement logic implies that larger asylum inflows should worsen labor-market outcomes for existing U.S. workers. In plain terms: if the NPRM were right that asylum seekers take jobs from Americans, we should see employment falling and unemployment rising in the places that received the most asylum seekers. We find the opposite.

The evidence presented in [Technical Appendix A](#) directly tests the displacement implication using ACS data for three nested population groups. An inflow equal to 1% of 2019 CZ population raises employment rates for native-born workers by 1.7 percentage points, for all U.S. citizens by 1.8 pp, and for the full incumbent workforce by 2.8 pp—all significant at the 1% level ([Technical Appendix A](#), Table 1, columns 2, 4, and 6). Wages rise across all three groups, with the strongest effect among incumbent workers: a 6.3% increase (column 7).

The pattern across these nested groups—with effects strengthening as the population broadens to include naturalized citizens and pre-surge non-citizens—is consistent with complementarity between asylum seekers and the existing workforce, not displacement.

Medicaid enrollment and welfare receipt decline for all three groups ([Technical Appendix A](#), Table 2). These findings are inconsistent with asylum seekers straining public programs. The improved labor market conditions appear to pull existing residents off public assistance rather than crowding them onto it.

2.3 Unemployment Falls

Using Local Area Unemployment Statistics, [Technical Appendix A](#) finds that asylum inflows reduce local unemployment rates. An inflow equal to 1% of 2019 CZ population lowers the unemployment rate by 1.7 percentage points ([Technical Appendix A](#), Table 1, column 8), also significant at the 1% level. Together with the ACS results, this evidence is difficult to reconcile with the displacement narrative underlying the rule.

2.4 Summary of Key Results

Table 1 summarizes the main findings from [Technical Appendix A](#) for the 2021–2023 surge period. The employment and unemployment results—which directly test the NPRM’s displacement premise—are the most precisely estimated and form the core of our evidence. The GDP result is directionally consistent and of a plausible magnitude, though estimated with less precision.

Table 1: Summary of Key Economic Effects: Estimates (2021–2023)

Outcome	Coefficient
Native-born employment rate	+1.69 pp
Citizen employment rate	+1.85 pp
Incumbent employment rate	+2.77 pp
Unemployment rate	−1.68 pp
Real GDP	+5.53%

Notes: Each coefficient is the estimated effect of an asylum inflow equal to 1% of commuting-zone population. Employment and unemployment coefficients are in percentage points; the GDP coefficient is in percent. All estimates are instrumental variables using the Bartik shift-share instrument. Source: [Technical Appendix A](#), Table 1.

2.5 GDP Also Rises

[Technical Appendix A](#) finds that an asylum inflow equal to 1% of a commuting zone’s 2019 population increases real GDP by approximately 5.5% over the 2021–2023 period ([Technical Appendix A](#), Table 1, column 1; $p = 0.07$). This estimate does not meet conventional significance thresholds (5%), but it is one result within a consistent pattern of positive effects across multiple independent data sources. The employment results—which directly test the displacement hypothesis that is central to the NPRM—are all significant at the 1% level and do not depend on the GDP coefficient. The GDP finding is best understood as complementary evidence that is directionally consistent with the precisely estimated employment effects.

Aggregating across all commuting zones under a conservative specification, the 2021–2023 surge of approximately 760,000 working-age asylum seekers is associated with roughly \$200 billion in additional GDP annually—approximately \$263,000 per asylum seeker each year ([Technical Appendix A](#), Section 5.3).

These magnitudes are consistent with independent estimates from major nonpartisan institutions. The Congressional Budget Office projects that the broader 2021–2026 immigration surge of 8.7 million people will raise GDP by \$8.9 trillion over the 2024–2034 period, implying approximately \$149,000 per immigrant in annual GDP by 2034.⁵ The Penn Wharton Budget Model estimates that deporting unauthorized immigrants would reduce GDP by 1.2% over four years (implying approximately \$70,000 per person over that shorter horizon) to 4.9% over ten years (implying approximately \$208,000 per person), with the longer-horizon estimate more comparable to [Technical Appendix A](#)’s design because it captures fuller capital adjustment and labor-market reallocation.⁶ Our estimate is derived directly from observed data using an instrumental variable strategy, whereas the CBO

⁵Congressional Budget Office, “Effects of the Immigration Surge on the Federal Budget and the Economy,” July 2024.

⁶Ruiz Mazin, Felipe and Felix Reichling, “Mass Deportation of Unauthorized Immigrants: Fiscal and Economic Effects,” Penn Wharton Budget Model, July 2025.

and Penn Wharton figures come from calibrated general-equilibrium models; both fall within the 95% confidence interval of our own estimate. Both analyses—like [Technical Appendix A](#)—find effects that go beyond simple population scaling: CBO finds innovation-driven productivity gains that raise wages for all workers in the long run, and Penn Wharton finds that deportation reduces not only total GDP but also GDP per capita and average wages. The broad agreement of these these independent estimates with ours, despite the use of fundamentally different methodologies, strongly confirms the results of all three.

2.6 The F-1 Student Analogy Is Inapplicable

The NPRM draws an analogy to the 1974 revision of F-1 student work authorization (NPRM at p. 8641). That analogy is not persuasive here. DHS recounts in the NPRM that the Immigration and Naturalization Service (INS) general counsel explained the 1974 change by saying that while it was recognized that “F-1 student work was not banned by statute” he was concerned that “a U.S. citizen or U.S. lawful permanent resident [could] be fired from a campus job to provide employment for a nonimmigrant student.” (NPRM at p. 8641). The one-for-one displacement assumption that legacy INS made with regard to on-campus employment opportunities in 1974 is not supported by the evidence summarized above about the *expansion* of employment during and following the recent asylum surge. Moreover, the 1974 labor market bore little resemblance to today’s: the economy was entering a severe recession, whereas the 2021–2023 period was characterized by historically tight labor markets with over 10 million job openings and a ratio of roughly 1.7–1.8 openings per unemployed worker.⁷ Moreover, F-1 students and asylum seekers are not similarly situated in the labor market. The sector decomposition in [Technical Appendix A](#) shows employment gains during the surge as concentrated in leisure and hospitality ([Technical Appendix A](#), Figure 3), a sector that has faced substantial staffing pressures in recent years but does not offer the types of roles where an F-1 student would commonly be employed. Such leisure and hospitality employment would be neither the general on-campus employment or practical training limited to the student’s field of study that are the primary means F-1 students are authorized to work today. It is inapposite in considering asylum applicant employment policy to analogize to the legacy INS decision to end then longstanding policy that had allowed international students automatic summer employment without first applying to and obtaining permission from INS.

2.7 Response to DHS’s Invitation for Evidentiary Findings

The proposed rule states:

“DHS acknowledges there is extensive literature on the impacts of immigration on labor markets. DHS welcomes public comment, including evidentiary findings, that would inform the primary estimate regarding the distribution between transfers in Scenario 1 and productivity costs in Scenario 2.” (NPRM at p. 8693)

⁷Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS), 2021–2023 annual averages.

[Technical Appendix A](#) provides exactly the kind of evidence DHS requested. The finding that larger asylum inflows are associated with higher GDP, higher employment and wages for incumbent workers, lower unemployment, and lower public-program reliance weighs against treating labor-market effects as simple transfers from asylum seekers to native workers. Instead, the evidence is more consistent with meaningful productivity and output effects when asylum-related labor supply is available. The implied magnitudes are substantial: approximately 820,000 additional incumbent jobs, \$200 billion in GDP, and 647,000 fewer unemployed workers during the 2021–2023 surge ([Technical Appendix A](#), Section 5.3).

We note that the ACS-based estimates primarily capture formal employment and exclude employment that is unreported or in the shadow economy. A reviewer might argue that the positive employment effects reflect asylum seekers entering the formal sector (with EADs) rather than net job creation. That possibility does not undermine the core finding: the absence of negative effects on incumbent workers is what matters for the displacement question, regardless of the channel through which asylum seekers enter employment.

That does not mean [Technical Appendix A](#) pins down the exact replacement rate used in the RIA. It does mean DHS cannot justify a midpoint replacement assumption without confronting contrary evidence in the record—including independent estimates from CBO and Penn Wharton showing comparable GDP effects of immigration—and explaining why it discounts it.

3 The Regulatory Impact Analysis Rests on Poorly Supported Assumptions

In plain terms, DHS’s cost estimate is inflated because it assumes asylum seekers earn average wages, receive full benefits, and are employed at the same rate as the general population—none of which match reality for the affected workforce.

The RIA (pp. 8674–95) estimates the proposed rule’s economic impact using a Social Cost of Labor (SCL) framework. We identify methodological problems that tend to overstate per-person impacts, and we explain why DHS’s own scenario framework is not adequately supported by the current record.

3.1 Wage Assumptions Are Poorly Matched to the Affected Population

The RIA states:

“We will use the mean hourly wage for all occupations of \$31.48 as an upper bound and the 10th percentile wage of \$13.97 as a lower bound.” (NPRM at p. 8676)

The \$31.48 all-worker mean is a poor proxy for the likely earnings of the affected population. The sector decomposition in [Technical Appendix A](#) indicates that the relevant employment effects are concentrated in leisure and hospitality and other lower-wage service sectors, where typical wages are

materially below the all-occupation mean. Using the all-worker mean as the upper bound therefore risks overstating per-person earnings impacts relative to the likely wage distribution of affected workers.

The RIA then applies a 1.45× benefits multiplier, yielding an upper-bound hourly compensation of \$45.65 (p. 8676). That multiplier reflects employer-provided benefits such as health insurance and retirement contributions. Workers in lower-wage service occupations are less likely to receive benefits at the same rate as the full workforce average. Combining an all-worker mean wage with a full-workforce benefits multiplier therefore risks producing compensation estimates that are not well tailored to the population most directly affected by the rule.⁸

3.2 Employment Rate Assumptions Likely Overstate Labor Force Attachment

The RIA applies the national unemployment rate of 4.1% to assume that 95.9% of EAD holders would be employed (NPRM at p. 8679). This effectively assumes that asylum seekers have labor-force attachment similar to the general population. In practice, asylum seekers may face language barriers, credential-recognition problems, discrimination, transportation constraints, and geographic mismatch. Using the national unemployment rate as a proxy for likely employment among affected asylum applicants therefore risks overstating the number of workers whose earnings would be affected at any given time.

3.3 Compounding Assumptions Inflate the SCL Estimate

The SCL formula (NPRM at p. 8679) multiplies the assumed wage rate by the assumed employment rate by the benefits multiplier, then scales by the number of affected individuals. If each of those inputs is biased upward, the biases compound.

Parameter	RIA Value	More Appropriate Direction
Upper-bound hourly wage	\$31.48 (all-worker mean)	Lower for likely service-sector jobs
Benefits multiplier	1.45×	Lower for lower-wage jobs
Employment rate	95.9%	Potentially lower for this population

The point is not that there is a single correct substitute value for each parameter. It is that the RIA’s chosen inputs appear systematically tilted toward higher per-person earnings impacts.

3.4 Even Accepting DHS’s Framework, the RIA Undervalues Productivity Losses

The RIA presents two stylized scenarios (Table 15, p. 8693): one in which employers immediately replace asylum labor with other workers, and one in which they do not. DHS then adopts a 50/50

⁸For transparency, [Technical Appendix A](#) uses the same 1.45× BLS benefits multiplier in its own aggregate calculations ([Technical Appendix A](#), Section 5.2). We do so deliberately as a conservative upper bound to maintain comparability with DHS’s framework and to ensure our estimates are not biased in our favor. Our critique here is that DHS applies this multiplier together with an all-worker mean wage, compounding two upward biases in a framework intended to estimate costs to a specific, lower-wage population.

midpoint despite acknowledging uncertainty about the actual replacement rate.

That midpoint assumption is not a minor modeling detail. It determines whether the rule’s labor-market effects are treated mainly as transfers or as real productivity losses. [Technical Appendix A](#) is directly relevant to that question because it provides evidence inconsistent with a simple displacement account. If larger asylum inflows are associated with higher employment, higher GDP, and better labor-market outcomes for incumbent workers, then the record does not support treating foregone asylum labor as readily and fully replaced.

We do not contend that [Technical Appendix A](#) identifies the exact replacement rate used in DHS’s model. We do contend that it shifts the analysis away from the RIA’s transfer-heavy framing and toward larger productivity losses than DHS’s primary estimate assumes. At minimum, DHS should either revise that assumption or explain why it rejects contrary empirical evidence in the record.

3.5 The “Transfer” Framing Assumes Away the Central Empirical Question

Scenario 1 in the RIA treats foregone asylum earnings largely as a transfer to other workers, which effectively assumes that employers can replace asylum labor without meaningful loss of output. But that assumption is precisely the empirical question at issue.

The NPRM itself recognizes this conditional structure:

“if employers are able to hire American workers to fill the jobs the asylum applicants would otherwise hold, the change in earnings to such aliens would constitute beneficial wage and benefit transfers to American workers and would potentially pose no productivity loss or costs to employers.” (NPRM at p. 8620)

[Technical Appendix A](#) speaks directly to that “if.” The evidence does not support a simple one-for-one replacement story. In local labor markets receiving larger asylum inflows, employment and GDP rise and unemployment falls rather than the reverse. That pattern is more consistent with complementarities, labor shortages, and foregone output than with costless worker replacement.

3.6 DHS’s Own EAD-Days-Lost Calculation Quantifies Harm to Applicants

The RIA calculates the average number of EAD days lost per applicant under various provisions of the rule (Table 12, p. 8683). Taking DHS’s own estimates at face value, the 365-day waiting period and eligibility bars would deprive large numbers of applicants of work authorization for extended periods. During that time, many applicants with pending claims would be unable to work lawfully, support themselves and their families, or contribute through formal employment and payroll taxes. Those effects are not incidental to the rule; they are part of the rule’s intended mechanism.

4 The Rule Will Harm Workers, Employers, and Local Economies

The preceding sections explain why the NPRM’s economic premises are not adequately supported by the record and why the RIA’s treatment of labor-market effects is too simple. This section summarizes the practical implications.

4.1 Removing Asylum Seekers from Formal Employment Is Likely to Reduce Local Economic Activity

The evidence presented in [Technical Appendix A](#) shows that communities receiving larger asylum inflows experienced higher GDP, higher employment and wages for incumbent workers, and lower unemployment during the 2021–2023 surge. In aggregate, the surge is associated with approximately \$200 billion in additional GDP and 820,000 additional incumbent jobs ([Technical Appendix A](#), Section 5.3). These magnitudes are consistent with CBO and Penn Wharton estimates of immigration’s GDP effects. Restricting access to lawful work for pending asylum applicants is therefore likely to reduce economic activity in at least some of the communities that absorbed the largest inflows.

The effects are unlikely to be evenly distributed. Asylum seekers are geographically concentrated: while the national average exposure is modest, some commuting zones received much larger inflows relative to their population ([Technical Appendix A](#), Figure 2). Those places would be most exposed to the rule’s labor-supply and output effects.

4.2 Key Sectors Face Meaningful Staffing Pressures

The sector decomposition in [Technical Appendix A](#) shows that employment gains are concentrated in leisure and hospitality ([Technical Appendix A](#), Figure 3). These are sectors in which staffing pressures have been persistent. Restricting access to authorized workers in those sectors is more likely to worsen hiring difficulties than to relieve pressure on native workers.

4.3 The Informal Economy Would Expand

Asylum seekers denied work authorization do not disappear. They remain in the United States while their cases are pending—often for years, as the NPRM itself acknowledges (NPRM at p. 8643). Without lawful work authorization, some will be pushed into informal employment, where workers are more vulnerable to exploitation, payroll taxes are less likely to be paid, and labor-market activity is less visible to regulators and researchers. The proposed rule is therefore likely to expand the informal economy and reduce tax compliance relative to a regime that permits more work to occur lawfully.

4.4 Meritorious Applicants Will Be Harmed

As discussed in Section 6, the filing-weighted average grant rate among the principal surge nationalities is substantial. Many deterred or delayed applicants will ultimately have meritorious claims. Yet the rule’s deterrent mechanism does not distinguish cleanly between meritorious and non-meritorious applicants; it operates by making the waiting period for lawful work more punitive across the board. That burden will necessarily fall on many applicants who are ultimately found eligible for protection.

5 The Record Does Not Support the EAD “Magnet” Hypothesis

The proposed rule’s central policy rationale is that EADs serve as a “magnet” that incentivizes asylum filings. The NPRM states:

“the affirmative asylum application backlog serves as a magnet pulling aliens into the U.S. illegally. The surge in both asylum filings and associated EADs over the past few years has created an untenable situation.” (NPRM at p. 8620)

And:

“The implementation of this tether will permanently eliminate the possibility that asylum backlogs may serve as a magnet attracting illegal immigration.” (NPRM at p. 8625)

Yet DHS presents only correlational evidence—parallel increases in border encounters, asylum applications, and EAD filings—and no causal analysis establishing that EAD availability drives filing decisions. [Technical Appendix B](#) examines the factual record underlying the magnet hypothesis. The evidence is more consistent with origin-country crises, route changes, and processing mechanics than with the NPRM’s theory that EAD policy is a principal driver of the recent surge.

5.1 The 1994 Analogy Does Not Support the NPRM’s Deterrence Forecast

The NPRM’s strongest historical evidence is the 1994 asylum reform. DHS claims:

“new asylum filings actually decreased from their then-peak of 149,566 in FY 1995 to just 30,261 in FY 1999, a decrease of nearly 80 percent in only five FYs” (p. 8632)

Based on this, the NPRM projects “a decrease in new receipts comparable to the 80% decrease that was seen as a result of the INS’s 1994 rulemaking” (p. 8652). The testable prediction of the magnet theory is straightforward: if EADs drive filings, then the 1994 reform—which made EADs harder to obtain—should have reduced filings broadly across nationalities. That prediction fails, for reasons detailed in [Technical Appendix B](#), Section 3.

First, the post-1994 decline was concentrated in El Salvador and Guatemala—not a broad response to EAD policy. [Technical Appendix B](#) decomposes asylum filings by nationality from

FY1993 to FY2003 ([Technical Appendix B](#), Figure 1). Filings from all countries other than El Salvador, Guatemala, and Mexico did not show a comparable decline. If EAD restrictions were deterring asylum seekers, the reform would have reduced filings more broadly across nationalities, not just among the few most affected by contemporaneous crises. Instead, each declining country’s trajectory closely coincides with the resolution of its own crisis: El Salvador’s ABC settlement deadline and UN withdrawal (1996–97), Guatemala’s peace accords (December 1996). Mexican filings *rose* after the reform, driven by escalating cartel violence—the opposite of what the deterrence theory would predict.

Second, the modest post-1994 dip in non-Central American U.S. filings mirrors a contemporaneous decline in European asylum filings—driven by the resolution of post-Cold War displacement crises (the end of the Yugoslav wars, stabilization in Somalia), not by U.S. EAD policy. Europe had no comparable EAD reform, yet experienced the same pattern ([Technical Appendix B](#), Figure 2).

Third, grant rates rose as filings recovered—by the NPRM’s own logic, this indicates legitimate claims. The NPRM itself cites the increase in approval rates from 15% (FY1993) to 38% (FY1999) as evidence that “INS is receiving more valid claims” (p. 8632). That same logic implies that the subsequent recovery in filings—accompanied by continued increases in grant rates—was driven by meritorious applicants, not by frivolous filers returning ([Technical Appendix B](#), Figure 3).

Fourth, the decline was temporary. Defensive filings later reached record highs—959,000 in FY2024—with the 180-day EAD waiting period in place throughout ([Technical Appendix B](#), Figure 4). The historical record does not support the NPRM’s projection of permanent deterrence.

5.2 The “89%” Statistic Reflects Processing Mechanics

The NPRM presents Table 3 (NPRM at p. 8640), noting that 89% of denied applicants had received EADs. But DHS itself concedes the critical point:

“USCIS notes that it is not necessarily assigning, and does not need to assign, any fraudulent or bad intent to this population. These are simply cases where the alien was ultimately found ineligible for asylum, but, due to current agency regulations, policies, and processes, was able to derive employment authorization despite asylum ineligibility.”
(p. 8640)

When adjudication commonly takes two or more years and EAD eligibility begins after 180 days, a high share of denied applicants will mechanically have had EADs before their cases are resolved ([Technical Appendix B](#), Section 4, Figure 1). That statistic therefore does not meaningfully distinguish bad-faith filings from ordinary delay dynamics in a backlogged system.

5.3 The Surge Is Concentrated in a Small Number of Crisis-Origin Nationalities

EAD policy does not vary by nationality. All asylum applicants face the same waiting period regardless of country of origin. If EADs were the principal magnet, the surge should be broad-based

across nationalities. Instead, it is overwhelmingly concentrated among a small set of countries—Venezuela, Colombia, Cuba, Haiti, Ecuador, Nicaragua—while filings from many other nationalities changed far less ([Technical Appendix B](#), Section 5, Figure 2). A common U.S. EAD policy does not line up well with a surge concentrated in a small set of crisis-origin nationalities.

5.4 The Timing Aligns with Crises and Route Changes

The NPRM itself acknowledges “shifting geopolitical realities, including a fundamental shift in global migration patterns” (NPRM at p. 8654) yet still attributes the surge primarily to EAD incentives. [Technical Appendix B](#), Section 6 documents several cases where the timing of these country-specific filing increases is closely aligned with specific external events rather than with any change in EAD policy:

- **Venezuela:** an 89% GDP collapse and displacement of over 7.7 million people;
- **Cuba:** a sudden route change after Nicaragua dropped its visa requirement for Cuban citizens in November 2021;
- **Haiti:** a severe deterioration in security and governance following the July 2021 presidential assassination.

EAD policy was constant throughout these events. Venezuelan asylum applications surged across major destination countries in the Americas, not just the United States. A U.S.-specific employment-authorization policy is unlikely to be the main explanation for a hemispheric displacement crisis.

6 The “Frivolous Filing” Characterization Is Not Well Supported

A central premise of the proposed rule is that a large share of asylum applications are frivolous and filed primarily to obtain employment authorization:

“The overarching goals of this proposed rulemaking are to enhance the benefit integrity of requests for asylum and employment authorization based on a pending asylum application, address national security and public safety concerns, and mitigate undue strains on DHS’s operational resources by reducing the incentive for aliens to file frivolous, fraudulent, or otherwise meritless asylum applications as a means to obtain employment authorization.” (NPRM at p. 8617)

The available evidence does not support that broad characterization.

6.1 Grant Rates Rose Alongside Filings

If the filing increase were driven primarily by weaker claims, grant rates would be expected to fall as the caseload diluted. Instead, the share of completed cases receiving protection rose substantially during the 1990s, even as filings increased ([Technical Appendix B](#), Figure 3). The NPRM itself acknowledges that “the approval rate significantly increased, from 15 percent of cases adjudicated

in FY 1993 to 38 percent in FY 1999” (NPRM at p. 8650). Rising grant rates alongside rising filings are difficult to reconcile with the idea that the surge was predominantly frivolous.

6.2 DHS’s Own Fraud Data Do Not Support the Characterization

The NPRM cites “numerous and well-documented examples of frivolous, fraudulent, and meritless asylum filings” (NPRM at p. 8636) and references FDNS data showing 8,392 aliens with a “Fraud Found” notation. Even assuming those figures are accurate, isolated fraud findings do not by themselves support treating a pending caseload exceeding 1.5 million cases as predominantly fraudulent or frivolous. The existence of some fraud is not the same as evidence that the filing surge as a whole is chiefly explained by fraud.

7 The Rule Will Not Reduce Backlogs

The proposed rule is framed as a response to the asylum backlog:

“the asylum program and immigration system are heavily burdened and overwhelmed, and this has led to a massive pending affirmative asylum caseload.” (NPRM at p. 8629)

DHS projects that restricting EADs will reduce filings and thereby relieve the backlog. That logic is incomplete.

7.1 The Backlog Reflects Processing Capacity, Not Just Filing Volume

The NPRM’s own Table 2 (NPRM at p. 8639) documents the scale of the problem: 1,525,933 cases were pending as of FY2025, with only 180,069 completions in that year. At that completion rate, the existing stock of pending cases would take over eight years to resolve even if no new cases were filed at all. That means the backlog is fundamentally a processing-capacity problem, not simply a receipts problem. USCIS itself has identified the hiring and retention of asylum officers as a binding constraint on processing capacity.⁹ With a caseload-to-adjudicator ratio that makes timely resolution arithmetically impossible at current staffing levels, reducing filings at the margin will not resolve the backlog; it will merely reduce its growth rate while the stock of pending cases continues to overwhelm processing capacity.

7.2 DHS’s Own Projections Show the Pause Could Last Years

The proposed rule would pause EAD acceptance when average processing times exceed 180 days over a 90-day period. DHS’s own data show that processing times currently far exceed 180 days, and DHS itself “expects that, upon implementation of this rule, new EAD applications for pending asylum applicants would be paused for an extended period, possibly many years” (NPRM at p. 8619). The agency further acknowledges:

⁹DHS Office of Inspector General, “USCIS Needs to Assess Its Staffing Needs for Asylum Adjudications,” OIG-24-15, 2024.

“it may take between 14 and 173 years to reach a 180-day processing time, depending on the extent of the reduction in asylum application receipts” (NPRM at p. 8619)

That is an extraordinary admission for a measure framed as a temporary response to an administrative bottleneck. By DHS’s own analysis, the EAD pause could effectively end asylum-based work authorization for a generation or more. A regulatory measure whose own proponent acknowledges it may last 14 to 173 years is not a narrow temporary response; it is a long-term or effectively permanent suspension of asylum-based work authorization.

7.3 The 1994 Precedent Shows Deterrence Was Temporary

As discussed in Section 5 and [Technical Appendix B](#), Section 7, the 1994 reform did not produce permanent deterrence. Filings recovered, defensive filings later reached record highs, and the 180-day waiting period remained in place. The NPRM therefore cannot rely on the 1994 episode as evidence that the current proposal will permanently eliminate any supposed backlog “magnet.”

7.4 Deterrence Is Non-Selective

DHS itself acknowledges the rule’s collateral effects:

“DHS acknowledges that this rule may negatively impact potentially meritorious asylum applicants who may decide not to file for asylum because they cannot afford to wait the extended period before applying for employment authorization.” (NPRM at p. 8629)

That admission matters. If deterrence operates by making lawful work inaccessible during the pendency of a claim, it will burden meritorious and non-meritorious applicants alike. The rule does not reliably distinguish between those groups at the point where deterrence operates. It therefore risks suppressing many valid claims along with whatever filings DHS views as weak.

8 Conclusion

The proposed rule rests on two empirical claims: that asylum seekers displace American workers and that EADs attract frivolous asylum filings which means that restricting EADs will materially reduce the asylum backlog. We submit the attached technical appendices for the administrative record of this rulemaking to provide the data, evidence, and an analysis that confirms there is insufficient evidence to support those claims.

[Technical Appendix A](#) provides evidence that asylum inflows during the recent surge were associated with higher employment rates and wages for native-born workers, citizens, and the broader incumbent workforce, lower unemployment, and higher real GDP. Means-tested public benefit reliance among all three groups declined. A conservative estimate implies approximately \$263,000 each year in additional GDP per asylum seeker—a magnitude consistent with independent estimates from the Congressional Budget Office (\$149,000 per immigrant in annual GDP by 2034)

and the Penn Wharton Budget Model (\$70,000 per unauthorized immigrant over four years to \$208,000 over ten years, with the longer-horizon estimate more comparable to our design). Our estimate is derived directly from observed data using an instrumental variable strategy, whereas the CBO and Penn Wharton figures come from calibrated general-equilibrium models; both fall within the 95% confidence interval of our own estimate. Those findings are difficult to reconcile with the NPRM’s labor-displacement narrative and directly bear on DHS’s own Regulatory Impact Analysis. The RIA uses wage, benefits, and employment assumptions that appear poorly matched to the affected population and adopts a labor-replacement midpoint that is not empirically established.

[Technical Appendix B](#) likewise finds that the record does not provide strong support for the claim that asylum-based work authorization is a principal driver of the filing surge. DHS’s “89% had EADs” statistic reflects multi-year processing mechanics, as DHS itself concedes. Both the current surge and the 1990s surge are overwhelmingly concentrated among nationalities experiencing acute crises—today, Venezuela, Cuba, and Haiti; in the 1990s, El Salvador and Guatemala. A long-standing EAD policy is a poor explanation for surges that rise and fall with origin-country events. The backlog itself reflects a severe adjudication-capacity problem that this rule does not solve.

For these reasons, we request DHS specifically and directly acknowledge and confirm each of the following in the final rule preamble, and, should the Department not abandon its rule as proposed, explain why it disagrees with each of the following and nevertheless believes the rule’s central assumptions are justified despite these four conclusions:

1. DHS cannot justify a midpoint replacement rate (Table 15 in the NPRM) because the evidence confirms positive and meaningful productivity and output effects when asylum applicant labor is available, as detailed in our [Technical Appendix A](#) consistent with independent analysis from the Congressional Budget Office and the Penn Wharton Budget Model.
2. The RIA undervalues productivity losses (Table 15 in the NPRM) because it relies on treating asylum applicant labor as readily replaceable, which is inconsistent with evidence of higher employment, higher GDP, and better labor-market outcomes for incumbent workers associated with the large recent asylum inflows.
3. As proposed, the new EAD rule could effectively end asylum-based work authorization for a generation or longer, thus suppressing valid asylum claims as well as any filings DHS views as weak.
4. Given existing backlogs, a high-share of denied asylum applications will mechanically have had EADs before their cases are resolved and thus connecting bad-faith asylum filings to the fact that denied applicants have employment authorization cannot justify a change in EAD policy.

We appreciate the opportunity to share our views and expertise during the public notice and comment process. If understanding more about the data and evidence we discuss in our comment, including the appendices, is of interest to DHS, we stand ready to share the underlying replication package and answer any questions.

Respectfully submitted,

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Attachments:

- **Technical Appendix A:** “The Local Economic Effects of Asylum Seeker Inflows: Evidence from U.S. Commuting Zones”
- **Technical Appendix B:** “Assessing the EAD Magnet Hypothesis: Evidence from Asylum Filing Patterns”

TECHNICAL APPENDIX A:

The Local Economic Effects of Asylum Seeker Inflows: Evidence from U.S. Commuting Zones

April 7, 2026

1 Summary of Results

The DHS proposed rule “Employment Authorization Reform for Asylum Applicants” (91 Fed. Reg. 8616, February 23, 2026) rests on the empirical claim that American workers are harmed by Employment Authorization Documents (EADs) issued to asylum applicants and that American employers will be able to replace at least half of their EAD-authorized asylum applicant employees with authorized U.S. workers (NPRM at p. 8620, 8641, 8677, 8693). This appendix examines whether the available evidence supports the claim that immigration by asylum seekers harms local economies. In original research, we find that the observed surge produces no evidence of labor displacement.

This analysis studies the economic effects of asylum seeker inflows across U.S. commuting zones (CZs) during the 2021–2024 surge using long-difference specifications and a shift-share (Bartik) instrument based on 2019 nationality-level settlement patterns. Approximately 760,000 working-age asylum seekers entered the United States during the 2021–2023 Surge A period. We find no evidence of labor displacement; instead, the evidence points to substantial positive economic effects.

Each asylum seeker is associated with 1.1 additional incumbent jobs. Incumbent workers—all citizens plus non-citizens who entered the U.S. in 2020 or earlier—show the strongest employment response. Native-born and citizen employment rates also rise. Aggregated nationally, the surge is associated with approximately 820,000 additional incumbent jobs, 362,000 additional native-born jobs, and 647,000 fewer unemployed.

Labor compensation per asylum seeker is \$128,000–\$158,000. Valuing each additional job at ACS mean full-time wages with a standard benefits adjustment, each asylum seeker is associated with approximately \$119,000 in incumbent labor compensation plus \$39,000 in the asylum seeker’s own labor contribution. Wages rise across all three population groups, with the largest effect among incumbent workers (6.3%).

GDP rises, with a residual consistent with returns to capital. A conservative GDP estimate implies approximately \$200 billion in total GDP growth and \$263,000 per asylum seeker. After accounting for labor compensation, the residual (40% of GDP) is in line with the national capital share, consistent with existing physical capital being utilized more intensively when additional workers enter a local economy.

Public program reliance declines. Medicaid enrollment and welfare receipt fall among natives, citizens, and incumbent workers, inconsistent with asylum seekers straining public programs.

Sectoral patterns. Sector decompositions indicate that QCEW employment gains are concentrated in lower-wage service sectors, especially leisure and hospitality.

2 Data

We combine five data sources covering different dimensions of local economic activity.

2.1 Asylum Seeker Flows (TRAC)

Our treatment variable is constructed from immigration court records obtained from the Transactional Records Access Clearinghouse (TRAC), a nonpartisan data research center at Syracuse University that acquires case-level administrative data from the Executive Office for Immigration Review (EOIR) through Freedom of Information Act requests. The TRAC database contains the universe of immigration court proceedings, including each respondent’s Notice to Appear (NTA) date, hearing schedule, immigration judge decision, nationality, date of birth, date of entry into the United States, and residential ZIP code at the time of case filing. We restrict to individuals whose first case includes a filing for asylum, asylum withholding, or withholding under the Convention Against Torture, and further restrict to working-age adults (ages 18–64 at entry).

Each individual’s residential ZIP code at filing is mapped to a county using HUD USPS ZIP Code Crosswalk Files, and counties are aggregated to commuting zones using the Autor–Dorn FIPS-to-CZ crosswalk. For each CZ \times year, we construct the net adult asylum flow and the corresponding Bartik-predicted flow.

2.2 American Community Survey (ACS)

The ACS, administered by the U.S. Census Bureau, samples approximately 3.5 million addresses annually. We use 1-year PUMS files for 2015–2019 and 2021–2024 (2020 is excluded due to COVID-related data collection issues), accessed through IPUMS USA. PUMAs are mapped to commuting zones using geocorr2022 population-weighted allocation factors.

We restrict to prime-age (25–54), civilian non-institutional respondents and construct four population panels:

- **Native-born:** birthplace in US states or DC ($\text{bpl} \leq 56$)
- **Citizens:** native-born plus naturalized ($\text{citizen} \leq 2$)
- **Incumbent workers:** all citizens plus non-citizens who entered the U.S. in 2020 or earlier
- **Recent arrivals** (residual): non-citizens who entered after 2020

For each group \times CZ \times year, we compute: employment-to-population ratio, mean log wage income (employed workers), Medicaid enrollment rate, and welfare receipt rate. Cells with fewer than 50 unweighted observations are dropped.

2.3 BEA Regional Economic Accounts

The Bureau of Economic Analysis (BEA) CAGDP2 table reports county-level real GDP in chained 2017 dollars, available annually from 2001 through 2024. We aggregate to CZs by simple summation.

2.4 QCEW

The Quarterly Census of Employment and Wages (QCEW) covers approximately 95% of nonfarm payrolls. We use county-level supersector data for the sector decomposition analysis, aggregated to CZs. QCEW data are used only for sector-level employment patterns, not for aggregate outcomes.

2.5 BLS LAUS

The Local Area Unemployment Statistics (LAUS) program produces model-based estimates of employment, unemployment, and labor force for all U.S. counties. We use annual averages for 2017–2024, aggregated to CZs by summing labor force and unemployment counts. The CZ-level unemployment rate is computed as total unemployment divided by total labor force.

3 The Asylum Surge

Figure 1 plots national asylum seeker flows for working-age adults by month of entry. Entries rise sharply beginning in early 2021, peak in mid-2023, and decline in 2024.

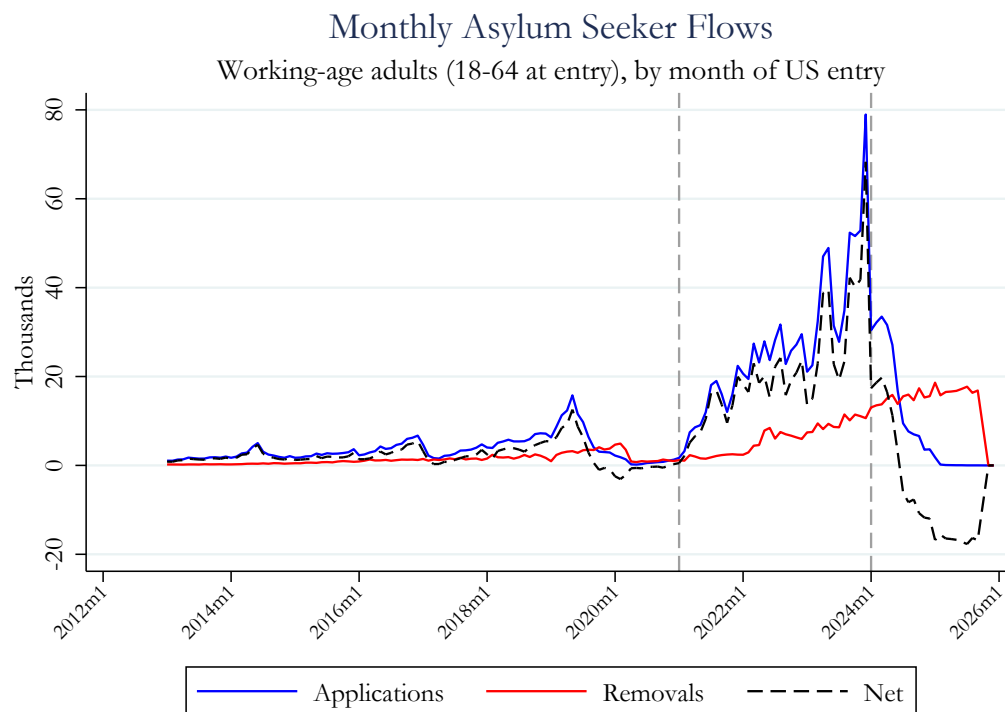


Figure 1: Monthly Asylum Seeker Flows: Working-Age Adults

Although the national flow is modest relative to the total labor force, asylum seekers are highly concentrated geographically. Figure 2 shows the distribution of cumulative net adult asylum entries (2021–2023) as a share of 2019 CZ population. The distribution is heavily right-skewed, with the upper tail extending beyond 1% of CZ population.

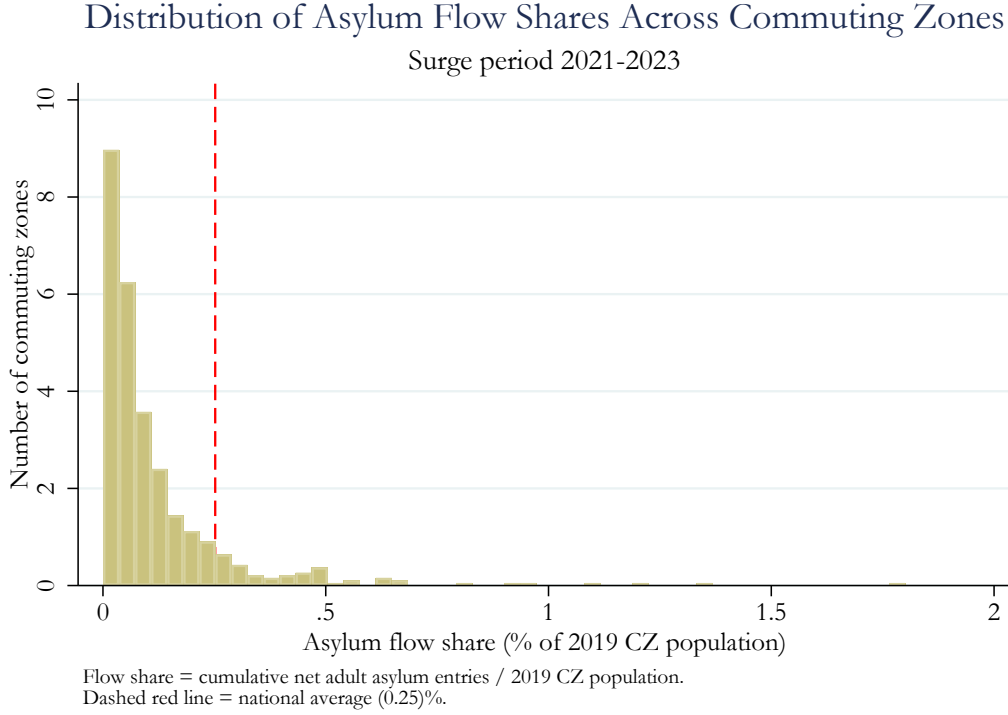


Figure 2: Distribution of Asylum Flow Shares Across Commuting Zones (2021–2023)

4 Empirical Strategy

For each surge window, we estimate by instrumental variables:

$$\Delta Y_j = \beta \cdot \text{FlowPC}_j + \varepsilon_j, \quad (1)$$

where j indexes commuting zones and ΔY_j is the change in the outcome between the start ($t_0 = 2021$) and end (t_1) of the surge window (log change for GDP, level change for rates).

The treatment variable is:

$$\text{FlowPC}_j = \frac{\sum_{t=t_0}^{t_1} F_{j,t}}{\text{Pop}_{j,2019}}, \quad (2)$$

where $F_{j,t}$ is the net working-age asylum flow and $\text{Pop}_{j,2019}$ is 2019 CZ population. Every coefficient can be read as the effect of an inflow equal to 1% of CZ population.

We instrument with a Bartik shift-share:

$$\hat{F}_{j,t} = \sum_c s_{j,c} \cdot G_{c,t}^{(-j)}, \quad (3)$$

where $s_{j,c}$ is the 2019 share of nationality c 's asylum seekers in CZ j , and $G_{c,t}^{(-j)}$ is the leave-one-out national flow.

We examine two windows: Surge A (2021–2023) and Surge B (2021–2024). All regressions are weighted by 2019 CZ population with heteroskedasticity-robust standard errors. We winsorize the top 1% of the instrument distribution and report Kleibergen–Paap *rk* Wald F -statistics as a conventional diagnostic for instrument strength. For the Surge A specifications reported in our main results, first-stage F -statistics range from 15 to 20 across outcome blocks, comfortably above conventional thresholds. Where F -statistics fall below 10 in Surge B specifications, we complement with Anderson–Rubin tests (Supplementary Tables, Section B.1).

Outcome variables. The treatment variable in all regressions is cumulative net working-age asylum flow (2021–2023) divided by 2019 CZ population:

$$\text{FlowPC}_j = \frac{\sum_{t=2021}^{2023} F_{j,t}}{\text{Pop}_{j,2019}}.$$

The outcomes and their interpretations are:

- *Real GDP* (Table 1, column 1):

$$\Delta Y_j = \ln(\text{GDP}_{j,2023}) - \ln(\text{GDP}_{j,2021})$$

BEA county-level real GDP in chained 2017 dollars, aggregated to CZs. Since the outcome is a log change, $\hat{\beta}$ gives the approximate percent change in GDP when FlowPC_j increases by one unit. An inflow equal to 1% of CZ population ($\text{FlowPC}_j = 0.01$) raises GDP by approximately $\hat{\beta} \times 0.01 \times 100\%$.

- *Employment rate* (Table 1, columns 2, 4, 6):

$$\Delta Y_j = \frac{\text{Employed}_{j,2023}^g}{\text{GroupPop}_{j,2023}^g} - \frac{\text{Employed}_{j,2021}^g}{\text{GroupPop}_{j,2021}^g}$$

where $g \in \{\text{native, citizen, incumbent}\}$ denotes the population group, computed from ACS microdata for prime-age (25–54) civilians using person weights. Since the outcome is a level change in a proportion (0–1 scale), an inflow equal to 1% of CZ population changes the employment rate by $\hat{\beta} \times 0.01$, or equivalently $\hat{\beta}$ percentage points per unit of FlowPC .

- *Mean log wage* (Table 1, columns 3, 5, 7):

$$\Delta Y_j = \overline{\ln(\text{wage})}_{j,2023}^g - \overline{\ln(\text{wage})}_{j,2021}^g$$

The average of log wage income among employed workers in group g , from ACS microdata. Since the outcome is a change in log wages, an inflow equal to 1% of CZ population raises wages by approximately $\hat{\beta} \times 0.01 \times 100\%$.

- *Unemployment rate* (Table 1, column 8):

$$\Delta Y_j = \frac{\text{Unemployed}_{j,2023}}{\text{LaborForce}_{j,2023}} - \frac{\text{Unemployed}_{j,2021}}{\text{LaborForce}_{j,2021}}$$

BLS LAUS county-level unemployment, aggregated to CZs and rescaled from 0–100 to 0–1 so that coefficients are on the same scale as the ACS employment rates. The interpretation is the same as for the employment rate: an inflow equal to 1% of CZ population changes the unemployment rate by $\hat{\beta} \times 0.01$, or equivalently $\hat{\beta}$ percentage points per unit of FlowPC.

5 Results

5.1 GDP, Employment, Wages, and Unemployment

Table 1 reports our primary IV estimates for the Surge A period (2021–2023). Each column is a separate regression with a common treatment variable (asylum flow per capita). Supplementary Table A.1 reports OLS and Surge B results.

Table 1: GDP, Employment, Wages, and Unemployment: IV Estimates (2021–2023)

		Native-born		Citizens		Incumbent		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Real GDP	Emp	Wage	Emp	Wage	Emp	Wage	Unemp
Asylum flow per capita	5.530*	1.690***	3.129*	1.849***	4.145**	2.765***	6.274***	-1.682***
	(3.079)	(0.645)	(1.737)	(0.681)	(1.661)	(0.654)	(1.305)	(0.466)
Observations	605	451	451	451	451	451	451	605
First-stage F	15.4	20.3	20.3	20.3	20.3	20.3	20.3	15.3

Notes: Each column reports a separate IV long-difference regression at the commuting zone level. Real GDP: BEA CAGDP1 (chained 2017 dollars, log change). Employment rate = share employed; mean log wage = average of log wage income among the employed. ACS outcomes for prime-age (25–54). Native-born: U.S.-born respondents. Citizens: native-born plus naturalized. Incumbent workers: all citizens plus non-citizens who entered the U.S. in 2020 or earlier. Unemployment rate: BLS LAUS annual average (rescaled to 0–1). The endogenous variable is cumulative net working-age asylum flow divided by 2019 CZ population. The instrument is cumulative Bartik-predicted flow (2019 nationality settlement shares \times leave-one-out national flows) divided by 2019 CZ population. Weighted by 2019 CZ population. Heteroskedasticity-robust standard errors in parentheses. Top 1% of instrument distribution excluded. ACS columns restrict to CZs with ≥ 50 ACS observations. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Asylum inflows raise real GDP and both employment and wages across all three population groups. The unemployment rate falls. All employment and unemployment effects are significant at the 1% level. First-stage F -statistics range from 15.3 (GDP, unemployment) to 20.3 (ACS outcomes), indicating strong instruments throughout. Specifically, an asylum inflow equal to 1% of CZ population:

- raises real GDP by 5.5% (column 1, $p = 0.07$);

- raises native-born employment by 1.7 pp, citizen employment by 1.8 pp, and incumbent employment by 2.8 pp (columns 2, 4, 6; all $p < 0.01$);
- raises native wages by 3.1%, citizen wages by 4.1%, and incumbent wages by 6.3% (columns 3, 5, 7);
- reduces the unemployment rate by 1.7 pp (column 8, $p < 0.01$).

Because all columns use the same per-capita treatment, coefficients are directly comparable. The pattern across nested groups (native \subset citizen \subset incumbent) shows that effects strengthen as the population broadens to include naturalized citizens and pre-surge non-citizens, consistent with complementarity rather than displacement.

5.2 Reconciling Employment, Wages, and GDP

The employment and wage effects in Table 1 measure labor income for incumbent workers. GDP (column 1) captures total output—labor income plus returns to capital and other residual income. The gap between the two provides information about the non-labor-income channel. We decompose the GDP effect into labor and non-labor components using data from the ACS and standard compensation adjustments.

Labor income per asylum seeker. Each asylum seeker is associated with approximately 1.1 additional incumbent jobs (from the incumbent employment coefficient applied CZ by CZ; see Section 5.3). To value each job, we use the population-weighted arithmetic mean annual wage among full-time employed incumbent workers (prime-age, 25–54) in the 2021 ACS: \$73,900.¹ We apply a benefits multiplier of 1.45 \times to account for employer-paid health insurance, retirement contributions, and payroll taxes, following BLS Employer Costs for Employee Compensation.² This yields incumbent labor compensation of $1.11 \times \$73,900 \times 1.45 \approx \$119,000$ per asylum seeker.

For the asylum seeker’s own labor contribution, we observe in the 2021 ACS that prime-age recent non-citizen arrivals (those entering after 2020) have an employment rate of 57% and a population-weighted arithmetic mean annual wage of \$47,000 among those employed. Applying the same benefits multiplier: $0.57 \times \$47,000 \times 1.45 \approx \$39,000$.

Our central estimate of total labor compensation per asylum seeker is therefore approximately $\$119,000 + \$39,000 = \$158,000$. This estimate is sensitive to the assumed compensation per worker. Using the all-worker incumbent mean (\$64,800 rather than the full-time mean) with a lower benefits

¹Full-time defined as ≥ 35 usual hours per week and ≥ 48 weeks worked per year. The all-worker mean (including part-time) is \$64,800. We use the full-time mean as our central estimate because the employment regressions measure transitions into employment, which are more appropriately valued at full-job earnings.

²Bureau of Labor Statistics, “Employer Costs for Employee Compensation,” September 2024. Wages and salaries account for approximately 69% of total compensation; the remainder comprises legally required benefits, insurance, and retirement. We use this all-worker multiplier as a conservative upper bound. Workers in the lower-wage service sectors where asylum-seeker employment is concentrated likely receive benefits at lower rates than the full-workforce average; a sector-specific multiplier would therefore produce a lower labor-compensation estimate, leaving a larger residual attributable to capital and other income. We retain the 1.45 \times multiplier to maintain comparability with the NPRM’s Regulatory Impact Analysis, which uses the same figure.

multiplier of $1.30\times$ yields a lower bound of approximately \$128,000.³ Using the full-time mean with the full $1.45\times$ multiplier, as above, gives \$158,000. Across plausible assumptions about compensation per worker, the labor-compensation effect is on the order of \$128,000–\$158,000 per asylum seeker.

Capital and other residual income. The GDP point estimate implies approximately \$430,000 per asylum seeker (Section 5.3), but this estimate is imprecise ($p = 0.07$; 95% CI: [−\$30,000, \$890,000]). A more conservative GDP coefficient of 3.35—well within the confidence interval—implies \$263,000 per asylum seeker. Under this conservative estimate, the residual after subtracting labor compensation is:

	Lower-bound labor (\$128,000)	Central labor (\$158,000)
Conservative GDP per asylum seeker	\$263,000	\$263,000
Labor compensation	\$128,000	\$158,000
Capital and other residual income	\$135,000	\$105,000
Residual share of GDP	51%	40%

The residual—representing returns to capital, proprietors’ income, and indirect effects—ranges from 40% to 51% of GDP depending on the labor-compensation assumption. The lower end of this range is closely in line with the national capital share of approximately 35–40% of GDP; the upper end is somewhat higher, which may reflect multiplier effects, informal economic activity not captured in ACS wages, or imprecision in the GDP coefficient. When additional workers enter a local economy, existing physical capital (commercial real estate, equipment, infrastructure) is utilized more intensively, generating additional profits and rental income for businesses and property owners.

The employment effects, which are precisely estimated at the 1% level and do not depend on the GDP coefficient, imply that each asylum seeker is associated with \$128,000–\$158,000 in labor compensation for incumbent workers and the asylum seeker themselves. The GDP effect adds capital and other residual income on top of that. This decomposition clarifies why the NPRM’s Regulatory Impact Analysis, which focuses exclusively on labor replacement, understates the economic cost of the proposed rule. Restricting asylum-based work authorization would reduce not only labor income but also returns to capital and other residual income for businesses and property owners in affected communities.

³Lower bound: $1.11 \times \$64,800 \times 1.30 + 0.57 \times \$47,000 \times 1.30 \approx \$93,600 + \$34,800 = \$128,400$.

5.3 Aggregate National Effects

To translate CZ-level coefficients into national totals, we compute implied effects CZ by CZ and sum. For employment:

$$\text{Additional employed}_j = \hat{\beta} \times \frac{\text{flow}_j}{\text{pop}_{j,2019}} \times \text{group-pop}_{j,2021}$$

where $\text{group-pop}_{j,2021}$ is the ACS-weighted population of the relevant group (e.g., native-born prime-age) in CZ j in the baseline year. This accounts for the geographic concentration of asylum seekers: CZs receiving larger inflows contribute more to the national total. The GDP calculation is analogous, using baseline GDP in place of group population.

During the 2021–2023 surge, approximately 760,000 working-age asylum seekers entered the United States. Applying the IV coefficients to CZ-level data yields the following implied effects:

	Implied national total	Per asylum seeker
GDP increase (point estimate)	\$330 billion	\$430,000
GDP increase (conservative)	\$200 billion	\$263,000
Additional employed natives (25–54)	362,000	0.49
Additional employed citizens (25–54)	474,000	0.64
Additional employed incumbents (25–54)	820,000	1.11
Fewer unemployed	647,000	0.85
Labor compensation (per asylum seeker)		\$158,000
of which: incumbent workers		\$119,000
of which: asylum seeker’s own		\$39,000
Capital and residual income (conservative)		\$105,000

The GDP point estimate ($\hat{\beta} = 5.53$, $p = 0.07$) is imprecisely estimated. The conservative estimate uses $\hat{\beta} = 3.35$, which is well within the 95% confidence interval $[-0.50, 11.56]$ and produces a capital share of 40%, in line with the national average of 35–40%. The employment and unemployment figures are precisely estimated at the 1% level and do not depend on the GDP coefficient. Labor compensation is computed using full-time ACS wages with a $1.45\times$ benefits multiplier (see Section 5.2).

Benchmarking against other estimates. Table 2 compares our GDP estimates with two recent independent analyses: the Congressional Budget Office’s assessment of the 2021–2026 immigration surge, and the Penn Wharton Budget Model’s analysis of mass deportation. Both are nonpartisan institutions that use general-equilibrium frameworks capturing effects on native workers, capital adjustment, and productivity.

Table 2: Implied GDP per Immigrant: Comparison with CBO and Penn Wharton

Study	Population (millions)	GDP per immigrant	Notes
Appendix A (conservative)	0.76	\$263,000	IV estimate, 2021–2023 asylum surge, short-run
CBO (July 2024)	8.7	\$149,000	Annual GDP increase in 2034 from 2021–26 surge
Penn Wharton (July 2025)			
4-year deportation	4.7	\$70,000	GDP loss by 2034 from removing unauthorized
10-year deportation	11.8	\$208,000	GDP loss by 2054 from removing all unauthorized

Sources: Congressional Budget Office, “Effects of the Immigration Surge on the Federal Budget and the Economy,” July 2024 (www.cbo.gov/publication/60165). Ruiz Mazin and Reichling, “Mass Deportation of Unauthorized Immigrants: Fiscal and Economic Effects,” Penn Wharton Budget Model, July 2025. CBO figure: \$1.3T additional GDP in 2034 ÷ 8.7M immigrants. Penn Wharton: GDP percent changes applied to projected GDP levels, divided by immigrants removed. All three analyses include general-equilibrium effects on native workers and capital; CBO and Penn Wharton both find that removing immigrants reduces GDP per capita and average wages, not only total GDP.

All three analyses find that immigrants raise GDP, and that removing them would reduce it. Importantly, both CBO and Penn Wharton find effects beyond simple population scaling: CBO projects that the immigration surge raises GDP per capita and boosts long-run wages through innovation-related productivity growth; Penn Wharton finds that deportation reduces GDP per capita by 0.5–1.1% and lowers average wages by 0.5–1.7%, with high-skilled native workers harmed most by the loss of complementary low-skilled labor. Our estimate is somewhat higher than CBO’s, as expected for a local IV estimate that captures the full marginal effect of an inflow at the intensive margin, rather than averaging across millions of immigrants at different stages of integration. The Penn Wharton long-run estimate (\$208,000) is closest to ours, reflecting the full GDP contribution including capital adjustment. Cross-country evidence from the IMF similarly finds that large immigration waves raise output and productivity in advanced economies within five years, with approximately two-thirds of the output gain attributable to higher labor productivity.⁴

5.4 Public Programs

Table 3 tests whether asylum inflows increase reliance on public programs. Supplementary Table A.2 reports OLS and Surge B results.

⁴Engler, Philipp et al., “The Macroeconomic Effects of Global Migration,” Chapter 4 in *World Economic Outlook*, IMF, April 2020. Peri, Giovanni, “The Effect of Immigration on Productivity: Evidence from U.S. States,” *Review of Economics and Statistics*, 94(1): 348–358, 2012, finds similar TFP effects at the U.S. state level, driven by task specialization.

Table 3: Public Program Participation: IV Estimates (2021–2023)

	Native-born		Citizens		Incumbent	
	(1)	(2)	(3)	(4)	(5)	(6)
	Medicaid	Welfare	Medicaid	Welfare	Medicaid	Welfare
Asylum flow per capita	-1.995** (0.778)	-0.495* (0.297)	-1.877** (0.785)	-0.761** (0.301)	-1.839** (0.761)	-0.820*** (0.299)
Observations	451	451	451	451	451	451
First-stage F	20.3	20.3	20.3	20.3	20.3	20.3

Notes: Each column reports a separate IV long-difference regression at the commuting zone level. Outcomes are from the ACS (prime-age 25–54). Medicaid enrollment = share reporting Medicaid coverage. Welfare receipt = share reporting positive welfare income. Native-born: U.S.-born respondents. Citizens: native-born plus naturalized. Incumbent workers: all citizens plus non-citizens who entered the U.S. in 2020 or earlier. The endogenous variable is cumulative net working-age asylum flow divided by 2019 CZ population. The instrument is cumulative Bartik-predicted flow (2019 nationality settlement shares \times leave-one-out national flows) divided by 2019 CZ population. Weighted by 2019 CZ population. Heteroskedasticity-robust standard errors in parentheses. Top 1% of instrument distribution excluded. CZs with ≥ 50 ACS observations. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

An inflow equal to 1% of 2019 CZ population reduces Medicaid enrollment across all three groups: native-born by 2.0 pp ($p < 0.05$), citizens by 1.9 pp ($p < 0.05$), and incumbent workers by 1.8 pp ($p < 0.05$). Welfare receipt also declines: native welfare falls by 0.5 pp ($p < 0.10$), citizen welfare by 0.8 pp ($p < 0.05$), and incumbent welfare by 0.8 pp ($p < 0.01$). These results are inconsistent with asylum seekers straining public programs. The improved labor market conditions appear to pull existing residents off public assistance rather than crowding them onto it.

5.5 Sector Decomposition

To identify which industries drive the aggregate effects, we estimate sector-by-sector IV regressions using QCEW supersector data with a common denominator (total employment).

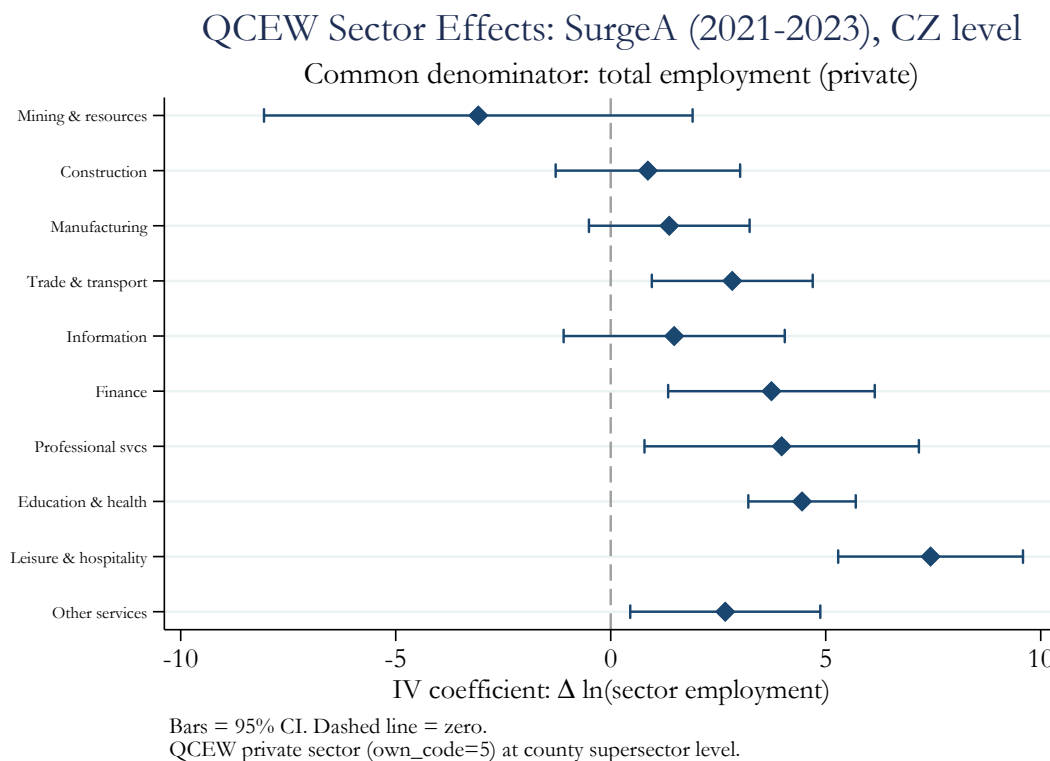


Figure 3: QCEW Sector Effects: Surge A (2021–2023)

Employment gains are concentrated in lower-wage service sectors, especially leisure and hospitality. Supplementary Figure A.1 reports Surge B sector effects.

6 Discussion and Conclusion

We estimate the effect of asylum seeker inflows on local economic activity across U.S. commuting zones during the 2021–2024 surge. Using a shift-share instrumental variable and multiple independent data sources, we find that asylum inflows increase real GDP, raise employment rates and wages for incumbent workers at all levels of nativity, and reduce local unemployment. Medicaid enrollment and welfare receipt among incumbent populations decline.

The results are consistent with asylum inflows expanding local labor supply. Employment gains are concentrated in lower-wage service sectors, especially leisure and hospitality. The pattern across nested population groups—with stronger effects for the broader incumbent workforce than for native-born alone—suggests complementarity between asylum seekers and the existing labor force.

A Supplementary Tables: Additional Specifications

A.1 Main Results: OLS and Surge B

Table A.1 reports OLS estimates and Surge B results. In the longer Surge B window (2021–2024), several employment coefficients attenuate (e.g., native-born employment drops from 1.69 to approximately 0.98). This attenuation may reflect changing macroeconomic conditions, softening instrument strength in the longer window, or other factors. Importantly, even the somewhat attenuated Surge B estimates remain positive, and most remain at least marginally significant. We treat this attenuation as an open empirical question, while noting that the unemployment effect remains significant throughout.

Table A.1: GDP, Employment, Wages, and Unemployment: Additional Specifications

	Real GDP	Native-born		Citizens		Incumbent		Unemp
		Emp	Wage	Emp	Wage	Emp	Wage	
<i>Panel A: OLS (2021–2023)</i>								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Asylum flow per capita	0.881 (2.092)	1.216*** (0.443)	2.373* (1.328)	1.488*** (0.548)	3.609*** (1.133)	2.199*** (0.618)	5.188*** (0.888)	-1.712*** (0.628)
Observations	605	451	451	451	451	451	451	605
<i>Panel B: IV (2021–2024)</i>								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Asylum flow per capita	4.977 (3.343)	0.178 (0.543)	1.331 (1.464)	0.407 (0.521)	2.171 (1.349)	1.286*** (0.461)	4.347*** (1.075)	-1.668*** (0.403)
Observations	608	451	451	451	451	451	451	609
First-stage F	11.5	15.7	15.7	15.7	15.7	15.7	15.7	11.5
<i>Panel C: OLS (2021–2024)</i>								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Asylum flow per capita	0.006 (1.587)	0.252 (0.484)	1.340 (0.965)	0.305 (0.508)	2.001** (0.851)	0.967** (0.464)	3.516*** (0.778)	-1.478*** (0.547)
Observations	608	451	451	451	451	451	451	609

Notes: See notes to main table. Each panel reports a different estimator or time period. * p<0.10, ** p<0.05, *** p<0.01.

A.2 Public Programs: OLS and Surge B

Table A.2: Public Program Participation: Additional Specifications

	Native-born		Citizens		Incumbent	
	Medicaid	Welfare	Medicaid	Welfare	Medicaid	Welfare
<i>Panel A: OLS (2021–2023)</i>						
	(1)	(2)	(3)	(4)	(5)	(6)
Asylum flow per capita	-1.257*	-0.142	-1.160**	-0.362*	-1.156**	-0.424**
	(0.665)	(0.236)	(0.582)	(0.201)	(0.553)	(0.172)
Observations	451	451	451	451	451	451
<i>Panel B: IV (2021–2024)</i>						
	(1)	(2)	(3)	(4)	(5)	(6)
Asylum flow per capita	-0.134	-0.104	-0.203	-0.368	0.021	-0.386
	(0.690)	(0.309)	(0.696)	(0.312)	(0.665)	(0.310)
Observations	451	451	451	451	451	451
First-stage F	15.7	15.7	15.7	15.7	15.7	15.7
<i>Panel C: OLS (2021–2024)</i>						
	(1)	(2)	(3)	(4)	(5)	(6)
Asylum flow per capita	0.192	0.167	0.241	-0.020	0.278	-0.019
	(0.590)	(0.233)	(0.571)	(0.196)	(0.474)	(0.169)
Observations	451	451	451	451	451	451

Notes: See notes to main table. Each panel reports a different estimator or time period. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

A.3 Recent Arrivals (Residual)

Table A.3 reports employment and wage effects for non-citizens who entered the U.S. after 2020. Effects are imprecisely estimated, reflecting small ACS samples for this group.

Table A.3: Recent Non-Citizen Arrivals: Employment and Wages

	Surge A (2021–2023)		Surge B (2021–2024)	
	(1) Emp	(2) Wage	(3) Emp	(4) Wage
Asylum flow per capita	-4.931 (9.230)	-15.146 (27.630)	4.238 (7.982)	-23.611 (24.450)
Observations	217	185	224	191
First-stage F	12.0	11.5	8.9	8.4

Notes: Recent non-citizen arrivals: foreign-born non-citizens (citizen = 3) who entered the U.S. after 2020. Same IV specification as main table. Cells with fewer than 50 ACS observations excluded. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

A.4 Sector Decompositions: Surge B

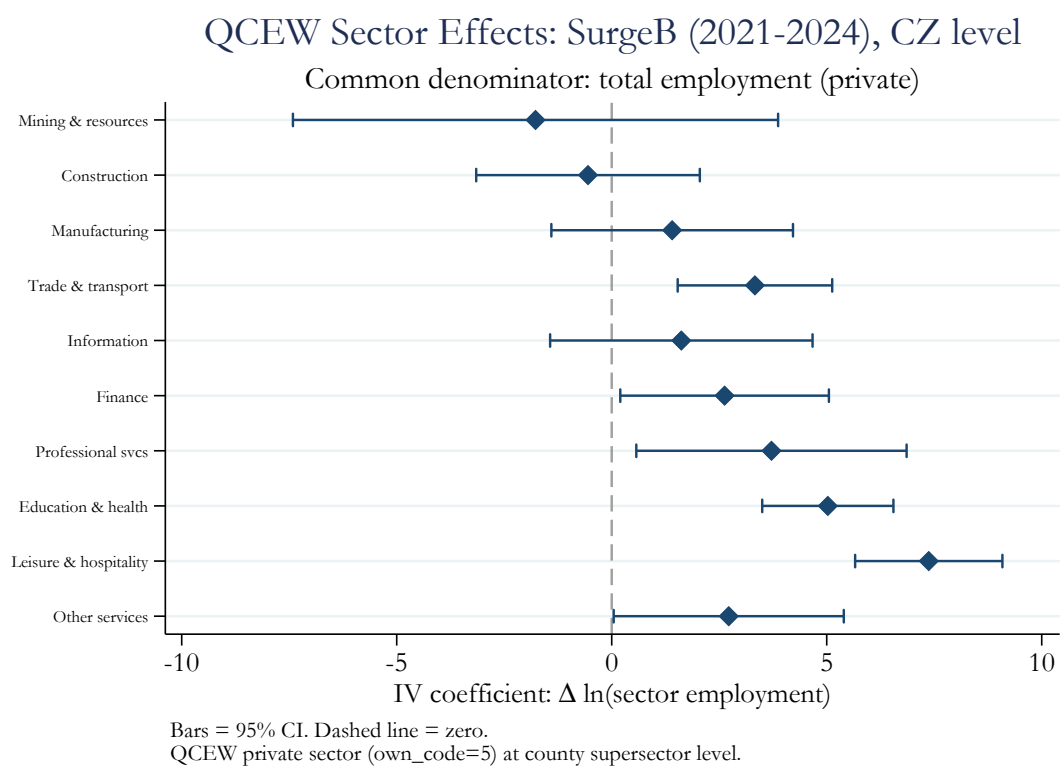


Figure A.1: QCEW Sector Effects: Surge B (2021–2024)

B Supplementary Tables: Robustness

B.1 Weak-Instrument Robust Inference

As a conservative robustness check, we compute Anderson–Rubin (AR) test statistics for Surge B specifications. The AR test is valid regardless of instrument strength.

Table B.1: Weak-IV Robust Inference: Anderson-Rubin Tests (Surge B)

Specification	$\hat{\beta}$ (Wald)	SE	Wald p	AR χ^2	AR p	KP F	N
LAUS_unemp_SurgeB	-1.6683	0.4027	0.0000	3.907	0.0481**	11.5	609
GDP_SurgeB	4.9766	3.3433	0.1371	3.351	0.0672*	11.5	608
Inc.emp_SurgeB	1.2863	0.4615	0.0055	2.898	0.0887*	15.7	451

AR $p < 0.05$: result robust to weak instruments (AR confidence set excludes zero).

The LAUS unemployment effect is robust (AR $p = 0.048$). GDP and incumbent employment show marginal AR significance ($p < 0.10$).

B.2 Robustness to Controlled Specifications

Table B.2 adds controls stepwise: pre-surge BEA compensation growth (2017–2019), baseline unemployment rate and log compensation per capita, accommodation and food services share, and state fixed effects. Incumbent employment and unemployment effects are stable across all five specifications.

Table B.2: Robustness to Stepwise Controls: IV Estimates (2021–2023)

	(1)	(2)	(3)	(4)	(5)
<i>Panel A: Real GDP ($\Delta \ln GDP$)</i>					
	(1)	(2)	(3)	(4)	(5)
Asylum flow per capita	5.530*	1.728	5.180**	4.378*	0.450
	(3.079)	(2.605)	(2.486)	(2.412)	(1.433)
Observations	605	605	604	604	604
First-stage F	15.4	12.6	18.0	18.4	20.8
<i>Panel B: Incumbent Employment Rate ($\Delta emp rate$)</i>					
	(1)	(2)	(3)	(4)	(5)
Asylum flow per capita	2.765***	3.346***	2.940***	2.671***	2.773***
	(0.654)	(0.695)	(0.903)	(0.958)	(0.904)
Observations	451	450	450	450	450
First-stage F	20.3	16.0	19.5	19.1	29.3
<i>Panel C: Unemployment Rate ($\Delta unemp rate$)</i>					
	(1)	(2)	(3)	(4)	(5)
Asylum flow per capita	-1.682***	-2.049***	-1.616***	-1.394***	-1.224***
	(0.466)	(0.476)	(0.446)	(0.458)	(0.447)
Observations	605	604	604	604	604
First-stage F	15.3	12.4	18.0	18.4	20.8

Notes: Each cell reports the IV coefficient on asylum flow per capita from a separate regression. Column 1: baseline specification (no controls). Column 2: adds BEA compensation growth 2017–2019. Column 3: adds 2019 unemployment rate and log compensation per capita. Column 4: adds accommodation and food services share of total compensation. Column 5: adds state fixed effects (assigned to each CZ via modal county). All regressions use a Bartik shift-share instrument, are weighted by 2019 CZ population, and use heteroskedasticity-robust standard errors.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

B.3 Pre-Trend Robustness

Tables B.3–B.4 replicate the main IV regressions with BEA compensation growth 2017–2019 as a control. The key employment and public program coefficients survive.

Table B.3: Labor Market Effects: IV with Pre-Trend Control (2021–2023)

	(1)	(2)	(3)	(4)
	Real GDP	Inc emp	Inc wage	Unemp
Asylum flow per capita	1.728 (2.605)	3.346*** (0.695)	5.459*** (1.418)	-2.049*** (0.476)
Comp. growth 17–19	0.553*** (0.132)	-0.087** (0.037)	0.137 (0.087)	0.052** (0.022)
Observations	605	450	450	604
First-stage F	12.6	16.0	16.0	12.4

Notes: IV long-difference regressions (2021–2023) with BEA compensation growth 2017–2019 as control. Same specification as main table. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table B.4: Public Programs: IV with Pre-Trend Control (2021–2023)

	Native-born		Citizens		Incumbent	
	(1)	(2)	(3)	(4)	(5)	(6)
	Medicaid	Welfare	Medicaid	Welfare	Medicaid	Welfare
Asylum flow per capita	-1.574** (0.764)	-0.328 (0.289)	-1.345* (0.754)	-0.605** (0.300)	-1.373* (0.744)	-0.726** (0.315)
Comp. growth 17–19	-0.069** (0.033)	-0.027* (0.015)	-0.086*** (0.032)	-0.025* (0.015)	-0.074** (0.032)	-0.015 (0.014)
Observations	450	450	450	450	450	450
First-stage F	16.0	16.0	16.0	16.0	16.0	16.0

Notes: IV long-difference regressions (2021–2023) with BEA compensation growth 2017–2019 as control. Same specification as main table. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

TECHNICAL APPENDIX B:

Assessing the EAD Magnet Hypothesis: Evidence from Asylum Filing Patterns

April 7, 2026

1 Summary

The DHS proposed rule “Employment Authorization Reform for Asylum Applicants” (91 Fed. Reg. 8616, February 23, 2026) rests on the empirical claim that Employment Authorization Documents (EADs) act as a “magnet” that incentivizes frivolous asylum filings. The NPRM states that “the affirmative asylum application backlog serves as a magnet pulling aliens into the U.S. illegally” (NPRM at p. 8620) and frames the proposed changes as “reducing the incentive for aliens to file frivolous, fraudulent, or otherwise meritless asylum applications as a means to obtain employment authorization” (NPRM at p. 8617). This appendix examines whether the available evidence supports that claim.

However, the 180-day EAD waiting period has been effectively in place since 1995.¹ Subsequent EAD liberalizations—the extension of EAD validity periods from two to five years (September 2023) and the increase in automatic renewal extensions from 180 to 540 days (April 2024)—all *postdate* the onset of the filing surge and therefore cannot have caused it. A long-standing policy that applies uniformly to all nationalities is a poor explanation for a sudden, nationality-specific change. We find that the observed surge is more consistent with origin-country crises, route changes, and processing mechanics than with the NPRM’s magnet theory.

1. **The 1994 analogy does not support the NPRM’s deterrence forecast.** The NPRM projects an “80% reduction” based on the 1994 reform precedent. But the post-1994 decline was overwhelmingly concentrated in El Salvador and Guatemala, where asylum flows collapsed as those countries’ post-civil-war peace processes culminated, coincidentally, in the same years. Filings from all other nationalities did not show a comparable decline, and the moderate

¹In August 2020, the Trump administration’s “Broader Asylum EAD Rule” extended the waiting period to 365 days and added new eligibility bars, but this rule was partially enjoined in *CASA de Maryland v. Wolf* (Sept. 2020) and fully vacated in *Asylumworks v. Mayorkas* (Feb. 2022). DHS formally restored the 180-day waiting period in September 2022 (87 FR 57795). Notably, the filing surge *began* in 2021–2022 while the restrictive rules were still partially in effect—the opposite of what the magnet theory would predict.

decline in asylum flows from other countries mirrored a similar decline occurring worldwide—visible in declining asylum flows to Europe in the early 1990s—due to the end of the Cold War and unrelated to US employment authorization policy. Moreover, the decline in asylum flows to the US was temporary, and filings soon reached all-time highs with the 180-day waiting period in place for the next 30 years.

2. **The “89%” statistic reflects processing mechanics, not applicant intent.** DHS notes that 89% of denied applicants had received EADs. But with median processing times exceeding two years, virtually every applicant becomes EAD-eligible before adjudication, regardless of motivation. DHS itself concedes that it “is not necessarily assigning . . . any fraudulent or bad intent to this population” (NPRM at p. 8640).
3. **The surge is concentrated in a small number of crisis-origin nationalities.** A common U.S. EAD policy applies equally to applicants of all nationalities. Yet the filing surge is overwhelmingly concentrated in a handful of countries—Venezuela, Colombia, Cuba, Haiti, Ecuador, Nicaragua—while filings from other nationalities barely changed. This pattern is not consistent with a uniform policy incentive.
4. **The timing of these country-specific surges aligns with specific crises, route changes, and hemispheric displacement, not with EAD policy.** Venezuela’s economic collapse, Cuba’s route change after Nicaragua dropped its visa requirement, and Haiti’s political disintegration after the presidential assassination each closely align with the timing of their respective filing surges. Millions of Venezuelans first fled to Colombia, Peru, Chile, and Ecuador; as conditions in those countries deteriorated—compounded by COVID-19, xenophobia, and limited legal protections—an increasing number moved northward. Venezuelan asylum applications surged across major destination countries in the Americas, not just the United States. EAD policy was constant throughout. A U.S.-specific policy is unlikely to be the main explanation for a hemispheric displacement crisis.

2 Data

Our analysis draws on six data sources spanning U.S. immigration court records, administrative filing counts, economic indicators, and global asylum statistics.

EOIR FOIA Immigration Court Records. We obtained case-level immigration court records from the Executive Office for Immigration Review (EOIR) via a Freedom of Information Act request. The file contains approximately 15 million case application records covering all immigration court proceedings. We filter to asylum-related application codes—including asylum (ASYL), withholding of removal (ASYW), Convention Against Torture (WCAT), and related relief categories—following the classification used by the Transactional Records Access Clearinghouse (TRAC). We

deduplicate to one filing per individual per fiscal year. These records provide our defensive asylum filing counts from FY1990 through FY2024.

TRAC Immigration Court Data. Our primary analytical dataset is the TRAC person-level asylum case file, which contains approximately 2.5 million asylum cases from FY1990 through FY2024 (Transactional Records Access Clearinghouse, Syracuse University). Crucially, TRAC matches case outcomes to the *filing year*, not the decision year. This distinction matters: because asylum cases take years to adjudicate, decision-year statistics (as reported in INS/DHS yearbooks) conflate cohorts with different filing motivations and conditions. We use TRAC data for grant rates, processing time distributions, and nationality-level filing and surge analysis.

DHS Yearbook of Immigration Statistics. Affirmative asylum filing counts (applications received by USCIS district directors and asylum officers) come from the Department of Homeland Security *Yearbook of Immigration Statistics, 2004*, Table 16. This source covers FY1973–2004. Post-2004 affirmative filing data are not consistently available in public sources until approximately FY2014, so our combined (affirmative + defensive) series ends at FY2004.

World Bank World Development Indicators. GDP per capita in current US dollars (indicator NY.GDP.PCAP.CD) comes from the World Bank’s World Development Indicators database. We use these data to document the economic collapse in Venezuela that preceded the asylum filing surge.

UNHCR Refugee Data Finder. Global asylum application counts by country of origin and country of asylum come from the UN High Commissioner for Refugees Population Statistics database. We use the 2015–2023 extract to show that the Venezuelan asylum surge is a world-wide phenomenon.

INS Statistical Yearbook. Affirmative asylum filing counts by nationality for FY1995 come from the Immigration and Naturalization Service, *Statistical Yearbook of the Immigration and Naturalization Service, 1995*, Table 29. We use these data to document the nationality concentration of the 1990s asylum surge.

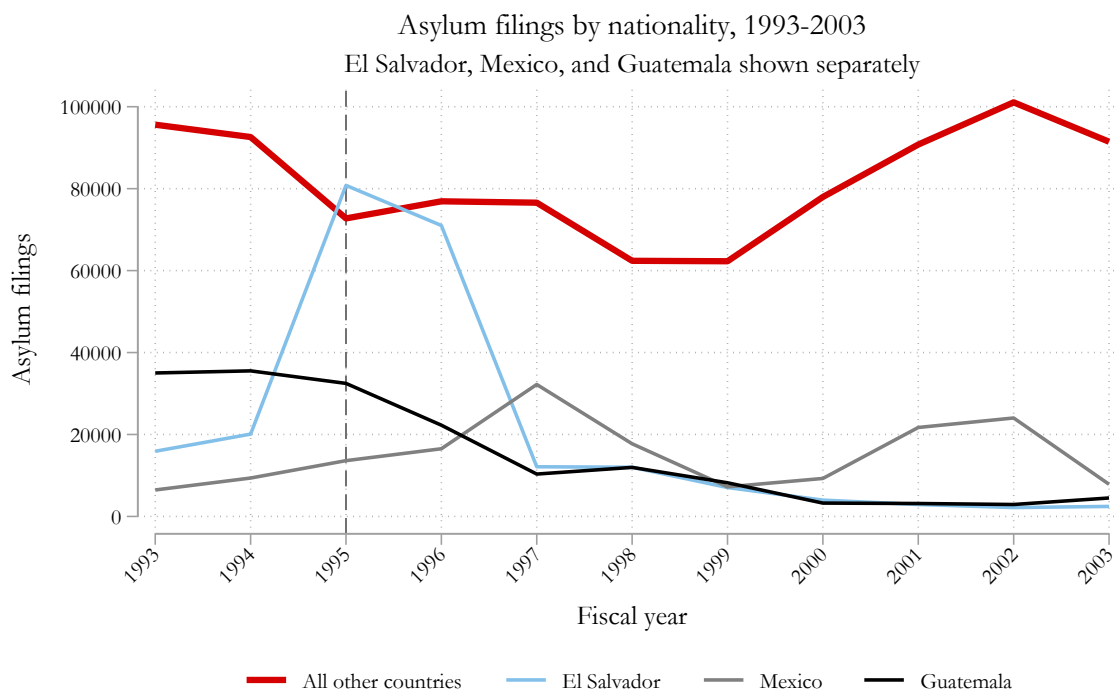
Eurostat. European asylum application counts by citizenship come from Eurostat’s *Asylum applicants by citizenship—annual data* (table migr_asycyz), covering 1985–2007. We sum across all reporting European countries to construct total European filings by year, which we use to benchmark U.S. filing trends against a comparison region that did not experience the 1994 EAD reform.

3 The 1994 Analogy Is Not Clean Evidence for the NPRM’s Deterrence Forecast

The NPRM’s principal historical evidence for the magnet hypothesis is the 1994 Asylum Reform. DHS claims that “new asylum filings actually decreased from their then-peak of 149,566 in FY 1995 to just 30,261 in FY 1999, a decrease of nearly 80 percent in only five FYs” (NPRM at p. 8632), and projects that the current proposal will “achieve similar results” (NPRM at p. 8651). The nationality-level data show that this decline had nothing to do with EAD policy.

An important preliminary point: the NPRM’s “80%” claim relies exclusively on *affirmative* filing data. But the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) of 1996 expanded expedited removal and structurally shifted large numbers of asylum cases from affirmative proceedings before USCIS to defensive proceedings before immigration judges. Analyzing affirmative filings alone therefore gives a distorted picture of overall asylum demand during this period. Throughout this section, we use combined affirmative and defensive filings—constructed from INS/DHS Yearbooks (affirmative) and EOIR court records obtained via FOIA (defensive)—to present the complete picture.

Figure 1 decomposes these combined asylum filings by nationality from FY1993 to FY2003. Filings from all countries other than El Salvador, Guatemala, and Mexico—shown in red—were far less affected by the 1994 reform. The EAD rule took effect in January 1995. For the next two years, filings from non-El Salvador/Guatemala/Mexico countries *rose*. A modest decline appears in 1998–1999, after which filings climb past 1995 levels. The entire aggregate decline was driven by two Central American countries whose civil wars and legal deadlines were ending simultaneously.



Vertical line marks FY1995, when the EAD rule became effective on Jan. 4, 1995.

Figure 1: Asylum Filings by Nationality, FY1993–2003. The post-1994 decline was overwhelmingly concentrated in El Salvador and Guatemala. Filings from all other countries (red) did not show a comparable decline, remaining between 65,000 and 100,000 per year. The vertical dashed line marks FY1995, when the EAD rule took effect.

If EAD restrictions were deterring asylum seekers, the 1994 reform would have reduced filings more broadly across nationalities, not just among the few most affected by contemporaneous crises. Instead, each country’s trajectory tracks its own crisis:

- *El Salvador.* Salvadoran filings surged from 20,000 in FY1994 to over 80,000 in FY1995–96 as 187,000 TPS holders became eligible to file under the *American Baptist Churches v. Thornburgh* (ABC) settlement before its January 1996 deadline.² This was a mechanical response to a legal deadline, not to EAD policy. Filings collapsed as the backlog cleared and the UN withdrew in 1997, considering the peace process complete.
- *Guatemala.* Guatemala’s 36-year civil war generated sustained filings of 20,000–35,000 per year, elevated by the ABC settlement.³ Filings declined sharply after the comprehensive peace accords were signed in December 1996.
- *Mexico.* Mexican filings *rose* after the 1994 reform—from 6,000 in FY1993 to over 30,000 by FY1997—driven by escalating cartel violence and the aftermath of the peso crisis. This is the

² *American Baptist Churches v. Thornburgh*, 760 F. Supp. 796 (N.D. Cal. 1991).

³ The ABC filing deadline for Guatemalans was March 31, 1992, producing a spike to 43,915 filings in FY1992.

opposite of what an EAD-deterrence theory would predict.

The modest post-1994 dip in non-Central American filings mirrors a global pattern, not a U.S. policy effect. Figure 2 indexes U.S. asylum filings (excluding El Salvador, Guatemala, and Mexico) and total European asylum filings to 100 in FY1993. From 1995 onward, the two series move closely together: both decline through 1995–1996, both reach a trough, and both recover through 2000–2002. Europe had no comparable EAD reform during this period. The co-movement suggests that the modest decline in U.S. non-Central American filings reflected the resolution of post-Cold War displacement crises—the end of the Yugoslav wars, stabilization in Somalia, and declining flows from the former Soviet Union—not the 1994 EAD rule change.

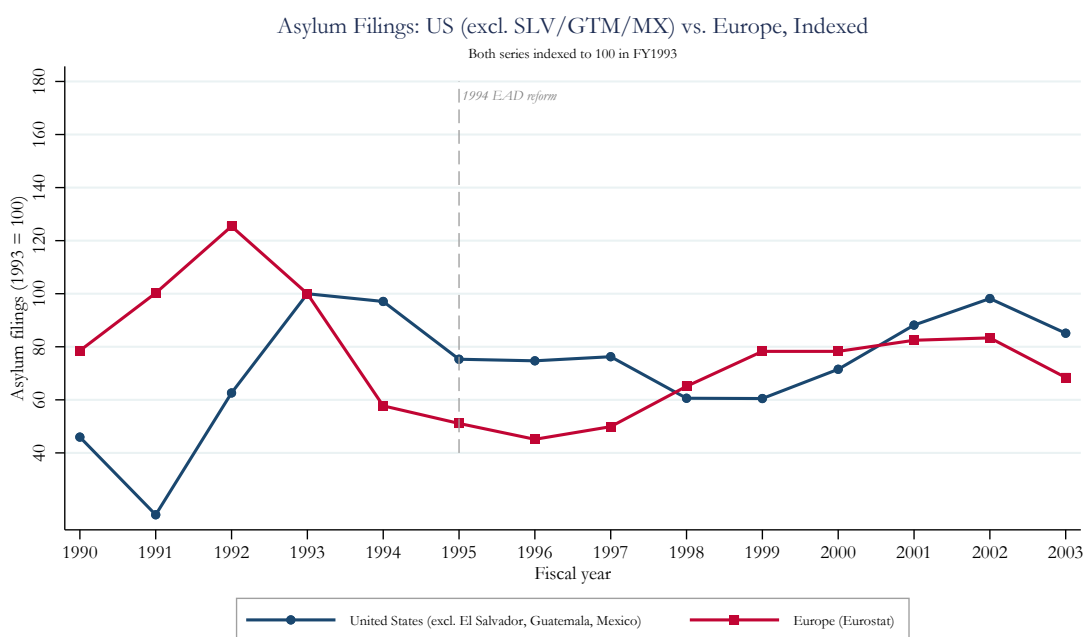


Figure 2: Asylum Filings in the United States (Excluding El Salvador, Guatemala, and Mexico) and Europe, Indexed to FY1993. The two series move closely together from 1995 onward, despite no comparable EAD reform in Europe. The co-movement is more consistent with global displacement trends than with U.S. EAD policy. Source: INS/DHS Yearbooks and EOIR (U.S.); Eurostat (Europe).

Grant rates rose as filings recovered—by the NPRM’s own logic, this indicates legitimate claims. The NPRM itself cites rising grant rates as evidence that the 1994 reform successfully deterred frivolous filers: “the approval rate of cases heard by INS asylum officers has increased from 15 percent of cases adjudicated in FY 1993 to an approval rate of 38 percent in FY 1999, another indicator that INS is receiving more valid claims” (NPRM at p. 8632). The NPRM concludes that “with overall asylum filings decreasing and the approval rate increasing, the clear implication was that ineligible aliens . . . stopped filing” (NPRM at p. 8632). Figure 3 extends this logic forward. As filings recovered from 109,461 in FY1999 to 156,433 by FY2002, grant rates

continued to rise—reaching approximately 40% by 2000. By the NPRM’s own reasoning, this indicates that the recovery was driven by applicants with increasingly meritorious claims, not by frivolous filers returning to exploit EAD access.

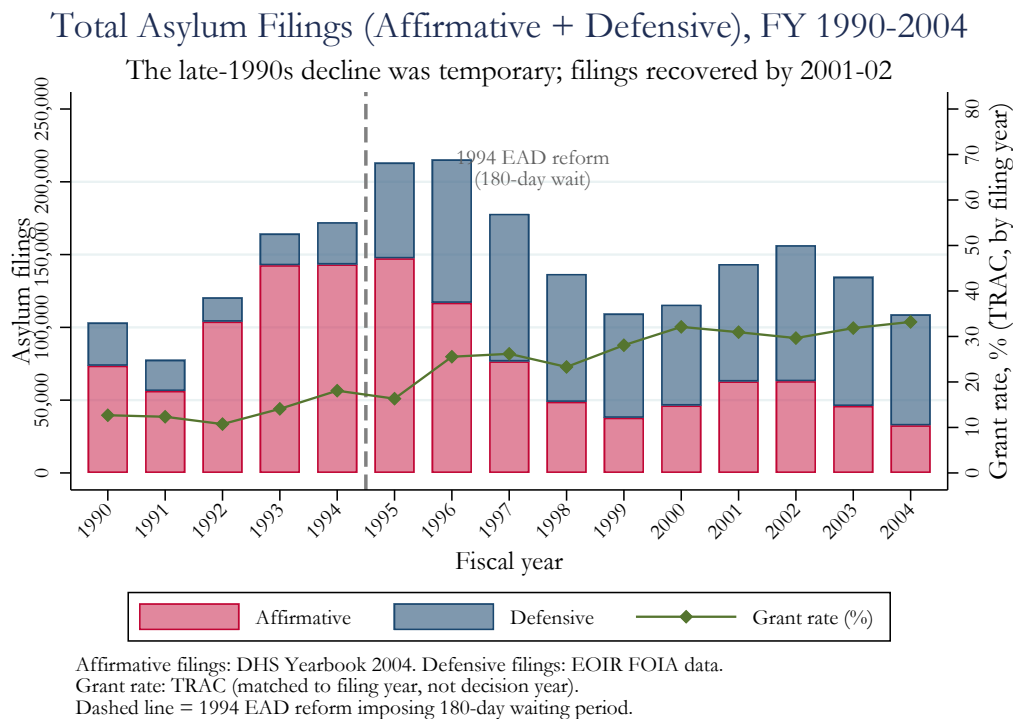


Figure 3: Total Asylum Filings (Affirmative + Defensive) and Grant Rates, FY 1990–2004

The long-run record contradicts the forecast of lasting deterrence. Figure 4 shows defensive asylum filings from FY1990 through FY2024. After a temporary dip in the late 1990s, filings climbed steadily and reached all-time highs by the 2020s—959,000 defensive filings in FY2024 alone, 13.4 times the FY1999 level. The 180-day EAD waiting period was in effect *throughout this entire period*. The NPRM’s prediction of a “permanent” deterrent (NPRM at p. 8625) is not supported by three decades of data.

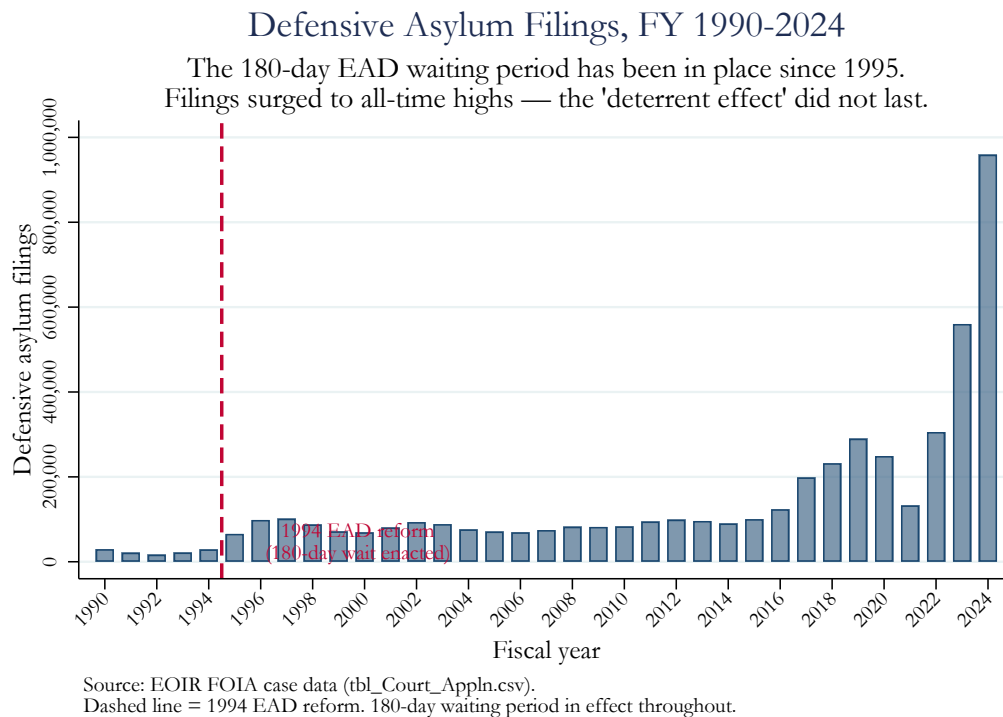


Figure 4: Defensive Asylum Filings, FY 1990–2024

4 The “89%” Statistic Is a Mechanical Artifact

The NPRM presents Table 3 (NPRM at p. 8640), showing that “In FY2024, USCIS issued 5,709 denials or referrals to asylum applicants, but 5,087 (89%) had one or more previously approved (c)(8) EAD.” The NPRM frames this as evidence that “current asylum processing is not functioning properly” and “the processing is worsening” (NPRM at p. 8640).

DHS itself concedes the critical point:

“USCIS notes that it is not necessarily assigning, and does not need to assign, any fraudulent or bad intent to this population. These are simply cases where the alien was ultimately found ineligible for asylum, but, due to current agency regulations, policies, and processes, was able to derive employment authorization despite asylum ineligibility.” (NPRM at p. 8640)

The NPRM further admits that “the alien’s asylum application will likely remain pending for years given the asylum backlog” (NPRM at p. 8643). Figure 5 confirms why the 89% figure is expected as a matter of arithmetic. For cases decided between 2020 and 2024, the average processing time from filing to decision is approximately two years—consistent with DHS’s own reported averages of 22 to 35 months (NPRM at p. 8643)—and over three-quarters of cases take longer than 180 days, the EAD eligibility threshold. Since the immigration court backlog routinely

produces multi-year wait times, virtually *every* applicant becomes EAD-eligible before their case is decided, regardless of their filing motivation.

The 89% figure simply reflects the length of the adjudication backlog, not applicant intent. Any system with multi-year processing times and a 180-day EAD threshold will mechanically produce a high share of EAD receipt among eventually-denied cases. This would be true even if every applicant filed in good faith.

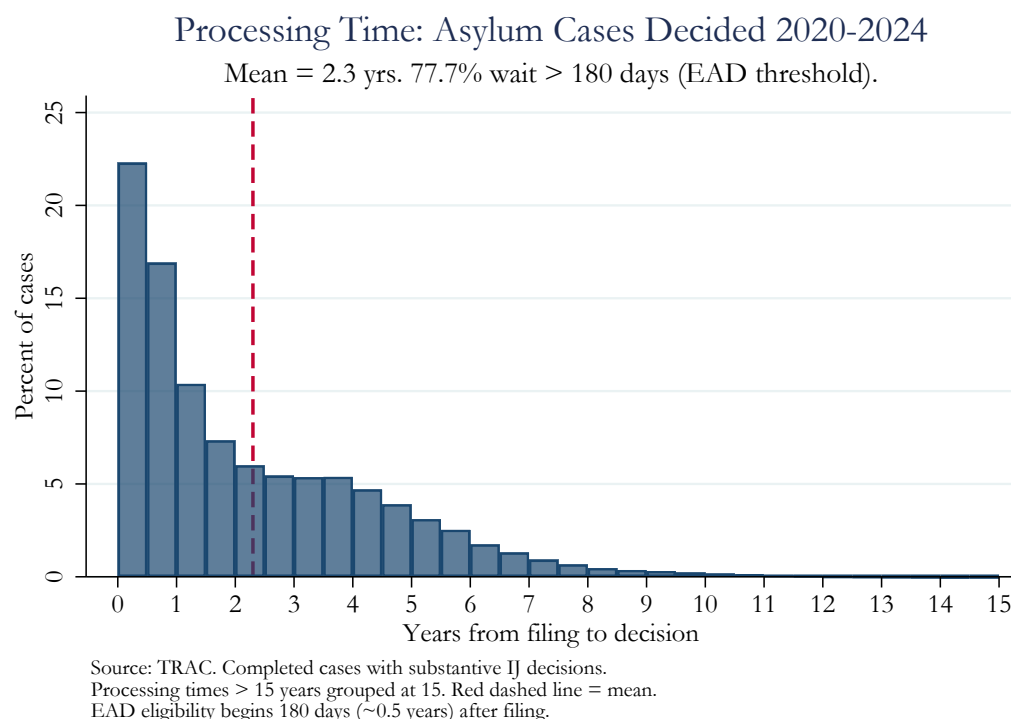


Figure 5: Processing Time: Asylum Cases Decided 2020–2024

5 The Surge Is Concentrated in a Small Number of Crisis-Origin Nationalities

EAD policy does not vary by nationality. All asylum applicants—regardless of country of origin—face the same waiting period, the same validity terms, and the same renewal rules. Every EAD policy change during 2020–2024 applied uniformly across nationalities. A common U.S. EAD policy does not line up well with a surge concentrated in a small set of crisis-origin nationalities.

Figure 6 decomposes the filing surge by nationality. Venezuela alone accounts for roughly 85,000 average annual filings during 2021–2024 (up from ~2,000 pre-surge), followed by Colombia (~45,000), Cuba, Haiti, Ecuador, and Nicaragua (~25,000–30,000 each). A uniform pull factor is a poor fit for a pattern in which Venezuelan filings increased 40-fold while Guatemalan filings barely changed.

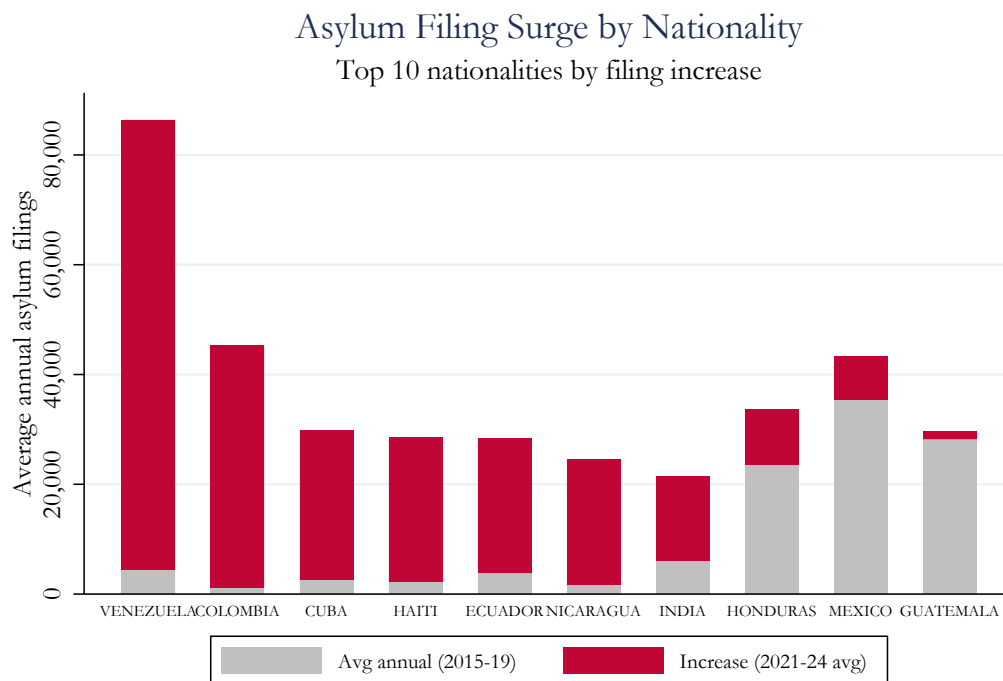


Figure 6: Asylum Filing Surge by Nationality

The nationality composition of the surge is also not what a simple frivolous-filing story would predict. The NPRM repeatedly characterizes the filing surge as driven by applicants seeking employment authorization rather than protection, asserting that “the asylum program continues to attract frivolous, fraudulent, or otherwise meritless claims” (NPRM at p. 8641). If this characterization were correct, we would expect the filing increase to be concentrated among nationalities with historically *low* grant rates—groups whose claims are routinely denied.

Figure 7 plots each nationality’s filing increase (2021–2024 mean annual filings minus 2015–2019 mean) against its historical grant rate (computed from cases filed 2010–2019 with substantive decisions). The nationalities driving the largest absolute increases—Venezuela (+82,000/year, 53.6% grant rate), Colombia (+44,000/year, 48.6%), Ecuador (+25,000/year, 49.4%), Peru (+17,000/year, 53.1%)—all have historical grant rates near or above 50%. Several other major surge nationalities have even higher rates: China (72.2%), Russia (70.0%), Turkey (65.7%), India (59.9%).

Table 1 presents the top 15 nationalities by filing increase. The filing-weighted average historical grant rate across these groups is 46%.⁴ The cross-sectional correlation between filing increases and historical grant rates is essentially zero ($r = -0.06$). A simple frivolous-filing story would predict a more negative relationship between filing growth and historical grant rates than what we observe. The absence of such a pattern is not consistent with the NPRM’s characterization of the surge as

⁴Weighted by average annual filings during 2021–2024. Computed from cases filed 2010–2019 with substantive IJ decisions.

driven by frivolous filers seeking work permits.

Only two of the top 15 surge nationalities—Honduras (19.5%) and Haiti (22.3%)—have grant rates below 30%, and both face well-documented crises (gang violence, natural disasters, political collapse) that are more consistent with push-factor explanations than with EAD incentives.

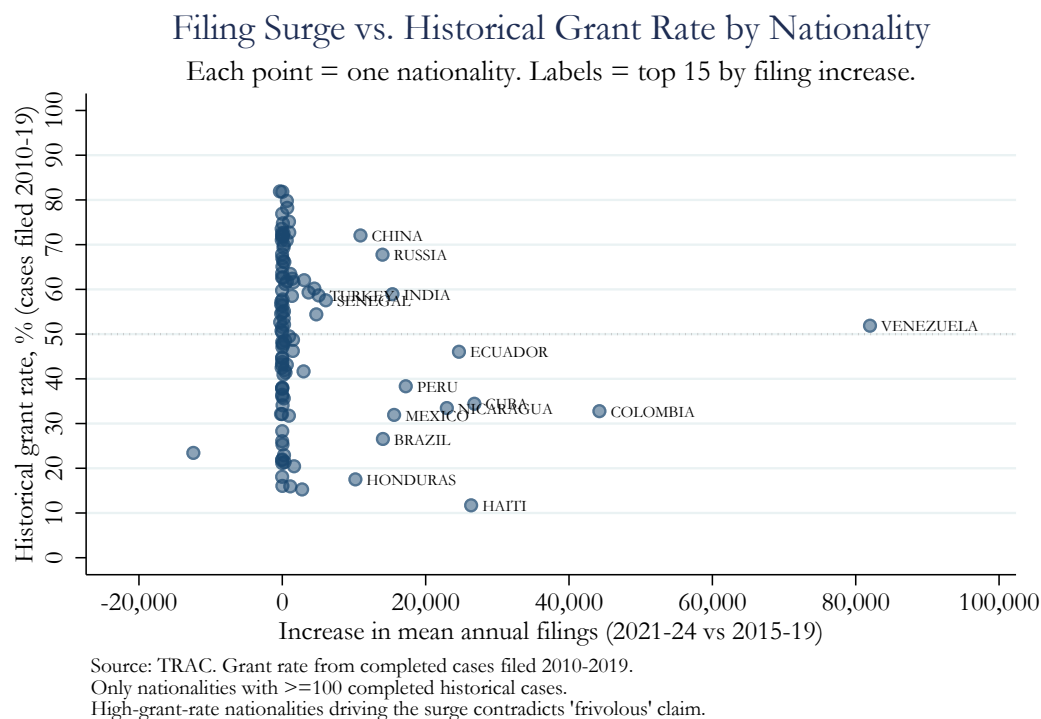


Figure 7: Filing Surge vs. Historical Grant Rate by Nationality

Table 1: Top 15 Surge Nationalities by Filing Increase

Rank	Nationality	Avg/yr 2015–19	Avg/yr 2021–24	Increase (per yr)	Grant rate (%)
1	VENEZUELA	4,362	86,356	81,994	51.9
2	COLOMBIA	1,036	45,278	44,242	32.8
3	CUBA	2,369	29,170	26,801	34.4
4	HAITI	2,159	28,505	26,346	11.7
5	ECUADOR	3,576	28,224	24,647	46.1
6	NICARAGUA	1,555	24,510	22,955	33.5
7	PERU	633	17,860	17,227	38.3
8	MEXICO	23,689	39,290	15,601	31.9
9	INDIA	5,984	21,355	15,371	58.9
10	BRAZIL	1,713	15,748	14,034	26.6
11	RUSSIA	814	14,796	13,982	67.8
12	CHINA	6,209	17,114	10,905	72.1
13	HONDURAS	22,758	32,956	10,198	17.5
14	SENEGAL	108	6,182	6,074	57.6
15	TURKEY	225	5,300	5,075	58.7

6 The Timing of the Surge Aligns with Crises, Route Changes, and Global Displacement

The NPRM asserts that “asylum remains an attractive option for aliens to secure employment authorization for an extended period of time, despite lacking a basis for asylum, due to the enormous backlog” (NPRM at p. 8653). But EAD policy was constant during the surge period. The timing of each major nationality’s filing increase is more consistent with specific origin-country crises, route changes, and secondary movement from regional host countries than with a uniform EAD-policy explanation.

The strongest test of the magnet hypothesis is whether the same filing surge appears in countries that do not share U.S. EAD policy. For each nationality below, we show that it does.

6.1 Venezuela: Economic Collapse, Regional Displacement, and Secondary Movement

The Venezuelan filing surge in the United States did not begin with EAD policy. It unfolded in three distinct phases, each driven by events outside the United States.

Phase 1: Economic collapse and initial displacement (2014–2019). Venezuela’s GDP fell approximately two-thirds between 2014 and 2020, driven by the collapse of the oil sector (production

fell from nearly 3 million barrels per day to 350,000), hyperinflation (reaching 1,946% in 2022), and political repression under the Maduro regime.⁵ Over 7.7 million Venezuelans fled—more than 20% of the population—making it the largest displacement crisis in the Western Hemisphere.⁶ The initial displacement went overwhelmingly to regional neighbors: by 2019, Colombia hosted 1.8 million, Peru over 860,000, Chile 455,000, and Ecuador 385,000 (Figure 8).⁷ U.S. asylum filings during this phase were modest by comparison.

Phase 2: Secondary movement from host countries (2020–2022). The COVID-19 pandemic hit Latin American economies severely, and conditions for Venezuelan refugees in host countries deteriorated. Venezuelans in Colombia, Peru, Chile, and Ecuador faced rising unemployment, xenophobia, limited access to legal documentation and basic services, and inadequate legal protections.⁸ An increasing number began moving north—not from Venezuela directly, but from the regional host countries where they had been living for years. This secondary movement, not any change in U.S. EAD policy, explains the specific timing of the U.S. filing surge beginning in 2021.

Phase 3: The Darién Gap route (2022–2023). The shift northward was enabled by the opening of the Darién Gap as a viable migration corridor. Only approximately 3,000 Venezuelans crossed the Darién Gap in all of 2010–2021 combined. In 2022, the number exceeded 150,000.⁹ Mexico and several Central American countries imposed visa requirements on Venezuelans during this period, paradoxically pushing migrants toward the dangerous overland route rather than deterring them.¹⁰

The displacement is global. Figure 8 shows Venezuelan asylum applications by destination country from 2015 to 2023. The pattern is clear: regional neighbors absorbed the initial wave (Peru and Brazil spiked in 2017–2018), while U.S. filings surged only in 2022–2023 as secondary movement accelerated. None of these destination countries offer U.S.-style employment authorization to asylum seekers. A U.S.-specific EAD policy is unlikely to be the main explanation for a hemispheric displacement crisis that has affected multiple major destination countries across the Americas.

⁵World Bank, World Development Indicators; OPEC Annual Statistical Bulletin.

⁶R4V (Inter-Agency Coordination Platform for Refugees and Migrants from Venezuela), “Refugees and Migrants from Venezuela,” May 2024, <https://www.r4v.info/en/refugeeandmigrants>.

⁷R4V Coordination Platform, December 2019 estimates.

⁸Amnesty International, “Facts and figures: Regularization and protection of Venezuelan nationals in Colombia, Ecuador, Peru and Chile,” September 2023. Studies report that 26–40% of Venezuelans in these countries experienced discrimination.

⁹UNHCR, “Number of Venezuelans crossing the Darién Gap soars,” March 2022; Panamá Servicio Nacional de Migración.

¹⁰Migration Policy Institute, “How the Treacherous Darién Gap Became a Migration Crossroads of the Americas,” October 2023.

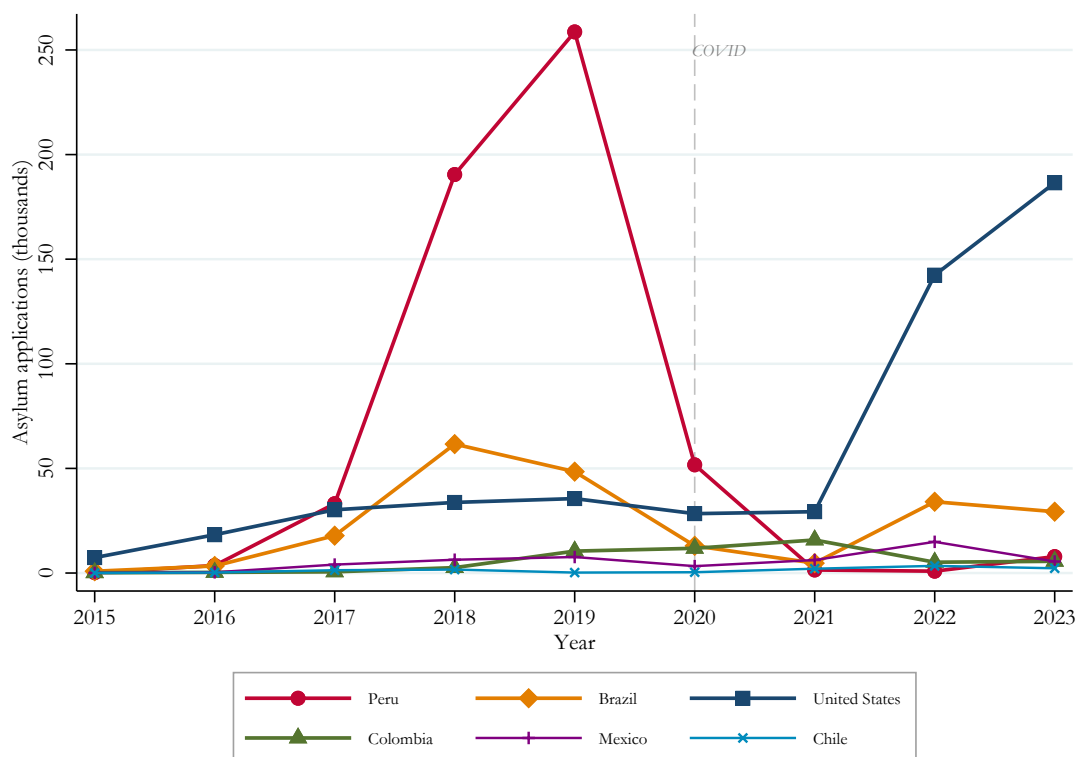


Figure 8: Venezuelan Asylum Applications by Destination Country, 2015–2023. Regional neighbors absorbed the initial displacement wave (2017–2019). U.S. filings surged only in 2022–2023, driven by secondary movement from host countries and the opening of the Darién Gap route.

EAD policy was constant throughout all three phases. The timing of the U.S. filing surge is more consistent with the interaction of Venezuela’s economic collapse, deteriorating conditions in regional host countries, and the opening of overland migration routes than with any change in U.S. employment authorization policy.

6.2 Cuba: Filing Surge Closely Aligned with Route Change

In **November 2021**, Nicaragua dropped its visa requirement for Cuban citizens, creating a new migration route: Cubans could fly Havana to Managua visa-free, then travel overland through Honduras, Guatemala, and Mexico to the U.S. border.¹¹ Figure 9 shows that Cuban asylum filings increased sharply immediately after the route opened.

The timing is critical. Combined with ongoing economic collapse—severe shortages of food, fuel, and medicine; inflation; power outages lasting 12+ hours—and political repression following the July 2021 protests (the largest anti-government demonstrations in decades),¹² this route change enabled a massive surge. Approximately 220,000 Cubans were encountered nationwide by CBP in

¹¹ “Nicaragua drops visa requirements for Cubans,” Associated Press, November 23, 2021.

¹² Human Rights Watch, “Prison or Exile: Cuba’s Systematic Repression of July 2021 Demonstrators,” July 11, 2022.

FY2022, six times the previous year.¹³ At the December 2022 peak, 44,079 Cuban migrants arrived in a single month.¹⁴

The timing of the surge is closely aligned with the route change (Nicaragua visa policy) rather than with any change in U.S. EAD policy. EAD rules did not change. Nicaragua reimposed the visa requirement in February 2026,¹⁵ which will naturally reduce Cuban arrivals—further suggesting that the route provides a better explanation for the timing than EAD policy. Cuban displacement also extends across Latin America: significant Cuban populations have settled in Mexico, Panama, and other countries that do not offer U.S.-style employment authorization.

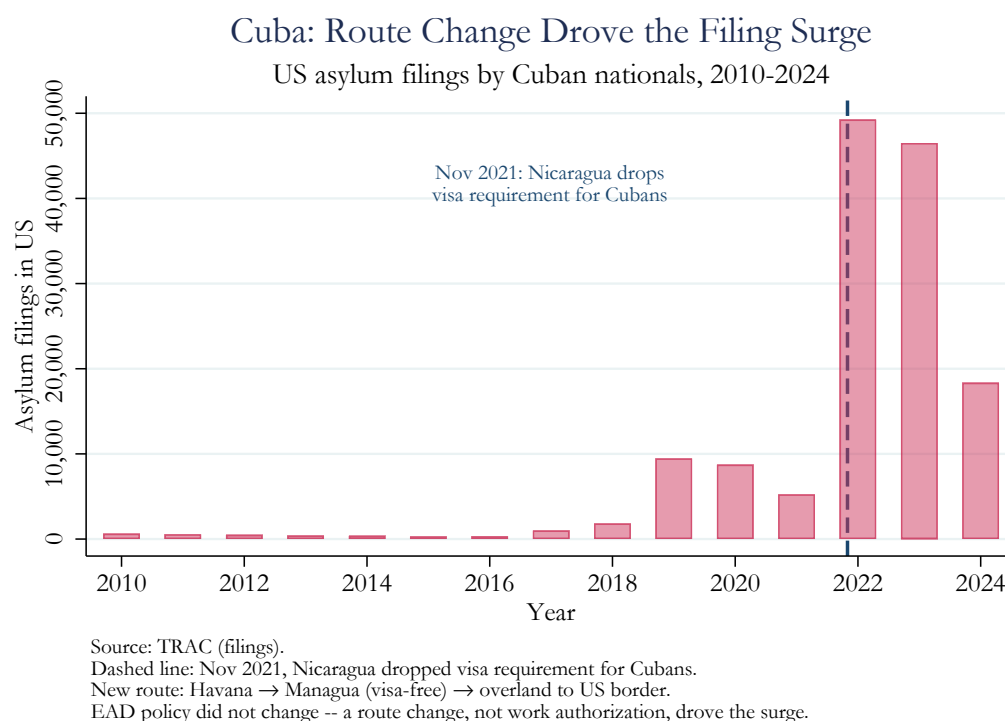


Figure 9: Cuba: Filing Surge Closely Aligned with Route Change

6.3 Haiti: Filing Surge Closely Aligned with Political Collapse

On **July 7, 2021**, President Jovenel Moïse was assassinated, creating a complete power vacuum.¹⁶ Figure 10 shows that Haitian asylum filings increased from near-zero to tens of thousands in the years that followed.

Gang violence escalated dramatically in 2022–2024: an estimated 200–300 criminal gangs are

¹³U.S. Customs and Border Protection, Nationwide Encounters, FY2022.

¹⁴CBP, Monthly Operational Update, December 2022; Washington Office on Latin America (WOLA), “Five Key Trends in Cuban Migration in 2023.”

¹⁵Nicaraguan Immigration Disposition 001-2026, February 8, 2026.

¹⁶“UN condemns ‘abhorrent’ assassination of Haiti President Jovenel Moïse,” UN News, July 7, 2021.

now active,¹⁷ with 270,000–500,000 illegal firearms in circulation.¹⁸ In April 2023 alone, over 600 people were killed by gang violence;¹⁹ kidnappings nearly doubled versus 2022.²⁰ By 2024, an estimated 80% of Port-au-Prince was under gang control.²¹ Over 1.4 million people have been internally displaced,²² and 6.4 million—more than half the population—need humanitarian aid.²³

Haiti’s 22.3% historical grant rate understates the strength of current claims, as conditions have dramatically worsened since the 2010–2019 baseline period used to compute that rate. Haitian displacement is hemispheric: significant Haitian populations have settled in Brazil, Chile, Mexico, and other Latin American countries—a regional crisis, not a response to U.S. EAD policy.

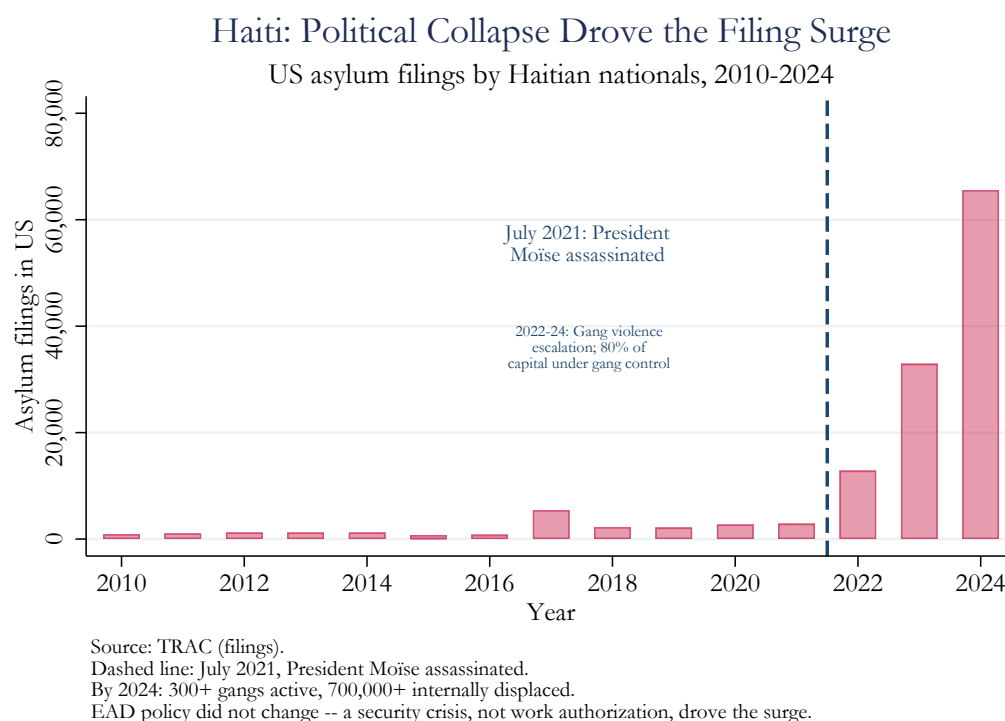


Figure 10: Haiti: Filing Surge Closely Aligned with Political Collapse

¹⁷UNODC, “Explainer: Organized Crime and Gang Violence in Haiti,” January 2026.

¹⁸UN News, “Haiti is under a UN arms embargo: So why are 500,000 illegal weapons in circulation?” October 17, 2025 (citing OHCHR estimates).

¹⁹OHCHR, “Haiti: UN Human Rights Chief warns against ‘never-ending cycle of violence,’” press release, May 9, 2023.

²⁰BINUH/OHCHR, Quarterly Report on the Human Rights Situation in Haiti, 2023 (reporting 2,490 kidnappings in 2023 versus 1,359 in 2022).

²¹International Crisis Group, “Undoing Haiti’s Deadly Gang Alliance,” 2023; OCHA estimates cited in UN News.

²²IOM Displacement Tracking Matrix, Haiti, September 2025.

²³OCHA, *Haiti: 2026 Humanitarian Needs and Response Plan*, December 2025.

7 Conclusion

Indeed, a long-standing policy (a 180-day EAD waiting period) is a poor explanation for a sudden, nationality-specific change. The main descriptive facts in the record are not well explained by the NPRM’s magnet theory. The surge is better explained by crises, route changes, and processing mechanics:

1. The 1994 analogy does not provide clean evidence for the NPRM’s deterrence forecast. The post-1994 decline was overwhelmingly concentrated in El Salvador and Guatemala, whose civil wars and legal deadlines were ending. Filings from all other nationalities did not show a comparable decline and closely tracked European asylum trends—suggesting global displacement dynamics, not U.S. policy effects. Grant rates rose as filings recovered, which by the NPRM’s own logic indicates more valid claims. The decline was temporary, and filings reached all-time highs with the 180-day waiting period in place for 30 years.
2. The “89% of denials had EADs” statistic is a mechanical artifact of multi-year court backlogs, as DHS itself acknowledges. It does not demonstrate that applicants filed in order to obtain work authorization.
3. The 2021–2024 surge is overwhelmingly concentrated in a small number of nationalities experiencing acute crises—Venezuela, Colombia, Cuba, Haiti, Ecuador, Nicaragua—while filings from other nationalities barely changed. A uniform EAD policy is a poor fit for this pattern.
4. The timing of these country-specific surges closely aligns with specific origin-country events and route changes: Venezuela’s economic collapse and secondary movement from regional host countries, Cuba’s route change after Nicaragua dropped its visa requirement, and Haiti’s political disintegration after the presidential assassination. Venezuelan asylum applications surged across major destination countries in the Americas—not just the United States.

The NPRM projects that the proposed restrictions will produce “a decrease in new receipts comparable to the 80% decrease that was seen as a result of the INS’s 1994 rulemaking” (NPRM at p. 8652) and claims that “the implementation of this tether will permanently eliminate the possibility that asylum backlogs may serve as a magnet attracting illegal immigration” (NPRM at p. 8625). These projections rest on the premise that EADs are a principal driver of asylum filing behavior. The evidence reviewed here does not support that premise. The filing surge is closely tied to some of the largest recent displacement crises in the Western Hemisphere. The evidence reviewed here does not provide strong support for the expectation that restricting EADs would materially reduce asylum filings; it is more likely to burden and impoverish the people who file them.