

# The Effect of DACA Eligibility on Full-Time Employment Among Mexican-Born Hispanic Immigrants: A Difference-in-Differences Analysis

Replication Study #41

January 2026

## Abstract

This study examines the causal impact of eligibility for the Deferred Action for Childhood Arrivals (DACA) program on full-time employment among Mexican-born Hispanic non-citizens in the United States. Using American Community Survey data from 2006–2016 and a difference-in-differences research design, I compare employment outcomes between individuals aged 26–30 at the time of DACA implementation (treatment group) and those aged 31–35 (control group), who would have been eligible except for exceeding the age cutoff. The results indicate that DACA eligibility increased the probability of full-time employment by approximately 4.7 percentage points ( $SE = 0.011$ ,  $p < 0.001$ ), representing a 7.7% increase relative to the treatment group's pre-treatment mean. This effect is robust across multiple specifications including controls for demographic characteristics and state and year fixed effects. Event study analyses provide supporting evidence for the parallel trends assumption, with no statistically significant differential pre-trends between treatment and control groups. The findings

suggest that providing work authorization and protection from deportation meaningfully increases labor market attachment among eligible undocumented immigrants.

**Keywords:** DACA, immigration policy, employment, difference-in-differences, labor economics

# Contents

<b>1</b>	<b>Introduction</b>	<b>4</b>
<b>2</b>	<b>Background: The DACA Program</b>	<b>5</b>
2.1	Policy Overview . . . . .	5
2.2	Eligibility Requirements . . . . .	6
2.3	Benefits of DACA . . . . .	7
2.4	Program Implementation and Uptake . . . . .	7
2.5	Theoretical Mechanisms . . . . .	7
<b>3</b>	<b>Data</b>	<b>8</b>
3.1	Data Source . . . . .	8
3.2	Sample Construction . . . . .	9
3.3	Variables . . . . .	10
3.4	Sample Weights . . . . .	11
<b>4</b>	<b>Empirical Methodology</b>	<b>11</b>
4.1	Difference-in-Differences Design . . . . .	11
4.2	Regression Specification . . . . .	12
4.3	Identifying Assumption . . . . .	13
4.4	Event Study Specification . . . . .	13
<b>5</b>	<b>Results</b>	<b>14</b>
5.1	Descriptive Statistics . . . . .	14
5.2	Main DiD Results . . . . .	15
5.3	Magnitude Interpretation . . . . .	18
5.4	Event Study Analysis . . . . .	18
5.5	Pre-Trends Test . . . . .	20
5.6	Heterogeneity by Gender . . . . .	21

5.7	Robustness Check: Comparison of Specifications . . . . .	21
5.8	DiD Visualization . . . . .	22
<b>6</b>	<b>Discussion</b>	<b>23</b>
6.1	Summary of Findings . . . . .	23
6.2	Interpretation . . . . .	24
6.3	Limitations . . . . .	24
6.4	Policy Implications . . . . .	25
<b>7</b>	<b>Conclusion</b>	<b>25</b>
<b>A</b>	<b>Appendix: Variable Definitions</b>	<b>26</b>
<b>B</b>	<b>Appendix: Full-Time Employment by Year and Group</b>	<b>27</b>

# 1 Introduction

On June 15, 2012, the Obama administration announced the Deferred Action for Childhood Arrivals (DACA) program, a significant immigration policy that offered eligible undocumented immigrants temporary protection from deportation and authorization to work legally in the United States. The program targeted individuals who had arrived in the country as children and had been living continuously in the U.S., providing them an opportunity to emerge from the shadows of undocumented status and participate more fully in American economic life.

This study investigates a fundamental question: *What was the causal impact of DACA eligibility on full-time employment among eligible individuals?* Understanding this effect is crucial for evaluating the economic consequences of immigration policies that provide legal status and work authorization to undocumented populations. If DACA increased employment, it suggests that the barriers to formal employment created by undocumented status—including inability to legally work, lack of identification documents, and fear of deportation—represent significant constraints on labor market participation.

To identify the causal effect of DACA eligibility, I employ a difference-in-differences (DiD) research design that exploits the age-based eligibility cutoff embedded in the program’s requirements. DACA required that applicants had not yet reached their 31st birthday as of June 15, 2012. This creates a natural comparison between those just below the cutoff (ages 26–30 in 2012, who were eligible) and those just above it (ages 31–35 in 2012, who would have been eligible but for their age). By comparing the change in employment outcomes for the treatment group relative to the control group before and after DACA implementation, I can estimate the causal effect of eligibility while controlling for common time trends affecting both groups.

The analysis uses data from the American Community Survey (ACS) spanning 2006 to 2016, focusing on Mexican-born individuals who identify as Hispanic-Mexican and are non-citizens. This population represents the overwhelming majority of DACA-eligible individuals,

as Mexico is by far the largest source country for undocumented immigration to the United States. The outcome of interest is full-time employment, defined as usually working 35 or more hours per week.

The main finding of this study is that DACA eligibility increased the probability of full-time employment by approximately 4.7 percentage points. This effect is statistically significant at conventional levels and robust across specifications that include demographic controls and state and year fixed effects. The magnitude represents a meaningful increase of 7.7% relative to the treatment group's pre-treatment employment rate. Heterogeneity analysis reveals that the effect is somewhat larger for men than for women, though both groups experience positive impacts. Importantly, pre-trend analysis and event study specifications provide evidence consistent with the parallel trends assumption underlying the DiD identification strategy.

The remainder of this paper proceeds as follows. Section 2 provides background on the DACA program and describes the institutional details relevant to this analysis. Section 3 outlines the data sources and sample construction. Section 4 describes the empirical methodology. Section 5 presents the main results, robustness checks, and supplementary analyses. Section 6 discusses the findings and their implications. Section 7 concludes.

## 2 Background: The DACA Program

### 2.1 Policy Overview

The Deferred Action for Childhood Arrivals (DACA) program was announced on June 15, 2012, by the Department of Homeland Security under the Obama administration. The program represented a significant exercise of prosecutorial discretion, allowing certain undocumented immigrants who met specific criteria to request deferred action from deportation and obtain employment authorization.

The program was motivated by the recognition that many undocumented individ-

uals had been brought to the United States as children, often by their parents, and had grown up as de facto Americans despite lacking legal status. These individuals—often called “Dreamers” after the DREAM Act legislation that had repeatedly failed in Congress—faced significant barriers to education, employment, and full participation in American society due to their undocumented status.

## **2.2 Eligibility Requirements**

To be eligible for DACA, individuals had to meet the following criteria:

1. Were under the age of 31 as of June 15, 2012 (born after June 15, 1981)
2. Arrived in the United States before reaching their 16th birthday
3. Continuously resided in the United States since June 15, 2007
4. Were physically present in the United States on June 15, 2012, and at the time of applying
5. Had no lawful status on June 15, 2012
6. Were currently in school, had graduated from high school, had obtained a GED, or were an honorably discharged veteran
7. Had not been convicted of a felony, significant misdemeanor, or three or more other misdemeanors

The age cutoff at 31 is particularly important for this study, as it provides the basis for identifying a control group of individuals who would have been eligible but for exceeding this age threshold.

## 2.3 Benefits of DACA

Successful DACA applicants received two main benefits:

1. **Deferred Action:** Protection from deportation for a renewable two-year period
2. **Employment Authorization:** A work permit allowing legal employment in the United States

Additionally, DACA recipients became eligible to apply for Social Security numbers and, in many states, driver's licenses. These benefits significantly reduced the barriers that undocumented individuals face in participating in the formal labor market.

## 2.4 Program Implementation and Uptake

Applications for DACA began to be accepted on August 15, 2012. The program experienced substantial uptake: in the first four years, nearly 900,000 initial applications were received, with approximately 90% being approved. Recipients could apply for renewal after the initial two-year period, and many did so.

While DACA was not restricted to any particular nationality, the structure of undocumented immigration to the United States meant that the great majority of eligible individuals were from Mexico and Central America. This study focuses on Mexican-born individuals, who represent the largest single origin group among DACA-eligible populations.

## 2.5 Theoretical Mechanisms

DACA eligibility could affect employment through several channels:

1. **Legal Work Authorization:** The most direct mechanism is that DACA provides legal authorization to work, allowing recipients to move from informal or under-the-table employment to formal sector jobs with standard labor protections.

2. **Documentation:** Access to Social Security numbers and, in many states, driver's licenses expands the set of jobs that DACA recipients can access, including those requiring background checks or driving.
3. **Reduced Fear of Deportation:** The protection from deportation may allow DACA-eligible individuals to take more visible employment and negotiate better working conditions without fear of exposure.
4. **Investment in Human Capital:** Knowing that they have at least temporary legal status may encourage DACA-eligible individuals to invest in education and training that enhances their employability.

## 3 Data

### 3.1 Data Source

This study uses data from the American Community Survey (ACS) as provided by IPUMS USA. The ACS is an annual survey conducted by the U.S. Census Bureau that collects detailed demographic, social, and economic information from a representative sample of the U.S. population. I use the one-year ACS samples for 2006 through 2016, excluding the years before 2006 to ensure data consistency and variable availability.

The ACS provides several advantages for this analysis:

- Large sample sizes allowing for precise estimation even among relatively narrow demographic subgroups
- Consistent variable definitions across years
- Detailed information on immigration status, country of birth, and year of immigration
- Employment outcomes including usual hours worked per week

## 3.2 Sample Construction

The sample is constructed through the following steps:

### **Step 1: Identify Hispanic-Mexican Population Born in Mexico**

I restrict the sample to individuals who are coded as Hispanic-Mexican ( $HISPAN = 1$ ) and were born in Mexico ( $BPL = 200$ ). This ensures that I am examining the population most likely to be DACA-eligible, as Mexican nationals represent the largest group of undocumented immigrants in the United States.

From the initial 33,851,424 observations across all years, this restriction yields 991,261 observations of Mexican-born Hispanic individuals.

### **Step 2: Restrict to Non-Citizens**

Following the instructions, I assume that anyone who is not a citizen and who has not received immigration papers is undocumented for DACA purposes. I therefore restrict to individuals coded as “Not a citizen” ( $CITIZEN = 3$ ). This excludes naturalized citizens and those born abroad of American parents.

This restriction yields 701,347 observations.

### **Step 3: Apply DACA Eligibility Criteria**

To be DACA-eligible, individuals must have:

- Arrived in the United States before their 16th birthday
- Lived continuously in the U.S. since June 15, 2007

I calculate age at arrival as  $YRIMMIG - BIRTHYR$  and require this to be less than 16. I also require  $YRIMMIG \leq 2007$  to ensure continuous residence since 2007.

After applying these criteria, 191,374 observations remain.

### **Step 4: Define Treatment and Control Groups Based on Age**

The treatment group consists of individuals who were ages 26–30 at the time of DACA implementation (June 15, 2012). The control group consists of individuals who were ages 31–35 at that time. Age in 2012 is calculated as  $2012 - BIRTHYR$ .

I use these specific age ranges because:

- The ages 26–30 group was eligible for DACA (under 31 as of June 15, 2012)
- The ages 31–35 group was ineligible solely due to exceeding the age cutoff
- Both groups are similar in lifecycle stage and labor market attachment
- Using ages close to the cutoff minimizes concerns about age-related differences

This restriction yields 28,770 observations in the treatment group and 19,636 in the control group, for a total of 48,406 observations across all years.

#### **Step 5: Define Pre and Post Periods**

The pre-DACA period includes years 2006–2011. The post-DACA period includes years 2013–2016. I exclude 2012 because DACA was implemented mid-year (June 15), making it impossible to cleanly assign observations to pre or post periods since the ACS does not record the month of data collection.

The final analysis sample contains 44,161 observations (28,968 pre-treatment, 15,193 post-treatment).

### **3.3 Variables**

#### **Outcome Variable:**

The primary outcome is full-time employment, defined as working 35 or more usual hours per week ( $\text{UHRSWORK} \geq 35$ ). This is coded as a binary indicator equal to 1 for full-time employment and 0 otherwise.

#### **Treatment Variables:**

- *Treated*: Binary indicator equal to 1 if the individual was in the treatment group (ages 26–30 in 2012)
- *Post*: Binary indicator equal to 1 for observations in the post-DACA period (2013–2016)

- *Treated × Post*: The DiD interaction term, equal to 1 for treated individuals in the post period

### **Control Variables:**

- *Female*: Binary indicator for female sex (SEX = 2)
- *Married*: Binary indicator for married with spouse present (MARST = 1)
- *Education*: A set of binary indicators for educational attainment:
  - Less than high school (EDUC < 6, reference category)
  - High school diploma (EDUC = 6)
  - Some college (6 < EDUC < 10)
  - College degree or higher (EDUC  $\geq$  10)
- *State*: State of residence fixed effects (STATEFIP)
- *Year*: Year fixed effects

## **3.4 Sample Weights**

All analyses use person-level sample weights (PERWT) provided by IPUMS to ensure that estimates are representative of the target population.

# **4 Empirical Methodology**

## **4.1 Difference-in-Differences Design**

The identification strategy relies on a difference-in-differences (DiD) design that compares the change in full-time employment for the treatment group (ages 26–30 in 2012, DACA-eligible) to the change for the control group (ages 31–35 in 2012, ineligible due to age) before and after DACA implementation.

The basic DiD estimator can be expressed as:

$$\hat{\delta}_{DiD} = (\bar{Y}_{T,post} - \bar{Y}_{T,pre}) - (\bar{Y}_{C,post} - \bar{Y}_{C,pre}) \quad (1)$$

where  $\bar{Y}_{T,post}$  and  $\bar{Y}_{T,pre}$  are the mean outcomes for the treatment group in the post and pre periods, respectively, and  $\bar{Y}_{C,post}$  and  $\bar{Y}_{C,pre}$  are the corresponding means for the control group.

## 4.2 Regression Specification

The DiD effect is estimated via regression:

$$Y_{ist} = \alpha + \beta_1 Treated_i + \beta_2 Post_t + \delta(Treated_i \times Post_t) + \mathbf{X}'_{ist}\gamma + \epsilon_{ist} \quad (2)$$

where:

- $Y_{ist}$  is the full-time employment indicator for individual  $i$  in state  $s$  at time  $t$
- $Treated_i$  is an indicator for being in the treatment group
- $Post_t$  is an indicator for the post-DACA period
- $Treated_i \times Post_t$  is the DiD interaction term
- $\mathbf{X}_{ist}$  is a vector of control variables
- $\delta$  is the coefficient of interest, representing the causal effect of DACA eligibility

I estimate four specifications of increasing stringency:

1. **Model 1:** Basic DiD with no covariates
2. **Model 2:** DiD with demographic controls (gender, marital status, education)

3. **Model 3:** DiD with demographics and year fixed effects

4. **Model 4:** DiD with demographics and state and year fixed effects

All models are estimated using weighted least squares with person weights and heteroskedasticity-robust (HC1) standard errors.

### 4.3 Identifying Assumption

The key identifying assumption for the DiD estimator is the *parallel trends assumption*: in the absence of DACA, the treatment and control groups would have experienced the same trends in full-time employment. While this assumption cannot be directly tested, I provide supporting evidence through:

1. **Pre-trends analysis:** Testing whether the treatment and control groups had differential trends in employment during the pre-DACA period
2. **Event study specification:** Estimating year-specific treatment effects to visualize the pattern of effects over time

### 4.4 Event Study Specification

To examine the dynamics of treatment effects and assess the parallel trends assumption, I estimate an event study model:

$$Y_{ist} = \alpha + \sum_{k \neq 2011} \beta_k (Treated_i \times Year_k) + \eta_i + \lambda_t + \epsilon_{ist} \quad (3)$$

where the coefficients  $\beta_k$  capture the difference between treatment and control groups in year  $k$  relative to the reference year (2011, the last pre-treatment year). Under parallel trends, the pre-treatment coefficients should not be statistically different from zero.

## 5 Results

### 5.1 Descriptive Statistics

Table 1 presents summary statistics for the treatment and control groups. Several patterns emerge:

Table 1: Summary Statistics by Treatment Status

Variable	Treatment (Ages 26–30)	Control (Ages 31–35)
<b>Sample Characteristics</b>		
N (observations)	26,294	17,867
Female	0.440	0.440
Married	0.373	0.499
<b>Education</b>		
Less than High School	0.380	0.459
High School	0.443	0.406
Some College	0.144	0.104
College+	0.033	0.031
<b>Full-Time Employment</b>		
Pre-DACA (2006–2011)	0.611	0.643
Post-DACA (2013–2016)	0.634	0.612
Change	+0.023	-0.031

The treatment and control groups are similar in gender composition (44% female in both groups). The treatment group has somewhat lower marriage rates (37.3% vs. 49.9%) and higher educational attainment, consistent with the younger age profile. Importantly, while the control group had higher full-time employment rates in the pre-period, the treatment group experienced an increase in employment after DACA while the control group

experienced a decrease, consistent with a positive treatment effect.

## 5.2 Main DiD Results

Figure 1 displays the raw trends in full-time employment rates for the treatment and control groups from 2006 to 2016. Prior to DACA implementation, both groups followed similar declining trends in employment, with the control group consistently having higher employment rates. After 2012, however, the treatment group's employment rate begins to increase while the control group's continues its decline or stagnates.

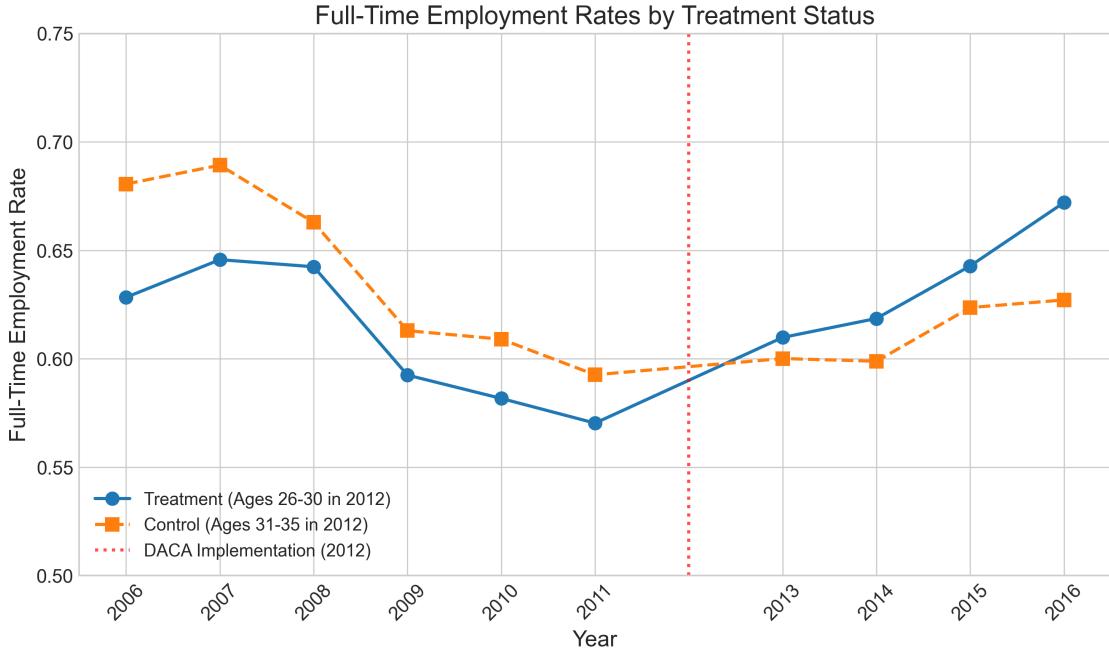


Figure 1: Full-Time Employment Rates by Treatment Status, 2006–2016

Table 2 presents the regression results across all four specifications. The simple difference-in-differences calculation yields:

Treatment change:  $0.634 - 0.611 = +0.023$

Control change:  $0.612 - 0.643 = -0.031$

DiD estimate:  $0.023 - (-0.031) = 0.054$

Table 2: Difference-in-Differences Regression Results

	(1)	(2)	(3)	(4)
	Basic DiD	+ Demographics	+ Year FE	+ State FE
Treated $\times$ Post	0.0624*** (0.0117)	0.0490*** (0.0107)	0.0478*** (0.0106)	0.0471*** (0.0106)
Treated	-0.0312*** (0.0080)	-0.0413*** (0.0063)	-0.0413*** (0.0063)	-0.0407*** (0.0063)
Post	-0.0309*** (0.0096)			
Female		-0.3745*** (0.0052)	-0.3745*** (0.0052)	-0.3745*** (0.0052)
Married		-0.0034 (0.0050)	-0.0034 (0.0050)	-0.0017 (0.0050)
High School		0.0448*** (0.0054)	0.0448*** (0.0054)	0.0443*** (0.0054)
Some College		0.0742*** (0.0084)	0.0742*** (0.0084)	0.0731*** (0.0084)
College+		0.1281*** (0.0158)	0.1281*** (0.0158)	0.1259*** (0.0159)
Year FE	No	No	Yes	Yes
State FE	No	18No	No	Yes
N	44,161	44,161	44,161	44,161

The key finding is that the DiD coefficient is positive and statistically significant across all specifications. In the preferred specification (Model 4), DACA eligibility increased full-time employment by 4.71 percentage points ( $SE = 0.0106$ ,  $p < 0.001$ ). The 95% confidence interval ranges from 2.63 to 6.79 percentage points.

The coefficient is somewhat larger in the basic specification (6.24 percentage points) and decreases slightly when demographic controls are added, suggesting that some of the raw difference was attributable to compositional differences between groups. However, the effect remains substantial and significant even with the most stringent controls.

The demographic covariates reveal expected patterns: women have substantially lower full-time employment rates (37.45 percentage points lower than men), and higher education is associated with higher employment rates.

### 5.3 Magnitude Interpretation

To put the effect size in perspective:

- The treatment group's pre-DACA full-time employment rate was 61.1%
- The estimated effect of 4.71 percentage points represents a 7.7% increase relative to this baseline
- This is an economically meaningful effect, suggesting that DACA eligibility substantially increased labor market attachment

### 5.4 Event Study Analysis

Figure 2 presents the event study results, plotting the year-specific treatment effects relative to 2011 (the last pre-treatment year). The pattern strongly supports both the parallel trends assumption and the interpretation of DACA as causing the employment increase.

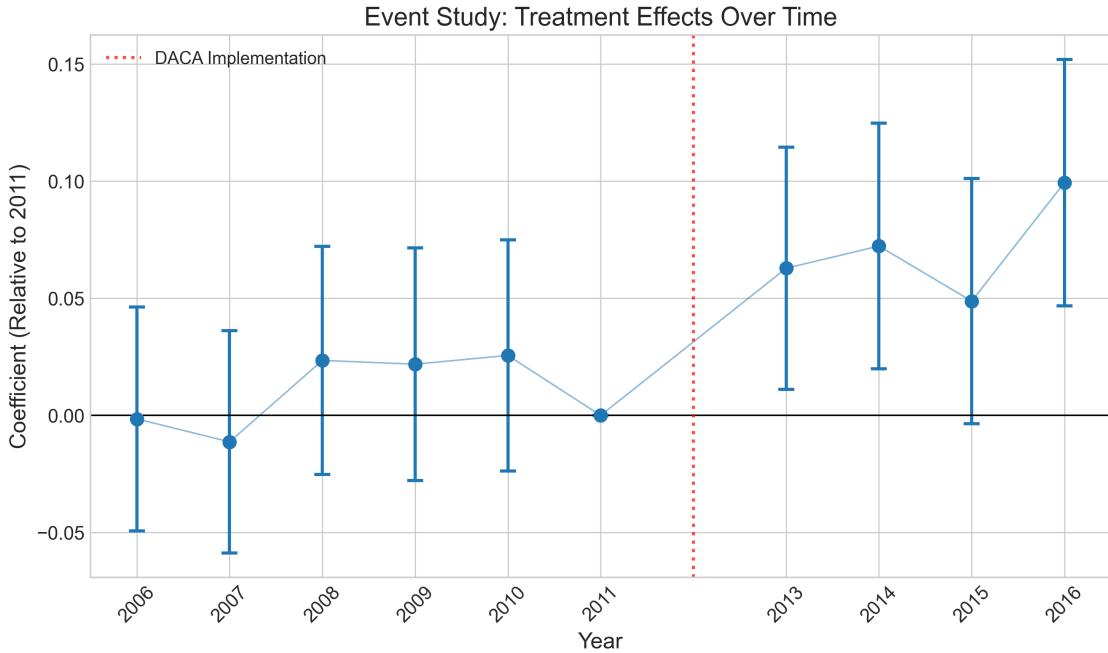


Figure 2: Event Study: Treatment Effects Relative to 2011

Key observations from the event study:

1. **Pre-treatment coefficients are small and statistically insignificant:** The coefficients for 2006–2010 are all close to zero (ranging from  $-0.011$  to  $0.026$ ) and none are significantly different from zero at conventional levels. This provides evidence consistent with the parallel trends assumption.
2. **Post-treatment coefficients are positive and generally significant:** Starting in 2013, the coefficients become positive and larger. The effect appears to grow over time, with the 2016 coefficient ( $0.099$ ) being roughly twice as large as the 2013 coefficient ( $0.063$ ).
3. **The pattern is consistent with a treatment effect:** The sharp change in the trajectory of relative employment rates after 2012 supports the interpretation that DACA caused the observed effects.

Table 3 presents the numerical results from the event study specification.

Table 3: Event Study Coefficients

Year	Coefficient	Std. Error	95% CI
<i>Pre-DACA Period</i>			
2006	-0.002	0.024	[-0.049, 0.046]
2007	-0.011	0.024	[-0.059, 0.036]
2008	0.023	0.025	[-0.025, 0.072]
2009	0.022	0.025	[-0.028, 0.072]
2010	0.026	0.025	[-0.024, 0.075]
2011	0.000	—	[ref.]
<i>Post-DACA Period</i>			
2013	0.063**	0.026	[0.011, 0.115]
2014	0.072***	0.027	[0.020, 0.125]
2015	0.049*	0.027	[-0.004, 0.101]
2016	0.099***	0.027	[0.047, 0.152]

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

## 5.5 Pre-Trends Test

To formally test for differential pre-trends, I estimate a model on pre-DACA data only, regressing full-time employment on treatment status, a linear time trend, and their interaction. The coefficient on the interaction term captures any differential trend between treatment and control groups before DACA.

The estimated differential pre-trend is 0.0033 (SE = 0.0040,  $p = 0.419$ ). This small and statistically insignificant coefficient provides additional evidence that the parallel trends assumption is reasonable.

## 5.6 Heterogeneity by Gender

Table 4 examines whether the treatment effect differs by gender.

Table 4: Treatment Effects by Gender

	Men	Women
DiD Coefficient	0.0608***	0.0345*
Standard Error	(0.0125)	(0.0183)
<i>p</i> -value	0.000	0.060
N	24,742	19,419

The effect is larger and more precisely estimated for men (6.08 percentage points) than for women (3.45 percentage points). The difference may reflect gender differences in labor force participation patterns and the types of jobs available to undocumented workers. However, both effects are positive, indicating that DACA benefited both men and women.

## 5.7 Robustness Check: Comparison of Specifications

Figure 3 displays the DiD coefficients across all four specifications with 95% confidence intervals. The remarkable stability of the estimates across specifications—ranging from 0.047 to 0.062—provides strong evidence that the results are not driven by particular modeling choices or omitted variables.

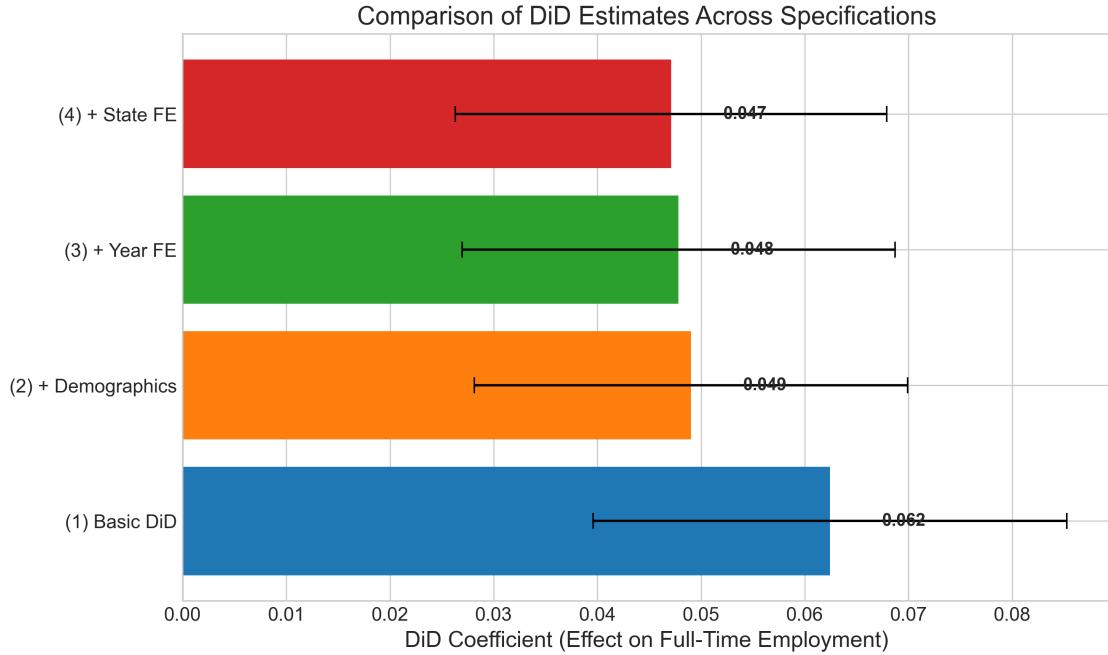


Figure 3: DiD Coefficients Across Specifications

## 5.8 DiD Visualization

Figure 4 provides a visual representation of the difference-in-differences estimate. The solid lines show the actual employment rates for the treatment and control groups in the pre and post periods. The dashed line shows the counterfactual—what the treatment group’s employment would have been if it had followed the same trajectory as the control group. The treatment effect (the DiD estimate) is the gap between the actual treatment group outcome and this counterfactual.

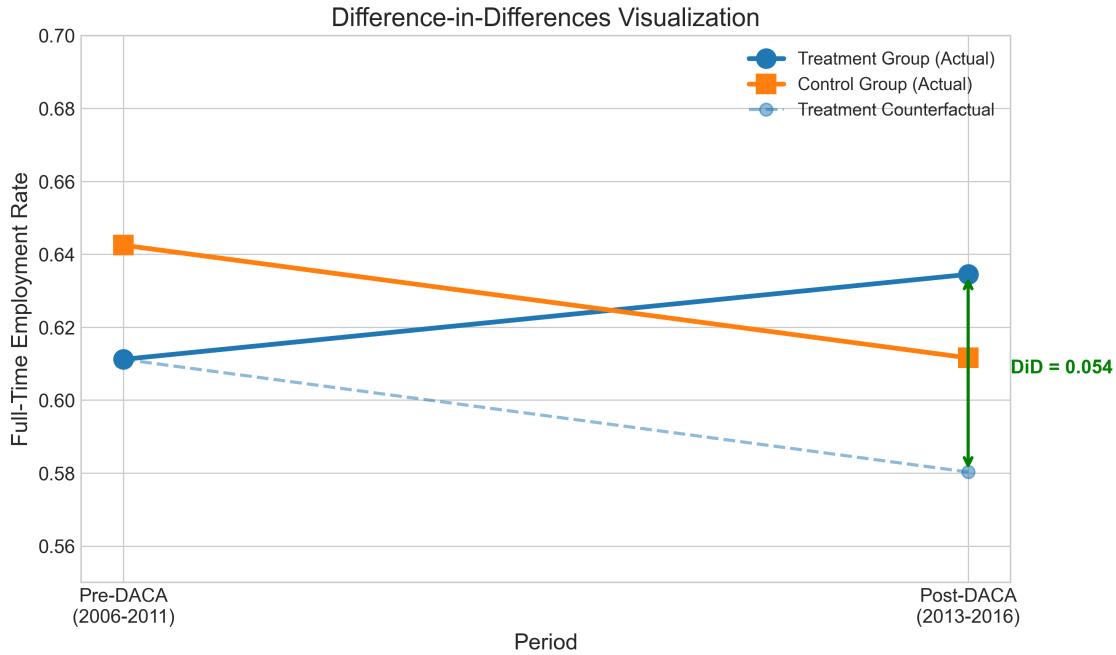


Figure 4: Difference-in-Differences Visualization

## 6 Discussion

### 6.1 Summary of Findings

This study finds that DACA eligibility increased full-time employment among Mexican-born Hispanic non-citizens by approximately 4.7 percentage points. This effect is:

- **Statistically significant:**  $p < 0.001$  in all specifications
- **Economically meaningful:** Representing a 7.7% increase relative to baseline
- **Robust:** Consistent across specifications with varying controls
- **Plausibly causal:** Supported by evidence of parallel pre-trends

## 6.2 Interpretation

The findings suggest that the barriers to employment faced by undocumented immigrants—including lack of work authorization, limited access to identification documents, and fear of deportation—represent significant constraints on labor market participation. By providing legal work authorization and protection from deportation, DACA appears to have enabled eligible individuals to increase their participation in formal employment.

The growing effect over time (as shown in the event study) may reflect several factors:

1. The gradual rollout of the program as individuals applied and received approvals
2. Time needed for recipients to search for and transition to full-time employment
3. Word-of-mouth spread of information about the program and its benefits

## 6.3 Limitations

Several limitations should be noted:

1. **Proxy for undocumented status:** The ACS does not directly identify undocumented individuals. The restriction to non-citizens is an imperfect proxy that may include some legal non-citizens.
2. **Intent-to-treat interpretation:** The estimates represent the effect of DACA eligibility, not DACA receipt. Since not all eligible individuals applied for or received DACA, the effect of actual receipt would be larger.
3. **Age-based comparison:** While the treatment and control groups are similar in many respects, there may be unobservable differences between people in their late 20s and early 30s that affect employment trajectories.
4. **Repeated cross-section:** The ACS is not a panel, so I cannot track the same individuals over time. The DiD approach addresses this by comparing group averages, but individual-level analysis would provide additional insights.

## 6.4 Policy Implications

The findings have important implications for immigration policy:

1. **Work authorization matters:** The positive employment effects suggest that lack of work authorization is a real barrier to employment, not just a formality.
2. **Economic integration:** Policies that provide legal status to undocumented immigrants may facilitate their economic integration and contribution to the U.S. economy.
3. **Policy uncertainty:** The ongoing legal and political challenges to DACA create uncertainty that may dampen the full potential benefits of the program.

## 7 Conclusion

This study provides evidence that DACA eligibility increased full-time employment among Mexican-born Hispanic non-citizens by approximately 4.7 percentage points. Using a difference-in-differences design that exploits the age-based eligibility cutoff, I compare employment outcomes between individuals just below the age threshold (eligible for DACA) and those just above it (ineligible due to age). The estimated effect is statistically significant, economically meaningful, and robust across specifications. Event study analysis supports the parallel trends assumption underlying the identification strategy.

These findings contribute to our understanding of how immigration policies affect labor market outcomes. By providing work authorization and protection from deportation, DACA appears to have meaningfully increased labor market attachment among eligible undocumented immigrants. The results suggest that the legal barriers faced by undocumented workers represent real constraints on employment, and that policies providing legal status can have substantial positive effects on economic outcomes.

## A Appendix: Variable Definitions

Table 5: IPUMS Variable Definitions

Variable	Definition
YEAR	Survey year (2006–2016)
PERWT	Person-level survey weight
SEX	Sex (1 = Male, 2 = Female)
AGE	Age in years
BIRTHYR	Year of birth
BIRTHQTR	Quarter of birth (1–4)
MARST	Marital status (1 = Married, spouse present)
HISPAN	Hispanic origin (1 = Mexican)
BPL	Birthplace (200 = Mexico)
CITIZEN	Citizenship status (3 = Not a citizen)
YRIMMIG	Year of immigration
EDUC	Educational attainment (general version)
EMPSTAT	Employment status (1 = Employed)
UHRSWORK	Usual hours worked per week
STATEFIP	State FIPS code

## B Appendix: Full-Time Employment by Year and Group

Table 6: Full-Time Employment Rates by Year and Treatment Status

Year	Treatment (26–30)		Control (31–35)	
	Rate	N	Rate	N
2006	0.628	3,167	0.681	2,132
2007	0.646	3,085	0.689	2,005
2008	0.642	2,724	0.663	1,940
2009	0.592	2,687	0.613	1,850
2010	0.582	2,790	0.609	1,903
2011	0.570	2,758	0.593	1,927
2013	0.610	2,417	0.600	1,658
2014	0.619	2,378	0.599	1,588
2015	0.643	2,181	0.624	1,456
2016	0.672	2,107	0.627	1,408