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Office of Inspector General—Office of Audit

**REPORT TO THE WAGE AND
HOUR DIVISION**



ADVISORY REPORT

REVIEW OF WHD EFFORTS TO ADDRESS CHILD LABOR LAW VIOLATION CHALLENGES

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INSPECTOR GENERAL'S REPORT

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This advisory report presents the results of the U.S. Department of Labor (Department or DOL) Office of Inspector General's (OIG) review of the Wage and Hour Division's (WHD) efforts to address challenges associated with enforcing child labor laws. The scope of this report was limited to: (1) gaining an understanding of those challenges and (2) gathering additional insights on WHD's child labor enforcement and outreach efforts. The work described in this report was a review, not an audit. We followed our internal procedures to ensure independence, due professional care, quality assurance, and the accuracy of the information presented. The information from this advisory report will assist the OIG's recently announced audit work¹ which will analyze these issues in greater detail by targeting areas of high risk and concern for further review and analysis. While the report has no recommendations, it was provided to agency officials for technical comments.

Based on national concern associated with rising child labor law² violations³, we conducted a review to answer the following question:

How has the Wage and Hour Division addressed challenges in enforcing child labor laws?

¹ Wage and Hour Division's Efforts to Protect Child Laborers, Project No. 09-P25-001-15-001 (July 31, 2025), available at : https://www.oig.dol.gov/public/oaprojects/Engagement%20Letter_WHD%20Child%20Labor%20Violations_073125.pdf

² The Fair Labor Standards Act sets wage, hours worked, and safety requirements for minors (individuals under age 18) working in jobs covered by the statute. The rules vary depending upon the particular age of the minor and the particular job involved. As a general rule, the FLSA sets the minimum age for employment at 14 years old and limits the number of hours worked by minors under the age of 16.

³ During our review period from FY 2019 to FY 2023, WHD saw an increase from 3,073 to 5,766 (88 percent) in the number of minors employed in violation of child labor laws (Figure 1). Further, during the same time period, WHD investigations revealed an increase from 3,748 to 7,624 (103 percent) in the number of child labor law violations (see Figure 2).

We determined WHD encountered several challenges in enforcing child labor laws, including resource constraints, communication barriers, and confusion caused by differences in state and federal child labor laws.

We reviewed actions WHD took between Fiscal Years (FY) 2019 and 2023 to curtail child labor law violations, including enforcement and outreach efforts. In particular, we reviewed laws, policies, procedures, news articles, and information within WHD's Wage and Hour Investigative Support and Reporting Database (WHISARD). We interviewed national and regional WHD officials and staff responsible for child labor law enforcement and investigations to determine: (1) challenges encountered enforcing child labor laws, (2) efforts to address these challenges, (3) best practices, and (4) suggestions for improving enforcement of these laws. Further, we interviewed state personnel and stakeholders from organizations including the OIGs for the U.S. Departments of Homeland Security, Health and Human Services (HHS), and Agriculture; the Economic Policy Institute; multiple state legislators; and DOL's Office of the Solicitor (SOL). We also conferred with DOL OIG's Office of Investigations regarding child labor matters.

To answer our objective, we focused on identifying WHD's efforts to curtail child labor law violations. For our review, WHD provided case data and child labor law violations by FY, region, and industry (see Exhibits 1 and 2). We used this information to target our work within regions where the data showed the most child labor law violations. Additionally, we analyzed the information and identified child labor law violation trends. Specifically, we noted significant increases in child labor law violations in FY 2023. WHD attributed this increase to their own heightened focus on targeting child labor law violations through their strategic enforcement initiative. The initiative led the agency to prioritize resources to investigate more child labor law violations. Based on the limited scope of this review, we did not confirm if this was the primary contributing factor. As such, there may be other causes for the increase in violations.

We learned WHD is leveraging its limited resources to enforce child labor laws through a multi-faceted approach that uses available tools and resources, as follows:

- sharing information with federal, state, and local entities in the form of a strategic enforcement initiative, a task force, and partnerships;
- targeting resources toward child labor investigations; and
- holding companies accountable for violating the law through the use of monetary penalties and other mechanisms.

However, we determined WHD encountered several challenges in enforcing child labor laws. First, resource constraints impacted WHD's ability to investigate child labor law violations and hold violators accountable for exploiting working minors. Further, we learned communication barriers between WHD investigators and employees of businesses under investigation have affected WHD's ability to enforce child labor laws. Additionally, differences in state and federal child labor laws have created confusion among employers about their responsibilities. Finally, the OIG is concerned with the handling of instances of possible labor trafficking of minors when encountered by WHD investigators in the field.

BACKGROUND

WHD was created with the enactment of the Fair Labor Standards Act (FLSA) and is responsible for the administration and enforcement of a wide range of laws that collectively cover virtually all private, state, and local government employment. WHD engages with workers, employers, and other stakeholders to ensure workers know their rights and employers understand their responsibilities. WHD investigates wages, hours, and other employment conditions to ensure workers receive the protections they are entitled to under the law. When violations are identified, WHD pursues back wages, liquidated damages, and civil money penalties to address and remedy the violations. WHD reviews child labor compliance as part of every FLSA investigation, investigates child labor complaints, and conducts agency-initiated child labor investigations.

Further, according to the DOL Office of the Assistant Secretary for Policy's webpage,⁴ the agency is uniquely positioned to detect potential human trafficking indicators during the normal course of investigations, make referrals to other agencies, and calculate restitution for victims when requested by the U.S. Department of Justice. Outlined in the December 2021 National Action Plan to Combat Human Trafficking,⁵ WHD participated in a federal interagency work group that developed best practices for federal officials. Specifically, the group developed practices to implement screening forms and protocols for federal officials who have the potential to encounter human trafficking victims in the course of their regular duties that do not otherwise have responsibilities that pertain to human trafficking. Finally, WHD participates in numerous anti-trafficking coordination teams and human trafficking task forces around the country to combat human trafficking and assist victims.

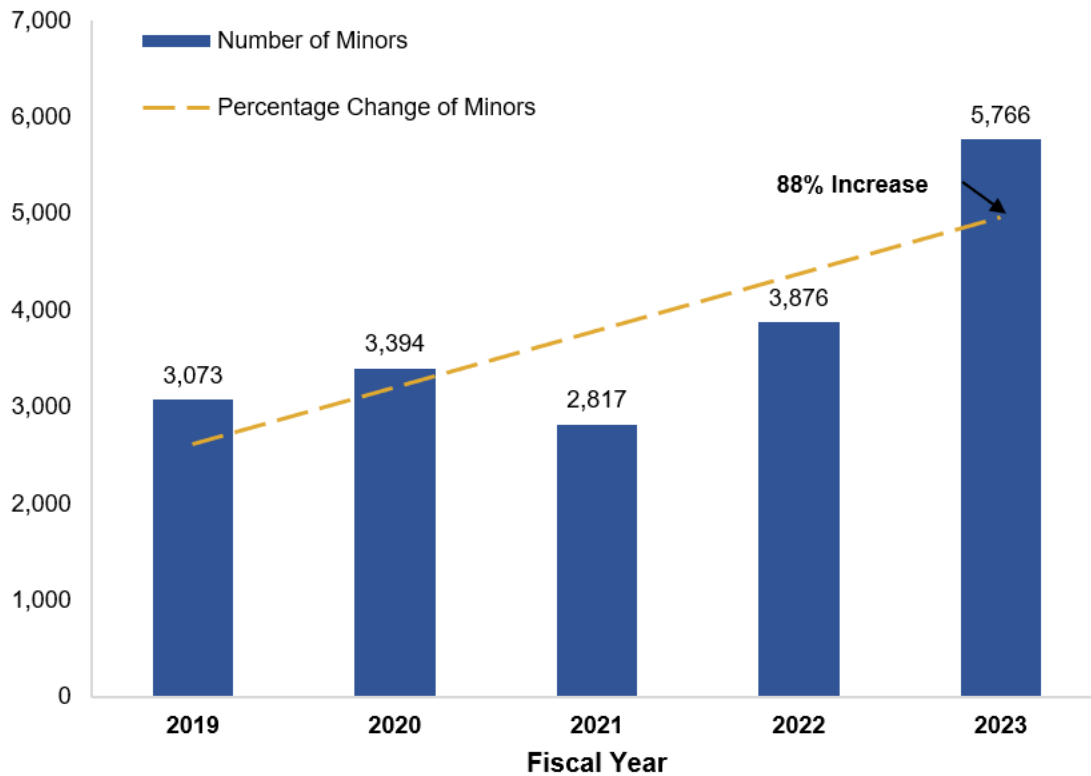
⁴ DOL, Office of the Assistant Secretary for Policy, webpage on Combatting Labor Exploitation and Human Trafficking, Wage and Hour Division, available at:

<https://www.dol.gov/agencies/oasp/resources/trafficking/whd>

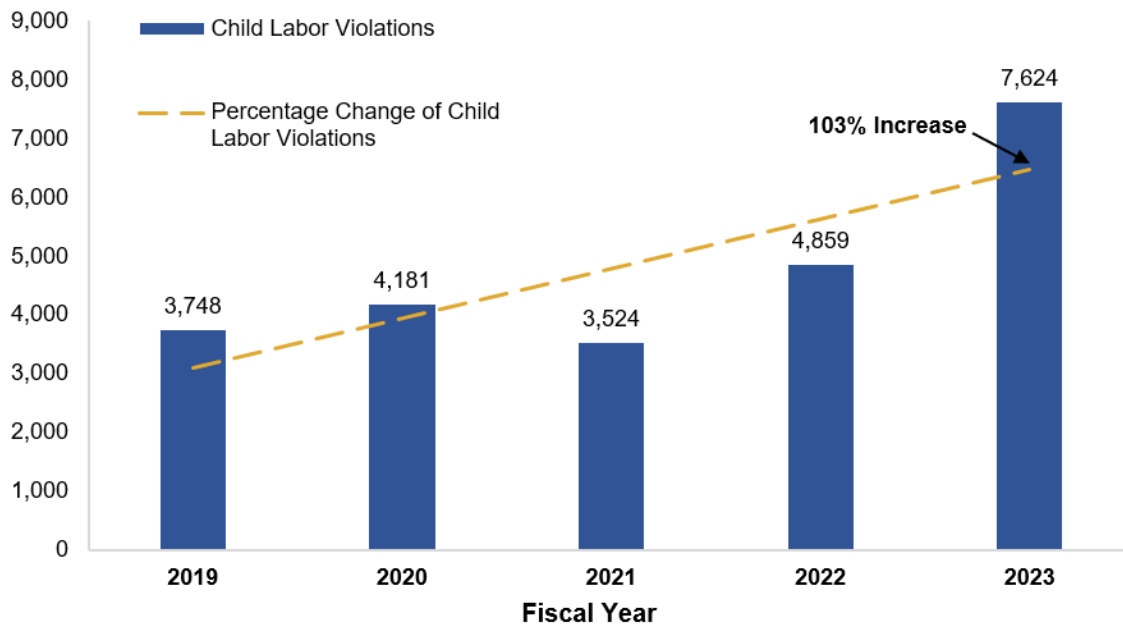
⁵ The White House, The National Action Plan to Combat Human Trafficking (December 2021), available at: <https://bidenwhitehouse.archives.gov/wp-content/uploads/2021/12/National-Action-Plan-to-Combat-Human-Trafficking.pdf>

During our review period from FY 2019 to FY 2023, WHD investigations identified an increase from 3,073 to 5,766 (88 percent) in the number of minors employed in violation of child labor laws (Figure 1). Further, during the same time period, WHD investigations revealed an increase from 3,748 to 7,624 (103 percent) in the number of child labor law violations (see Figure 2).

Figure 1: Number of Minors Employed in Violation of Federal Child Labor Laws by Fiscal Year



Source: Compiled by the OIG using case data provided by WHD

Figure 2: Child Labor Law Violations by Fiscal Year

Source: Compiled by the OIG using case data provided by WHD

Additionally, ongoing child labor law violation issues were highlighted in several recent news articles. ABC News reported⁶ that, after a national poultry company was found responsible for a 2023 work-related death of a minor, on May 1, 2024, DOL investigators again found child laborers working on the company's dangerous kill floor. Further, a December 2023 USA Today article⁷ reported on DOL investigators' discovery of child labor law violations at another poultry processor. In response to the investigators' findings, the company agreed to pay \$3.8 million in back wages and penalties for employing minors to use sharp knives and power equipment. Also, investigators found the company did not pay overtime wages and retaliated against employees who engaged with investigators.

⁶ Romero, Laura, "Poultry Company Responsible for Teen's 2023 Death Found to Have 'Oppressive Child Labor' at Separate Plant: DOL," ABC News (May 21, 2024), available at: <https://abcnews.go.com/US/minors-found-working-alabama-poultry-plant-16-year/story?id=110418225>

⁷ Lagatta, Eric, "Kids Used Sharp Knives, Power Equipment: California Poultry Plant to Pay \$3.5M Fine," USA Today (December 6, 2023), available at: <https://www.usatoday.com/story/money/2023/12/06/california-poultry-processor-fined-child-labor/71822904007/>

RESULTS

We determined WHD encountered several challenges in enforcing child labor laws, including resource constraints, communication barriers, and confusion caused by differences in state and federal child labor laws. Further, we learned WHD is leveraging its limited resources to enforce child labor laws through a multi-faceted approach that uses available tools and resources, as follows:

- sharing information with federal, state, and local entities in the form of a strategic enforcement initiative, a task force, and partnerships;
- targeting resources toward child labor investigations; and
- holding companies accountable for violating the law through the use of monetary penalties and other mechanisms.

However, WHD encountered several challenges in enforcing child labor laws. This is problematic considering, during our FY 2019 to FY 2023 review period, WHD investigations revealed child labor law violations increased by 103 percent (see Figure 2). First, resource constraints impacted WHD's ability to investigate child labor law violators and hold them accountable for exploiting working minors. Further, we learned communication barriers—including indigenous languages not covered by translation services or available staff—between WHD investigators and employees of businesses under investigation have affected WHD's ability to enforce child labor laws. Additionally, differences in state and federal child labor laws have created confusion among employers about their responsibilities. Specifically, we learned that state actions to strengthen or weaken child labor law protections have led to misunderstandings among employers. Finally, the OIG is concerned with the handling of instances of possible labor trafficking of minors when encountered by WHD investigators in the field.

WHD IS LEVERAGING LIMITED RESOURCES

We learned WHD is leveraging its limited resources to combat child labor exploitation through data driven and cross-cutting efforts, including a strategic enforcement initiative, a task force, partnerships, and monetary penalties.

Strategic Enforcement Initiative

In February 2023, DOL announced a strategic enforcement initiative⁸ to help determine where to target child labor law enforcement and allocate WHD's investigative resources by identifying, preventing, and addressing the most extreme forms of illegal child labor. The initiative uses data-driven, worker-focused strategies to initiate investigations where child labor law violations are most likely to occur. It is designed to achieve the greatest impact through seeking enterprise-wide or geographic based compliance, compliance throughout supply chains, and corporate responsibility to ensure children are not exploited or put in harm's way in the workplace. Through this initiative, investigations are focused on priority industries and/or geographic areas where WHD has historically had a lower enforcement presence. Moreover, WHD finds strategic opportunities through previous investigations to conduct unannounced agency-initiated investigations and identify vulnerable workers that would otherwise not file complaints.

Interagency Task Force to Combat Child Labor Exploitation

Also in February 2023, DOL spearheaded the creation of the Interagency Task Force to Combat Child Labor Exploitation.⁹ The task force participants include the U.S. Departments of Agriculture, Commerce, Education, Health and Human Services, Homeland Security, Justice, and State. The task force established a government-wide strategy to enhance federal efforts to protect children from exploitation in the workplace. The task force expanded collaborative efforts and information sharing among federal, state, and local government agencies working to advance the health, education, and well-being of working children. Agencies on the task force conduct training and outreach together to communicate and educate the public on ways to keep working children safe. For example, DOL and the U.S. Department of State have briefed ambassadors and embassy leadership from Colombia, El Salvador, Guatemala, Honduras, and Mexico on efforts to combat exploitative child labor in the U.S., including of migrant children. The agencies continue to share resources and tools with consulates to further educate migrant communities.

⁸ U.S. Department of Health and Human Services, "Departments of Labor and Health and Human Services Announce New Efforts to Combat Exploitative Child Labor," press release (February 27, 2023)

⁹ DOL, Office of the Secretary, "Department of Labor, Interagency Task Force Announce Recent Actions to Combat Exploitative Child Labor With New Partnerships, Innovative Tactics, Ramped Up Enforcement," press release (July 27, 2023), available at: <https://www.dol.gov/newsroom/releases/osec/osec20230727>

Partnerships for Outreach and Information Exchange

DOL and the U.S. Department of Justice (DOJ) are partnering through the Legal Orientation Program for Custodians of Unaccompanied Children to educate custodians of unaccompanied children on federal child labor laws and protections through materials and information provided during orientations. DOL and DOJ are also collaborating to educate DOJ's Office for Victims of Crime grant recipients and stakeholders to ensure service providers for victims of crime have: (1) greater awareness about exploitative child labor, (2) information on how to report suspected child labor law violations, and (3) resources to share with their clients and communities.

Similarly, WHD has established partnerships and developed relationships with local stakeholders, community groups, external entities, state associations, and federal agencies to strengthen outreach efforts and exchange information pertaining to the safety of working minors. For example, in March 2023, WHD and HHS' Administration for Children and Families (ACF) established a Memorandum of Agreement to encourage greater communication through information sharing, training, and education to identify instances of child labor exploitation and child labor trafficking. The purpose of the Memorandum of Agreement is to maximize the enforcement of FLSA child labor protections and connect individuals to needed benefits and services.

Additionally, ACF management stated they meet regularly with WHD to discuss data trends and specific cases. Further, WHD and ACF have developed new outreach materials and training to improve protection and response efforts for children at risk of exploitation. If WHD discovers indications of forced labor or labor trafficking during the course of an investigation, they work directly with HHS ACF's Office of Refugee Resettlement and Office on Trafficking in Persons to verify birthdates of minors and make referrals.

Use of Civil Money Penalties and “Hot Goods” Provision to Deter Violations

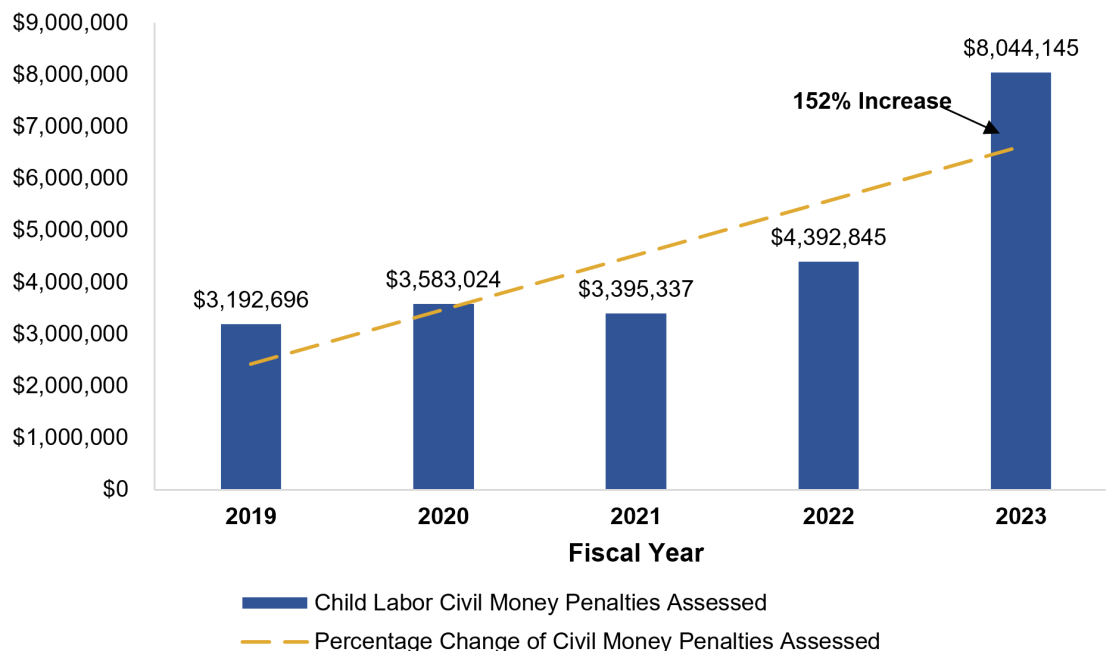
In November 2023, to further address child labor enforcement efforts, WHD released guidance on Civil Money Penalty (CMP) assessment procedures. The new guidance changed the way WHD calculates CMPs to a per violation, rather than a per child, basis. The CMP assessment procedures aim to hold companies accountable for violating the law and ensure WHD is appropriately and consistently using its full authority in every child labor enforcement action. CMPs are paid by employers directly to the U.S. Department of the Treasury.

While meeting with SOL, officials shared that the per violation calculation led to a higher total amount of penalties. We were told, despite initial concerns that higher penalties might lead to more contested cases, most cases were resolved without extensive litigation. SOL stated the change in CMP assessments served

as a powerful deterrent, changed employer behavior, and, ultimately, supported community efforts to prevent child labor.

Further, this increased leverage has allowed for the use of new types of enforcement tools to deter child labor law violations, such as “disgorgement of profits,”¹⁰ which had not been used effectively until recently. Disgorgement of profits has been applied by district courts, especially in cases involving unaccompanied minors. The aim is not only to penalize employers but also to support the affected minors through educational or community initiatives. From FY 2019 to FY 2023, WHD saw an increase from \$3,192,696 to \$8,044,145 (152 percent) in assessed child labor CMPs (see Figure 3).

Figure 3: Child Labor Civil Money Penalties Assessed by Fiscal Year



Source: Compiled by the OIG using case data provided by WHD

WHD has also begun seeking corrective actions for violations throughout the supply chain and will scrutinize companies conducting business with employers who use illegal child labor. Under the “hot goods” provisions of FLSA, DOL can

¹⁰ According to DOL, “Disgorgement is an equitable remedy requiring a party who profits from illegal or wrongful acts to give up their ill-gotten gains, that is, any profits they made as a result of that illegal or wrongful conduct. WHD has, for instance, reached agreements with employers that place the profits attributable to the sale of goods produced in violation of federal child labor laws into a fund to provide restitution for or to otherwise benefit, children who were employed in oppressive child labor.” DOL, Report to Congress: Enforcement of the Child Labor Provisions of the Fair Labor Standards Act (November 2024), available at: https://www.dol.gov/sites/dolgov/files/WHD/child-labor/child-labor-report-congress_2023-2024.pdf

hold companies accountable for violating the law by seeking a court order to prevent the interstate shipment of goods that: (1) were produced in violation of the minimum wage or overtime provisions of FLSA¹¹ or (2) were produced in an establishment in or about which oppressive child labor occurred.¹² In August 2023, WHD issued guidance¹³ to field staff regarding enforcement of the “hot goods” provision connected to an establishment in or about which oppressive child labor occurred. In addition, WHD may assess CMPs to violators of the provision before lifting objections to the shipment of “hot goods.”

RESOURCE CONSTRAINTS

To understand WHD’s challenges enforcing child labor laws, we interviewed WHD investigative officials and staff. Through these interviews, we learned that many of the enforcement challenges identified by the interviewees stemmed from resource constraints, such as:

- Insufficient investigative staff to meet the current volume of child labor complaints and further explore the extent of child labor law violations.
- An aging workforce that is dwindling through natural attrition, making it difficult to maintain institutional knowledge.
- Insufficient financial resources to modernize outdated information technology systems and invest in technological tools to create efficiencies.
- Increased challenges resulting from encountering vulnerable workers whose first language is not English, leaving workers uninformed of their rights and protections.

During our review period, WHD saw its approved annual budget—compared to its requested annual budget—come in at approximately \$1 million less in FY 2019 and then increase by \$9.4 million and \$1.7 million more than requested, respectively, in FY 2020 and FY 2021. However, in FY 2022 and FY 2023, WHD’s approved annual budget was \$25.5 million and \$47.7 million less than requested, respectively (see Table 1).

¹¹ 29 U.S.C. § 215(a)(1)

¹² 29 U.S.C. § 212(a)

¹³ WHD, Field Assistance Bulletin No. 2023-3: Prohibitions Against the Shipment of “Hot Goods” Under the Child Labor Provisions of the Fair Labor Standards Act (August 31, 2023), available at: <https://www.dol.gov/sites/dolgov/files/WHD/fab/2023-3.pdf>

Investigative Resource Challenges

Investigative resource challenges hinder WHD's enforcement of child labor laws. Notably, we identified impacts of resource limitations in the areas of staffing, information technology, and outreach.

Staffing Challenges

WHD considers the amount of funding appropriated each year and develops its hiring plan by balancing its affordable full-time equivalent (FTE) level with its mission needs. Budget requests are based on enforcement and other agency needs. In its requests, WHD takes into account the number of FTEs that could be on-boarded, trained, and effectively equipped in a year. According to WHD officials, their fundable FTE levels have decreased over the last 10 years.

Between FY 2010 and FY 2019, WHD lost 12 percent of its staff. During our review period, WHD had 780 investigators in FY 2019 and by FY 2023, this number had dropped to 733 investigators (see Table 1). In an April 2023 Bloomberg's Daily Labor Report article,¹⁴ it was reported that an effort to target rising child labor law violations was being weighed down by long-term staffing shortages at WHD. At the end of FY 2023, WHD had approximately 720 investigators, the lowest number the agency had seen in years.

¹⁴ Rainey, Rebecca, "Wage and Hour Staff Crunch May Hinder DOL Child Labor Crackdown," Bloomberg's Daily Labor Report (April 11, 2023), available at: https://epublic.oig.dol.gov/drupal/sites/default/files/2023-04/DLR_Wage%20and%20Hour%20Staff%20Crunch%20May%20Hinder%20DOL%20Child%20Labor%20Crackdown.pdf

Table 1: WHD Budget and Staffing by Fiscal Year

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Annual Budget Request	\$230,068,000	\$232,568,000	\$244,283,000	\$276,500,000	\$307,678,000
Annual Budget Approval	\$229,000,000	\$242,000,000	\$246,000,000	\$251,000,000	\$260,000,000
Annual Budget Request FTEs	1,393	1,304	1,387	1,515	1,556
Annual Budget Approval FTEs	1,297	1,382	1,340	1,260	1,267
Number of Investigators	780	823	782	772	733

Source: WHD

According to WHD leadership, “WHD investigates all actionable child labor exploitation referrals and complaints where credible evidence is received. Given resources, WHD rigorously prioritizes which enforcement tools are most appropriate given the case circumstances.” However, resource constraints can impact WHD’s ability to investigate child labor law violators and hold them accountable for exploiting working minors, including minors at risk of potential labor trafficking activity at work sites. This is problematic considering, during our FY 2019 to FY 2023 review period, WHD investigations revealed child labor law violations increased by 103 percent (see Figure 2). Lastly, according to WHD, when resources are reallocated to address the child labor crisis, this strains resources for other program areas.

Information Technology Challenges

In our interviews, some investigative officials noted their capacity to conduct investigations is limited by WHD’s outdated information technology systems and the absence of investigative software. Specifically, these investigators stated the ability to streamline the labor-intensive investigative process is limited by: (1) an absence of investigative software to retrieve and process records and (2) an inadequate research database and tools. These technological inefficiencies may increase the workload of investigative staff and limit the number of child labor law violation investigations WHD can conduct, thereby placing more children at risk.

Outreach Challenges

In our interviews, some investigative officials voiced concerns about not having written outreach materials (e.g., pamphlets) in needed languages. According to WHD National Office officials, numerous publications exist in other languages, including resources for workers and employers, fact sheets, forms, and posters. The WHD investigators we interviewed were concerned that when the materials are not presented in a language vulnerable workers understand, they do not adequately inform workers of their rights and protections. As a result of these language limitations, the effectiveness of WHD's outreach could be limited and investigative staff may be unable to fully protect these workers.

COMMUNICATION BARRIERS

Through our interviews with WHD investigators, another challenge WHD employees raised in enforcing child labor laws is the general distrust employees of investigated companies can have of the United States government. Employees can be fearful of retaliation when communicating with WHD as they may not be familiar with WHD's mission and the protections provided to minors. Likewise, minors may be afraid and do not know what they should reveal when communicating with an investigator.

For instance, while WHD is not focused on enforcing immigration laws—and immigration status does not impact WHD's decision to investigate potential employers—an investigator we interviewed described how employees are fearful of jeopardizing their immigration status if they cooperate with WHD. However, if employees understand that WHD investigators are there to help employees preserve their labor law entitlements, then employees may feel more at ease cooperating with WHD investigators.

Through our interviews with WHD investigative staff, we also learned WHD currently has a limited number of multilingual investigative staff. According to WHD National Office officials, the number of multilingual investigative staff varies by district office, despite more than 40 percent of investigators speaking at least one language in addition to English. District offices use the agency's language line—which translates approximately 188 languages—or rely on staff from other district offices who have the needed language skills. In some cases involving child labor, investigators have encountered indigenous languages not covered by translation services or available staff. Having the ability to exchange information in multiple languages is critical for developing these cases and communicating with vulnerable workers whose primary language is not English.

WHD's ability to overcome language barriers affects how WHD investigators engage with employees of businesses under investigation, and may result in delays to ongoing investigations. Any delay to an investigation, either due to language barriers or hesitancy about communicating with WHD investigators, leaves minors susceptible to having their employment rights violated. Effective communication is critical for WHD investigators who are educating working minors on their rights and protections to keep them safe. Further, when employees of investigated companies are unfamiliar with WHD's mission, they may continue being distrustful of the agency's intentions. This distrust makes it harder to keep minors away from unsafe or inappropriate working conditions. Additionally, when an employee is distrustful of WHD, they will be less likely to file a complaint or cooperate during an investigation, making it more difficult to hold employers accountable for violations of child labor laws.

WHD's Use of Outreach to Educate on Child Labor Laws

WHD uses various outreach strategies to determine the most effective methods to educate the public on child labor laws. The agency's communication strategies are coordinated at the WHD National Office and include strategic use of social media and mobile applications. Social media is managed at the national level with policy set by DOL's Office of Public Affairs. Information involving child labor law violations has been featured across social media and WHD routinely posts information from press releases highlighting case outcomes, compliance assistance, and worker resources. Additionally, WHD has partnerships with other federal agencies and educational organizations to enhance outreach. WHD stated that these partnerships have enabled them to build trust, share relevant resources, and ensure communities receive up-to-date information on federal child labor protections.

CONFUSION BETWEEN FEDERAL AND STATE LAWS

Both federal and state child labor laws govern the employment of workers under the age of 18. We learned some states have implemented—and other states are currently pursuing—legislation that loosens state-specific child labor protections by aligning their more restrictive state child labor laws with FLSA. Further, during the time period covered by this report, one state enacted a law that reduces their state child labor laws below FLSA. Specifically, Iowa passed a law¹⁵ adjusting

¹⁵ S.F. 542, 90th Gen. Assemb., 2023-2024 Leg. Sess. (Ia. 2023), available at: <https://www.legis.iowa.gov/legislation/BillBook?ba=SF542&ga=90>

work hours for 14- and 15-year-old children that exceeds the FLSA threshold.¹⁶ At a minimum, states must provide child labor protections equal with those outlined in FLSA.¹⁷

In contrast, some states are pursuing stronger state child labor laws that are more protective than what the FLSA provides. As established within FLSA, federal wage and hour laws do not prohibit more protective state and local wage and hour laws. In these instances, employers must comply with whichever labor standards law is most protective of working minors.

We learned the differences between state and federal child labor laws can create confusion among employers about their responsibilities. While WHD has attempted to address confusion between federal and state child labor law violation provisions, employers' confusion around which laws to follow remains. Compounding employer confusion, there are instances where neither federal nor state law places limitations on the employment of children of a certain age. For instance, FLSA does not provide maximum daily and weekly hour restrictions for 16- and 17-year-olds. Similarly, 30 states do not provide such restrictions, meaning 16- and 17-year-old minors in those states can legally work at any time day or night, even during the school year (see Table 2). This exemplifies the challenges faced by employers and minors in discerning which laws to follow.

¹⁶ Iowa SF 542 states: (1) 14- and 15-year-olds are permitted to work until 9pm when school is in session (as compared to FLSA, which states 7pm) and until 11pm during the summer (as compared to FLSA, which states 9pm), (2) 14- and 15-year-olds can work up to 28 hours in any 1 week when school is in session (as compared to FLSA, which states 18 hours), and (3) 14- and 15-year-olds can work up to 6 hours in 1 day when school is in session (as compared to FLSA, which states 3 hours).

¹⁷ During our field work, we reached out to Iowa state legislators but did not receive a response.

Table 2: States with No Maximum Daily and Weekly Hour Restrictions for 16- and 17-Year-Old Working Minors

Alabama	Mississippi	South Carolina
Arizona	Missouri	South Dakota
Georgia	Montana	Tennessee
Hawaii	Nebraska	Texas
Idaho	Nevada	Utah
Illinois	New Mexico	Vermont
Iowa	North Carolina	Virginia
Kansas	North Dakota	West Virginia
Louisiana	Ohio	Wisconsin
Minnesota	Oklahoma	Wyoming

Source: WHD webpage, “Selected State Child Labor Standards Affecting Minors Under 18 in Non-farm Employment as of June 13, 2024”

Some States Sought to Weaken State Child Labor Law Protections

Based on communication with three state legislators seeking to change child labor laws, we learned there are certain states with current child labor laws more restrictive than the federal protections outlined in FLSA. Some of those states sought to align their state child labor laws with FLSA, which would require changing current laws to weaken protections. An Ohio senator attributed changes to child labor laws—including weakened protections—to the country’s severe labor shortages. Further, in an interview with an economic analyst from the Economic Policy Institute, we learned that, since 2021, 30 states have introduced bills to weaken child labor protections with 16 new bills introduced in 2024 alone. Similarly, according to a March 2023 Economic Policy Institute article,¹⁸ from 2021 to 2023, four states passed laws rolling back child labor protections (Arkansas, Iowa, New Hampshire, and New Jersey).

An example of efforts to weaken state child labor law protections comes from a Minnesota senator who introduced bill SF-375¹⁹ to align the state’s child labor laws with FLSA requirements. Our review of bill SF-375 and interview with the senator found that, in this case, Minnesota sought to weaken the state’s child labor protections because their current laws are more restrictive than FLSA.

¹⁸ Mast, Nina, “Child Labor Laws are Under Attack in States Across the Country,” Economic Policy Institute (March 14, 2023), available at: <https://www.epi.org/publication/child-labor-laws-under-attack/>

¹⁹ S.F. 375, 93rd Leg., 2023-2024 Sess. (Mn. 2023), available at: <https://legiscan.com/MN/bill/SF375/2023>

Current Minnesota child labor laws prohibit workers under the age of 18 from working on construction or building projects of any size. Conversely, FLSA allows for 16- and 17-year-old children to perform limited work in construction with prohibitions on tasks such as operating forklifts, cranes, hoists, or elevators. Bill SF-375 would have allowed 16- and 17-year-olds to work in construction while maintaining prohibitions on hazardous tasks. The sponsor stated SF-375 aimed to expose young people to trades as alternative career paths to college and to provide opportunities in construction. Furthermore, the sponsor conveyed the bill could help address the demographic gap in Minnesota's contracting workforce created by the retirement of many older workers without enough younger workers to fill the gap. As stated by the Minnesota senator, the goal of the bill was to enable career opportunities, especially in urban areas where exposure to such trades might be limited. While the bill was not passed, its introduction demonstrated Minnesota sought to weaken the protections of their child labor mandates.

Another example comes from Florida Senate Bill (SB) 918.²⁰ According to an April 2025 Forbes article, lawmakers are advancing the bill aimed to loosen restrictions on teen work hours in their state. The state already passed a law last year allowing parents, guardians, or school superintendents to waive the 30-hour work week limit for 16- and 17-year-old children during the school year. SB 918 would go further to allow 16- and 17-year-olds to work more than 8 hours on school nights and over 30 hours a week during the school year, without mandated breaks. Additionally, the bill would remove restrictions on overnight work for 14- and 15-year-old children who are homeschooled, attend virtual school, or have graduated high school. Bill supporters argue SB 918 aligns the state's labor laws with FLSA and empowers parents to make decisions for their children. Conversely, opponents are concerned with potential exploitation, sleep deprivation, and academic decline for affected young workers. Furthermore, these opponents are concerned with endangering teens' health, education, and mental well-being—particularly as mental health statistics for 14- to 17-year-olds show a rise in depression, anxiety, and suicidal ideation.²¹

Some States Sought to Strengthen Their State Child Labor Laws

Conversely, other states appeared to be pursuing legislation to strengthen protections beyond those provided by FLSA. In our interview with an economic analyst from the Economic Policy Institute, we learned some states are addressing increased child labor law violations by proposing legislation to

²⁰ S.B. 918, 2025 Leg., Reg. Sess. (Fl. 2025), available at: <https://legiscan.com/FL/text/S0918/id/3131455>

²¹ Melville, Doug, "Florida's SB 918 Proposes Rolling Back Child Labor Laws for 14+ Year Olds. Fair or Too Fast?," Forbes (April 1, 2025), available at: <https://www.forbes.com/sites/dougmelville/2025/04/01/floridas-sb-918-proposes-rolling-back-child-labor-laws-for-14-year-olds-fair-or-too-fast/>

strengthen the laws designed to safeguard working children. In 2023, 11 states introduced legislation to strengthen child labor protections and, since the beginning of 2024, 14 more states²² have followed suit. For example, Missouri's proposed House Bill 960²³ would prohibit 16- and 17-year-old children from working after 10 p.m. on school nights. This is more protective than FLSA standards, which do not provide time protections to working 16- and 17-year-olds.

Differences Between State and Federal Child Labor Laws Created Confusion Among Employers Around Responsibilities

During interviews with WHD officials, we were told that a major enforcement challenge stems from investigated companies' confusion when a state has both federal and state child labor provisions. They also identified challenges in trying to keep working minors safe in states that do not offer child labor protections outside of those specified under FLSA. If a state does not have its own child labor laws, sole enforcement responsibility for child labor protections falls to WHD's investigators.

In an effort to remedy employer confusion around child labor law requirements, WHD sent a letter in July 2023 to every state's labor office, or its equivalent, recommending that the state include language on its website and in compliance assistance materials explaining the relationship between federal child labor requirements and its state law. Additionally, according to WHD officials, to address employer confusion, the agency conducts outreach activities to raise public awareness of child labor laws; makes connections with public groups; and builds relationships with employers, school districts, and minors.

During our review, we learned that, as of November 2024, WHD had established Memorandums of Understanding (MOU) with 46 of 54 states and territories that strengthen collaboration on child labor protections. These partnerships provide data sharing, referrals, coordinated enforcement, joint outreach, and compliance assistance. Specifically, according to WHD officials, the partnerships increase WHD's impact and the corresponding benefits for businesses and workers. Further, at the district office level, WHD works with states to refer information and discuss child labor trends. WHD also engages with state and local partners through events like the Labor Standards Agency Forum, roundtables, and joint task forces. For example, Missouri and DOL established a MOU that allows for case referrals between the agencies when necessary. Nonetheless, as explained by WHD, MOUs are based on relationships and are not required to be

²² The 14 states are Arizona, California, Colorado, Georgia, Illinois, Iowa, Maryland, Nebraska, New Jersey, New York, Ohio, Rhode Island, Virginia, and Wisconsin.

²³ H.B. 960, 2023 Leg., Reg. Sess., (Mo. 2023), available at: <https://legiscan.com/MO/bill/HB960/2023>

established. As a result, there are currently eight states and/or territories without MOUs.²⁴

WHD officials told us, despite WHD’s mitigating efforts through letters sent to the states and territories, outreach, and the establishment of MOUs, employers remain confused about which state, territory, and/or federal child labor laws they must comply with. Differences between state and federal laws create confusion and make it more difficult for employers to identify which laws they need to follow. As a result, these differences can increase the likelihood that some employers may unintentionally violate provisions by not following the prevailing law. For example, a July 2024 We Are Iowa article²⁵ reported the Iowa Governor wrote DOL a letter requesting reconsideration and renegotiation of fines against Iowa small businesses facing closure due to discrepancies in state law versus federal law. Specifically, federal law permits 14- and 15-year-old children to work until 7pm on school days while state law permits 14- and 15-year-olds to work until 9pm. The fined Iowa businesses were penalized for following state, not federal, law.

LABOR TRAFFICKING OF MINORS

A June 2023 NBC News article²⁶ noted findings from an HHS audit concerning labor trafficking of migrant children. According to the audit, in 2023, 344 unaccompanied migrant children were released to live with non-family sponsors hosting 3 or more unaccompanied minors. This finding raised questions among advocates who worry that some minors are being sponsored by individuals who could exploit them for child labor. In the article, the director of social work of the Immigrant Legal Center in Nebraska²⁷ stated, “Unaccompanied children want to work and are vulnerable to labor trafficking. They don’t know that if you are 12 that you should not be working overnight at a meatpacking plant with dangerous chemicals, and so that allows for a situation where they are going to do what they can to make money and people will exploit them.” HHS auditors

²⁴ As of November 14, 2024, WHD did not have MOUs with the states of Alabama, Georgia, Montana, North Dakota, Rhode Island, South Dakota, Virginia, and Wisconsin.

²⁵ Searles, Dana, “Gov. Reynolds Asks Dept. of Labor to Reconsider Youth Labor Law Fines on Small Businesses,” We Are Iowa (July 1, 2024), available at: <https://www.weareiowa.com/article/money/business/small-business/department-of-labor-youth-laws-small-business-fines-iowa-governor-kim-reynolds-labor-union-teenagers-working-hours-education/524-712925e5-dd1e-45c5-a503-81bc3f712673>

²⁶ Strickler, Laura and Ainsley, Julia, “Report Finds More Than 340 Migrant Kids Were Sent to Live with Nonrelatives Who Sponsored Other Children,” NBC News (June 2, 2023), available at: <https://www.nbcnews.com/politics/immigration/advocates-hhs-questions-unaccompanied-migrants-child-labor-rcna87326>

²⁷ In 2022, the Immigrant Legal Center and Refugee Empowerment Center merged and the combined nonprofit organization is now the Center for Immigrant and Refugee Advancement. The organization’s website is available at: <https://ciraconnect.org>.

also scrutinized 172 of the 344 cases in depth. Of those cases, 12 children were found to have run away.

While WHD does not have explicit authority to investigate or detain individuals that may be victims of labor trafficking, WHD investigators are in a unique position to detect potential labor trafficking indicators during the normal course of an investigation. If WHD learns of possible trafficking during an investigation, WHD's policy requires investigators to: (1) advise HHS ACF's Office on Trafficking in Persons and (2) make a referral to DOJ's Civil Rights Division, Criminal Section, Human Trafficking Prosecution Unit. According to WHD National Office officials, WHD internal guidance also specifies that district offices may report to local teams or task forces directly. This type of referral offers faster action by local law enforcement and service providers that are part of the local human trafficking task force. Depending on the path taken, the referral process and coordination across government agencies—each operating with different authorities—can place possible victims of trafficking at continued risk, or cause delays that allow them to disappear before they can receive assistance.

An example of this situation occurred from May 2024 through January 2025. In May 2024, WHD's Las Vegas District Office requested assistance from the OIG's Office of Investigations to serve a civil warrant for inspection under FLSA. The OIG's special agents, along with WHD investigators, performed a security sweep of a garment factory and several individuals were encountered working inside the building, including a young Hispanic male located outside the rear of the building.

After the service of the warrant for inspection, the factory was closed permanently and the minor subsequently stopped responding to phone calls from WHD and/or SOL around June 2024. In October 2024, WHD and SOL received additional information from other workers at the garment factory that caused concern regarding the young Hispanic male, who was determined to be 14 years of age. The workers advised WHD and SOL that the minor was not living with a family member. In addition, the minor allegedly had no change of clothes or access to adequate food. Upon learning this new information, WHD, per their policy and procedures, advised HHS ACF's Office on Trafficking in Persons and made a human trafficking referral to DOJ's Civil Rights Division, Criminal Section, Human Trafficking Prosecution Unit.

In November 2024, as standard protocol, DOJ's Civil Rights Division, regarding the minor to the OIG. In December 2024, the OIG agreed to assist WHD in locating the minor to ensure his well-being. The OIG's agents made in-person contact with the minor and his uncle in Beaumont, Texas. The agents assessed the situation and determined the minor appeared to be living with family members and was in a safe situation. In January 2025, the OIG also coordinated with the U.S. Department of State Diplomatic Security Service in Guatemala to contact the minor's parents to ensure that he was not under any

threat or coercion. U.S. Department of State Diplomatic Security Service personnel and Guatemalan national police located and interviewed the minor's parents. The minor's parents were aware of his location and confirmed they were comfortable with him remaining with family in Texas.

WHD management advised the OIG they routinely encounter underage workers during their regulatory investigations. In those instances, WHD investigators and management may determine that referrals to other government agencies are warranted, including social service referrals to ensure the welfare of the minor. In the instance above, the minor confirmed he was being cared for by a family member, the family member provided identification to WHD, and WHD determined no referrals were necessary.

In a follow-up meeting with a WHD official, it was conveyed that it is often unclear if young people on site are minors and sometimes employer records offer contrary evidence to suggest otherwise. The official stated that, if it is obvious a person is a minor, only good judgment and prudence by the onsite WHD investigator would dictate whether WHD personnel would call a child protective services agency or local law enforcement. The official also indicated that WHD does not have any authority to detain individuals onsite. Therefore, if individuals, including minors, want to leave, WHD cannot stop them.

While the minor in this investigation was found to be safe, the OIG is concerned that other minors could be trafficking victims. The OIG's recently announced audit work will analyze this concern in greater detail.

CONCLUSION

As outlined in this advisory report, we learned WHD is leveraging its limited resources to enforce child labor laws through a multi-faceted approach that uses available tools and resources, as follows:

- sharing information with federal, state, and local entities in the form of a strategic enforcement initiative, a task force, and partnerships;
- targeting resources toward child labor investigations; and
- holding companies accountable for violating the law through the use of monetary penalties and other mechanisms.

However, we determined WHD encountered several challenges enforcing child labor laws. This is problematic considering, during our FY 2019 to FY 2023 review period, WHD investigations revealed child labor law violations increased by 103 percent (see Figure 2). Resource constraints and communication challenges have hampered WHD's ability to safeguard children from

inappropriate or unsafe working conditions. Specifically, resource constraints have impacted WHD's ability to investigate child labor law violators and hold them accountable for exploiting working minors. Furthermore, communication barriers between WHD investigators and employees of businesses under investigation have affected WHD's ability to enforce child labor laws. These communication barriers limit WHD's ability to educate working minors on their rights and protections to keep them safe. Additionally, differences in state and federal child labor laws have created confusion among employers about their responsibilities, which also impacts WHD's enforcement efforts. Finally, the OIG is concerned with the handling of instances of possible labor trafficking of minors when encountered by WHD investigators in the field.

We make no recommendations in this advisory report. The OIG's recently announced audit will analyze child labor law violations in greater detail. The information from this review will inform the focus of that audit work. WHD officials provided technical comments to the draft advisory report, which the OIG reviewed and applied to the report, as appropriate. WHD's response to the draft advisory report is included in Exhibit 3.

We appreciate the cooperation and courtesies WHD extended to us during this review.



Laura B. Nicolosi
Assistant Inspector General for Audit

EXHIBIT 1: CHILD LABOR LAW VIOLATIONS BY WHD REGION AND FISCAL YEAR, INCLUDING PERCENTAGE CHANGE FROM FY 2019 TO FY 2023

From FY 2019 to FY 2023, we identified the number of child labor law violations found by WHD trended upward in every WHD region.

Region	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Violations	Percentage Change of Child Labor Law Violations by Region from FY 2019 to FY 2023
Southeast	1,112	1,302	1,062	1,221	1,574	6,271	41%
Midwest	956	879	743	1,097	2,391	6,066	150%
Northeast	637	762	789	1,231	1,274	4,693	100%
Southwest	641	362	512	557	1,459	3,531	128%
West	402	876	418	753	926	3,375	130%
TOTAL	3,748	4,181	3,524	4,859	7,624	23,936	--

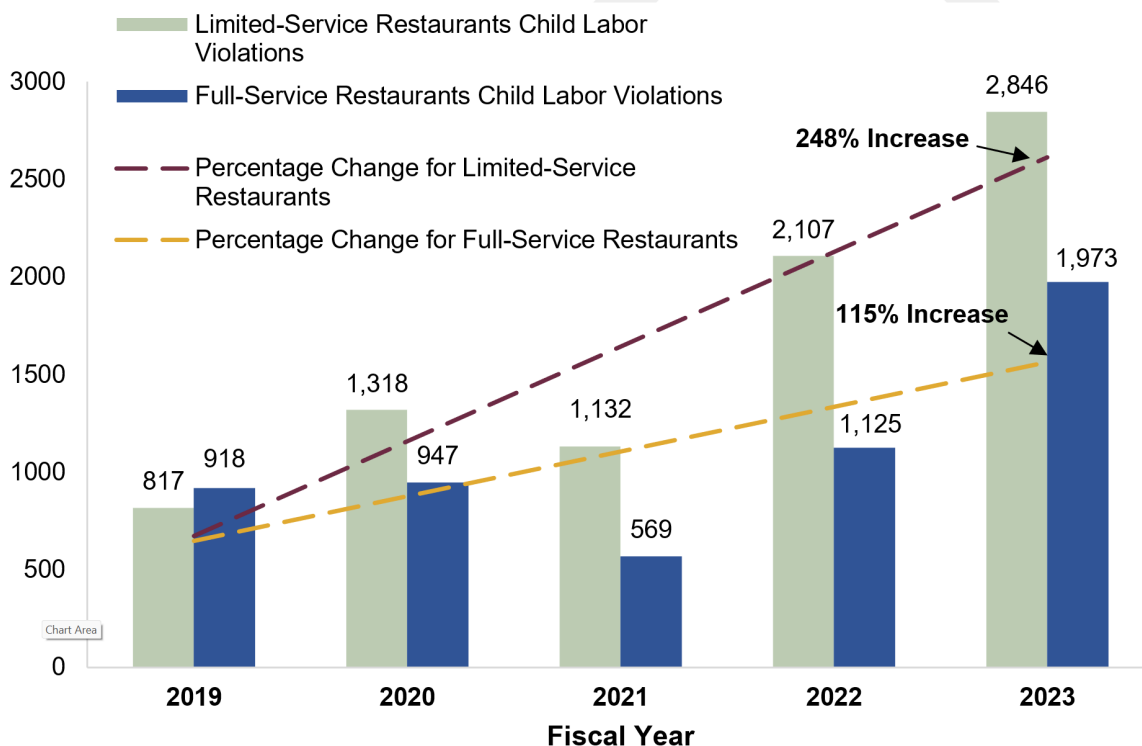
Source: Compiled by the OIG using case data provided by WHD

WHD's five regions are comprised of the following states:

- Midwest Region – Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio, and Wisconsin
- Northeast Region – Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virgin Islands, Virginia, and West Virginia
- Southeast Region – Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee
- Southwest Region – Arkansas, Colorado, Louisiana, Montana, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, and Wyoming
- West Region – Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, and Washington

EXHIBIT 2: CHILD LABOR LAW VIOLATIONS IN FULL-SERVICE AND LIMITED-SERVICE RESTAURANTS BY FISCAL YEAR

The industries with the most child labor law violations for the period reviewed were full-service and limited-service restaurants. From FY 2019 to FY 2023, we identified an increase from 918 to 1,973 (115 percent) in child labor law violations in full-service restaurants. Additionally, during the same time period, we identified an increase from 817 to 2,846 (248 percent) in child labor law violations in limited-service restaurants.



Source: Compiled by the OIG using case data provided by WHD

EXHIBIT 3: AGENCY RESPONSE TO THE ADVISORY REPORT

The agency's response to the draft advisory report follows.



September 12, 2025

MEMORANDUM FOR: LAURA B. NICOLSI
Assistant Inspector General for Audit

FROM: JAMES R. MACY
Acting Administrator, Wage and Hour Division

SUBJECT: Response to the Office of the Inspector General's Draft Report:
Review of WHD Efforts to Address Child Labor Law Violation Challenges, Report No. 17-25-001-15-001

The U.S. Department of Labor's (Department) Wage and Hour Division (WHD) appreciates the opportunity to respond to the August 26, 2025 draft report of the Office of Inspector General ("OIG") titled *Review of WHD Efforts to Address Child Labor Law Violation Challenges*. This draft report examined WHD's efforts to address challenges associated with enforcing child labor laws under the prior Administration. WHD encountered a range of challenges in enforcing child labor laws, and WHD understands the OIG interest in this critical enforcement priority.

Combating egregious and exploitative violations of federal child labor laws is a high priority for this Administration. To strengthen efforts moving forward, WHD will consider observations from the OIG review and other factors that could explain the increase in child labor under the prior Administration. For example, in addition to the heightened focus on targeting child labor law violations, the significant number of undocumented and unaccounted for children that entered the country, as well as other child labor concerns, may help explain the increase in child labor violations.

WHD investigates all claims of illegal child labor brought to its attention and will continue to take seriously its responsibility to protect children from exploitation and harm from illegal child labor, including those children who are forced or asked to perform hazardous jobs. As Secretary Chavez-DeRemer said at her confirmation hearing, "I will do everything in my power within the Department of Labor to double down on the safety of all American workers that are exploited—but especially child labor".

WHD welcomes further discussion with the OIG regarding the current Administration's strategies and actions in addressing compliance with child labor laws.

Thank you again for the opportunity to comment on this report.

Cc: Patricia Davidson
Deputy Administrator

Michael Kravitz
Associate Administrator, Office of Performance and Communications

Karen Livingston
Director, Division of Strategic Planning and Performance

Jason Coker
WHD Audit Program Manager

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