

Real Effects of Financial Distress of Workers: Evidence from Teacher Spillovers

Internet Appendix

Table IA.I
Main results excluding divorces and medical bankruptcies

Panel A: Mathematics

	(1)	(2)	(3)	(4)
1(bankruptcy)	-1.360*** (-3.00)	-1.360*** (-3.00)	-1.430*** (-3.10)	-1.394*** (-2.80)
Local bankruptcy control	n	y	y	y
Teacher controls	n	n	y	y
Cohort controls	n	n	n	y
<i>N</i>	260,429	260,429	255,153	255,153
<i>R</i> ²	0.72	0.72	0.72	0.73

Panel B: Reading

	(1)	(2)	(3)	(4)
1(bankruptcy)	-0.623 (-1.07)	-0.623 (-1.07)	-0.626 (-1.03)	-0.565 (-0.87)
Local bankruptcy control	n	y	y	y
Teacher controls	n	n	y	y
Cohort controls	n	n	n	y
<i>N</i>	260,698	260,698	255,422	255,404
<i>R</i> ²	0.66	0.66	0.66	0.67

This table repeats the estimation in Table II with the only difference that those teacher-year observations identified as medical bankruptcies or where divorces occurred are excluded from the sample.

Table IA.II
Sensitivity of the main results to medical expenses thresholds

Panel A: Mathematics

	Medical expenses threshold		
	\$50 (1)	\$500 (2)	\$2,500 (3)
1(bankruptcy)	-1.402*** (-2.90)	-1.415*** (-2.94)	-1.268*** (-2.62)
Div & Med-bankruptcy controls	y	y	y
Local bankruptcy control	y	y	y
Teacher controls	y	y	y
Cohort controls	y	y	y
<i>N</i>	255,474	255,474	255,474
<i>R</i> ²	0.73	0.73	0.73

Panel B: Reading

	Medical expenses threshold		
	\$50 (1)	\$500 (2)	\$2,500 (3)
1(bankruptcy)	-0.550 (-0.88)	-0.552 (-0.90)	-0.511 (-0.85)
Div & Med-bankruptcy controls	y	y	y
Local bankruptcy control	y	y	y
Teacher controls	y	y	y
Cohort controls	y	y	y
<i>N</i>	255,725	255,725	255,725
<i>R</i> ²	0.67	0.67	0.67

This table repeats the estimation in Table II using different definitions for the health-motivated bankruptcy indicator. Specifically, the \$1,500 threshold is replaced by thresholds of \$50, \$500, and \$2,500.

Table IA.III

Sensitivity of the main results to the number of bankruptcies threshold

Panel A: Mathematics

	Minimum number of bankruptcies per district required				
	Zero (1)	One (2)	10 (3)	15 (4)	25 (5)
1(bankruptcy)	-1.313*** (-2.86)	-1.313*** (-2.86)	-1.338*** (-2.74)	-1.540*** (-2.98)	-1.269** (-2.25)
Div & Med-bankruptcy controls	y	y	y	y	y
Local bankruptcy control	y	y	y	y	y
Teacher controls	y	y	y	y	y
Cohort controls	y	y	y	y	y
<i>N</i>	354,932	354,932	225,477	202,205	181,173
<i>R</i> ²	0.74	0.74	0.73	0.74	0.74

Panel B: Reading

	Minimum number of bankruptcies per district required				
	Zero (1)	One (2)	10 (3)	15 (4)	25 (5)
1(bankruptcy)	-0.667 (-1.17)	-0.667 (-1.17)	-0.468 (-0.71)	-0.799 (-1.17)	-0.649 (-0.85)
Div & Med-bankruptcy controls	y	y	y	y	y
Local bankruptcy control	y	y	y	y	y
Teacher controls	y	y	y	y	y
Cohort controls	y	y	y	y	y
<i>N</i>	355,549	355,549	225,692	202,351	181,291
<i>R</i> ²	0.67	0.67	0.67	0.68	0.68

This table repeats the estimation in Table II in different samples that result from varying the minimum requirement for the number of bankruptcies in the district. Specifically, the threshold of 5 bankruptcies is replaced by thresholds of 0, 1, 10, 15, and 25 bankruptcies.