Table A.1

Main Results are Robust to Sample Restriction

	(1) Sales Tax and Gross Receipts	(2) Own-Source Revenue	(3) Total Expenditures
Panel A	**Cities in Data Three or More Years**		
Bankrupt Dummy	–0.1582***	–0.0488***	–0.0330**
	(0.0381)	(0.0142)	(0.0164)
Observations	4,363	4,367	4,367
Adjusted R^2	0.948	0.988	0.986
Panel B	**Cities in Data Four or More Years**		
Bankrupt Dummy	–0.1582***	–0.0488***	–0.0330**
	(0.0381)	(0.0142)	(0.0164)
Observations	4,363	4,367	4,367
Adjusted R^2	0.948	0.988	0.986
Panel C	**Cities in Data Six or More Years**		
Bankrupt Dummy	–0.1599***	–0.0528***	–0.0349**
	(0.0408)	(0.0150)	(0.0172)
Observations	3,928	3,929	3,929
Adjusted R^2	0.944	0.987	0.986
Panel D	**Cities in Data Seven or More Years**		
Bankrupt Dummy	–0.1598***	–0.0527***	–0.0317*
	(0.0422)	(0.0155)	(0.0176)
Observations	3,712	3,713	3,713
Adjusted R^2	0.941	0.986	0.985

Note: Typically, we allow municipalities in our sample if they are in the data for five or more years. In this table, we change that sample restriction as a robustness check. In all panels, we run the same regressions listed in Tables 2 and 3. In **Panel A**, we allow municipalities in our sample if they are in the data for three or more years. In **Panel B**, we allow municipalities in our sample if they are in the data for four or more years. In **Panel C**, we allow municipalities in our sample if they are in the data for six or more years. In **Panel D**, we allow municipalities in our sample if they are in the data for seven or more years. This sample restriction does not affect the results.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.2

Summary Statistics by Home Rule Status

	Krane et al. (2002) State-Level Measure		ICMA (1974) Municipality-Level Measure	
	Not Home Rule	Home Rule	Not Home Rule	Home Rule
Population	109,659	121,944	125,610	142,936
	(191,603)	(203,985)	(248,466)	(196,893)
Number of Big-Box	2.759	3.541	3.054	4.438
	(2.689)	(3.461)	(2.126)	(4.558)
Total Revenue	335,228	282,942	301,118	317,511
	(928,556)	(691,208)	(754,940)	(563,074)
Own-Source Revenue	274,666	236,797	250,754	275,638
	(667,519)	(561,002)	(633,135)	(469,592)
Total Taxes	109,427	101,092	109,049	102,044
	(313,337)	(208,953)	(224,677)	(148,985)
Total Expenditures	327,327	290,631	310,513	325,852
	(885,429)	(695,875)	(793,521)	(577,036)
Total Debt Outstanding	337,014	483,514	464,548	540,872
	(896,226)	(1,450,430)	(1,722,903)	(1,284,031)
Observations	783	3,558	1,326	1,413

This table shows summary statistics for the municipalities in our sample based on whether or not they are defined as "home rule" municipalities. In the first two columns, the "home rule" breakdown is based on a state-level measure from Krane, Hill, and Rigos (2002). In the last two columns, the "home rule" breakdown is based on a municipality-level measure from the 1974 International City/County Management Association (ICMA) survey. Standard deviations are in parentheses. The statistics provided are mean and standard deviation of municipality's population, the number of big-box stores (the number of Best Buy, Circuit City, CompUSA, Mervyn's, Kohl's, and JCPenney stores), municipality's total revenue, own-source revenue, total taxes, total expenditures, and total debt outstanding.

Table A.3

Summary Statistics by Municipality Population Category

	Municipality Population Category		
	1,000–5,000	5,000–45,000	45,000–200,000
Panel A	**Municipality Finance Statistics**		
Per Capita Revenue	1,723.705	2,199.596	2,760.967
	(2,484.743)	(2,085.808)	(1,123.868)
Per Capita Own-Source Revenue	1,345.909	1,781.923	2,276.569
	(2,287.647)	(1,994.934)	(1,078.800)
Per Capita Local Sales Tax	5.008	42.259	112.063
	(52.630)	(120.489)	(78.475)
Per Capita Property Tax	219.788	301.350	410.851
	(585.384)	(246.540)	(156.184)
Per Capita Charges And Fees	503.115	574.656	637.184
	(779.569)	(927.799)	(494.625)
Per Capita Financial Transactions	11.003	55.182	106.967
	(41.129)	(70.010)	(76.563)
Home Rule Status	0.122	0.409	0.973
	(0.328)	(0.492)	(0.164)
Annual Percent Change in Per Capita Revenue	0.032	0.032	0.030
	(0.246)	(0.133)	(0.121)
Observations	1,797	1,503	146
Unit of Observation	Municipality-Year	Municipality-Year	Municipality-Year
Panel B	**Revenue Stability Statistics**		
Rev. Fall	0.199	0.098	0.089
	(0.263)	(0.143)	(0.117)
Per Capita Total Revenue in 2010	1,572.405	1,985.039	2,489.151
	(2,437.439)	(1,538.591)	(982.864)
Home Rule Status	0.127	0.415	0.970
	(0.334)	(0.493)	(0.174)
Rev. Fall > 10 %	0.558	0.302	0.273
	(0.497)	(0.460)	(0.452)
Rev. Fall > 30 %	0.193	0.071	0.061
	(0.395)	(0.257)	(0.242)
Observations	362	311	33
Unit of observation	Municipality	Municipality	Municipality
Panel C	**Bond Rating Statistics**		
Extremely Strong	0.062	0.168	0.113
	(0.242)	(0.374)	(0.318)
Very Strong	0.048	0.164	0.425
	(0.215)	(0.371)	(0.497)
Strong	0.166	0.352	0.412
	(0.373)	(0.478)	(0.495)
Adequate or Less	0.097	0.192	0.075
	(0.296)	(0.394)	(0.265)
Missing Bond Rating	0.697	0.212	0.000
	(0.461)	(0.409)	(0.000)

Home Rule Status	0.207	0.496	0.950
	(0.406)	(0.500)	(0.219)
Observations	145	500	80
Unit of Observation	Municipality-Year	Municipality-Year	Municipality-Year

This table reports summary statistics for our sample of municipalities by population category. **Panel A** shows summary statistics variables relating to municipal taxes and revenue at the municipality-year observation level. **Panel B** shows summary statistics for measures of revenue stability at the municipality level. Finally, **Panel C** Shows summary statistics for variables relating to municipal bond ratings at the municipality-year level. It is important to note that observations with missing values for bond ratings were coded as 0 for *ExtremelyStrong*. The probability of a missing value does not change around the cutoffs. For all panels, mean coefficients are presented, with standard deviations in parentheses.

Table A.4

Main Results are Robust to Covariates and Inclusion of County Finances

	(1) Sales Tax and Gross Receipts	(2) Own-Source Revenue	(3) Total Expenditures
Panel A	**Omitting Controls for Operating Stores**		
Bankrupt Dummy	–0.1467***	–0.0447***	–0.0336**
	(0.0386)	(0.0145)	(0.0164)
Observations	4,346	4,350	4,350
Adjusted R^2	0.947	0.988	0.986
Panel B	**Controls for State-Level Finances and Unemployment**		
Bankrupt Dummy	–0.1269***	–0.0480***	–0.0302*
	(0.0405)	(0.0158)	(0.0166)
Observations	4,346	4,350	4,350
Adjusted R^2	0.947	0.988	0.986
Panel C	**Controls for County-Level Finances**		
Bankrupt Dummy	–0.0933***	–0.0692***	–0.0394**
	(0.0290)	(0.0180)	(0.0181)
Observations	3,175	3,174	3,175
Adjusted R^2	0.975	0.986	0.988

Note: In **Panel A**, we run the same regressions listed in Tables 2 and 3 but without the *OperatingDummy* ∗ *Post* term. This regression takes the following form:

$$ln(Outcome_{it}) = \alpha + \beta\,(BankruptDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}.$$

Column 1 shows this result for sales tax and gross receipt revenue, Column 2 shows this for own-source revenue, and Column 3 shows this for total expenditures. The inclusion or exclusion of this covariate does not affect the results. $BankruptDummy_i$ takes a value of 1 if a municipality has a bankrupt chain and $OperatingDummy_i$ if there is any operating chain in that municipality. These are both interacted with $Post_t$ which equals 1 after 2008. In **Panel B**, we run the same regressions listed in Tables 2 and 3 but with state-level finance and unemployment rate controls added. This regression takes the following form:

$$ln(Outcome_{it}) = \alpha + \beta\,(BankruptDummy * Post)_{it} + \theta\,(Operating\ Dummy * Post)_{it} + \zeta_{it} + \delta_i + \gamma_t + \varepsilon_{it}.$$

The specific controls state-level controls we include in ζ_{it} are: total revenue, total taxes, total expenditures, and total debt outstanding (from Census of Local Government Finance) and annual unemployment rate (from BLS Local Area Unemployment Statistics and Current Population Survey). Column 1 shows this result for sales tax and gross receipt revenue, Column 2 shows this for own-source revenue, and Column 3 shows this for total expenditures. The inclusion or exclusion of this covariate does not affect the results. In **Panel C**, we run the same regressions listed in **Panel B** but without the state control vector and on data that is aggregated to the county-level instead of the municipality-level. Now, the finance measures (sales tax, own-source revenue, and total expenditures) include finances at township, municipality, and county levels all aggregated to county as the unit of observation. This does not include school district finances or other special district finances since reporting does not appear to be as consistent from year to year. Column 1 shows this result for sales tax and gross receipt revenue, Column 2 shows this for own-source revenue, and Column 3 shows this for total expenditures. Including county-level finances does not affect the results.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.5

Relationship between Big-Box Bankruptcy and Municipality-Level Population Estimates

	Population			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.0076		–0.0059	
	(0.0055)		(0.0066)	
Bankrupt Count		–0.0020		–0.0037*
		(0.0014)		(0.0021)
Constant	11.1121***	11.1121***	11.1114***	11.1113***
	(0.0048)	(0.0049)	(0.0037)	(0.0037)
State-Year FEs	No	No	Yes	Yes
Observations	4,263	4,263	4,263	4,263
Adjusted R^2	0.999	0.999	0.999	0.999

Note: This table reports estimates of regressions of the following form:

$$ln(Population_{it}) = \alpha + \beta\,(BankruptDummy * Post)_{it} + \theta\,(OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\,,$$

where $Population_{it}$ is the U.S. Census Bureau population estimate in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not the year is after 2008, the bankruptcy year. $OperatingDummy * Post_{it}$ controls for whether or not municipality i contains any operating stores after the bankruptcy year. δ_i represents municipality fixed effects and γ_t represents year fixed effects. Columns 2 and 4 of this table replace $BankruptDummy_i$ with $BankruptCount_i$, which is the number of bankrupt big-box stores in municipality i. Columns 1 and 2 show estimates without state-year fixed effects and Columns 3 and 4 include state-year fixed effects. Standard errors clustered at the county level are in parentheses. This table uses U.S. Census Bureau estimates for municipality population. The U.S. Census Bureau estimates county population in each year by using administrative records on county-level births, deaths, and migration. This county-level estimate is then applied to municipalities based on existing housing unit counts at the sub-county level. For the following analysis, we remove cities that are extreme outliers in terms of min-to-max population change from 2004–2012. Additionally, municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.6

Effect of Big-Box Bankruptcy on Sales Tax and Gross Receipts, Including Population Controls

	Sales Tax and Gross Receipts			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.1518***		–0.1033***	
	(0.0388)		(0.0306)	
Bankrupt Count		–0.0378***		–0.0195***
		(0.0087)		(0.0062)
Constant	9.6386***	9.5284***	9.7346***	9.6953***
	(0.1234)	(0.1331)	(0.1001)	(0.1141)
State-Year FEs	No	No	Yes	Yes
Observations	4,259	4,259	4,259	4,259
Adjusted R^2	0.946	0.945	0.969	0.969

Note: This table reports estimates of regressions of the following form:

$$ln(SalesTax_{it}) = \alpha + \beta\,(BankruptDummy * Post)_{it} + \theta\,(OperatingDummy * Post)_{it} + \pi(Population_{it}) + \delta_i + \gamma_t + \varepsilon_{it},$$

where $SalesTax_{it}$ is the sales tax and gross receipt revenue in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not the year is after 2008, the bankruptcy year. $OperatingDummy * Post_{it}$ controls for whether or not municipality i contains any operating stores after the bankruptcy year. $Population_{it}$ is the U.S. Census Bureau population estimate for municipality i in year t. δ_i represents municipality fixed effects and γ_t represents year fixed effects. Columns 2 and 4 of this table replace $BankruptDummy_i$ with $BankruptCount_i$, which is the number of bankrupt big-box stores in municipality i. Columns 1 and 2 show estimates without state-year fixed effects and Columns 3 and 4 include state-year fixed effects. Standard errors clustered at the county level are in parentheses. This table uses U.S. Census Bureau estimates for municipality population. The U.S. Census Bureau estimates county population in each year by using administrative records on county-level births, deaths, and migration. This county-level estimate is then applied to municipalities based on existing housing unit counts at the sub-county level. For the following analysis, we remove cities that are extreme outliers in terms of min-to-max population change from 2004–2012. Additionally, municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.7

Effect of Big-Box Bankruptcy on Own-Source Revenue,
Including Population Controls

	Own-Source Revenue			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.0467***		–0.0349*	
	(0.0149)		(0.0179)	
Bankrupt Count		–0.0223***		–0.0199***
		(0.0053)		(0.0069)
Constant	11.3306***	11.2319***	11.4026***	11.3097***
	(0.0731)	(0.0820)	(0.0727)	(0.0864)
State-Year FEs	No	No	Yes	Yes
Observations	4,263	4,263	4,263	4,263
Adjusted R^2	0.987	0.988	0.989	0.989

Note: This table reports estimates of regressions of the following form:

$$ln(OwnSourceRev_{it}) = \alpha + \beta\,(BankruptDummy * Post)_{it} + \theta\,(OperatingDummy * Post)_{it} + \pi(Population_{it}) + \delta_i + \gamma_t + \varepsilon_{it},$$

where $OwnSource_{it}$ is the own-source revenue in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not the year is after 2008, the bankruptcy year. $OperatingDummy * Post_{it}$ controls for whether or not municipality i contains any operating stores after the bankruptcy year. $Population_{it}$ is the U.S. Census Bureau population estimate for municipality i in year t. δ_i represents municipality fixed effects and γ_t represents year fixed effects. Columns 2 and 4 of this table replace $BankruptDummy_i$ with $BankruptCount_i$, which is the number of bankrupt big-box stores in municipality i. Columns 1 and 2 show estimates without state-year fixed effects and Columns 3 and 4 include state-year fixed effects. Standard errors clustered at the county level are in parentheses. This table uses U.S. Census Bureau estimates for municipality population. The U.S. Census Bureau estimates county population in each year by using administrative records on county-level births, deaths, and migration. This county-level estimate is then applied to municipalities based on existing housing unit counts at the sub-county level. For the following analysis, we remove cities that are extreme outliers in terms of min-to-max population change from 2004–2012. Additionally, municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.8

Effect of Big-Box Bankruptcy on Total Expenditures,
Including Population Controls

	Total Expenditures			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.0349**		–0.0278	
	(0.0164)		(0.0172)	
Bankrupt Count		–0.0192***		–0.0177***
		(0.0039)		(0.0044)
Constant	11.4058***	11.3162***	11.4852***	11.3998***
	(0.0675)	(0.0681)	(0.0734)	(0.0731)
State-Year FEs	No	No	Yes	Yes
Observations	4,263	4,263	4,263	4,263
Adjusted R^2	0.986	0.986	0.987	0.987

Note: This table reports estimates of regressions of the following form:

$$ln(Expenditure_{it}) = \alpha + \beta\,(BankruptDummy * Post)_{it} + \theta\,(OperatingDummy * Post)_{it} + \pi(Population_{i\,t}) + \delta_i + \gamma_t + \varepsilon_{it},$$

where $Expenditure_{it}$ is the total expenditures in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not the year is after 2008, the bankruptcy year. $OperatingDummy * Post_{it}$ controls for whether or not municipality i contains any operating stores after the bankruptcy year. $Population_{it}$ is the U.S. Census Bureau population estimate for municipality i in year t. δ_i represents municipality fixed effects and γ_t represents year fixed effects. Columns 2 and 4 of this table replace $BankruptDummy_i$ with $BankruptCount_i$, which is the number of bankrupt big-box stores in municipality i. Columns 1 and 2 show estimates without state-year fixed effects and Columns 3 and 4 include state-year fixed effects. Standard errors clustered at the county level are in parentheses. This table uses U.S. Census Bureau estimates for municipality population. The U.S. Census Bureau estimates county population in each year by using administrative records on county-level births, deaths, and migration. This county-level estimate is then applied to municipalities based on existing housing unit counts at the sub-county level. For the following analysis, we remove cities that are extreme outliers in terms of min-to-max population change from 2004–2012. Additionally, municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.9

Post-Bankruptcy Comparison on Sales Tax and Gross Receipts between Home Rule and Non-Home Rule Cities

Panel A	**Sales Tax and Gross Receipts**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Dummy	–0.1494***	–0.1325	–0.1415	–0.1546	–0.2077*
	(0.0421)	(0.0907)	(0.1331)	(0.1327)	(0.1137)
ACIR 1993 Home Rule ×		–0.0146			
Bankrupt Dummy		(0.0970)			
Krane, Hill, and Rigos (2002)			0.0056		
Home Rule 1 × Bankrupt Dummy			(0.1352)		
Krane, Hill, and Rigos (2002)				0.0211	
Home Rule 2 × Bankrupt Dummy				(0.1343)	
ICMA 1974 Home Rule ×					–0.0982
Bankrupt Dummy					(0.1257)
Combined Effect:		–0.1471***	–0.1360***	–0.1335***	–0.1095**
Bankrupt + (HR × Bankrupt)		(0.0404)	(0.0358)	(0.0355)	(0.0551)
Adjusted R^2	0.947	0.946	0.947	0.946	0.928
Observations	4,346	4,337	4,337	4,337	2,739
Panel B	**Sales Tax and Gross Receipts**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Count	–0.0418***	–0.0668**	–0.0741**	–0.0732**	–0.0762**
	(0.0118)	(0.0276)	(0.0345)	(0.0343)	(0.0331)
ACIR 1993 Home Rule ×		0.0324			
Bankrupt Count		(0.0275)			
Krane, Hill, and Rigos, (2002)			0.0396		
Home Rule 1 × Bankrupt Count			(0.0345)		
Krane, Hill, and Rigos (2002)				0.0385	
Home Rule 2 × Bankrupt Count				(0.0343)	
ICMA 1974 Home Rule ×					0.0549
Bankrupt Count					(0.0353)
Combined Effect:		–0.0344***	–0.0344***	–0.0347***	–0.0213*
Bankrupt + (HR × Bankrupt)		(0.0116)	(0.0113)	(0.0113)	(0.0115)
Adjusted R^2	0.947	0.946	0.946	0.946	0.927
Observations	4,346	4,337	4,337	4,337	2,739

Note: **Panel A** of this table reports estimates of regressions of the following form:

$$ln(SalesTax_{it}) = \alpha + \phi(BankruptDummy * Post * HomeRule)_{it}^{r} + \beta\,(BankruptDummy * Post)_{it}$$
$$+ \rho(HomeRule * Post\,)_{it}^{r} + \theta\,(OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\,,$$

where $SalesTax_{it}$ is the sales tax and gross receipts revenue in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not year t is after 2008 (the bankruptcy year). $HomeRule_i^r$ is a dummy variable equal to 1 if the municipality has home rule status according to measure r, where r is one of the four home rule measures discussed in Section IV. $OperatingDummy * Post$ controls for any operating stores after the bankruptcy year. δ_i represents municipality fixed effects and γ_t represents time fixed effects. The "Combined Effect" row shows the sum of the coefficient on $BankruptDummy * Post$ and the coefficient on the interaction term $HomeRule * BankruptDummy * Post$. This gives us the total effect of the bankruptcy on home rule municipalities. **Panel B** of this table replaces $BankruptDummy_i$ with $BankruptCount_i$, which is the total number of bankrupt stores in municipality i. Standard errors clustered at the county level are in parentheses. Municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.10

Post-Bankruptcy Comparison on Own-Source Revenue between Home Rule and Non-Home Rule Cities

Panel A	**Own-Source Revenue**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Dummy	–0.0368**	–0.0721***	–0.1149***	–0.1177***	–0.0561**
	(0.0160)	(0.0265)	(0.0321)	(0.0322)	(0.0231)
ACIR 1993 Home Rule × Bankrupt Dummy		0.0526*			
		(0.0309)			
Krane, Hill, and Rigos (2002) Home Rule 1 × Bankrupt Dummy			0.1015***		
			(0.0354)		
Krane, Hill, and Rigos (2002) Home Rule 2 × Bankrupt Dummy				0.1049***	
				(0.0351)	
ICMA 1974 Home Rule × Bankrupt Dummy					0.0486
					(0.0327)
Combined Effect: Bankrupt + (HR × Bankrupt)		–0.0196	–0.0134	-0.0128	–0.0075
		(0.0185)	(0.0170)	(0.0169)	(0.0254)
Adjusted R^2	0.988	0.987	0.987	0.987	0.987
Observations	4,350	4,341	4,341	4,341	2,739

Panel B	**Own-Source Revenue**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Count	–0.0191***	–0.0369***	–0.0407***	–0.0401***	–0.0312***
	(0.0058)	(0.0074)	(0.0081)	(0.0081)	(0.0101)
ACIR 1993 Home Rule × Bankrupt Count		0.0221**			
		(0.0087)			
Krane, Hill, and Rigos (2002) Home Rule 1 × Bankrupt Count			0.0257***		
			(0.0089)		
Krane, Hill, and Rigos (2002) Home Rule 2 × Bankrupt Count				0.0250***	
				(0.0088)	
ICMA 1974 Home Rule × Bankrupt Count					0.0207
					(0.0127)
Combined Effect: Bankrupt + (HR × Bankrupt)		–0.0149**	–0.0150**	–0.0152**	–0.0105
		(0.0063)	(0.0061)	(0.0061)	(0.0079)
Adjusted R^2	0.988	0.987	0.987	0.987	0.987
Observations	4,350	4,341	4,341	4,341	2,739

Note: **Panel A** of this table reports estimates of regressions of the following form:

$$ln(OwnSourceRev_{it}) = \alpha + \phi\,(BankruptDummy * \ Post * HomeRule)^r_{it} + \beta\,(BankruptDummy * Post)_{it}$$
$$+ \rho(HomeRule * Post)^r_{it} + \theta\,(OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\ ,$$

where $OwnSourceRev_{it}$ is own-source revenue in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not year t is after 2008 (the bankruptcy year). $HomeRule^r_t$ is a dummy variable equal to 1 if the municipality has home rule status according to measure r, where r is one of the four home rule measures discussed in Section IV. $OperatingDummy * Post$ controls any operating stores after the bankruptcy year. δ_i represents municipality fixed effects and γ_t represents time fixed effects. The "Combined Effect" row shows the sum of the coefficient on $BankruptDummy * Post$ and the coefficient on the interaction term $HomeRule * BankruptDummy * Post$. This gives us the total effect of the bankruptcy on home rule municipalities. **Panel B** of this table replaces $BankruptDummy_i$ with $BankruptCount_i$, which is the total number of bankrupt stores in municipality i. Standard errors clustered at the county level are in parentheses. Municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.
$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.11

Post-Bankruptcy Comparison on Property Taxes, Charges and Fees, and Miscellaneous Revenue between Home Rule and Non-Home Rule Cities

Panel A	**Property Taxes, Charges and Fees, and Misc. Rev.**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Dummy	0.0384*	–0.0108	–0.0686**	–0.0613*	0.0067
	(0.0205)	(0.0369)	(0.0346)	(0.0352)	(0.0285)
ACIR 1993 Home Rule ×		0.0736*			
Bankrupt Dummy		(0.0428)			
Krane, Hill, and Rigos (2002)			0.1383***		
Home Rule 1 × Bankrupt Dummy			(0.0409)		
Krane, Hill, and Rigos (2002)				0.1295***	
Home Rule 2 × Bankrupt Dummy				(0.0424)	
ICMA 1974 Home Rule ×					0.0638
Bankrupt Dummy					(0.0419)
Combined Effect:		0.0628***	0.0696***	0.0683***	0.0705**
Bankrupt + (HR × Bankrupt)		(0.0238)	(0.0229)	(0.0232)	(0.0322)
Adjusted R^2	0.985	0.984	0.984	0.984	0.983
Observations	4,350	4,341	4,341	4,341	2,739
Panel B	**Property Taxes, Charges and Fees, and Misc. Rev.**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Count	0.0056	–0.0068	–0.0232**	–0.0236**	–0.0044
	(0.0065)	(0.0160)	(0.0117)	(0.0116)	(0.0108)
ACIR 1993 Home Rule ×		0.0156			
Bankrupt Count		(0.0150)			
Krane et al. 2002 Home			0.0342***		
Rule 1 × Bankrupt Count			(0.0122)		
Krane, Hill, and Rigos (2002) Home				0.0348***	
Rule 2 × Bankrupt Count				(0.0122)	
ICMA 1974 Home Rule ×					0.0178
Bankrupt Count					(0.0112)
Combined Effect:		0.0088	0.0110*	0.0112*	0.0134
Bankrupt + (HR × Bankrupt)		(0.0059)	(0.0066)	(0.0067)	(0.0085)
Adjusted R^2	0.984	0.984	0.984	0.984	0.983
Observations	4,350	4,341	4,341	4,341	2,739

Note: **Panel A** of this table reports estimates of regressions of the following form:

$$ln(PropTax_{it}) = \alpha + \phi\,(BankruptDummy * \ Post * HomeRule)_{it}^{r} + \beta\,(BankruptDummy * Post)_{it}$$
$$+ \rho(HomeRule * Post)_{it}^{r} + \theta\,(OperatingDummy * \ Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\,,$$

where $PropTax_{it}$ is revenue from property taxes, charges and fees, and miscellaneous revenue in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not year t is after 2008 (the bankruptcy year). $HomeRule_{it}^{r}$ is a dummy variable equal to 1 if the municipality has home rule status according to measure r, where r is one of the four home rule measures discussed in Section IV. $OperatingDummy * \ Post$ controls for any operating stores after the bankruptcy year. δ_i represents municipality fixed effects and γ_t represents time fixed effects. The "Combined Effect" row shows the sum of the coefficient on $BankruptDummy * Post$ and the coefficient on the interaction term $HomeRule * BankruptDummy * Post$. This gives us the total effect of the bankruptcy on home rule municipalities. **Panel B** of this table replaces $BankruptDummy_i$ with $BankruptCount_i$, which is the total number of bankrupt stores in municipality i. Standard errors clustered at the county level are in parentheses. Municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.
$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.12

Post-Bankruptcy Comparison on Spending between Home Rule and Non-Home Rule Cities

Panel A	**Total Expenditures**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Dummy	–0.0228	–0.0495*	–0.0441	–0.0458	–0.0379
	(0.0170)	(0.0266)	(0.0342)	(0.0338)	(0.0280)
ACIR 1993 Home Rule ×		0.0393			
Bankrupt Dummy		(0.0339)			
Krane, Hill, and Rigos (2002)			0.0310		
Rule 1 × Bankrupt Dummy			(0.0389)		
Krane, Hill, and Rigos (2002)				0.0332	
Rule 2 × Bankrupt Dummy				(0.0385)	
ICMA 1974 Home Rule ×					0.0375
Bankrupt Dummy					(0.0384)
Combined Effect:		–0.0102	–0.0131	–0.0127	–0.0004
Bankrupt + (HR × Bankrupt)		(0.0217)	(0.0194)	(0.0194)	(0.0250)
Adjusted R^2	0.986	0.986	0.986	0.986	0.985
Observations	4,350	4,341	4,341	4,341	2,739

Panel B	**Total Expenditures**				
	(1)	(2)	(3)	(4)	(5)
Bankrupt Count	–0.0170***	–0.0274***	–0.0297***	–0.0299***	–0.0182*
	(0.0065)	(0.0093)	(0.0107)	(0.0106)	(0.0107)
ACIR 1993 Home Rule ×		0.0130			
Bankrupt Count		(0.0101)			
Krane, Hill, and Rigos (2002)			0.0155		
Rule 1 × Bankrupt Count			(0.0114)		
Krane, Hill, and Rigos (2002)				0.0157	
Rule 2 × Bankrupt Count				(0.0114)	
ICMA 1974 Home Rule ×					0.0012
Bankrupt Count					(0.0114)
Combined Effect:		–0.0145**	–0.0142**	–0.0142**	–0.0170**
Bankrupt + (HR × Bankrupt)		(0.0072)	(0.0071)	(0.0071)	(0.0081)
Adjusted R^2	0.986	0.986	0.986	0.986	0.985
Observations	4,350	4,341	4,341	4,341	2,739

Note: **Panel A** of this table reports estimates of regressions of the following form:

$$ln(Expenditure_{it}) = \alpha + \varphi(BankruptDummy * \ Post * HomeRule)_{it}^{r} + \beta\,(BankruptDummy * Post)_{it}$$
$$+ \rho(HomeRule * Post)_{it}^{r} + \theta\,(OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\,,$$

where $Expenditure_{it}$ is total expenditure in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not year t is after 2008 (the bankruptcy year). $HomeRule_i^r$ is a dummy variable equal to 1 if the municipality has home rule status according to measure r, where r is one of the four home rule measures discussed in Section IV. $OperatingDummy * Post$ controls for any operating stores after the bankruptcy year. δ_i represents municipality fixed effects and γ_t represents time fixed effects. The "Combined Effect" row shows the sum of the coefficient on $BankruptDummy * Post$ and the coefficient on the interaction term $HomeRule * BankruptDummy * Post$. This gives us the total effect of the bankruptcy on home rule municipalities. **Panel B** of this table replaces $BankruptDummy_i$ with $BankruptCount_i$, which is the total number of bankrupt stores in municipality i. Standard errors clustered at the county level are in parentheses. Municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.13
Home Rule Results are Robust to Regional Controls

Panel A	**Own-Source Revenue**			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.1149***	–0.1535***	–0.0948**	–0.1038***
	(0.0321)	(0.0439)	(0.0386)	(0.0276)
Krane, Hill, and Rigos (2002) Home Rule 1 × Bankrupt Dummy	0.1015***	0.1203***	0.0615**	0.1460***
	(0.0354)	(0.0386)	(0.0312)	(0.0305)
Bankrupt + (HR × Bankrupt)	–0.0134	–0.0332	–0.0334	0.0422**
	(0.0170)	(0.0277)	(0.0282)	(0.0135)
Controls × Bankrupt Dummy	No Control	Census Region	Census Division	State
Adjusted R^2	0.987	0.988	0.988	0.988
Observations	4,341	4,341	4,341	4,341
Panel B	**Own-Source Revenue**			
	(1)	(2)	(3)	(4)
Bankrupt Count	–0.0407***	–0.0552***	–0.0501***	–0.0483***
	(0.0081)	(0.0158)	(0.0158)	(0.0097)
Krane, Hill, and Rigos (2002) Home Rule 1 × Bankrupt Count	0.0257***	0.0301***	0.0248***	0.0578***
	(0.0089)	(0.0101)	(0.0088)	(0.0103)
Bankrupt + (HR × Bankrupt)	–0.0150**	–0.0251*	–0.0253*	0.0095**
	(0.0061)	(0.0136)	(0.0143)	(0.0043)
Controls × Bankrupt Count	No Control	Census Region	Census Division	State
Adjusted R^2	0.987	0.987	0.988	0.988
Observations	4,341	4,341	4,341	4,341

Note: **Panel A** of this table reports estimates of regressions of the following form:

$$ln(OwnSourceRev_{it}) = \alpha + \phi\,(BankruptDummy * Post * HomeRule * RegionalDummy)_{it}$$
$$+ \beta\,(BankruptDummy * Post * RegionalDummy)_{it} + \lambda(BankruptDummy * RegionalDummy)_{it}$$
$$+ \rho(HomeRule * Post)_{it} + \theta\,(OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\,,$$

where $OwnSourceRev_{it}$ is own-source revenue in municipality i, in year t. $BankruptDummy_i$ equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not year t is after 2008 (the bankruptcy year). $HomeRule_i$ is a dummy variable equal to 1 if the municipality has home rule status according to Krane, Hill, and Rigos (2002). $OperatingDummy * Post$ controls for any operating stores after the bankruptcy year. $BankruptDummyu*RegionalDummy$ controls for any bankrupt stores in different census regions or states. δ_i represents municipality fixed effects and γ_t represents time fixed effects. *Bankrupt* + (*HR*∗*Bankrupt*) shows the sum of the coefficient on *BankruptDummy* and the coefficient on the interaction term *HomeRule* ∗ *BankruptDummy*. **Panel B** of this table replaces $BankruptDummy_i$ with $BankruptCount_i$, which is the total number of bankrupt stores in municipality i. Standard errors clustered at the county level are in parentheses. Municipalities are excluded if they have more than 50 big-box stores, have a 500 percent change between their maximum total revenue (or sales tax or total expenditure) and their minimum total revenue (or sales tax or total expenditure), or if they are in the data for less than five years.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.14
Home Rule Regression Discontinuity Analysis with Alternate Bandwidths

	(1)	(2)
Panel A	**First Stage, Municipality has Home Rule**	
Population ≥25,000	0.594***	0.572***
	(0.169)	(0.141)
Observations	79	111
Panel B	**Largest Percent Fall in Revenue from 2010–2015**	
Municipality has	–0.044	–0.088*
Home rule	(0.038)	(0.045)
Observations	79	111
Panel C	**Percent Fall in Revenue Greater Than 10%**	
Municipality has	–0.276	–0.318**
Home rule	(0.177)	(0.151)
Observations	79	111
Panel D	**Percent Fall in Revenue Greater Than 30%**	
Municipality has	–0.060	–0.161*
Home rule	(0.066)	(0.085)
Observations	79	111
Panel E	**Municipality has Extremely Strong Bond Rating**	
Municipality has	0.405	0.360
Home rule	(0.309)	(0.276)
Observations	176	234
Clusters	75	106
Pop. Bandwidth	±7,500	±10,000

Note: **Panel A** of this table reports estimates of first-stage regressions of the following form:

$$HomeRule_i = \alpha + \beta\,(Above25000)_i + \theta\,(Population)_i + \rho(Above25000 * Population)_i + \varepsilon_i\,,$$

where $HomeRule_i$ is a dummy variable equal to 1 if municipality i ever had home rule status between 2010 and 2015. $Above25000_i$ is a dummy variable that equals to 1 if municipality's population exceeded 25,000 and equals to 0 otherwise. *Population* is the maximum number of population municipality i had sometime between 1994 and 2009. $Above25000 * Population$ is an interaction variable between *Above*25000 and *Population*. This regression establishes a link between the home rule population threshold in Illinois and a city's actual home rule status. Panels B, C, D, and E show the results of regressions with fuzzy regression discontinuity design, using instrumented *HomeRule* variable to estimate various public-finance-related variables. **Panel B** reports estimates of regressions of the following form:

$$RevFall_i = \alpha + \beta\,(HomeRule)_i + \rho(Population)_i + \lambda(HomeRule * Population)_i + \varepsilon_i\,,$$

where $RevFall_i$ is the largest annual percentage fall in revenue from 2010 to 2015 in municipality i. **Panel C** reports estimates of regressions of the following form:

$$RevFall10_i = \alpha + \beta\,(HomeRule)_i + \rho(Population)_i + \lambda(HomeRule * Population)_i + \varepsilon_i\,,$$

where $RevFall10_i$ is a dummy variable that equals to 1 if municipality i has a fall in revenue larger than 10 percent at any point from 2010–2015. **Panel D** reports estimates of regressions of the following form:

$$RevFall30_i = \alpha + \beta\,(HomeRule)_i + \rho(Population)_i + \lambda(HomeRule * Population)_i + \varepsilon_i\,,$$

where $RevFall30_i$ is a dummy variable that equals to 1 if municipality i has a fall in revenue larger than 30 percent at any point from 2010–2015. **Panel E** reports estimates of regressions of the following form:

$$StrongBond_i = \alpha + \beta\,(HomeRule)_i + \rho(Population)_i + \lambda(HomeRule * Population)_i + \varepsilon_i\,,$$

where $StrongBond_i$ is a dummy variable that equals to 1 if municipality i has extremely strong bond rating in IL data (from 1994 to 1996) or in scraped data (2015).

Regressions from all five panels are run with two different population bandwidths. Column 1 includes cities with populations between 17,500 and 32,500, and Column 2 includes cities with populations between 15,000 and 35,000. Standard errors clustered at the municipality level are in parentheses.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.15
Polynomial Robustness Checks for Home Rule Regression Discontinuity Analysis

	(1)	(2)	(3)	(4)
Panel A	**First Stage, Municipality has Home Rule**			
Population≥25,000	0.575***	0.588***	0.605***	0.573***
	(0.188)	(0.168)	(0.148)	(0.140)
Observations	148	183	259	314
Panel B	**Largest Percent Fall in Revenue from 2010–2015**			
Municipality has	–0.038	–0.089*	–0.089*	–0.085
Home Rule	(0.042)	(0.047)	(0.048)	(0.053)
Observations	148	183	257	312
Panel C	**Percent Fall in Revenue Greater Than 10%**			
Municipality has	–0.319	–0.356*	–0.331**	–0.332**
Home Rule	(0.212)	(0.183)	(0.159)	(0.161)
Observations	148	183	258	313
Panel D	**Percent Fall in Revenue Greater Than 30%**			
Municipality has	–0.039	–0.141*	–0.160*	–0.160
Home Rule	(0.071)	(0.085)	(0.092)	(0.102)
Observations	148	183	258	313
Panel E	**Municipality has Extremely Strong Bond Rating**			
Municipality has	0.419	0.366	0.325	0.344
Home Rule	(0.327)	(0.313)	(0.289)	(0.293)
Observations	283	331	434	498
Clusters	135	162	218	257
Pop. Bandwidth	±12,500	±15,000	±18,000	±20,000

Note: **Panel A** of this table reports estimates of first-stage regressions of the following form:

$$HomeRule_i = \alpha + \beta\,(Above25000)_i + \theta\,(Population)_i + \delta(Population^2)_i + \gamma(Above25000 * Population)_i + \pi(Above25000 * Population^2)_i + \varepsilon_i\,,$$

where $HomeRule_i$ is a dummy variable equal to 1 if municipality i ever had home rule status between 2010 and 2015. $Above25000_i$ is a dummy variable that equals to 1 if municipality's population exceeded 25,000 and equals to 0 otherwise. *Population* is the maximum number of population municipality i had sometime between 1994 and 2009. $Above25000 * Population$ is an interaction variable between *Above*25000 and *Population*. This regression establishes a link between the home rule population threshold in Illinois and a city's actual home rule status. Panels B, C, D, and E show the results of regressions with fuzzy regression discontinuity design, using instrumented *HomeRule* variable to estimate various public-finance-related variables. **Panel B** reports estimates of regressions of the following form:

$$RevFall_i = \alpha + \beta\,(HomeRule)_i + \theta\,(Population)_i + \delta(Population^2)_i + \gamma(HomeRule * Population)_i + \pi(HomeRule * Population^2)_i + \varepsilon_i\,,$$

where $RevFall_i$ is the largest annual percentage fall in revenue from 2010 to 2015 in municipality i. **Panel C** reports estimates of regressions of the following form:

$$RevFall10_i = \alpha + \beta\,(HomeRule)_i + \theta\,(Population)_i + \delta(Population^2)_i + \gamma(HomeRule * Population)_i + \pi(HomeRule * Population^2)_i + \varepsilon_i\,,$$

where $RevFall10_i$ is a dummy variable that equals to 1 if municipality i has a fall in revenue larger than 10 percent at any point from 2010–2015. **Panel D** reports estimates of regressions of the following form:

$$RevFall30_i = \alpha + \beta\,(HomeRule)_i + \theta\,(Population)_i + \delta(Population^2)_i + \gamma(HomeRule * Population)_i + \pi(HomeRule * Population^2)_i + \varepsilon_i\,,$$

where $RevFall30_i$ is a dummy variable that equals to 1 if municipality i has a fall in revenue larger than 30 percent at any point from 2010–2015. **Panel E** reports estimates of regressions of the following form:

$$StrongBond_i = \alpha + \beta\,(HomeRule)_i + \theta\,(Population)_i + \delta(Population^2)_i + \gamma(HomeRule * Population)_i + \pi(HomeRule * Population^2)_i + \varepsilon_i\,,$$

where $StrongBond_i$ is a dummy variable that equals to 1 if municipality i has extremely strong bond rating in IL data (from 1994 to 1996) or in scraped data (2015).

Regressions from all five panels are run with four different population bandwidths. Column 1 includes cities with populations between 12,500 and 37,500; Column 2 includes cities with populations between 10,000 and 40,000; Column 3 includes cities with populations between 7,000 and 43,000; and Column 4 includes cities with populations between 5,000 and 45,000. Standard errors clustered at the municipality level are in parentheses.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.16

Sales Tax and Gross Receipts Robustness Checks for Different Operating Store Controls

Panel A	**Sales Tax and Gross Receipts**			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.1575***	–0.1494***	–0.1465***	–0.1467***
	(0.0383)	(0.0421)	(0.0456)	(0.0386)
Constant	9.8201***	9.8206***	9.8205***	9.8205***
	(0.0254)	(0.0252)	(0.0253)	(0.0252)
Operating Control	Operating Dummy × Post	Operating Count × Post	Big Box Count × Post	No Control
Adjusted R^2	0.947	0.947	0.947	0.947
Observations	4,346	4,346	4,346	4,346
Panel B	**Sales Tax and Gross Receipts**			
	(1)	(2)	(3)	(4)
Bankrupt Count	–0.0307***	–0.0418***	–0.0552***	–0.0308***
	(0.0088)	(0.0118)	(0.0196)	(0.0087)
Constant	9.8210***	9.8212***	9.8212***	9.8211***
	(0.0260)	(0.0257)	(0.0257)	(0.0259)
Operating Control	Operating Dummy × Post	Operating Count × Post	Big Box Count × Post	No Control
Adjusted R^2	0.947	0.947	0.947	0.946
Observations	4,346	4,346	4,346	4,346

Note: This table reports estimates of regressions of the following form:

$$ln(Revenue_{it}) = \alpha + \beta\ (BankruptDummy * Post)_{it} + \theta\ (OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\,,$$

where $Revenue_{it}$ is sales tax and gross receipt revenue for municipality i, in year t; $BankruptDummy_i$ in **Panel A** equals 1 when municipality i contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not the year is after 2008, the bankruptcy year. $OperatingDummy * Post$ controls for whether or not municipality i contains any operating stores in the treatment category after the bankruptcy year. In Column 2 *OperatingDummy* is replaced by *OperatingCount*. Similarly, in Columns 3 and 4 *BigBoxCount* and no controls are used instead of *OperatingDummy*, respectively. **Panel B** follows the below specification:

$$ln(Revenue_{it}) = \alpha + \beta\ (BankruptCount * Post)_{it} + \theta\ (OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it}\,,$$

where $BankruptCount_i$ is substituted for $BankruptDummy_i$ in **Panel A** and equals the number of bankruptcies of treatment chains in municipality i. In both panels, δ_i represents municipality fixed effects and γ_t represents year fixed effects. Similarly to Panel A, Columns 1–4 show different operating specifications and no control. Standard errors are in parentheses.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.17

Own-Source Revenue Robustness Checks for Different Operating Store Controls

Panel A	**Own-Source Revenue**			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.0499***	–0.0368**	–0.0247	–0.0447***
	(0.0142)	(0.0160)	(0.0177)	(0.0145)
Constant	11.3665***	11.3665***	11.3663***	11.3667***
	(0.0071)	(0.0071)	(0.0071)	(0.0071)
Operating Control	Operating Dummy × Post	Operating Count × Post	Big Box Count × Post	No Control
Adjusted R^2	0.988	0.988	0.988	0.988
Observations	4,350	4,350	4,350	4,350
Panel B	**Own-Source Revenue**			
	(1)	(2)	(3)	(4)
Bankrupt Count	–0.0182***	–0.0191***	–0.0203**	–0.0182***
	(0.0040)	(0.0058)	(0.0096)	(0.0040)
Constant	11.3663***	11.3664***	11.3664***	11.3663***
	(0.0070)	(0.0070)	(0.0070)	(0.0070)
Operating Control	Operating Dummy × Post	Operating Count × Post	Big Box Count × Post	No Control
Adjusted R^2	0.988	0.988	0.988	0.988
Observations	4,350	4,350	4,350	4,350

Note: This table reports estimates of regressions of the following form:

$$ln(Revenue_{it}) = \alpha + \beta\ (BankruptDummy * Post)_{it} + \theta\ (OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it},$$

where $Revenue_{it}$ is own-source revenue for municipality *i*, in year *t*; $BankruptDummy_i$ in **Panels A** equals 1 when municipality *i* contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not the year is after 2008, the bankruptcy year. *OperatingDummy* ∗ *Post* controls for whether or not municipality *i* contains any operating stores in the treatment category after the bankruptcy year. In Column 2 *OperatingDummy* is replaced by *OperatingCount*. Similarly, in Columns 3 and 4 *BigBoxCount* and no controls are used instead of *OperatingDummy*, respectively. **Panels B** follows the below specification:

$$ln(Revenue_{it}) = \alpha + \beta\ (BankruptCount * Post)_{it} + \theta\ (OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it},$$

where $BankruptCount_i$ is substituted for $BankruptDummy_i$ in **Panels A** and equals the number of bankruptcies of treatment chains in municipality *i*. In both panels, δ_i represents municipality fixed effects and γ_t represents year fixed effects. Similarly to Panel A, Columns 1–4 show different operating specifications and no control. Standard errors are in parentheses.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Table A.18
Total Expenditure Robustness Checks for Different Operating Store Controls

Panel A	**Total Expenditure**			
	(1)	(2)	(3)	(4)
Bankrupt Dummy	–0.0336**	–0.0228	–0.0119	–0.0282*
	(0.0164)	(0.0170)	(0.0176)	(0.0164)
Constant	11.5219***	11.5220***	11.5218***	11.5221***
	(0.0091)	(0.0091)	(0.0091)	(0.0091)
Operating Control	Operating Dummy × Post	Operating Count × Post	Big Box Count × Post	No Control
Adjusted R^2	0.986	0.986	0.986	0.986
Observations	4,350	4,350	4,350	4,350
Panel B	**Total Expenditure**			
	(1)	(2)	(3)	(4)
Bankrupt Count	–0.0145***	–0.0170***	–0.0201*	–0.0200*
	(0.0040)	(0.0065)	(0.0111)	(0.0111)
Constant	11.5216***	11.5218***	11.5218***	11.8138***
	(0.0091)	(0.0091)	(0.0091)	(0.0086)
Operating Control	Operating Dummy × Post	Operating Count × Post	Big Box Count × Post	No Control
Adjusted R^2	0.986	0.986	0.986	0.986
Observations	4,350	4,350	4,350	4,350

Note: This table reports estimates of regressions of the following form:

$$ln(Expenditure_{it}) = \alpha + \beta\,(BankruptDummy * Post)_{it} + \theta\,(OperatingDummy * Post)_{it} + \delta_i + \gamma_t + \varepsilon_{it},$$

where $Expenditure_{it}$ is the total expenditures for municipality *i*, in year *t*; $BankruptDummy_i$ in **Panels A** equals 1 when municipality *i* contains one or more of the treatment chains. $Post_t$ is an indicator for whether or not the year is after 2008, the bankruptcy year. $OperatingDummy * Post$ controls for whether or not municipality *i* contains any operating stores in the treatment category after the bankruptcy year. In Column 2 *OperatingDummy* is replaced by *OperatingCount*. Similarly, in Columns 3 and 4 *BigBoxCount* and no controls are used instead of *OperatingDummy*, respectively. **Panels B** follows the below specification:

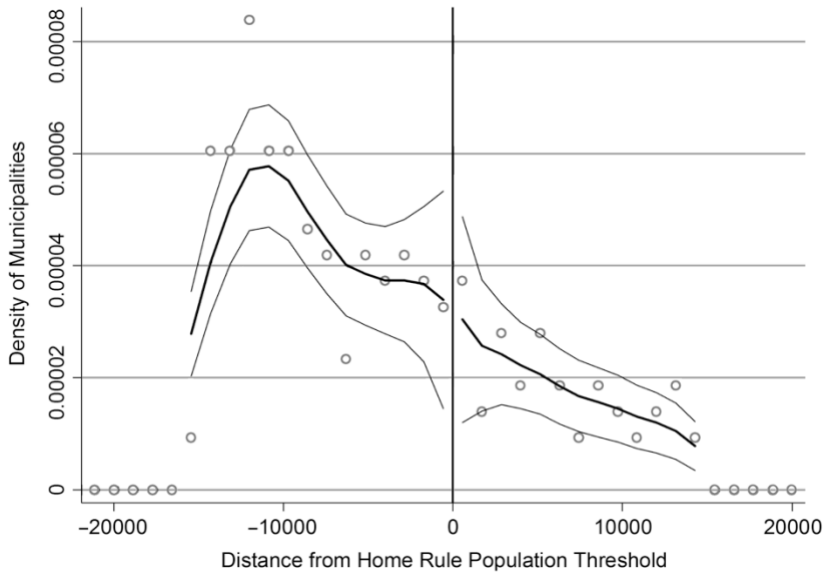
$$ln(Expenditure_{it}) = \alpha + \beta\,(BankruptCount * Post)_{it} + \theta\,(OperatingDummy * Post)_{it} + \delta_i\,\gamma_t + \varepsilon_{it},$$

where $BankruptCount_i$ is substituted for $BankruptDummy_i$ in **Panels A** and equals the number of bankruptcies of treatment chains in municipality *i*. In both panels, δ_i represents municipality fixed effects and γ_t represents year fixed effects. Similarly to Panel A, Columns 1–4 show different operating specifications and no control. δ_i represents municipality fixed effects and γ_t represents time fixed effects. Standard errors are in parentheses.

$*p < 0.1$, $**p < 0.05$, $***p < 0.01$

Figure A.1

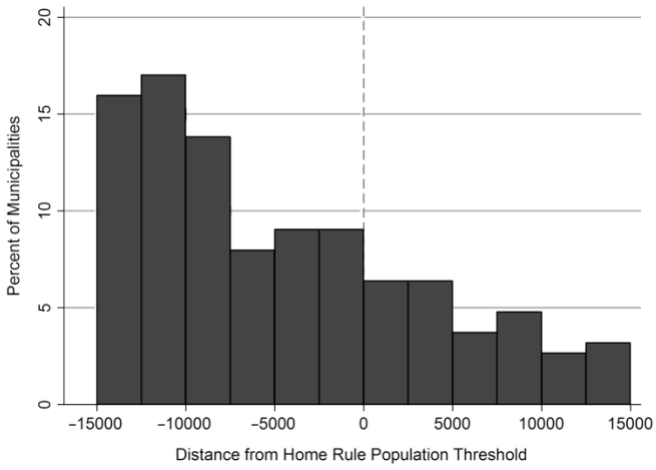
Formal Test of Change in Density at Home Rule Population Threshold



Note: The figure displays the density of municipalities with a range of populations from 10,000 to 40,000 centered at the home rule population threshold in Illinois (population=25,000). The figure does not show a statistical break in the density of municipalities near the cutoff — this is evidence against endogenous sorting or manipulation of the running variable.

Figure A.2

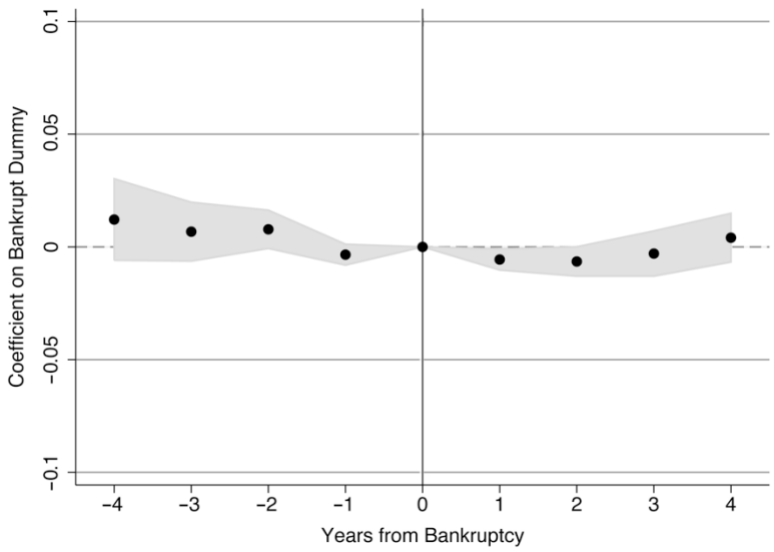
Home Rule, Population Histogram–No Sorting at Cutoff



Note: The figure plots a histogram showing percent of municipalities falling in each population bin. The size of the bins is 2,500.

Figure A.3

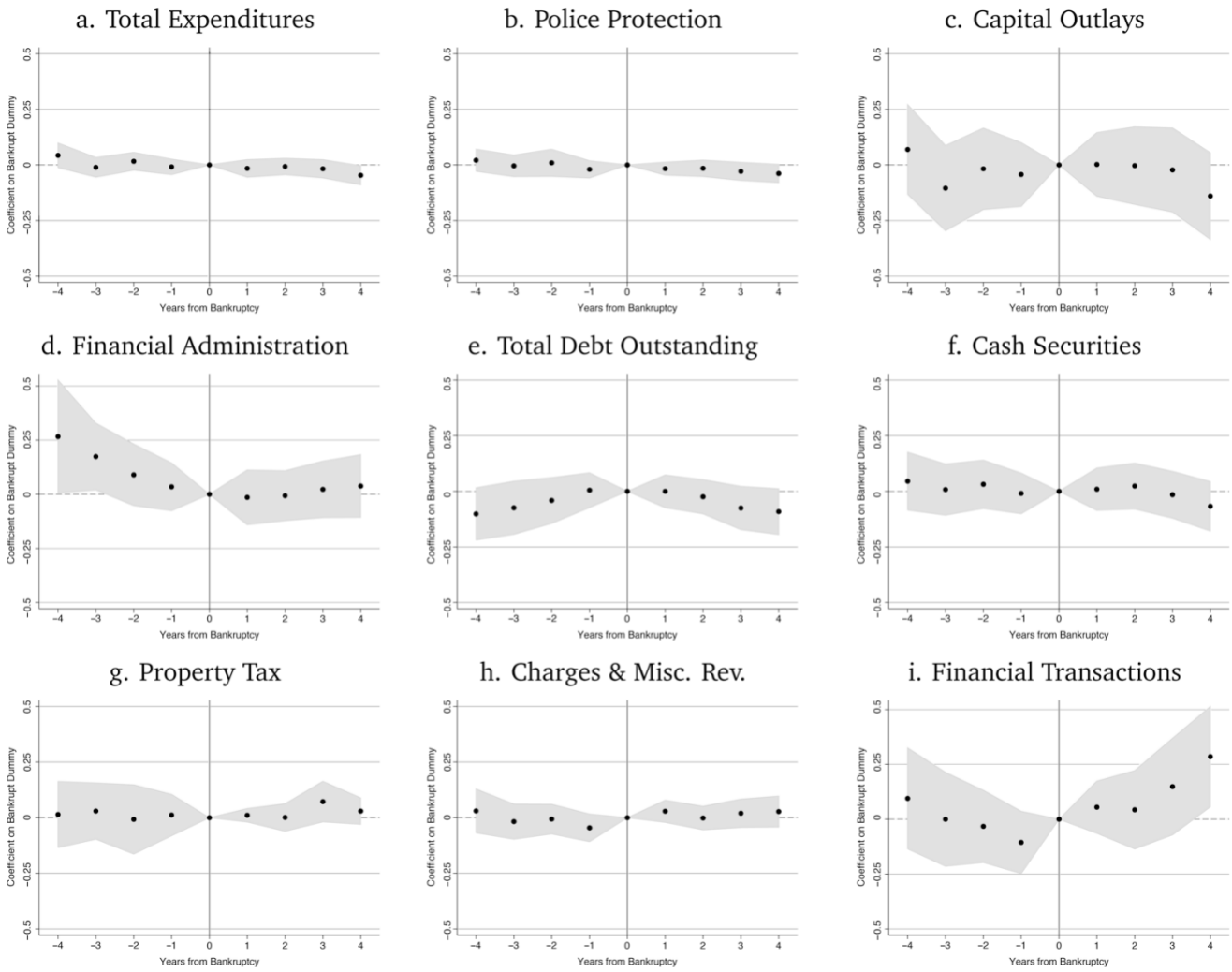
Event Study Estimates of the Relationship Between Big-Box Bankruptcy and Population



Note: The figure plots coefficients and confidence intervals from the following regression: $ln(Population_{it}) = \alpha + \beta(BankruptcyDummy)_i + \lambda(YearDummy)_t + \rho(BankruptcyDummy*YearDummy)_{it} + \theta(OperatingDummy*YearDummy)_{it} + \delta_i + \gamma_t + \sigma_{jt} + \varepsilon_{it}$ where $Population_{it}$ stands for the U.S. Census Bureau population estimate in municipality i in year t in **subfigure a**. In **subfigure b** $Revenue_{it}$ represents own-source revenue for municipality i in year t. In both panels, $BankruptcyDummy_i$ is an indicator that has a value of 1 if any big-box stores go bankrupt in municipality i. $YearDummy_t$ is a series of dummies taking a value of 1 for each of the years in our sample, centered at 2008. $(BankruptcyDummy*YearDummy)_{it}$ is an interaction between the bankruptcy dummy variable and a series of dummies for each year in our sample. $OperatingDummy_{it}$ takes a value of 1 if any operating big-box stores are still in the municipality and this is interacted with $YearDummy_t$. $(OperatingDummy*YearDummy)_{it}$ is an interaction between the indicator for any operating big-box stores and a series of dummies for each of the sample years. δ_i represents municipality fixed effects, γ_t represents time fixed effects, and σ_{jt} represents state-year fixed effects. This figure uses U.S. Census Bureau estimates for municipality population. The U.S. Census Bureau estimates county population in each year by using administrative records on county level births, deaths, and migration. This county-level estimate is then applied to municipalities based on existing housing unit counts at the sub-county level.

Figure A.4

Additional Event Studies



Note: The figure plots coefficients and confidence intervals from the following regression: $ln(Outcome_{it}) = \alpha + \beta\,(BankruptcyDummy)_i + \lambda(YearDummy)_t + \rho(BankruptcyDummy*YearDummy)_{it} + \theta(OperatingDummy*YearDummy)_{it} + \delta_i + \gamma_t + \sigma_{jt} + \varepsilon_{it}$ where $Outcome_{it}$ stands for revenue or expenditure variable of interest in municipality i in year t. In **subfigures a to i** $Outcome_{it}$ represents total expenditures, police protection, capital outlays, financial administration, total debt outstanding, cash securities, property taxes, charges and miscellaneous revenue, and financial transactions for municipality i in year t. In all panels, $BankruptcyDummy_i$ is an indicator that has a value of 1 if any big-box stores go bankrupt in municipality i. $YearDummy_t$ is a series of dummies taking a value of 1 for each of the years in our sample, centered at 2008. $(BankruptcyDummy*YearDummy)_{it}$ is an interaction between the bankruptcy dummy variable and a series of dummies for each year in our sample. $OperatingDummy_{it}$ takes a value of 1 if any operating big-box stores are still in the municipality and this is interacted with $YearDummy_t$. $(OperatingDummy*YearDummy)_{it}$ is an interaction between the indicator for any operating big-box stores and a series of dummies for each of the sample years. δ_i represents municipality fixed effects, γ_t represents time fixed effects, and σ_{jt} represents state-year fixed effects.