INTERNET APPENDIX X – EFFECTS OF TARP ON THE COMPONENTS OF LOCAL ECONOMIC CONDITIONS (available at www.jfqa.org)

In Table X.1, we decompose our four indicators of local economic conditions and examine the effects of TARP on each component. We first decompose NET_JOB_CREATION / CAPITA into GROSS_JOB_CREATION / CAPITA (openings and expansions) and GROSS_JOB_DESTRUCTION / CAPITA (closings and contractions) to shed light on the sources of the net job creation effects. Results in Panel A columns 1 and 4 suggest that our main net job creation findings are due to both an increase in gross job creation and a decrease in gross job destruction. In columns 2 and 3, we further decompose GROSS_JOB_CREATION / CAPITA into its subcomponents of GROSS_JOB_CREATION_OPENINGS / CAPITA (job openings or jobs created at new establishments) and GROSS_JOB_CREATION_EXPANSIONS / CAPITA (expansions or jobs created at existing establishments). We find that job expansions are the most important to explain the increase in gross job creation. Similarly, in columns 5 and 6, we further decompose GROSS_JOB_DESTRUCTION / CAPITA into its subcomponents of GROSS_JOB_DESTRUCTION_CLOSINGS / CAPITA (job closings or jobs lost due to closing establishments) and GROSS_JOB_DESTRUCTION_CONTRACTIONS / CAPITA (contractions or jobs lost at existing establishments that contract operations). Job contractions appear to be the most important to explain the decrease in gross job destruction.

We next decompose NET_HIRING_ESTABLISHMENTS / CAPITA into GROSS_HIRING_ESTABLISHMENTS / CAPITA and GROSS_FIRING_ESTABLISHMENTS / CAPITA. Results in Table X.1 Panel B columns 1 and 4 suggest that our main net hiring establishment findings are due to both an increase in GROSS_HIRING_ESTABLISHMENTS / CAPITA and a decrease in GROSS_FIRING_ESTABLISHMENTS / CAPITA. In columns 2 and 3, we further decompose GROSS_HIRING_ESTABLISHMENTS / CAPITA into its subcomponents of GROSS_HIRING_ESTABLISHMENTS_OPENINGS / CAPITA (establishment openings or new establishments that create jobs) and GROSS_HIRING_ESTABLISHMENTS_EXPANSIONS / CAPITA

(establishment expansions or establishments that expand their operations and create jobs). We find statistically significant increases in establishment expansions. Similarly, in columns 5 and 6, we further decompose GROSS_FIRING_ESTABLISHMENTS / CAPITA into its subcomponents of GROSS_FIRING_ESTABLISHMENTS_CLOSINGS / CAPITA (closing establishments that destroy jobs) and GROSS_FIRING_ESTABLISHMENTS_CONTRACTIONS / CAPITA (contractions or continuing establishments that destroy jobs). We find that establishment contractions are the most important to explain the decrease in gross firing establishments.

As shown in Bris, Welch, and Zhu (2006), there may be differences among the different incentives and conditions that lead a firm to choose one bankruptcy filing over another. Therefore, we decompose BUSINESS_BANKRUPTCIES / CAPITA into its components: BUSINESS_BANKRUPTCIES / CAPITA_CHAPTER 7 (liquidations), BUSINESS_BANKRUPTCIES / CAPITA_CHAPTER 11 (corporate reorganizations), BUSINESS_BANKRUPTCIES / CAPITA_CHAPTER 12 (adjustments of debts), and BUSINESS_BANKRUPTCIES / CAPITA_CHAPTER 13 (adjustments of debts – small amounts), where the first two types of filings are typically for large corporations. Results in Panel C columns 1--4 suggest that there are statistically significant reductions in bankruptcies through Chapters 7 and 13 filings. The reduction in bankruptcies through Chapter 7 is also large relative to the sample mean. We also decompose PERSONAL_BANKRUPTCIES / CAPITA into its components: PERSONAL_BANKRUPTCIES / CAPITA_CHAPTER 7, PERSONAL_BANKRUPTCIES / CAPITA_CHAPTER 11, and PERSONAL_BANKRUPTCIES / CAPITA_CHAPTER 13. Results in Panel D columns 1--3 suggest that TARP led to statistically and economically significant decreases in personal bankruptcies via Chapter 7 (liquidations) filings only.

TABLE X.1. Effects of TARP on Local Economic Conditions: Sources

This table reports estimates from difference-in-difference (DID) regression estimates for the impact of TARP on local economic conditions components. Panel A shows the decomposition of NET_JOB_CREATION / CAPITA, Panel B shows the decomposition of NET_HIRING_ESTABLISHMENTS / CAPITA, Panel C shows the decomposition of BUSINESS_BANKRUPTCIES / CAPITA and Panel D shows the decomposition of PERSONAL_BANKRUPTCIES / CAPITA. TARP_RECIPIENT is the weighted proportion of TARP banks receiving TARP in the local markets, POST_TARP is a dummy equal to one in 2009--2012, the period after TARP program initiation, and 0 otherwise. All models include state and time fixed effects. The estimation results are for 2005--2012. All variables are defined in Table 1. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Panel A. Decomposition of NET_JOB_CREATION / CAPITA

	Dependent Variables					
	GROSS_JOB_ CREATION / CAPITA	GROSS_JOB_ CREATION_ OPENINGS / CAPITA	GROSS_JOB_ CREATION_ EXPANSIONS / CAPITA	**GROSS_JOB_ DESTRUCTION / CAPITA**	GROSS_JOB DESTRUCTION_ CLOSINGS / CAPITA	GROSS_JOB DESTRUCTION_ CONTRACTIONS / CAPITA
Independent Variables	**1**	**2**	**3**	**4**	**5**	**6**
TARP_RECIPIENT	-2.296**	-0.341	-1.955**	1.148	-0.149	1.312
	(-2.340)	(-0.945)	(-2.378)	(1.232)	(-0.492)	(1.506)
POST_TARP	-3.544***	-0.731***	-2.814***	-3.160***	-0.786***	-2.372***
	(-9.685)	(-5.862)	(-9.623)	(-9.019)	(-4.952)	(-9.081)
POST_TARP × TARP_RECIPIENT	1.205**	0.160	1.045**	-2.038***	0.119	-2.167***
	(2.409)	(0.901)	(2.432)	(-3.802)	(0.689)	(-4.423)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580	1,580	1,580
Adj. R^2	0.885	0.755	0.884	0.866	0.684	0.870

Panel B. Decomposition of NET_HIRING_ESTABLISHMENTS / CAPITA

	Dependent Variables					
	GROSS_HIRING_ ESTABLISHMENTS / CAPITA	GROSS_HIRING _ESTABLISHMENTS_OPENINGS / CAPITA	GROSS_HIRING _ESTABLISHMENTS_EXPANSIONS / CAPITA	**GROSS_FIRING_ ESTABLISHMENTS / CAPITA**	GROSS_FIRING _ESTABLISHMENTS_CLOSINGS / CAPITA	GROSS_FIRING_ ESTABLISHMENTS_CONTRACTIONS / CAPITA
Independent Variables	**1**	**2**	**3**	**4**	**5**	**6**
TARP_RECIPIENT	-0.611***	-0.172***	-0.439***	0.305**	0.040	0.265**
	(-3.755)	(-2.649)	(-3.440)	(2.128)	(0.639)	(2.157)
POST_TARP	-0.541***	-0.047**	-0.493***	-0.459***	-0.017	-0.442***
	(-9.778)	(-2.249)	(-11.347)	(-9.708)	(-0.648)	(-12.449)
POST_TARP × TARP_RECIPIENT	0.281***	0.023	0.258***	-0.359***	-0.043	-0.316***
	(3.328)	(0.680)	(3.884)	(-4.550)	(-1.128)	(-4.835)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580	1,580	1,580
Adj. R^2	0.958	0.897	0.958	0.959	0.862	0.961

Panel C. Decomposition of BUSINESS_BANKRUPTCIES / CAPITA

	Dependent Variables			
	BUSINESS_ BANKRUPTCIES_ CHAPTER 7 / CAPITA	**BUSINESS_ BANKRUPTCIES_ CHAPTER 11 / CAPITA**	**BUSINESS_ BANKRUPTCIES_ CHAPTER 12 / CAPITA**	**BUSINESS_ BANKRUPTCIES_ CHAPTER 13 / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT	0.015***	0.029	0.000	0.002
	(2.592)	(1.559)	(1.479)	(1.547)
POST_TARP	-0.008***	-0.001	-0.000	-0.002***
	(-4.716)	(-0.224)	(-0.374)	(-4.213)
POST_TARP × TARP_RECIPIENT	-0.010***	-0.009	-0.000	-0.002**
	(-2.964)	(-1.464)	(-1.045)	(-2.249)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.723	0.565	0.415	0.640

Panel D. Decomposition of PERSONAL_BANKRUPTCIES / CAPITA

	Dependent Variables		
	PERSONAL_ BANKRUPTCIES_ CHAPTER 7/ CAPITA	**PERSONAL_ BANKRUPTCIES_ CHAPTER 11 / CAPITA**	**PERSONAL_ BANKRUPTCIES_ CHAPTER 13 / CAPITA**
Independent Variables	**1**	**2**	**3**
TARP_RECIPIENT	0.269	0.000	0.026
	(1.634)	(0.797)	(0.916)
POST_TARP	-0.866***	0.000**	-0.066***
	(-15.958)	(2.361)	(-5.775)
POST_TARP ×TARP_RECIPIENT	-0.412***	-0.000	-0.019
	(-5.393)	(-0.256)	(-1.117)
Bank-Related Controls	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580
Adj. R^2	0.842	0.498	0.932

INTERNET APPENDIX Y – SUBSAMPLE TESTS (available at www.jfqa.org)

We conduct several subsample analyses to see in which types of banks and under what local economic conditions TARP was most effective.

Y.1 Effects by Bank Size Classes

As shown in the TARP literature (e.g., Black and Hazelwood, 2013; Li, 2013; Duchin and Sosyura, 2014; Puddu and Walchli, 2015), different bank sizes may exhibit different lending behavior after TARP capital disbursements, which may have different effects on local economic conditions.

We therefore examine separately the proportions of different TARP bank sizes in the local markets: small TARP banks (GTA ≤ $1 billion), medium TARP banks ($1 billion ≤ GTA < $3 billion), and large TARP banks (GTA > $3 billion) and create three variables: SMALL_TARP_RECIPIENT, MEDIUM_TARP_RECIPIENT, and LARGE_TARP_RECIPIENT, as well as DID interaction terms between these TARP variables and the POST_TARP dummy.[34] Table Y.1 Panel A1, columns 1--4, present the results.

We find that all effects are concentrated in the medium and large banks, particularly the medium banks. The proportions of large and medium TARP banks in the local markets statistically and economically increase net job creation and hiring establishments more than the proportion of the small TARP banks and lead to a statistically significant decrease in business and personal bankruptcies. Also, the *t*-tests for the differences in coefficients among the proportions of the three TARP bank size groups reported in Panel A2 show that the differences between the effects of the proportions of small and large TARP banks are not statistically significant. However, the differences between the small and medium TARP banks are statistically significant for the net job creation, net hiring establishments, and business bankruptcies, while the differences between medium and large TARP banks are statistically significant

[34] Out of the TARP bank recipients, 67% are small banks, 16% are medium banks, and 17% are large banks.

for net hiring establishments and business bankruptcies. As shown below, the weaker findings for large banks compared to medium banks may be related to the involuntary nature of TARP participation or the stress tests of most of the largest institutions. Alternatively, it may be because many of the large banks are multistate, and the effects of TARP for these banks may not align well with the distributions across states of their deposits, as is assumed in our analyses.

Y.2 Involuntary and Voluntary Participants

As discussed above, some banks were required to participate in TARP at its inception. We classify the following eight banks as involuntary participants: Citigroup, JP Morgan, Wells Fargo, Morgan Stanley, Goldman Sachs, Bank of New York, Bank of America, and State Street Bank.[35] We consider separately the proportions of TARP involuntary and voluntary banks and we interact these variables with our POST_TARP dummy. Regression estimates are shown in Table Y.1 Panel B1, columns 1--4. We find that results continue to hold and are primarily due to voluntary TARP participants. The only exception is business bankruptcies, for which only involuntary banks play a more important role in the reduction of bankruptcies.

Y.3 TARP Banks Subject to Stress Tests (SCAP and CCAR) and Those That Are Not

The 2009 U.S. Banks Stress Tests aka Supervisory Capital Assessment Program (SCAP) was a mandatory program applied to 19 banking organizations with assets exceeding $100 billion that cover about 2/3 of U.S banking assets and about half of loans.[36] It was conducted by Federal Bank Regulatory Agencies (FED, FDIC, OCC) from February 25, 2009 to late April 2009 and it was designed to ensure that large banking organizations had enough capital to withstand the recession and a more adverse scenario that might occur over the rest of 2009 and 2010. These organizations had to have or raise enough

[35] We exclude Merrill Lynch from the original 9 involuntary recipients because it is not a bank.

[36] These 19 banking organizations are Bank of America, Citigroup, Goldman Sachs, JP Morgan Chase, Morgan Stanley, Wells Fargo, Bank of NY Mellon, BB&T, Fifth Third Bancorp, Keycorp, PNC Financial, Regions Financial, SunTrust Banks, US Bancorp, Ally Financial, American Express Company, Capital One Financial, Metlife, and State Street.

capital to meet capital requirements under the more adverse scenario, or the Treasury would provide the capital. In later years, this became the Comprehensive Capital Analysis and Review (CCAR). Given this special treatment of stress-tested banks, we would like to rule out the possibility that our main results may be determined by this subsample of banks.

We examine separately the proportions of TARP stress-tested and nonstress-tested banks and interact these variables with our POST_TARP dummy. Regression estimates are shown in Table Y.1 Panel C1, columns 1--4. We find that results continue to hold and in most cases, the nonstress tested banks appear to be responsible for more of the gains in job creation and hiring establishments. One possible reason may be that the stress tests were successful and TARP was not needed for these banks. However, with regard to business and personal bankruptcies, stress-tested banks generally tend to contribute more to the reduction in both business and personal bankruptcies.

Y.4 TARP Banks that Did and Did Not Repay Early

We also test whether TARP may have been more or less effective in improving local economic conditions for TARP banks that repaid early in 2009 or 2010 versus other recipients. Berger and Roman (2015) find that the competitive benefits of TARP are primarily or entirely due to TARP recipients that repaid early. We rerun our tests by differentiating between TARP banks that repaid early and those that did not. Table Y.1 Panel D1, columns 1--4 report the estimation results. The results indicate that most of the gains are due to TARP banks that did not repay early: the proportions of TARP banks that repaid early lead to higher increase in net job creation and hiring establishments and higher decreases in business and personal bankruptcies. The t-tests for the difference in coefficients between the two groups reported in Panel D2 shows that the difference between proportions of TARP banks that repaid early and those that did not is statistically significant for personal bankruptcies, but not for the others.

Y.5 Banks with Low and High Capital Ratios (2008:Q3)

Banks with lower capital ratios prior to infusion may expand loans and off-balance-sheet

guarantees more because TARP injections relieved them from capital constraints that prevented them from lending. Alternatively, banks with higher capital ratios prior to infusion may have better abilities to use the extra capital from the infusion to expand loans and off-balance-sheet guarantees and thus alter local economic conditions. Therefore, we consider separately the proportions of TARP banks with low equity to assets ratio (EQCAP_08Q3 ≤ median) and high equity to assets ratio (EQCAP_08Q3 > median) before the TARP program started. Regression estimates are shown in Table Y.1 Panel E1, columns 1--4.

The results are mixed. The job creation and hiring establishments effects are primarily due to the proportions of well capitalized TARP banks, as indicated by the positive coefficients for their DID terms. However, the bankruptcy effects are primarily due to the proportions of poor-capitalized TARP banks. Also, the *t*-tests for the difference in coefficients between the effects of the proportions of the two TARP groups reported in Panel E2 are statistically significant for all but personal bankruptcies. In addition, the reported improvements in local conditions are economically significant for all the economic indicators except business bankruptcies.

Y.6 States in Poor and Good Conditions (2008:Q3)

It is also possible that the states with worse economic conditions may improve their conditions more or less after TARP relative to those with better economic conditions. We measure the economic conditions using the COINCIDENT_INDEX from Philadelphia Federal Reserve Web site. This index combines four state-level economic indicators – nonfarm payroll employment, average hours worked in manufacturing, the unemployment rate, and wage and salary disbursements deflated by the consumer price index – into a single statistic. We differentiate between proportions of TARP banks in the states with low coincident index before the TARP program started (2008:Q3) (COINCIDENT_INDEX_2008:Q3 ≤ median) and those with high coincident index before the TARP program started (COINCIDENT_INDEX_2008:Q3 > median). Regression estimates are shown in Table Y.1 Panel F1, columns 1--4.

We find that results are primarily due to the proportions of TARP banks in the states with poor conditions (low coincident indices), which helped statistically and economically significantly increase net job creation and hiring establishments, and decrease business and personal bankruptcies. The *t*-tests for the difference in coefficients between the two groups reported in Panel F2 shows that the difference between states with low and high coincident indices is statistically significant for all but business bankruptcies.

Y.7 States with Low and High Economic Freedom (2008:Q3)

States with less economic freedom may have improved their conditions more or less after TARP relative to those with higher economic freedom. States with high economic freedom (freer competition, better enforcement of contracts, etc.) may have a higher ability to stabilize their local markets without intervention from governments and regulators because their economy is closer to the market economy. Alternatively, banks in states with low economic freedom may have more room for improvement, so they may gain more from the TARP bailouts. We differentiate between proportions of TARP banks in the states with low economic freedom indices (ECONOMIC_FREEDOM_INDEX_2008:Q3 ≤ median) and those with high economic freedom indices before the TARP program started (ECONOMIC_FREEDOM_INDEX_2008:Q3 > median). Regression estimates are shown in Table Y.1 Panel G1, columns 1--4.

We find that results are primarily due to proportions of TARP banks in the states with low economic freedom indices, which helped statistically and economically significantly increase net job creation and hiring establishments and decrease business and personal bankruptcies. The *t*-tests for the difference in coefficients between the two groups reported in Panel G2 shows that the difference between states with low and high economic freedom indices is statistically significant for personal bankruptcies, but not for the others.

TABLE Y.1. Effects of TARP on Local Economic Conditions: Other Robustness Tests

This table shows additional subsample tests for analyzing the impact of TARP on local economic conditions. Panel A reports difference-in-difference (DID) regression estimates when considering the proportions of different TARP banks size classes in the local markets: SMALL_TARP_RECIPIENT (GTA ≤ 1 Billion), MEDIUM_TARP_RECIPIENT (1 Billion < GTA ≤ 3 Billion) and LARGE_TARP_RECIPIENT (GTA > 3 Billion). Panel B reports difference-in-difference (DID) regression estimates for the proportions of TARP banks that are involuntary and those that are voluntary participants. Panel C reports difference-in-difference (DID) regression estimates for the proportions of TARP banks that are subject to stress-tests and those that were not. Panel D reports difference-in-difference (DID) regression estimates for the proportions of TARP banks that repaid early and those that did not. Panel E reports difference-in-difference (DID) regression estimates for the proportions of TARP banks with low capitalization (EQCAP_08Q3 ≤ median) versus those with high capitalization (EQCAP_08Q3 > median). Panels F reports difference-in-difference (DID) regression estimates for the proportions of TARP in states with low coincident index in 2008:Q3 (≤ median) and in states with high coincident index in 2008:Q3 (> median). Panels G reports difference-in-difference (DID) regression estimates for the proportions of TARP in states with low economic freedom index in 2008:Q3 (≤ median) and in states with high economic freedom index in 2008:Q3 (> median).). The measures of local conditions are NET_JOB_CREATION / CAPITA, NET_HIRING_ESTABLISHMENTS / CAPITA, BUSINESS_BANKRUPTCIES / CAPITA, and PERSONAL_BANKRUPTCIES / CAPITA. TARP_RECIPIENT is the weighted proportion of TARP banks receiving TARP in the local markets, POST_TARP is a dummy equal to one in 2009--2012, the period after TARP program initiation, and 0 otherwise. All models include state and time fixed effects. The estimation results are for 2005--2012. All variables are defined in Table 1. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Panel A. Effects by Bank Size Classes

Panel A1. Regression Estimates

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
SMALL_TARP_RECIPIENT	14.685	1.054	0.033	1.955*
	(1.093)	(0.516)	(0.531)	(1.677)
MEDIUM_TARP_RECIPIENT	-18.102*	-3.497***	0.104**	0.349
	(-1.938)	(-2.593)	(2.109)	(0.352)
LARGE_TARP_RECIPIENT	-3.143**	-0.880***	0.045**	0.273
	(-2.193)	(-3.513)	(2.338)	(1.532)
POST_TARP	-0.328	-0.057	-0.011**	-0.911***
	(-0.642)	(-0.725)	(-2.441)	(-16.138)
POST_TARP × SMALL_TARP_RECIPIENT	-5.916	-1.609	0.035	-0.787
	(-0.713)	(-1.078)	(0.487)	(-0.851)
POST_TARP × MEDIUM_TARP_RECIPIENT	23.244***	2.726**	-0.117***	-1.590*
	(2.911)	(2.248)	(-2.591)	(-1.862)
POST_TARP × LARGE_TARP_RECIPIENT	2.928***	0.610***	-0.020**	-0.408***
	(3.749)	(4.726)	(-2.533)	(-5.061)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.487	0.572	0.626	0.874

Panel A2. Tests of the Equality of the Effects of TARP for Different Types of TARP Recipients

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
***t*-stat:** POST_TARP × SMALL_TARP_RECIPIENT = POST_TARP × LARGE_TARP_RECIPIENT	1.068	1.493	0.735	0.412
***t*-stat:** POST_TARP × SMALL_TARP_RECIPIENT = POST_TARP × MEDIUM_TARP_RECIPIENT	2.202**	1.949*	1.916*	0.728
***t*-stat:** POST_TARP × MEDIUM_TARP_RECIPIENT = POST_TARP × LARGE_TARP_RECIPIENT	0.316	1.729*	2.046*	1.371

Panel B. TARP Involuntary and Voluntary Participants

Panel B1. Regression Estimates

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT × INVOL	-1.967	-0.634**	0.041*	0.331*
	(-1.155)	(-2.179)	(1.850)	(1.664)
TARP_RECIPIENT × VOL	-5.206***	-1.247***	0.049**	0.314
	(-3.164)	(-4.579)	(1.972)	(1.553)
POST_TARP	-0.365	-0.076	-0.012**	-0.918***
	(-0.752)	(-1.014)	(-2.451)	(-16.798)
POST_TARP × TARP_RECIPIENT × INVOL	2.088*	0.436**	-0.030*	-0.257**
	(1.752)	(2.326)	(-1.928)	(-2.458)
POST_TARP × TARP_RECIPIENT × VOL	4.873***	0.929***	-0.010	-0.673***
	(3.802)	(4.539)	(-1.020)	(-4.064)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.485	0.572	0.627	0.875

Panel B2. Tests of the Equality of the Effects of TARP for Different Types of TARP Recipients

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
***t*-stat:**				
Effect for TARP involuntary participants = effect for TARP noninvoluntary participants	1.407	1.619	0.894	1.918*

Panel C. Banks Subject to the Stress Tests and those that are not (SCAP and CCAP)

Panel C1. Regression Estimates

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT × STRESS-TESTED	-1.995	-0.765***	0.036**	0.350**
	(-1.301)	(-2.815)	(2.069)	(2.036)
TARP_RECIPIENT × NONSTRESS-TESTED	-9.393***	-1.518***	0.082**	0.074
	(-3.471)	(-3.999)	(2.018)	(0.215)
POST_TARP	-0.406	-0.072	-0.015***	-0.928***
	(-0.820)	(-0.938)	(-2.867)	(-16.856)
POST_TARP × TARP_RECIPIENT × STRESS-TESTED	2.517***	0.604***	-0.032***	-0.446***
	(2.899)	(4.240)	(-3.511)	(-5.223)
POST_TARP × TARP_RECIPIENT × NONSTRESS-TESTED	7.590***	0.784*	0.070***	-0.368
	(2.827)	(1.887)	(2.887)	(-1.053)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.487	0.572	0.635	0.874

Panel C2. Tests of the Equality of the Effects of TARP for Different Types of TARP Recipients

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
***t*-stat:**				
Effect for TARP banks subject to Stress Tests = effect for TARP banks not subject to Stress Tests	1.685*	0.387	3.604***	0.200

Panel D. Distinguishing by Early Repayment

Panel D1. Regression Estimates

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT_REPAID	-2.260	-0.800***	0.045**	0.295
	(-1.494)	(-3.016)	(2.208)	(1.442)
TARP_RECIPIENT_NOT REPAID	-7.918***	-1.362***	0.051**	0.268
	(-3.271)	(-3.674)	(1.981)	(1.125)
POST_TARP	-0.375	-0.076	-0.010**	-0.919***
	(-0.773)	(-1.007)	(-2.300)	(-16.753)
POST_TARP × TARP_RECIPIENT_ REPAID_EARLY	2.392**	0.593***	-0.017	-0.329***
	(2.565)	(3.891)	(-1.403)	(-3.618)
POST_TARP × TARP_RECIPIENT_ NOT_REPAID_EARLY	6.762***	0.805**	-0.043*	-0.944***
	(2.869)	(2.156)	(-1.727)	(-3.997)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.486	0.572	0.626	0.875

Panel D2. Tests of the Equality of the Effects of TARP for Different Types of TARP Recipients

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
***t*-stat:**				
Effect for TARP banks that repaid early = effect for TARP banks that did not repay early	1.568	0.489	0.787	2.317**

Panel E. Capitalization Level (2008:Q3)

Panel E1. Regression Estimates

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT × HIGHCAP	-8.053***	-1.678***	0.051**	0.249
	(-4.539)	(-5.647)	(2.072)	(1.177)
TARP_RECIPIENT × LOWCAP	-1.281	-0.565**	0.043**	0.315*
	(-0.853)	(-2.163)	(2.071)	(1.750)
POST_TARP	-0.379	-0.080	-0.011**	-0.931***
	(-0.788)	(-1.071)	(-2.254)	(-16.870)
POST_TARP × TARP_RECIPIENT × HIGHCAP	5.850***	1.199***	-0.000	-0.379***
	(4.477)	(5.634)	(-0.043)	(-2.612)
POST_TARP × TARP_RECIPIENT × LOWCAP	1.615	0.265	-0.039***	-0.470***
	(1.356)	(1.447)	(-3.150)	(-4.372)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.490	0.576	0.628	0.874

Panel E2. Tests of the Equality of the Effects of TARP for Different Types of TARP Recipients

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
***t*-stat:**				
Effect for TARP banks with low capitalization = effect for TARP banks with high capitalization	2.090**	2.992***	2.383**	0.469

Panel F. Coincident Index 2008:Q3

Panel F1. Regression Estimates

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT × LOWCOINCIDENT	-4.017**	-1.051***	0.052***	0.357**
	(-2.429)	(-3.885)	(2.613)	(2.034)
TARP_RECIPIENT × HIGHCOINCIDENT	-2.926**	-0.803***	0.042**	0.239
	(-2.006)	(-3.071)	(2.029)	(1.250)
POST_TARP	-0.354	-0.076	-0.011**	-0.935***
	(-0.735)	(-1.011)	(-2.295)	(-16.898)
POST_TARP × TARP_RECIPIENT × LOWCOINCIDENT	4.771***	0.890***	-0.032***	-0.593***
	(4.732)	(5.591)	(-4.724)	(-5.381)
POST_TARP × TARP_RECIPIENT × HIGHCOINCIDENT	1.933**	0.436***	-0.012	-0.294***
	(2.093)	(2.775)	(-1.058)	(-2.970)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.487	0.573	0.627	0.875

Panel F2. Tests of the Equality of the Effects of TARP for Different Types of States

	Dependent Variable			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
***t*-stat:** Effect for states with low coincident index = effect for states with high coincident index	2.437**	2.379**	1.640	2.223**

Panel G. Economic Freedom Index 2008:Q3

Panel G1. Regression Estimates

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT × LOWECFREEDOM	-4.189***	-0.965***	0.053***	0.311
	(-2.812)	(-3.715)	(2.601)	(1.574)
TARP_RECIPIENT × HIGHECFREEDOM	-3.056**	-0.858***	0.042**	0.274
	(-1.991)	(-3.259)	(2.079)	(1.517)
POST_TARP	-0.364	-0.078	-0.011**	-0.932***
	(-0.752)	(-1.038)	(-2.307)	(-16.852)
POST_TARP × TARP_RECIPIENT × LOWECFREEDOM	3.722***	0.806***	-0.032***	-0.499***
	(4.200)	(5.384)	(-4.153)	(-3.770)
POST_TARP × TARP_RECIPIENT × HIGHECFREEDOM	2.979***	0.513***	-0.013	-0.380***
	(3.090)	(3.271)	(-1.300)	(-4.289)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
Time fixed effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R^2	0.485	0.572	0.626	0.874

Panel G2. Tests of the Equality of the Effects of TARP for Different Types of States

	Dependent Variables			
	NET_JOB_ CREATION / CAPITA	**NET_HIRING_ ESTABLISHMENTS / CAPITA**	**BUSINESS_ BANKRUPTCIES / CAPITA**	**PERSONAL_ BANKRUPTCIES / CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
***t*-stat:**				
Effect for states with low economic freedom index = effect for states with high economic freedom index	1.568	0.489	0.787	2.317**

INTERNET APPENDIX Z – OTHER ROBUSTNESS TESTS (available at www.jfqa.org))

In this appendix, we conduct several additional robustness tests. First, a few banks that received TARP funds failed during the sample period. To ensure our results are not influenced by these failures, we perform tests in which we exclude these banks that failed or these banks that failed or all of the banks in their bank holding companies from the analysis and rerun the results. The results are presented in Table Z.1 Panels A and B respectively and are consistent with our main findings.

Second, some of the banks repaid their funds during the sample period, which may influence the effects on local economic conditions. In Internet Appendix Y Table Y.1 Panel D, we distinguish between banks that repaid early and those that did not and find that most of the gains are due to TARP banks that did not repay early: the proportions of TARP banks that repaid early lead to higher increase in net job creation and hiring establishments and higher decreases in business and personal bankruptcies. However, the difference between proportions of TARP banks that repaid early and those that did not is statistically significant for personal bankruptcies, but not for the others. Here, we more formally account for TARP capital repayment and rerun the analysis by setting the TARP dummy to 0 the next quarter after a bank repaid the TARP funds. Results are presented in Table Z.1 Panel C and are consistent with our prior findings, with the exception of business bankruptcies, which loses significance.

Third, banks may have built up large amounts of reserves at Federal Reserve Banks and U.S. Treasury security holdings during the period of study, both of which could be regarded as liquid securities and may have been used to fund loans. To account for these and attenuate the concern that these may be affecting our results, we rerun our results using an alternative proxy of bank LIQUIDITY which incorporates these additional liquid assets. Here, LIQUIDITY is redefined as the sum of cash, reserves at Federal Reserve Banks, and U.S. Treasury security holdings divided by bank total deposits. We use the weighted proportion of the new proxy of bank liquidity in the local markets in the regressions. Results are presented in Table Z.1 Panel D and are consistent with our main

findings.

Fourth, it is possible that a significant amount of problem loans may be thirty to eighty-nine days past due, which are not included in our current proxy of bank ASSET_QUALITY. To account for this, we reestimate our results using an alternative proxy of bank ASSET_QUALITY, defined as the sum of loans that are past due for at least ninety days or are no longer accruing interest and loans that are thirty to eighty-nine days past due divided by bank total loans. We use the weighted proportion of the new proxy of bank asset quality in the local markets in the regressions. Results are presented in Table Z.1 Panel E and are consistent with our main findings.

Fifth, we rerun our results using both the alternative proxy of bank LIQUIDITY used in Table Z.1 Panel D and the alternative proxy of bank ASSET_QUALITY used in Table Z.1 Panel E. Results are presented in Table Z.1 Panel F and are consistent with our main findings.

TABLE Z.1: Additional Robustness Tests

This table reports difference-in-difference (DID) regression estimates for the impact of TARP on local economic conditions from additional robustness tests. Panel A reports estimates when excluding TARP banks that failed during the sample period (2005-2012) from our analysis. Panel B reports estimates when excluding TARP banks and / or BHCs owning TARP banks that failed during the sample period (2005-2012) from our analysis. Panel C reports estimates when setting the TARP dummy to zero the next quarter after a bank repaid the TARP funds. Panel D reports estimates when using an alternative proxy of bank *Liquidity*, which is the weighted proportion of the bank liquidity in the local markets. Bank liquidity is defined as the sum of cash, deposits at the Federal Reserve System, and U.S. Treasury security holdings divided by bank total deposits. Panel E reports estimates when using an alternative proxy of bank ASSET_QUALITY, which is the weighted proportion of the bank asset quality in the local markets. Bank asset quality is defined as the sum of loans that are past due for at least ninety days or are no longer accruing interest and loans that are thirty to eighty-nine days past due divided by bank total loans. Panel F reports estimates when using alternative proxies of both bank LIQUIDITY and bank ASSET_QUALITY, which are the weighted proportion of the bank liquidity and bank asset quality respectively in the local markets. Bank liquidity is defined as the sum of cash, deposits at the Federal Reserve System, and U.S. Treasury security holdings divided by bank total deposits. Bank asset quality is defined as the sum of loans that are past due for at least ninety days or are no longer accruing interest and loans that are thirty to eighty-nine days past due divided by bank total loans. The measures of local conditions are NET_JOB_CREATION / CAPITA, NET_HIRING_ESTABLISHMENTS / CAPITA, BUSINESS_BANKRUPTCIES / CAPITA, and PERSONAL_BANKRUPTCIES / CAPITA. TARP_RECIPIENT is the weighted proportion of TARP banks receiving TARP in the local markets, POST_TARP is a dummy equal to one in 2009--2012, the period after TARP program initiation, and 0 otherwise. All models include time fixed effects. The estimation results are for 2005--2012. All variables are defined in Table 1. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Panel A: Regression Parameters – Excluding TARP Banks that Failed during the Sample Period (2005-2012)

	Dependent Variables			
	NET_JOB_ CREATION/ CAPITA	**NET_HIRING_ ESTABLISHMENTS/ CAPITA**	**BUSINESS_ BANKRUPTCIES/ CAPITA**	**PERSONAL_ BANKRUPTCIES/ CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT	-3.443**	-0.915***	0.047**	0.295*
	(-2.397)	(-3.688)	(2.331)	(1.726)
POST_TARP	-0.385	-0.081	-0.011**	-0.931***
	(-0.796)	(-1.080)	(-2.264)	(-16.879)
POST_TARP × TARP_RECIPIENT	3.242***	0.640***	-0.021***	-0.432***
	(4.232)	(5.048)	(-2.860)	(-5.386)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
Time Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R2	0.485	0.571	0.626	0.874

Panel B: Regression Parameters – Excluding TARP Banks and / or the BHCs Owning TARP Banks that Failed during the Sample Period (2005-2012)

	Dependent Variables			
	NET_JOB_ CREATION/ CAPITA	**NET_HIRING_ ESTABLISHMENTS/ CAPITA**	**BUSINESS_ BANKRUPTCIES/ CAPITA**	**PERSONAL_ BANKRUPTCIES/ CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT	-0.029	-0.320	0.045***	0.300**
	(-0.024)	(-1.594)	(3.353)	(2.301)
POST_TARP	-0.342	-0.063	-0.012**	-0.928***
	(-0.710)	(-0.843)	(-2.502)	(-16.873)
POST_TARP × TARP_RECIPIENT	2.873***	0.576***	-0.024***	-0.567***
	(3.167)	(3.824)	(-2.951)	(-5.433)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
Time Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R2	0.483	0.566	0.627	0.875

Panel C: Regression Parameters – Setting TARP Dummy to Zero after a Bank Repaid the TARP Funds

	Dependent Variables			
	NET_JOB_ CREATION/ CAPITA	**NET_HIRING_ ESTABLISHMENTS/ CAPITA**	**BUSINESS_ BANKRUPTCIES/ CAPITA**	**PERSONAL_ BANKRUPTCIES/ CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT	-2.063***	-0.544***	0.032***	0.424***
	(-2.615)	(-4.074)	(3.987)	(4.962)
POST_TARP	-0.154	-0.060	-0.009**	-0.936***
	(-0.323)	(-0.808)	(-2.105)	(-17.072)
POST_TARP × TARP_RECIPIENT	8.055***	1.291***	0.004	-0.316**
	(6.236)	(6.387)	(0.352)	(-2.554)
Bank-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
Time Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R2	0.493	0.575	0.627	0.874

Panel D: Regression Parameters – Alternative Proxy for Bank Liquidity

	Dependent Variables			
	NET_JOB_ CREATION/ CAPITA	**NET_HIRING_ ESTABLISHMENTS/ CAPITA**	**BUSINESS_ BANKRUPTCIES/ CAPITA**	**PERSONAL_ BANKRUPTCIES/ CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT	-3.466**	-0.919***	0.047**	0.294*
	(-2.418)	(-3.714)	(2.331)	(1.725)
POST_TARP	-0.461	-0.096	-0.011**	-0.935***
	(-0.948)	(-1.273)	(-2.333)	(-16.991)
POST_TARP × TARP_RECIPIENT	3.189***	0.629***	-0.021***	-0.434***
	(4.158)	(4.965)	(-2.900)	(-5.412)
Bank-Related Controls (Alternative Liquidity Proxy)	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
Time Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R2	0.484	0.571	0.626	0.874

Panel E: Regression Parameters – Alternative Proxy for Bank Asset Quality

	Dependent Variables			
	NET_JOB_ CREATION/ CAPITA	**NET_HIRING_ ESTABLISHMENTS/ CAPITA**	**BUSINESS_ BANKRUPTCIES/ CAPITA**	**PERSONAL_ BANKRUPTCIES/ CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT	-3.243**	-0.880***	0.047**	0.298*
	(-2.260)	(-3.569)	(2.348)	(1.738)
POST_TARP	-0.466	-0.102	-0.010**	-0.924***
	(-0.975)	(-1.396)	(-2.112)	(-16.842)
POST_TARP × TARP_RECIPIENT	3.171***	0.632***	-0.022***	-0.438***
	(4.167)	(5.061)	(-2.988)	(-5.438)
Bank-Related Controls (Alternative Asset Quality Proxy)	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
Time Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R2	0.486	0.572	0.626	0.874

Panel F: Regression Parameters – Alternative Proxy for Bank Liquidity and Asset Quality

	Dependent Variables			
	NET_JOB_ CREATION/ CAPITA	**NET_HIRING_ ESTABLISHMENTS/ CAPITA**	**BUSINESS_ BANKRUPTCIES/ CAPITA**	**PERSONAL_ BANKRUPTCIES/ CAPITA**
Independent Variables	**1**	**2**	**3**	**4**
TARP_RECIPIENT	-3.268**	-0.884***	0.047**	0.297*
	(-2.279)	(-3.591)	(2.348)	(1.736)
POST_TARP	-0.555	-0.119	-0.010**	-0.931***
	(-1.150)	(-1.607)	(-2.234)	(-17.004)
POST_TARP × TARP_RECIPIENT	3.145***	0.627***	-0.022***	-0.440***
	(4.133)	(5.022)	(-3.021)	(-5.459)
Bank-Related Controls (Alternative Liquidity and Asset Quality Proxies)	**Yes**	**Yes**	**Yes**	**Yes**
State-Related Controls	**Yes**	**Yes**	**Yes**	**Yes**
State Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
Time Fixed Effects	**Yes**	**Yes**	**Yes**	**Yes**
No. of obs.	1,580	1,580	1,580	1,580
Adj. R2	0.485	0.571	0.626	0.874