Unpublished Appendix Tables

Table A1
Variable List and Means—Boston MSA-Sample Only
N=134

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Endogenous Variables:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent change in house prices, FY1990-94</td>
<td>-.049</td>
<td>.048</td>
<td>-.19</td>
<td>.071</td>
</tr>
<tr>
<td>Percent change in school spending, FY1990-94</td>
<td>.14</td>
<td>.084</td>
<td>-.15</td>
<td>.36</td>
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<tr>
<td>Percent change in non-school spending, FY1990-94</td>
<td>.10</td>
<td>.15</td>
<td>-.32</td>
<td>.68</td>
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<tr>
<td>Single family permits, 1990-94, per 1990 housing unit</td>
<td>.049</td>
<td>.043</td>
<td>.00091</td>
<td>.23</td>
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<tr>
<td><strong>Fiscal Variables:</strong></td>
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<td></td>
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<tr>
<td>Effective property tax rate, FY1980</td>
<td>.032</td>
<td>.0092</td>
<td>.017</td>
<td>.086</td>
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<tr>
<td>Dummy, one year of initial levy reductions, FY1982</td>
<td>.50</td>
<td>.50</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Dummy, two years of initial levy reductions, FY1982-83</td>
<td>.10</td>
<td>.31</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Dummy, three years of initial levy reductions, FY1982-84</td>
<td>.045</td>
<td>.21</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Excess capacity as percentage of levy limit, FY1989</td>
<td>.011</td>
<td>.023</td>
<td>1.1e-7</td>
<td>.12</td>
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<tr>
<td>Dummy variable, at levy limit and no overrides, FY1989*</td>
<td>.43</td>
<td>.50</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Dummy variable, passed override(s) prior to FY1990</td>
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<td>.33</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Dummy variable, &quot;unconstrained&quot; in FY1989*</td>
<td>.45</td>
<td>.50</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Equalized property value per capita, 1980 (‘000)</td>
<td>17.8</td>
<td>6.5</td>
<td>8.1</td>
<td>44.1</td>
</tr>
<tr>
<td>Nonresidential share of property value, FY1980</td>
<td>.18</td>
<td>.091</td>
<td>.036</td>
<td>.48</td>
</tr>
<tr>
<td>Percentage of revenue from state aid, FY1984</td>
<td>.23</td>
<td>.091</td>
<td>.052</td>
<td>.52</td>
</tr>
<tr>
<td>Percentage of revenue from state aid, FY1981</td>
<td>.17</td>
<td>.068</td>
<td>.049</td>
<td>.39</td>
</tr>
<tr>
<td>Percentage increase in state aid, FY1981-84</td>
<td>.44</td>
<td>.34</td>
<td>-.18</td>
<td>3.38</td>
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<tr>
<td><strong>Community Characteristics:</strong></td>
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<td></td>
<td></td>
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<tr>
<td>School test scores, 1990*</td>
<td>2714</td>
<td>174</td>
<td>2160</td>
<td>3080</td>
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<tr>
<td>Fraction of 1980 population under age 5</td>
<td>.070</td>
<td>.011</td>
<td>.048</td>
<td>.10</td>
</tr>
<tr>
<td>Fraction of 1990 population over age 65</td>
<td>.12</td>
<td>.034</td>
<td>.027</td>
<td>.22</td>
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<td>Dummy variable, in Boston primary metro area (PMSA)</td>
<td>.70</td>
<td>.46</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Dummy variable, in Boston suburban ring*</td>
<td>.30</td>
<td>.46</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Fraction developed land in community, 1984*</td>
<td>.89</td>
<td>.049</td>
<td>.74</td>
<td>.96</td>
</tr>
<tr>
<td>Single family permits per 1990 housing unit, 1989</td>
<td>.0074</td>
<td>.0065</td>
<td>0</td>
<td>.028</td>
</tr>
<tr>
<td>Enrollment/population ratio, 1981</td>
<td>.20</td>
<td>.043</td>
<td>.080</td>
<td>.42</td>
</tr>
<tr>
<td>Median family income, 1980 (000)</td>
<td>22.5</td>
<td>5.9</td>
<td>12.0</td>
<td>47.6</td>
</tr>
<tr>
<td>Dummy variable, member of regional district</td>
<td>.25</td>
<td>.43</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Dummy variable, member of regional high school</td>
<td>.20</td>
<td>.40</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Percent of adult residents with college education, 1980</td>
<td>.23</td>
<td>.13</td>
<td>.069</td>
<td>.60</td>
</tr>
</tbody>
</table>

Notes, marked with asterisks:
"At levy limit" is defined as levy within 0.1 percent of levy limit.
"Unconstrained" communities are not at levy limit in FY1989 and have passed no overrides prior to FY1990.
School test scores is combined math and reading MEAP test score for 8th graders in 1990.
Boston suburban ring is defined as within MSA but outside PMSA.
Developable land is defined as open land (including farmland) or public land.
Sources: Massachusetts Department of Education; Massachusetts Department of Revenue, Division of Local Services, Municipal Data Bank; U.S. Department of Commerce, Bureau of the Census.
| Table A2  
**House Price Regression Results**—*Boston MSA-Sample Only*  
Dependent Variable: Percent Change in House Prices, Fiscal Years 1990-1994 |
<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Specification</td>
</tr>
<tr>
<td>Explanatory Variable</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Single family permits, 1990-1994, per 1990 housing units</strong></td>
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<tr>
<td></td>
</tr>
<tr>
<td><strong>Percent change in school spending, FY 1990-94</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Percent change in non-school spending, FY 1990-94</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Combined math and reading MEAP test score, 8th grade students, 1990 (x 10^3)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Dummy variable, in Boston suburban ring</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Constant</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Number of observations</td>
</tr>
</tbody>
</table>

Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 90 percent confidence. ** Significantly different from zero with 95 percent confidence. ** Bold variables are endogenous. Instruments in column (1) and (2) are: lagged permits in 1989 per 1990 housing units, effective tax rate in 1980, equalized property value per capita 1980, enrollment per population 1981, median family income 1980, percentage of revenue from state aid 1981, non residential share of property value 1980, percentage of adults with a college degree 1980, percentage increase in state aid 1981-1984, dummies for regional school district or high school, dummy variables for the number of years required to reduce spending due to Proposition 2½, percentage of population less than 5 years old 1990.
Table A3
Land Supply Elasticity Regression Results—Boston MSA-Sample Only
Dependent Variable: Single Family Permits, 1990-1994, per 1990 Housing Units
Sample divided by percentage of open and public (undeveloped) land in each community

<table>
<thead>
<tr>
<th>Specification</th>
<th>Base set of instruments</th>
<th>Base set of instruments</th>
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<tr>
<td></td>
<td>(without lagged supply as</td>
<td>(with lagged supply as</td>
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<tr>
<td></td>
<td>exogenous variable)</td>
<td>exogenous variable)</td>
</tr>
<tr>
<td>Explanatory Variable</td>
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<td>More</td>
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<td></td>
<td>Developable Land</td>
<td>Developable Land</td>
</tr>
<tr>
<td></td>
<td>(1a)</td>
<td>(1b)</td>
</tr>
<tr>
<td>Percentage change in house prices, 1990-1994</td>
<td>-0.19 (0.16)</td>
<td>0.069 (0.10)</td>
</tr>
<tr>
<td>Single family permits, 1989, per 1990 housing units</td>
<td><strong>5.3</strong> (0.74)</td>
<td><strong>4.6</strong> (0.43)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.035 ** (0.0070)</td>
<td><strong>0.058</strong> (0.0074)</td>
</tr>
<tr>
<td>Number of observations</td>
<td>67</td>
<td>67</td>
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</table>

Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 90 percent confidence. ** Significantly different from zero with 95 percent confidence. Bold variable is endogenous. The instruments are all of the exogenous variables in the demand equation in Table 2 (i.e., combined math and reading MEAP test scores, and dummy variable in Boston suburban ring), the percentage of population less than 5 years old in 1990 plus the following spending shifter-instruments from the demand equation in Table A2: effective tax rate in 1980, equalized property value per capita 1980, enrollment per population 1981, median family income 1980, percentage of revenue from state aid 1981, non residential share of property value 1980, percentage of adults with a college degree 1980, percentage increase in state aid 1981-1984, dummies for regional school district or high school, dummy variables for the number of years required to reduce spending due to Proposition 2½.
**Table A4**  
**Spending Regression Results—Boston MSA-Sample Only**  
Dependent Variable: Percent Change in School or Non-School Spending, Fiscal Years 1990-94

<table>
<thead>
<tr>
<th>Explanatory Variable</th>
<th>School Spending</th>
<th>Non-school Spending</th>
<th>School Spending</th>
<th>Non-school Spending</th>
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<tr>
<td>Percentage of developed land in 1984</td>
<td>0.15</td>
<td>0.24</td>
<td>0.16</td>
<td>0.38</td>
</tr>
<tr>
<td></td>
<td>(0.15)</td>
<td>(0.27)</td>
<td>(0.16)</td>
<td>(0.32)</td>
</tr>
<tr>
<td>Percent change in number of students, 1990-94</td>
<td>0.57 **</td>
<td>0.65</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.17)</td>
<td>(0.18)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent change in population, 1990-94</td>
<td>1.6 **</td>
<td>1.5 **</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equalized property value per capita, FY1990 (x10-7)</td>
<td>4.0</td>
<td>-5.2</td>
<td>5.2</td>
<td>-1.1</td>
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<td></td>
<td>(6.3)</td>
<td>(9.3)</td>
<td>(7.3)</td>
<td>(9.6)</td>
</tr>
<tr>
<td>Ratio, enrollment to population, FY1990</td>
<td>0.50</td>
<td>-0.76</td>
<td>0.65 **</td>
<td>-0.63</td>
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<td>(0.30)</td>
<td>(0.61)</td>
<td>(0.30)</td>
<td>(0.62)</td>
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<tr>
<td>Median family income (in '000), 1990</td>
<td>-0.0025 **</td>
<td>0.00022</td>
<td>-0.0027 *</td>
<td>0.00094</td>
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<tr>
<td></td>
<td>(0.0013)</td>
<td>(0.0026)</td>
<td>(0.0016)</td>
<td>(0.0027)</td>
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<tr>
<td>Percentage of revenue from state aid, FY1984</td>
<td>0.10</td>
<td>0.15</td>
<td>0.16</td>
<td>-0.055</td>
</tr>
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<td></td>
<td>(0.16)</td>
<td>(0.44)</td>
<td>(0.15)</td>
<td>(0.42)</td>
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<tr>
<td>Percentage increase in state aid, FY1981-84</td>
<td>-0.029</td>
<td>0.013</td>
<td>0.00058</td>
<td>0.039</td>
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<td></td>
<td>(0.018)</td>
<td>(0.044)</td>
<td>(0.014)</td>
<td>(0.042)</td>
</tr>
<tr>
<td>Nonresidential share of property value, FY1990</td>
<td>0.048</td>
<td>0.058</td>
<td>0.019</td>
<td>0.063</td>
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<td></td>
<td>(0.089)</td>
<td>(0.16)</td>
<td>(0.096)</td>
<td>(0.16)</td>
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<tr>
<td>Dummy variable: member of regional school district</td>
<td>0.062 *</td>
<td>0.021</td>
<td>0.052</td>
<td>-0.010</td>
</tr>
<tr>
<td></td>
<td>(0.037)</td>
<td>(0.14)</td>
<td>(0.036)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Dummy variable: member of regional high school</td>
<td>-0.0065</td>
<td>-0.042</td>
<td>0.0065</td>
<td>-0.018</td>
</tr>
<tr>
<td></td>
<td>(0.030)</td>
<td>(0.13)</td>
<td>(0.033)</td>
<td>(0.12)</td>
</tr>
<tr>
<td>Percent of adult residents with college education, 1990</td>
<td>0.25 **</td>
<td>-0.026</td>
<td>0.23 *</td>
<td>0.033</td>
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<td></td>
<td>(0.12)</td>
<td>(0.24)</td>
<td>(0.14)</td>
<td>(0.25)</td>
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<tr>
<td>Effective property tax rate, FY1980</td>
<td>0.36</td>
<td>-0.46</td>
<td>2.13 *</td>
<td>-0.45</td>
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<td></td>
<td>(1.35)</td>
<td>(3.18)</td>
<td>(1.26)</td>
<td>(2.79)</td>
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<tr>
<td>Dummy variable, required one year of initial levy reductions, FY1982</td>
<td>0.011</td>
<td>-0.021</td>
<td>-0.0072</td>
<td>-0.032</td>
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<tr>
<td></td>
<td>(0.015)</td>
<td>(0.038)</td>
<td>(0.016)</td>
<td>(0.039)</td>
</tr>
<tr>
<td>Dummy variable, required two years of initial levy reductions, FY1982-83</td>
<td>-0.076 **</td>
<td>-0.042</td>
<td>-0.087 **</td>
<td>-0.041</td>
</tr>
<tr>
<td></td>
<td>(0.027)</td>
<td>(0.062)</td>
<td>(0.026)</td>
<td>(0.064)</td>
</tr>
<tr>
<td>Dummy variable, required three years of initial levy reductions, FY1982-84</td>
<td>-0.084</td>
<td>0.012</td>
<td>-0.14 **</td>
<td>0.019</td>
</tr>
<tr>
<td></td>
<td>(0.065)</td>
<td>(0.11)</td>
<td>(0.055)</td>
<td>(0.11)</td>
</tr>
<tr>
<td>Excess spending per pupil (required&gt;actual spending), FY1994</td>
<td>0.047</td>
<td>-0.49 **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.11)</td>
<td>(0.17)</td>
<td></td>
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</tr>
<tr>
<td>Excess capacity as a percentage of levy limit, FY1989</td>
<td>1.28 **</td>
<td>-0.59</td>
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<tr>
<td></td>
<td>(0.36)</td>
<td>(0.78)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dummy variable, at levy limit and no overrides, FY1989</td>
<td>0.067 **</td>
<td>0.020</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.019)</td>
<td>(0.036)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dummy variable, passed override(s) prior to FY1990</td>
<td>0.083 **</td>
<td>0.13 **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.021)</td>
<td>(0.042)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>-0.20</td>
<td>0.0080</td>
<td>-0.24</td>
<td>-0.21</td>
</tr>
<tr>
<td></td>
<td>(0.17)</td>
<td>(0.31)</td>
<td>(0.19)</td>
<td>(0.36)</td>
</tr>
<tr>
<td>Adjusted R-squared</td>
<td>0.40</td>
<td>0.22</td>
<td>0.24</td>
<td>0.10</td>
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<td>Number of observations</td>
<td>134</td>
<td>134</td>
<td>134</td>
<td>134</td>
</tr>
</tbody>
</table>

Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 90 percent confidence. ** Significantly different from zero with 95 percent confidence. Bold variables are endogenous. Spending equations (1) and (2) include fiscal variables from the early 1980s, Proposition 2½ variables from 1989, and the excess spending per pupil in 1994 (required>actual spending). Spending equations (3) and (4) include fiscal variables from 1990 and early Proposition 2½ variables. Instruments include the demand shifters from the demand equation in Table 2 (i.e., the combined math and reading MEAP test scores and dummy variables for the Boston primary metro area and the suburban ring) plus the quantity and pupil shifters (i.e., the lagged permits in 1989 per 1990 housing units and the percentage of population less than 5 years old in 1990).
### Table A5
**Override Regression Results—Boston MSA-Sample Only**

Dependent Variable: Cumulative Amount of Overrides Passed in a Community per Capita, FY 1990-1994

<table>
<thead>
<tr>
<th>Explanatory Variable</th>
<th>OLS Base Equation</th>
<th>OLS Base Equation Plus Early 80s Prop. 2½ Var.</th>
<th>OLS Base Equation Plus Late 80s Prop. 2½ Var.</th>
<th>2SLS Endogenous Population Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Percent change in population, 1990-94</strong></td>
<td></td>
<td></td>
<td></td>
<td>-270.6 **</td>
</tr>
<tr>
<td>Percentage of developed land in 1984</td>
<td>99.1</td>
<td>97.2</td>
<td>105.8</td>
<td>80.6</td>
</tr>
<tr>
<td></td>
<td>(65.5)</td>
<td>(71.5)</td>
<td>(67.1)</td>
<td>(64.4)</td>
</tr>
<tr>
<td>Equalized property value per capita, FY1990 (x10^-3)</td>
<td>0.54</td>
<td>0.53</td>
<td>0.47</td>
<td>0.57</td>
</tr>
<tr>
<td></td>
<td>(0.42)</td>
<td>(0.45)</td>
<td>(0.44)</td>
<td>(0.38)</td>
</tr>
<tr>
<td>Ratio, enrollment to population, FY1990</td>
<td>179.8 *</td>
<td>173.3</td>
<td>130.1</td>
<td>213.6 *</td>
</tr>
<tr>
<td></td>
<td>(108.2)</td>
<td>(110.0)</td>
<td>(119.0)</td>
<td>(113.7)</td>
</tr>
<tr>
<td>Median family income (in ‘000), 1990</td>
<td>-0.062</td>
<td>-0.14</td>
<td>-0.17</td>
<td>0.58</td>
</tr>
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<td></td>
<td>(0.74)</td>
<td>(0.79)</td>
<td>(0.80)</td>
<td>(0.83)</td>
</tr>
<tr>
<td>Percentage of revenue from state aid, FY1984</td>
<td>2.9</td>
<td>8.1</td>
<td>9.5</td>
<td>11.5</td>
</tr>
<tr>
<td></td>
<td>(52.8)</td>
<td>(56.8)</td>
<td>(56.1)</td>
<td>(54.8)</td>
</tr>
<tr>
<td>Percentage increase in state aid, FY1981-84</td>
<td>22.7</td>
<td>24.0</td>
<td>15.8</td>
<td>22.1</td>
</tr>
<tr>
<td></td>
<td>(21.1)</td>
<td>(22.4)</td>
<td>(21.5)</td>
<td>(20.1)</td>
</tr>
<tr>
<td>Nonresidential share of property value, FY1990</td>
<td>-110.0 **</td>
<td>-114.3 **</td>
<td>-93.7 **</td>
<td>-127.0 **</td>
</tr>
<tr>
<td></td>
<td>(54.8)</td>
<td>(55.5)</td>
<td>(56.0)</td>
<td>(54.9)</td>
</tr>
<tr>
<td>Dummy variable, member of regional school district</td>
<td>4.2</td>
<td>2.0</td>
<td>4.5</td>
<td>17.4</td>
</tr>
<tr>
<td></td>
<td>(22.9)</td>
<td>(24.0)</td>
<td>(22.4)</td>
<td>(22.3)</td>
</tr>
<tr>
<td>Dummy variable, member of regional school district</td>
<td>10.0</td>
<td>11.2</td>
<td>9.1</td>
<td>3.6</td>
</tr>
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<td></td>
<td>(21.7)</td>
<td>(22.4)</td>
<td>(22.2)</td>
<td>(20.6)</td>
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<tr>
<td>Percent of adult residents with college education, 1990</td>
<td>101.2</td>
<td>107.9</td>
<td>116.8</td>
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<td></td>
<td>(77.5)</td>
<td>(80.4)</td>
<td>(81.8)</td>
<td>(79.3)</td>
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<tr>
<td>Effective property tax rate, FY1980</td>
<td>-239.8</td>
<td>-193.7</td>
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<td></td>
<td>(639.4)</td>
<td>(607.8)</td>
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<tr>
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<td>-4.3</td>
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<td>Dummy variable, required three years of initial levy reductions, FY1982-84</td>
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<td>Excess spending per pupil (required&gt;actual spending), FY1994</td>
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<td>Dummy variable, passed override(s) prior to FY1990</td>
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<td>-147.3 **</td>
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Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 90 percent confidence. ** Significantly different from zero with 95 percent confidence. Regressions include only communities that are at their levy limit. Equation (1) is base equation. Equation (2) additionally includes early 1980s Proposition 2½ variables. Equation (3) additionally includes late 1980s Proposition 2½ variables. Equation (4) includes endogenous population changes. Bold variable is endogenous. Instruments include the demand shifters from the demand equation in Table 2 (i.e., the combined math and reading MEAP test scores and dummy variables for the Boston suburban ring) plus the quantity and pupil shifters (i.e., the lagged permits in 1989 per 1990 housing units and the percentage of population less than 5 years old in 1990).
## Table A6
**School Spending Regression Results without MSA Location Type Controls**
*—California and New Mexico Only (States with Full School Finance Equalization)*

Dependent Variables: Log of Total School Expenditures per Pupil, SY 1989/90

<table>
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<tr>
<th>Explanatory Variable</th>
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<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
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<tr>
<td>Percentage developed land, 1992</td>
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<td>0.14</td>
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<td>Homeownership dummy, 1990</td>
<td>-0.055</td>
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<td>Percentage age 65 or older</td>
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<td></td>
<td>(0.76)</td>
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<td>Percentage age 85 or older, 1990</td>
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<tr>
<td>Percentage age 85 or older</td>
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<td></td>
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</tr>
<tr>
<td>Population density in '000, 1989</td>
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<td>No</td>
<td>No</td>
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<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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<td>.092</td>
<td>.093</td>
<td>.083</td>
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Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 95 percent confidence. ** Significantly different from zero with 99 percent confidence. a) All regressions control for demographic characteristics of the residents of the school district, school district specific characteristics, and state fixed effects (see the Appendix Table in the paper for a full list of control variables). "Percentage developed" is defined as percentage of residential developed land divided by the total non-industrial developable land in a school district in 1992. The regression sample only includes states with full school finance equalization and available data. Hawaii has full school finance equalization but no data on the percentage developed land is available.
Table A7
School Spending Regression Results with MSA Location Type Controls
—California and New Mexico Only (States with Full School Finance Equalization)

Dependent Variables: Log of Total School Expenditures per Pupil, SY 1989/90

<table>
<thead>
<tr>
<th>Explanatory Variable</th>
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<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
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<td>0.059</td>
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<td>(0.16)</td>
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<td>(0.14)</td>
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<td>Homeownership dummy, 1990</td>
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<td>-0.078</td>
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<td>(0.044)</td>
<td>(0.044)</td>
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</table>

Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 95 percent confidence. ** Significantly different from zero with 99 percent confidence. a) All regressions control for demographic characteristics of the residents of the school district, school district specific characteristics, and state fixed effects. "Percentage developed" is defined as percentage of residential developed land divided by the total non-industrial developable land in a school district in 1992. The regression sample only includes states with full school finance equalization and available data. Hawaii has full school finance equalization but no data on the percentage developed land is available.
## Additional Robustness Checks

### Table A8—School Spending Regression Results with Crime Interactions (Excluding States with Full School Finance Equalization)

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<th>(4)</th>
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<td>-0.14</td>
<td>-0.10</td>
<td>-0.078</td>
<td>0.10 **</td>
<td>-0.060</td>
<td>-0.19 *</td>
<td>-0.15 *</td>
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<td>(0.019)</td>
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<td>(0.072)</td>
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<tr>
<td>Homeownership dummy, 1990</td>
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<td>-0.10 *</td>
<td>-0.094 *</td>
<td>-0.090 *</td>
<td>-0.047 *</td>
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<td>0.0027 **</td>
<td>0.0024 **</td>
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<td>Percentage developed land x Homeownership dummy</td>
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<td>0.14 *</td>
<td>0.14 *</td>
<td>0.14 *</td>
<td>0.16 *</td>
<td>0.13 *</td>
<td>0.14 *</td>
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Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 95 percent confidence. ** Significantly different from zero with 99 percent confidence. a) All regressions control for demographic characteristics of the residents of the school district, school district specific characteristics, and state fixed effects. The results are essentially unchanged if we use all crimes or crimes committed by juveniles instead of the murder rate.
Table A9—School Spending Regression Results without Population Density (Excluding States with Full School Finance Equalization)

<table>
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<tr>
<th>Explanatory Variable</th>
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<th>(8)</th>
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<th>(10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage developed land, 1992</td>
<td>0.12 **</td>
<td>-0.020</td>
<td>-0.089</td>
<td>-0.056</td>
<td>-0.063</td>
<td>0.096 **</td>
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<td>(0.061)</td>
<td>(0.059)</td>
<td>(0.057)</td>
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<tr>
<td>Homeownership dummy, 1990</td>
<td>-0.023</td>
<td>-0.089 **</td>
<td>-0.086 **</td>
<td>-0.073 *</td>
<td>-0.068 *</td>
<td>-0.023</td>
<td>-0.092 **</td>
<td>-0.089 **</td>
<td>-0.077 *</td>
<td>-0.074 *</td>
</tr>
<tr>
<td></td>
<td>(0.018)</td>
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<td>(0.033)</td>
<td>(0.033)</td>
<td>(0.033)</td>
<td>(0.018)</td>
<td>(0.033)</td>
<td>(0.033)</td>
<td>(0.033)</td>
<td>(0.032)</td>
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<td>0.15 **</td>
<td>0.15 **</td>
<td>0.14 **</td>
<td>0.16 **</td>
<td>0.15 **</td>
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<td>0.16 **</td>
<td>0.16 **</td>
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<td>(0.051)</td>
<td>(0.051)</td>
<td>(0.051)</td>
<td>(0.051)</td>
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<tr>
<td>Percentage age 65 or older, 1990</td>
<td>0.19 *</td>
<td>0.20 *</td>
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<td>0.16</td>
<td>0.088</td>
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<tr>
<td>Percentage age 75 or older, 1990</td>
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<td>Percentage developed land x Percentage age 75 or older</td>
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<tr>
<td>Percentage age 85 or older, 1990</td>
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<td>-1.8 **</td>
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<td>(0.32)</td>
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<tr>
<td>Percentage developed land x Percentage age 85 or older</td>
<td>3.8 *</td>
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<td>4.8 **</td>
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<td>Yes</td>
<td>Yes</td>
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<td>Yes</td>
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<tr>
<td>Adjusted R-squared</td>
<td>0.59</td>
<td>0.59</td>
<td>0.59</td>
<td>0.59</td>
<td>0.59</td>
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</table>

Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 95 percent confidence. ** Significantly different from zero with 99 percent confidence. a) All regressions control for demographic characteristics of the residents of the school district, school district specific characteristics, and state fixed effects.
Table A10—School Spending Regression Results with Log of State and Federal Revenue Per Pupil as Control  
(Excluding States with Full School Finance Equalization)

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<th>(3)</th>
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<th>(5)</th>
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<th>(7)</th>
<th>(8)</th>
<th>(9)</th>
<th>(10)</th>
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<tr>
<td>Percentage developed land, 1992</td>
<td>0.17 **</td>
<td>0.020</td>
<td>-0.057</td>
<td>-0.018</td>
<td>-0.024</td>
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<td>-0.072</td>
<td>-0.070</td>
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<tr>
<td>(Percentage developed land, 1992)</td>
<td>(0.019)</td>
<td>(0.061)</td>
<td>(0.069)</td>
<td>(0.068)</td>
<td>(0.066)</td>
<td>(0.019)</td>
<td>(0.061)</td>
<td>(0.069)</td>
<td>(0.068)</td>
<td>(0.066)</td>
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<td>Homeownership dummy, 1990</td>
<td>-0.032</td>
<td>-0.087 **</td>
<td>-0.084 *</td>
<td>-0.070 *</td>
<td>-0.065</td>
<td>-0.033</td>
<td>-0.090 **</td>
<td>-0.087 **</td>
<td>-0.074 *</td>
<td>-0.071 *</td>
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<td>(Percentage developed land x Homeownership dummy)</td>
<td>(0.019)</td>
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<td>(0.034)</td>
<td>(0.034)</td>
<td>(0.019)</td>
<td>(0.033)</td>
<td>(0.033)</td>
<td>(0.033)</td>
<td>(0.033)</td>
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<tr>
<td>Percentage developed land x Homeownership dummy</td>
<td>0.14 *</td>
<td>0.13 *</td>
<td>0.13 *</td>
<td>0.13 *</td>
<td>0.15 **</td>
<td>0.14 *</td>
<td>0.14 *</td>
<td>0.14 *</td>
<td>0.14 *</td>
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<td>(0.055)</td>
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<td>(0.055)</td>
<td>(0.055)</td>
<td>(0.055)</td>
<td>(0.055)</td>
<td>(0.055)</td>
<td>(0.055)</td>
<td>(0.055)</td>
</tr>
<tr>
<td>Percentage age 65 or older, 1990</td>
<td>0.20 *</td>
<td>0.21 *</td>
<td>0.15</td>
<td>0.16</td>
<td>0.17</td>
<td>0.089</td>
<td>0.089</td>
<td>0.089</td>
<td>0.090</td>
<td>0.090</td>
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<tr>
<td>(Percentage developed land x Percentage age 65+)</td>
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<td>(0.088)</td>
<td>(0.089)</td>
<td>(0.089)</td>
<td>(0.089)</td>
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<td>Percentage age 75 or older, 1990</td>
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<td>-0.31 *</td>
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<td>(Percentage developed land x Percentage age 75+)</td>
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<td>Percentage developed land x Percentage age 75+</td>
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<td>(Percentage developed land x Percentage age 75+)</td>
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<tr>
<td>Percentage age 85 or older, 1990</td>
<td>-1.8 **</td>
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<td>-1.9 **</td>
<td></td>
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<tr>
<td>(Percentage developed land x Percentage age 85+)</td>
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<td></td>
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</tr>
<tr>
<td>Population density in '000, 1989</td>
<td>-0.020 **</td>
<td>-0.012 *</td>
<td>-0.012 *</td>
<td>-0.013 *</td>
<td>-0.013 *</td>
<td>-0.023 **</td>
<td>-0.015 **</td>
<td>-0.015 **</td>
<td>-0.016 **</td>
<td>-0.016 **</td>
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<tr>
<td>(Population density in '000, 1989)</td>
<td>(0.0049)</td>
<td>(0.0055)</td>
<td>(0.0054)</td>
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<td>(0.0054)</td>
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<td>(0.0054)</td>
<td>(0.0053)</td>
<td>(0.0054)</td>
<td>(0.0053)</td>
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<tr>
<td>Log of state and federal revenue per pupil, 1989/90</td>
<td>0.022 **</td>
<td>0.023 **</td>
<td>0.024 **</td>
<td>0.022 **</td>
<td>0.022 **</td>
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<td>0.025 **</td>
<td>0.026 **</td>
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<tr>
<td>(Log of state and federal revenue per pupil, 1989/90)</td>
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<td>(0.0078)</td>
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<td>(0.0078)</td>
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<td>Other controls</td>
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<tr>
<td>Adjusted R-squared</td>
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</table>

Notes: Numbers in parentheses are robust standard errors. * Significantly different from zero with 95 percent confidence. ** Significantly different from zero with 99 percent confidence.  a) All regressions control for demographic characteristics of the residents of the school district, school district specific characteristics, and state fixed effects.