

	Yields	Issuance	Employment	Ratings
Primary Result	<p>No statistically significant effect on all-issuers group.</p> <p>Lower-rated eligible issuers saw decrease of 72 bps compared to ineligible issuers.</p>	<p>+8% on a 11% probability of issuance baseline during time period.</p> <p>For lower-rated issuers, the differential is +25%.</p>	<p>Local government service employment showed +25-30% retention relative to baseline decline of 1,717 employees for ineligible counties.</p>	<p>Pattern of lower rate of downgrades for eligible issuers, but not statistically significant when tested formally using RD.</p>
Comment	<p>Credit risk priced differently depending on eligibility.</p>	<p>Qualitative evidence that eligibility encouraged issuance.</p>	<p>Decomposition analysis attributes most of the effect to CARES direct aid.</p>	<p>Credit risk-sharing role of MLF, in addition to Fed as lender of last resort.</p>