

# Environmental HW 7

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## 1 Python

1. The regression discontinuity in this design should be sharp because there is a mandatory threshold (vehicle length  $\geq 225$  inches) that motorists must meet. A sharp RD is necessary when there is mandatory participation whenever a reference variable exceeds a certain value. 2. - 6. Unsure!

## 2 Stata

1a. The ATE from the second-stage regression is approximately -1336 dollars less impact on the hedonic price. 2. Yes, I believe that this is a valid instrument from the plotted information.

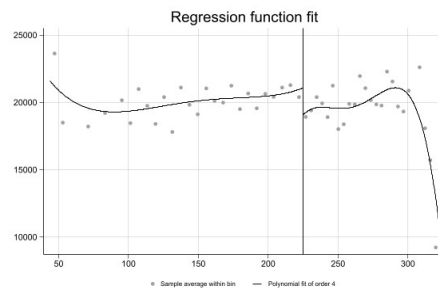


Figure 1: Enter Caption