



GEORGE MASON UNIVERSITY SCHOOL OF LAW

**LAW &
ECONOMICS
CENTER**



HENRY G. MANNE PROGRAM IN LAW & ECONOMICS STUDIES
LEC WORKSHOP FOR LAW PROFESSORS ON
THE ECONOMICS OF PUBLIC PENSION REFORM

SEPTEMBER 17 – 20, 2015

HENRY G. MANNE PROGRAM IN LAW & ECONOMICS STUDIES
 LEC WORKSHOP FOR LAW PROFESSORS ON THE ECONOMICS OF PUBLIC PENSION REFORM

CLASSES AND HOTEL: The Westin Palo Alto, 675 El Camino Real, Palo Alto, CA 94301

Thursday, September 17

Siena Carrara Rooms, All Class Sessions

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| <p>4:00 PM – 4:30 PM REGISTRATION AND REFRESHMENTS <i>Siena Carrara Rooms</i></p> | |
| <p>4:30 PM – 4:45 PM WELCOME</p> | <p>D. BRUCE JOHNSEN Professor of Law, George Mason University School of Law</p> |
| <p>4:45 PM – 6:15 PM CLASS 1: FINANCIAL ECONOMICS FOR PUBLIC POLICY</p> | <p>JOSHUA D. RAUH Professor of Finance, Stanford University Graduate School of Business and Senior Fellow, Hoover Institution, Stanford University</p> <p>READING ASSIGNMENT: Novy-Marx and Rauh, "The Liabilities and Risks of State-Sponsored Pension Plans," 23 <i>Journal of Economic Perspectives</i> 191 (vol 4, 2009)</p> |
| <p>6:30 PM – 8:30 PM RECEPTION AND DINNER <i>Portofino Room</i></p> | |

Friday, September 18

Siena Carrara Rooms, All Class Sessions

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| <p>7:30 AM – 8:20 AM BREAKFAST <i>Portofino Room</i></p> | |
| <p>8:30 AM – 10:00 AM CLASS 2: PENSIONS AND THE PUBLIC EMPLOYEE LABOR MARKET</p> | <p>MICHELLE WILDE ANDERSON Professor of Law, Stanford Law School</p> <p>READING ASSIGNMENT: NOTE: all readings for this session are Optional</p> <p>Fitzpatrick, "How Much are Public School Teachers Willing to Pay for their Pension Benefits?," NBER Working Paper #20582 (2014), <i>American Economic Journal: Economic Policy</i> (forthcoming)</p> <p>Munnell, et al, "Do Public Pensions Help Recruit and Obtain High Quality Workers," Boston College Center for Retirement Research SLP #41 (2014)</p> <p>Brown and Weisbenner, "Defined Contribution Plans as a Foundation for Retirement Security," 1 <i>Journal of Retirement</i> 22 (vol 4, 2014)</p> |
| <p>10:30 AM – 12:00 PM CLASS 3: MEASURING PENSION LIABILITIES</p> | <p>JOSHUA D. RAUH</p> <p>READING ASSIGNMENT: Rauh, "Discounting Liabilities: The Case of the Illinois Teachers Retirement System", Case study and spreadsheet</p> |
| <p>12:00 PM – 1:00 PM LUNCH <i>Portofino Room</i></p> | |

Friday, September 18

Siena Carrara Rooms, All Class Sessions

1:00 PM – 2:30 PM
CLASS 4: PUBLIC PENSION REFORM: CHALLENGES AND OPPORTUNITIES

JOSHUA D. RAUH

READING ASSIGNMENT:
 Costrell, "GASB Won't Let Me Be – A False Objection to Public Pension Reform," LJAF Policy Perspective (2012)

Monahan, "Statutes as Contracts? The 'California Rule' and Its Impact on Public Pension Reform," 97 *Iowa Law Review* 1029 (2012)

2:30 PM
ADJOURN FOR THE DAY

Saturday, September 19

Siena Carrara Rooms, All Class Sessions

7:30 AM – 8:20 AM
BREAKFAST

Portofino Room

8:30 AM – 10:00 AM
CLASS 5: CASE STUDY: TOUGH CHOICES FOR THE ILLINOIS PENSION SYSTEM

ROBERT C. POZEN

Senior Lecturer, MIT Sloan School of Management and Senior Fellow, Brookings Institution

READING ASSIGNMENT:
 Pozen and Khurana, "Tough Choice for the Illinois Pension System," Harvard Business School Case 311-139, June 2011 (Revised September 2011)

Pozen and Khurana, "Note on US Pension Accounting," Harvard Business School Background Note 311-115, April 2011 (Revised June 2012)

10:30 AM – 12:00 PM
CLASS 6: RETIREE HEALTH BENEFITS: "THE OTHER DEBT BOMB IN PUBLIC EMPLOYEE BENEFITS"

ROBERT C. POZEN

READING ASSIGNMENT:
 Pozen, "Renegotiating Retiree Health Care Plans After New Supreme Court Guidance," *HealthAffairs Blog*, May 7, 2015 at <http://healthaffairs.org/blog/2015/05/07/renegotiating-retiree-health-care-plans-after-new-supreme-court-guidance/>

Pozen, "The 'Cadillac' Tax Will Soon Hit Many Cities and States," Brookings Institution *Health360 Blog*, May 12, 2015 at <http://www.brookings.edu/blogs/health360/posts/2015/05/12-cadillac-tax-to-hit-cities-states-pozen>

12:00 PM – 4:30 PM
STUDY BREAK (LUNCH ON YOUR OWN)

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Saturday, September 19

*Siena Carrara Rooms, All
Class Sessions*

4:30 PM – 6:30 PM

**CLASS 7: DISCUSSION
SESSION: POTENTIAL
RESEARCH PROJECTS**

**JOSHUA D. RAUH
ROBERT C. POZEN
MICHELLE WILDE ANDERSON
D. BRUCE JOHNSEN**

6:45 PM – 7:15 PM

RECEPTION

Fleming's Prime Steakhouse and Wine Bar

7:15 PM – 9:00 PM

DINNER AND CLOSING REMARKS

Fleming's Prime Steakhouse and Wine Bar

Sunday, September 20

DEPARTURE