



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**

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**FEBRUARY 11 – 14, 2016**

# HENRY G. MANNE PROGRAM IN LAW & ECONOMICS STUDIES

## LEC WORKSHOP FOR LAW PROFESSORS ON THE ECONOMICS OF PUBLIC PENSION REFORM

Thursday, February 11

*Cypress I Room, All Class Sessions*

**4:00 PM – 4:30 PM**

### **REGISTRATION AND REFRESHMENTS**

*Cypress Foyer*

**4:30 PM – 4:45 PM**

### **WELCOME**

**D. BRUCE JOHNSEN**

Professor of Law, George Mason University School of Law

**4:45 PM – 6:15 PM**

### **CLASS 1: 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)

**6:30 PM – 8:30 PM**

### **RECEPTION AND DINNER**

*Cypress II Room*

Friday, February 12

Cypress I Room, All Class Sessions

7:30 AM – 8:20 AM

**BREAKFAST**

*Cypress II Room*

8:30 AM – 10:00 AM

**CLASS 2: FINANCIAL ECONOMICS FOR PUBLIC POLICY**

**JOSHUA D. RAUH**

Professor of Finance, Stanford University Graduate School of Business and Senior Fellow, Hoover Institution, Stanford University

READING ASSIGNMENT:

Novy-Marx and Rauh, "The Liabilities and Risks of State-Sponsored Pension Plans," *23 Journal of Economic Perspectives* 191 (vol 4, 2009)

10:30 AM – 12:00 PM

**CLASS 3: MEASURING PENSION LIABILITIES**

**JOSHUA D. RAUH**

READING ASSIGNMENT:

Rauh, "Discounting Liabilities: The Case of the Illinois Teachers Retirement System", Case study and spreadsheet

12:00 PM – 1:00 PM

**LUNCH**

*Cypress II Room*

# HENRY G. MANNE PROGRAM IN LAW & ECONOMICS STUDIES

## LEC WORKSHOP FOR LAW PROFESSORS ON THE ECONOMICS OF PUBLIC PENSION REFORM

Friday, February 12

Cypress I Room, All Class Sessions

**1:00 PM – 2:30 PM**

### **CLASS 4: PENSIONS AND THE PUBLIC EMPLOYEE LABOR MARKET**

**MICHELLE WILDE ANDERSON**

Professor of Law, Stanford Law School

READING ASSIGNMENT:

McCrary & Chalfin, "The Effect of Police on Crime: New Evidence From American Cities, 1960 - 2010," NBER Working Paper #18815 (2013)

Munnell, et al, "Do Public Pensions Help Recruit and Obtain High Quality Workers," Boston College Center for Retirement Research SLP #41 (2014)

Fitzpatrick, "How Much are Public School Teachers Willing to Pay for their Pension Benefits?," NBER Working Paper #20582 (2014), *American Economic Journal: Economic Policy* (forthcoming)

**2:30 PM**

**ADJOURN FOR THE DAY**

**CLASSES AND HOTEL:** The Sheraton Palo Alto, 625 El Camino Real, Palo Alto, CA 94301

Saturday, February 13

*Cypress I Room, All Class Sessions*

**7:30 AM – 8:20 AM**

**BREAKFAST**

*Cypress II Room*

**8:30 AM – 10:00 AM**

**CLASS 5: 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, "Public Pension Plan Reform: The Legal Framework," 5 *Education Finance and Policy* 617 (2010)

**10:15 AM – 11:45 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>

**11:45 PM – 4:30 PM**

**STUDY BREAK (LUNCH ON YOUR OWN)**

## HENRY G. MANNE PROGRAM IN LAW & ECONOMICS STUDIES

### LEC WORKSHOP FOR LAW PROFESSORS ON THE ECONOMICS OF PUBLIC PENSION REFORM

Saturday, February 13

*Cypress I Room, All Class Sessions*

**4:30 PM – 6:30 PM**

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

**JOSHUA D. RAUH**

**D. BRUCE JOHNSEN**

**MICHAEL W. MCCONNELL**

Richard and Frances Mallery Professor of Law and Director, Constitutional Law Center,  
Stanford Law School

ADDITIONAL OPTIONAL READINGS:

Brown and Weisbenner, "Defined Contribution Plans as a Foundation for Retirement Security," 1 *Journal of Retirement* 22 (vol 4, 2014)

**6:45 PM – 9:00 PM**

**RECEPTION, DINNER, AND CLOSING REMARKS**

*Piazza and Justine's Ballroom*

Sunday, February 14

**DEPARTURE**