PUAD 835: PUBLIC FINANCE

COURSE DESCRIPTION

Essential to management in the public sector is a solid understanding of the role of government in a market economy. This includes understanding why the government provides certain services, how the level of provision is determined, and how money is collected to pay for these services. In this course we focus on the financing of public services. We are going to focus on how various government tax policies influence the behavior of individuals, firms, and other levels of government. We will explore these issues in the rich environment and context of state and local governments of the United States. This course satisfies the core requirement for students in the MPA program.

TEXT

The main text used in this course is *Management Policies in Local Government Finance* by Aronson and Schwartz (denoted Aronson in the Schedule. Assigned articles and other reference material is listed after the course schedule.

GRADES

Grades will be based on the following:

- Weekly journal – 25% At the end of each class, I will leave some for you to note the main points covered in class and two or three questions or issues that need more clarification or discussion. This is not to be merely a recitation of your notes for the class, but should be the result of at least brief reflection and thought on your part. You should indicate which of the several issues discussed seemed most important to you or resonated the most with you and why. If there was a point made with which you disagreed, you should say so, and why you disagree.

- Assignments – 40%

- Policy Brief
  - Written report – 20%
  - Oral presentation – 15%
EMAIL
I may make occasional announcements to the class via email concerning scheduling changes, guest speakers, etc. If the email the university has on file is not current, please send me a current address.

CONSULTATION
To be discussed.

MISSED CLASSES/ASSIGNMENTS
Students are expected to attend all classes and to hand in all assignments in accordance with the class schedule. If you are ill or have some other compelling reason for missing an assignment, midterm, or other deadline, please let me know at the earliest feasible time (i.e., not after the fact). You won’t be downgraded for excused absences.

ACADEMIC INTEGRITY
Honesty is critically important in education, research, and policy analysis and formulation. All students are expected to adhere to the highest standards of academic integrity, and have a right to expect others to do the same. Every student should be fully familiar and act in accordance with KU standards for academic honesty and thus help to preserve the environment of trust without which the academic process cannot succeed. If you have any questions about the standards of behavior that are expected of KU students, please consult with me or appropriate administrative personnel.

The KU writing center provides helpful information on avoiding plagiarism at http://www.writing.ku.edu/students/guides.shtml#2. Failing to appropriately cite your sources constitutes academic misconduct and may result in a failing grade for the course.

DISABILITY POLICY
Any student who has a disability that may prevent him or her from fully demonstrating his or her abilities should contact me as soon as possible. We will discuss accommodations necessary to ensure your full participation.
SCHEDULE—This schedule is tentative and may change; other readings may be added.

**August 22:** Overview of local government finance

**August 29:** Basic Microeconomics–Market Failures

Reading Rosen Appendix
Articles King
Blumenthal

**September 5:** Introduction to Government Revenue Systems

Reading Aronson: Chp 4
Article Tannenwald

**September 12:** Sales and Income Taxes

Reading Aronson: Chp 11
Article McClure

**September 19:** Property Taxation

Reading Aronson: Chp 10
Assignment Revenue Diversification

**September 26:** User Charges and Special Districts

Reading Aronson: Chp 12

**October 3:** Forecasting

Reading Aronson: Chp 5
Assignment Property Taxation

**October 10:** No Class

**October 17:** Debt Management

Reading Aronson: Chp 14
Assignment Forecasting

**October 24:** No Class

**October 31:** Economic Development

Reading Aronson: Chp 13
Assignment Debt Management
November 7: Fiscal Federalism
   Reading  Aronson: Chp 2
   Article   Wildasin

November 14: Pension/OPEB
   Reading  Aronson: Chp 18
   Assignment  TBD

November 21: Thanksgiving Break

November 28: Presentations

December 5: Presentations

December 12: Policy Brief Due
**READINGS**—These reading are available through the library and can also be found on the course blackboard page


