

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102ND GENERAL ASSEMBLY

BILL NO: **SB 2094** March 19, 2021
SPONSOR (S): Martwick
SYSTEM(S): County Employees' and Officers' Annuity and Benefit Fund of
Cook County (CCPF)

FISCAL IMPACT: SB 2094 would allow a CCPF member with at least 25 years of service to purchase up to two years of military service credit, regardless of a member's employment start date, as described below. The fiscal impact of the legislation is unknown as the number of members who might purchase optional military service credit is unknown. There is no provision in law for Cook County Pension Fund members to pay the employer's normal cost for the period of optional military service.

SUBJECT MATTER: SB 2094 amends the Cook County Article of the Pension Code to remove a restrictive date for establishing service credit from military service.

COMMENT: Under current law, a CCPF member who was employed as of January 1, 1993, and has at least 25 years of service credit with CCPF may purchase up to 2 years of military service credit whether or not the military service occurred after employment with CCPF.

The contribution required of the member is based upon the contribution rate as if the employee were employed during the period of military service plus the statutory "effective interest rate" (3% per the Cook County Article) from the date of discharge to the date of payment. However, according to the pension fund, if payment is made within five years of re-employment for a period of military service not to exceed five years, as provided by the Uniformed Services Employment and Reemployment Rights Act (USERRA), the employee will be required to pay only the contributions he or she would have made had his or her employment continued without the intervening military service, without interest.

SB 2094 removes the aforementioned restrictive date that is currently enshrined in law (January 1, 1993). This means regardless of a member's employment start date, a member who has 25 years of service credit with CCPF would be eligible to purchase military service credit in the manner described above.

JB:bs
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