

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Code of Civil Procedure is amended by adding
5 Section 2-807 as follows:

6 (735 ILCS 5/2-807 new)

7 Sec. 2-807. Residual funds in a common fund created in a
8 class action.

9 (a) Definitions. As used in this Section:

10 "Eligible organization" means a not-for-profit
11 organization that has been in existence for no less than 3
12 years, has been tax exempt for no less than 3 years from the
13 payment of federal taxes under Section 501(c)(3) of the
14 Internal Revenue Code, and has a principal purpose of promoting
15 or providing services that would be eligible for funding under
16 the Illinois Equal Justice Act.

17 "Residual funds" means all unclaimed funds, including
18 uncashed checks or other unclaimed payments, that remain in a
19 common fund created in a class action after court-approved
20 payments are made for the following:

21 (i) class member claims;

22 (ii) attorney's fees and costs; and

23 (iii) any reversions to a defendant agreed upon by the
24 parties.

25 (b) Settlement. An order approving a proposed settlement of
26 a class action that results in the creation of a common fund
27 for the benefit of the class shall, consistent with the other
28 Sections of this Part, establish a process for the
29 administration of the settlement and shall provide for the
30 distribution of any residual funds to one or more eligible
31 organizations, except that up to 50% of the residual funds may
32 be distributed to one or more other nonprofit charitable

1 organizations or other organizations that serve the public good
2 if the court finds there is good cause to approve such a
3 distribution as part of a settlement.

4 (c) Judgment. A judgment in favor of the plaintiff in a
5 class action that results in the creation of a common fund for
6 the benefit of the class shall provide for the distribution of
7 any residual funds to one or more eligible organizations.

8 (d) State and its political subdivisions. This Section does
9 not apply to any class action lawsuit against the State of
10 Illinois or any of its political subdivisions.

11 (e) Application. This Section applies to all actions
12 commenced on or after the effective date of this amendatory Act
13 of the 94th General Assembly and to all actions pending on the
14 effective date of this amendatory Act of the 94th General
15 Assembly.

16 Section 99. Effective date. This Act takes effect July 1,
17 2007.