

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 Part 23 to Article II as follows:

6 (735 ILCS 5/Art. II Pt. 23 heading new)

7 Part 23. Settlement

8 (735 ILCS 5/2-2301 new)

9 Sec. 2-2301. Settlement of claims; payment.

10 (a) In a personal injury, property damage, wrongful death,  
11 or tort action involving a claim for money damages, a release  
12 must be tendered to the plaintiff by the settling defendant  
13 within 14 days of written confirmation of the settlement.

14 (b) In a personal injury, property damage, wrongful death,  
15 or tort action involving a claim for money damages in which the  
16 law requires court approval of a settlement, the plaintiff  
17 shall tender to the defendant a copy of the court order  
18 approving the settlement.

19 (c) In a personal injury, property damage, wrongful death,  
20 or tort action involving a claim for money damages in which  
21 there is a known third-party right of recovery or subrogation  
22 interest (including attorney's liens, healthcare provider

1 liens, or rights of recovery claimed by Medicare, the Centers  
2 for Medicare and Medicaid Services, the Illinois Department of  
3 Healthcare and Family Services, or private health insurance  
4 companies), the plaintiff may protect the third-party's right  
5 of recovery or subrogation interest, where applicable, by  
6 tendering to the defendant:

7 (1) A signed release of the attorney's lien.

8 (2) Either:

9 (i) a signed release of a healthcare provider lien;

10 or

11 (ii) a letter from the plaintiff's attorney  
12 agreeing to hold the full amount of the claimed lien in  
13 the plaintiff's attorney's client fund account pending  
14 final resolution of the lien amount; or

15 (iii) an offer that the defendant hold the full  
16 amount of the claimed right to recovery pending final  
17 resolution of the amount of the right of recovery.

18 (3) Either:

19 (i) documentation of the agreement between the  
20 plaintiff and Medicare, the Centers for Medicare and  
21 Medicaid Services, the Illinois Department of  
22 Healthcare and Family Services, or the private health  
23 insurance company as to the amount of the settlement  
24 that will be accepted in satisfaction of right of  
25 recovery; or

26 (ii) a letter from the plaintiff's attorney

1 agreeing to hold the full amount of the claimed right  
2 to recovery in the plaintiff's attorney's client fund  
3 account pending final resolution of the amount of the  
4 right to recovery; or

5 (iii) an offer that the defendant hold the full  
6 amount of the claimed right to recovery pending final  
7 resolution of the amount of the right of recovery.

8 (d) A settling defendant shall pay all sums due to the  
9 plaintiff within 21 days of tender by the plaintiff of all  
10 applicable documents in compliance with subsections (a), (b),  
11 and (c) of this Section.

12 (e) If, after a hearing, the court having jurisdiction over  
13 the parties finds that timely payment has not been made by a  
14 defendant pursuant to subsection (d) of this Section, judgment  
15 shall be entered against that defendant for the amount set  
16 forth in the executed release, plus costs incurred in obtaining  
17 the judgment and interest at the rate specified under Section  
18 2-1303 of this Code, calculated from the date of the tender by  
19 the plaintiff under subsection (d) of this Section.

20 (f) As used in this Section, "tender" means personal  
21 delivery or delivery by a means providing a return receipt.

22 (g) This Section applies to all personal injury, property  
23 damage, wrongful death, and tort actions involving a claim for  
24 money damages, except as otherwise agreed by the parties and  
25 for those actions against this State, any State agency, or any  
26 State employee or foster parent or other entity or person that

1 is being represented and provided indemnification in  
2 accordance with the provisions of the State Employee  
3 Indemnification Act. This Section does not apply to units of  
4 local government.

5 Section 99. Effective date. This Act takes effect upon  
6 becoming law.