

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:

12 (i) has been in existence for no less than 3 years;

13 (ii) has been tax exempt for no less than 3 years from
14 the payment of federal taxes under Section 501(c)(3) of the
15 Internal Revenue Code;

16 (iii) is in compliance with registration and filing
17 requirements applicable pursuant to the Charitable Trust
18 Act and the Solicitation for Charity Act; and

19 (iv) has a principal purpose of promoting or providing
20 services that would be eligible for funding under the
21 Illinois Equal Justice Act.

22 "Residual funds" means all unclaimed funds, including
23 uncashed checks or other unclaimed payments, that remain in a

1 common fund created in a class action after court-approved
2 payments are made for the following:

3 (i) class member claims;

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

5 (iii) any reversions to a defendant agreed upon by the
6 parties.

7 (b) Settlement. An order approving a proposed settlement of
8 a class action that results in the creation of a common fund
9 for the benefit of the class shall, consistent with the other
10 Sections of this Part, establish a process for the
11 administration of the settlement and shall provide for the
12 distribution of any residual funds to one or more eligible
13 organizations, except that up to 50% of the residual funds may
14 be distributed to one or more other nonprofit charitable
15 organizations or other organizations that serve the public good
16 if the court finds there is good cause to approve such a
17 distribution as part of a settlement.

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

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

25 (e) Application. This Section applies to all actions
26 commenced on or after the effective date of this amendatory Act

1 of the 95th General Assembly and to all actions pending on the
2 effective date of this amendatory Act of the 95th General
3 Assembly for which no court order has been entered
4 preliminarily approving a proposed settlement for a class of
5 plaintiffs.

6 Section 99. Effective date. This Act takes effect July 1,
7 2008.