# 97TH GENERAL ASSEMBLY <br> State of Illinois <br> 2011 and 2012 

HB3478

Introduced 2/24/2011, by Rep. Sidney H. Mathias

## sYNOPSIS AS INTRODUCED:

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735 ILCS 5/2-1402
735 ILCS 5/2-1602
735 ILCS 5/12-101
735 ILCS 5/12-112.5 new
735 ILCS 5/12-652
755 ILCS 5/18-12
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from Ch. 110, par. 2-1402
from Ch. 110, par. 12-101
from Ch. 110, par. 12-652
from Ch. 110 1/2, par. 18-12


#### Abstract

Amends the Code of Civil Procedure. Provides that if a creditor discovers personal property of the judgment debtor that is subject to the lien of a citation to discover assets, the creditor may have the court impress a lien against a specific item of personal property, including a land trust. Provides that this type of lien survives the termination of the citation proceedings and remains as a lien against the personal property. Provides that if the judgment is revived before dormancy, the lien shall remain. Provides that a lien against personal property may be recorded in the recorder's office or filed pursuant to the Uniform Commercial Code. Provides that if a statute or case requires or permits a judgment creditor to use the remedy of a charging order, this remedy may be obtained by using an enforcement procedure under the Act and provides that if the court does not otherwise have jurisdiction of the parties, the law relating to the type of enforcement served shall be used to determine issues ancillary to the entry of a charging order such as jurisdiction, liens, and priority of liens. Amends the Probate Act of 1975. Modifies provision that states that all claims against an estate are barred 2 years after decedent's death, by adding an exception that states: if the estate is opened 21 months after the date of death or later, a claim must be filed not less than 6 months after the first notice is published or 3 months from the date of mailing or delivery of the required notice, whichever is later.


LRB097 10881 AJO 51405 b

## A BILL FOR

AN ACT concerning civil law.

# Be it enacted by the People of the State of Illinois, represented in the General Assembly: 

Section 5. The Code of Civil Procedure is amended by changing Sections $2-1402,2-1602,12-101,12-652$, and by adding Section 12-112.5 as follows:
(735 ILCS 5/2-1402) (from Ch. 110, par. 2-1402)
Sec. 2-1402. Supplementary proceedings.
(a) A judgment creditor, or his or her successor in interest when that interest is made to appear of record, is entitled to prosecute supplementary proceedings for the purposes of examining the judgment debtor or any other person to discover assets or income of the debtor not exempt from the enforcement of the judgment, a deduction order or garnishment, and of compelling the application of non-exempt assets or income discovered toward the payment of the amount due under the judgment. A supplementary proceeding shall be commenced by the service of a citation issued by the clerk. The procedure for conducting supplementary proceedings shall be prescribed by rules. It is not a prerequisite to the commencement of a supplementary proceeding that a certified copy of the judgment has been returned wholly or partly unsatisfied. All citations issued by the clerk shall have the following language, or
language substantially similar thereto, stated prominently on the front, in capital letters: "YOUR FAILURE TO APPEAR IN COURT AS HEREIN DIRECTED MAY CAUSE YOU TO BE ARRESTED AND BROUGHT BEFORE THE COURT TO ANSWER TO A CHARGE OF CONTEMPT OF COURT, WHICH MAY BE PUNISHABLE BY IMPRISONMENT IN THE COUNTY JAIL." The court shall not grant a continuance of the supplementary proceeding except upon good cause shown.
(b) Any citation served upon a judgment debtor or any other person shall include a certification by the attorney for the judgment creditor or the judgment creditor setting forth the amount of the judgment, the date of the judgment, or its revival date, the balance due thereon, the name of the court, and the number of the case, and a copy of the citation notice required by this subsection. Whenever a citation is served upon a person or party other than the judgment debtor, the officer or person serving the citation shall send to the judgment debtor, within three business days of the service upon the cited party, a copy of the citation and the citation notice, which may be sent by regular first-class mail to the judgment debtor's last known address. In no event shall a citation hearing be held sooner than five business days after the mailing of the citation and citation notice to the judgment debtor, except by agreement of the parties. The citation notice need not be mailed to a corporation, partnership, or association. The citation notice shall be in substantially the following form:

## "CITATION NOTICE

(Name and address of Court)
Name of Case: (Name of Judgment Creditor), Judgment Creditor v.
(Name of Judgment Debtor), Judgment Debtor.

Address of Judgment Debtor: (Insert last known address)

Name and address of Attorney for Judgment Creditor or of Judgment Creditor (If no attorney is listed): (Insert name and address)

Amount of Judgment: \$ (Insert amount)
Name of Person Receiving Citation: (Insert name)
Court Date and Time: (Insert return date and time specified in citation)
NOTICE: The court has issued a citation against the person named above. The citation directs that person to appear in court to be examined for the purpose of allowing the judgment creditor to discover income and assets belonging to the judgment debtor or in which the judgment debtor has an interest. The citation was issued on the basis of a judgment against the judgment debtor in favor of the judgment creditor in the amount stated above. On or after the court date stated above, the court may compel the application of any discovered income or assets toward payment on the judgment.

The amount of income or assets that may be applied toward
the judgment is limited by federal and Illinois law. The JUDGMENT DEBTOR HAS THE RIGHT TO ASSERT STATUTORY EXEMPTIONS AGAINST CERTAIN INCOME OR ASSETS OF THE JUDGMENT DEBTOR WHICH MAY NOT BE USED TO SATISFY THE JUDGMENT IN THE AMOUNT STATED ABOVE:
(1) Under Illinois or federal law, the exemptions of personal property owned by the debtor include the debtor's equity interest, not to exceed $\$ 4,000$ in value, in any personal property as chosen by the debtor; Social Security and SSI benefits; public assistance benefits; unemployment compensation benefits; worker's compensation benefits; veteran's benefits; circuit breaker property tax relief benefits; the debtor's equity interest, not to exceed $\$ 2,400$ in value, in any one motor vehicle, and the debtor's equity interest, not to exceed $\$ 1,500$ in value, in any implements, professional books, or tools of the trade of the debtor.
(2) Under Illinois law, every person is entitled to an estate in homestead, when it is owned and occupied as a residence, to the extent in value of $\$ 15,000$, which homestead is exempt from judgment.
(3) Under Illinois law, the amount of wages that may be applied toward a judgment is limited to the lesser of (i) $15 \%$ of gross weekly wages or (ii) the amount by which disposable earnings for a week exceed the total of 45 times the federal minimum hourly wage or, under a wage deduction
summons served on or after January 1, 2006, the Illinois minimum hourly wage, whichever is greater.
(4) Under federal law, the amount of wages that may be applied toward a judgment is limited to the lesser of (i) $25 \%$ of disposable earnings for a week or (ii) the amount by which disposable earnings for a week exceed 30 times the federal minimum hourly wage.
(5) Pension and retirement benefits and refunds may be claimed as exempt under Illinois law.

The judgment debtor may have other possible exemptions under the law.

THE JUDGMENT DEBTOR HAS THE RIGHT AT THE CITATION HEARING TO DECLARE EXEMPT CERTAIN INCOME OR ASSETS OR BOTH. The judgment debtor also has the right to seek a declaration at an earlier date, by notifying the clerk in writing at (insert address of clerk). When so notified, the Clerk of the Court will obtain a prompt hearing date from the court and will provide the necessary forms that must be prepared by the judgment debtor or the attorney for the judgment debtor and sent to the judgment creditor and the judgment creditor's attorney regarding the time and location of the hearing. This notice may be sent by regular first class mail."
(c) When assets or income of the judgment debtor not exempt from the satisfaction of a judgment, a deduction order or garnishment are discovered, the court may, by appropriate order or judgment:
(1) Compel the judgment debtor to deliver up, to be applied in satisfaction of the judgment, in whole or in part, money, choses in action, property or effects in his or her possession or control, so discovered, capable of delivery and to which his or her title or right of possession is not substantially disputed.
(2) Compel the judgment debtor to pay to the judgment creditor or apply on the judgment, in installments, a portion of his or her income, however or whenever earned or acquired, as the court may deem proper, having due regard for the reasonable requirements of the judgment debtor and his or her family, if dependent upon him or her, as well as any payments required to be made by prior order of court or under wage assignments outstanding; provided that the judgment debtor shall not be compelled to pay income which would be considered exempt as wages under the Wage Deduction Statute. The court may modify an order for installment payments, from time to time, upon application of either party upon notice to the other.
(3) Compel any person cited, other than the judgment debtor, to deliver up any assets so discovered, to be applied in satisfaction of the judgment, in whole or in part, when those assets are held under such circumstances that in an action by the judgment debtor he or she could recover them in specie or obtain a judgment for the proceeds or value thereof as for conversion or
embezzlement. A judgment creditor may recover a corporate judgment debtor's property on behalf of the judgment debtor for use of the judgment creditor by filing an appropriate petition within the citation proceedings.
(4) Enter any order upon or judgment against the person cited that could be entered in any garnishment proceeding.
(5) Compel any person cited to execute an assignment of any chose in action or a conveyance of title to real or personal property or resign memberships in exchanges, clubs, or other entities in the same manner and to the same extent as a court could do in any proceeding by a judgment creditor to enforce payment of a judgment or in aid of the enforcement of a judgment.
(6) Authorize the judgment creditor to maintain an action against any person or corporation that, it appears upon proof satisfactory to the court, is indebted to the judgment debtor, for the recovery of the debt, forbid the transfer or other disposition of the debt until an action can be commenced and prosecuted to judgment, direct that the papers or proof in the possession or control of the debtor and necessary in the prosecution of the action be delivered to the creditor or impounded in court, and provide for the disposition of any moneys in excess of the sum required to pay the judgment creditor's judgment and costs allowed by the court.
(d) No order or judgment shall be entered under subsection
(c) in favor of the judgment creditor unless there appears of record a certification of mailing showing that a copy of the citation and a copy of the citation notice was mailed to the judgment debtor as required by subsection (b).
(e) All property ordered to be delivered up shall, except as otherwise provided in this Section, be delivered to the sheriff to be collected by the sheriff or sold at public sale and the proceeds thereof applied towards the payment of costs and the satisfaction of the judgment. If the judgment debtor's property is of such a nature that it is not readily delivered up to the sheriff for public sale or if another method of sale is more appropriate to liquidate the property or enhance its value at sale, the court may order the sale of such property by the debtor, third party respondent, or by a selling agent other than the sheriff upon such terms as are just and equitable. The proceeds of sale, after deducting reasonable and necessary expenses, are to be turned over to the creditor and applied to the balance due on the judgment.
(f) (1) The citation may prohibit the party to whom it is directed from making or allowing any transfer or other disposition of, or interfering with, any property not exempt from the enforcement of a judgment therefrom, a deduction order or garnishment, belonging to the judgment debtor or to which he or she may be entitled or which may thereafter be acquired by or become due to him or her, and from paying over or otherwise disposing of any moneys not
so exempt which are due or to become due to the judgment debtor, until the further order of the court or the termination of the proceeding, whichever occurs first. The third party may not be obliged to withhold the payment of any moneys beyond double the amount of the balance due sought to be enforced by the judgment creditor. The court may punish any party who violates the restraining provision of a citation as and for a contempt, or if the party is a third party may enter judgment against him or her in the amount of the unpaid portion of the judgment and costs allowable under this Section, or in the amount of the value of the property transferred, whichever is lesser.
(2) The court may enjoin any person, whether or not a party to the supplementary proceeding, from making or allowing any transfer or other disposition of, or interference with, the property of the judgment debtor not exempt from the enforcement of a judgment, a deduction order or garnishment, or the property or debt not so exempt concerning which any person is required to attend and be examined until further direction in the premises. The injunction order shall remain in effect until vacated by the court or until the proceeding is terminated, whichever first occurs.
(g) If it appears that any property, chose in action, credit or effect discovered, or any interest therein, is claimed by any person, the court shall, as in garnishment
proceedings, permit or require the claimant to appear and maintain his or her right. The rights of the person cited and the rights of any adverse claimant shall be asserted and determined pursuant to the law relating to garnishment proceedings.
(h) Costs in proceedings authorized by this Section shall be allowed, assessed and paid in accordance with rules, provided that if the court determines, in its discretion, that costs incurred by the judgment creditor were improperly incurred, those costs shall be paid by the judgment creditor.
(i) This Section is in addition to and does not affect enforcement of judgments or proceedings supplementary thereto, by any other methods now or hereafter provided by law.
(j) This Section does not grant the power to any court to order installment or other payments from, or compel the sale, delivery, surrender, assignment or conveyance of any property exempt by statute from the enforcement of a judgment thereon, a deduction order, garnishment, attachment, sequestration, process or other levy or seizure.
(k) (Blank).
(k-5) If the court determines that any property held by a third party respondent is wages pursuant to Section 12-801, the court shall proceed as if a wage deduction proceeding had been filed and proceed to enter such necessary and proper orders as would have been entered in a wage deduction proceeding including but not limited to the granting of the statutory
exemptions allowed by Section 12-803 and all other remedies allowed plaintiff and defendant pursuant to Part 8 of Article 12 of this Act.
(k-10) If a creditor discovers personal property of the judgment debtor that is subject to the lien of a citation to discover assets, the creditor may have the court impress a lien against a specific item of personal property, including a land trust. The lien survives the termination of the citation proceedings and remains as a lien against the personal property in the same manner that a judgment lien recorded against real property pursuant to Section $12-101$ remains a lien on real property. If the judgment is revived before dormancy, the lien shall remain. A lien against personal property may, but need not, be recorded in the office of the recorder or filed as an informational filing pursuant to the Uniform Commercial Code.
(l) At any citation hearing at which the judgment debtor appears and seeks a declaration that certain of his or her income or assets are exempt, the court shall proceed to determine whether the property which the judgment debtor declares to be exempt is exempt from judgment. At any time before the return date specified on the citation, the judgment debtor may request, in writing, a hearing to declare exempt certain income and assets by notifying the clerk of the court before that time, using forms as may be provided by the clerk of the court. The clerk of the court will obtain a prompt hearing date from the court and will provide the necessary
forms that must be prepared by the judgment debtor or the attorney for the judgment debtor and sent to the judgment creditor, or the judgment creditor's attorney, regarding the time and location of the hearing. This notice may be sent by regular first class mail. At the hearing, the court shall immediately, unless for good cause shown that the hearing is to be continued, shall proceed to determine whether the property which the judgment debtor declares to be exempt is exempt from judgment. The restraining provisions of subsection (f) shall not apply to any property determined by the court to be exempt.
(m) The judgment or balance due on the judgment becomes a lien when a citation is served in accordance with subsection (a) of this Section. The lien binds nonexempt personal property, including money, choses in action, and effects of the judgment debtor as follows:
(1) When the citation is directed against the judgment debtor, upon all personal property belonging to the judgment debtor in the possession or control of the judgment debtor or which may thereafter be acquired or come due to the judgment debtor to the time of the disposition of the citation.
(2) When the citation is directed against a third party, upon all personal property belonging to the judgment debtor in the possession or control of the third party or which thereafter may be acquired or come due the judgment debtor and comes into the possession or control of the
third party to the time of the disposition of the citation. The lien established under this Section does not affect the rights of citation respondents in property prior to the service of the citation upon them and does not affect the rights of bona fide purchasers or lenders without notice of the citation. The lien is effective for the period specified by Supreme Court Rule.

This subsection (m), as added by Public Act 88-48, is a declaration of existing law.
(n) If any provision of this Act or its application to any person or circumstance is held invalid, the invalidity of that provision or application does not affect the provisions or applications of the Act that can be given effect without the invalid provision or application.
(Source: P.A. 94-293, eff. 1-1-06; 94-306, eff. 1-1-06; 95-331, eff. 8-21-07; 95-661, eff. 1-1-08.)
(735 ILCS 5/2-1602)
Sec. 2-1602. Revival of judgment.
(a) A judgment may be revived by filing a petition to revive the a judgment may be filed in the seventh year after its entry, or in the seventh year after its last revival, or in the twentieth year after its entry, or at any other time within 20 years after its entry if the judgment becomes dormant. The provisions of this amendatory Act of the 96 th General Assembly are declarative of existing law.
(b) A petition to revive a judgment shall be filed in the original case in which the judgment was entered. The petition shall include a statement as to the original date and amount of the judgment, court costs expended, accrued interest, and credits to the judgment, if any.
(c) Service of notice of the petition to revive a judgment shall be made in accordance with Supreme Court Rule 106.
(d) An order reviving a judgment shall be for the original amount of the judgment. The plaintiff may recover interest and court costs from the date of the original judgment. Credits to the judgment shall be reflected by the plaintiff in supplemental proceedings or execution.
(e) If a judgment debtor has filed for protection under the United States Bankruptcy Code and failed to successfully adjudicate and remove a lien filed by a judgment creditor, then the judgment may be revived only as to the property to which a lien attached before the filing of the bankruptcy action.
(f) A judgment may be revived as to fewer than all judgment debtors, and such order for revival of judgment shall be final, appealable, and enforceable.
(g) This Section does not apply to a child support judgment or to a judgment recovered in an action for damages for an injury described in Section 13-214.1, which need not be revived as provided in this Section and which may be enforced at any time as provided in Section 12-108.
(Source: P.A. 96-305, eff. 8-11-09.)
(735 ILCS 5/12-101) (from Ch. 110, par. 12-101)
Sec. 12-101. Lien of judgment. With respect to the creation of liens on real estate by judgments, all real estate in the State of Illinois is divided into 2 classes.

The first class consists of all real property, the title to which is registered under "An Act concerning land titles", approved May 1, 1897, as amended.

The second class consists of all real property not registered under "An Act concerning land titles".

As to real estate in class one, a judgment is a lien on the real estate of the person against whom it is entered for the same period as in class two, when Section 85 of "An Act concerning land titles", has been complied with.

As to real estate included within class two, a judgment is a lien on the real estate of the person against whom it is entered in any county in this State, including the county in which it is entered, only from the time a transcript, certified copy or memorandum of the judgment is filed in the office of the recorder in the county in which the real estate is located. The lien may be foreclosed by an action brought in the name of the judgment creditor or its assignee of record under Article XV in the same manner as a mortgage of real property, except that the redemption period shall be 6 months from the date of sale and the real estate homestead exemption under Section 12-901 shall apply. A judgment resulting from the entry of an
order requiring child support payments shall be a lien upon the real estate of the person obligated to make the child support payments, but shall not be enforceable in any county of this State until a transcript, certified copy, or memorandum of the lien is filed in the office of the recorder in the county in which the real estate is located. Any lien hereunder arising out of an order for support shall be a lien only as to and from the time that an installment or payment is due under the terms of the order. Further, the order for support shall not be a lien on real estate to the extent of payments made as evidenced by the records of the Clerk of the Circuit Court or State agency receiving payments pursuant to the order. In the event payments made pursuant to that order are not paid to the Clerk of the Circuit Court or a State agency, then each lien imposed by this Section may be released in the following manner:
(a) A Notice of Filing and an affidavit stating that all installments of child support required to be paid pursuant to the order under which the lien or liens were imposed have been paid shall be filed with the office of recorder in each county in which each such lien appears of record, together with proof of service of such notice and affidavit upon the recipient of such payments.
(b) Service of such affidavit shall be by any means authorized under Sections 2-203 and 2-208 of the Code of Civil Procedure or under Supreme Court Rules 11 or 105 (b).
(c) The Notice of Filing shall set forth the name and
address of the judgment debtor and the judgment creditor, the court file number of the order giving rise to the judgment and, in capital letters, the following statement:

YOU ARE HEREBY NOTIFIED THAT ON (insert date) THE ATTACHED AFFIDAVIT WAS FILED IN THE OFFICE OF THE RECORDER OF .... COUNTY, ILLINOIS, WHOSE ADDRESS IS ........, ILLINOIS. IF, WITHIN 28 DAYS OF THE DATE OF THIS NOTICE, YOU FAIL TO FILE AN AFFIDAVIT OBJECTING TO THE RELEASE OF THE STATED JUDGMENT LIEN OR LIENS, IN THE ABOVE OFFICE, SUCH JUDGMENT LIEN WILL BE DEEMED TO BE RELEASED AND NO LONGER SUBJECT TO FORECLOSURE. THIS RELEASE OF LIEN WILL NOT ACT AS A SATISFACTION OF SUCH JUDGMENT.
(d) If no affidavit objecting to the release of the lien or liens is filed within 28 days of the Notice described in paragraph (c) of this Section such lien or liens shall be deemed to be released and no longer subject to foreclosure.

A judgment is not a lien on real estate for longer than 7 years from the time it is entered or revived, unless the judgment is revived within 7 years after its entry or last revival and a new memorandum of judgment is recorded prior to the judgment and its recorded memorandum of judgment becoming dormant filed before the expiration of the prior memorandum of judgment.

When a judgment is revived it is a lien on the real estate of the person against whom it was entered in any county in this

State from the time a transcript, certified copy or memorandum of the order of revival is filed in the office of the recorder in the county in which the real estate is located.

A foreign judgment registered pursuant to Sections 12-601 through 12-618 of this Act is a lien upon the real estate of the person against whom it was entered only from the time (1) a certified copy of the verified petition for registration of the foreign judgment or (2) a transcript, certified copy or memorandum of the final judgment of the court of this State entered on that foreign judgment is filed in the office of the recorder in the county in which the real estate is located. However, no such judgment shall be a lien on any real estate registered under "An Act concerning land titles", as amended, until Section 85 of that Act has been complied with.

The release of any transcript, certified copy or memorandum of judgment or order of revival which has been recorded shall be filed by the person receiving the release in the office of the recorder in which such judgment or order has been recorded.

Such release shall contain in legible letters a statement as follows:

FOR THE PROTECTION OF THE OWNER, THIS RELEASE SHALL BE FILED WITH THE RECORDER OR THE REGISTRAR OF TITLES IN WHOSE OFFICE THE LIEN WAS FILED.

The term "memorandum" as used in this Section means a memorandum or copy of the judgment signed by a judge or a copy attested by the clerk of the court entering it and showing the
court in which entered, date, amount, number of the case in which it was entered, name of the party in whose favor and name and last known address of the party against whom entered. If the address of the party against whom the judgment was entered is not known, the memorandum or copy of judgment shall so state.

The term "memorandum" as used in this Section also means a memorandum or copy of a child support order signed by a judge or a copy attested by the clerk of the court entering it or a copy attested by the administrative body entering it.

This Section shall not be construed as showing an intention of the legislature to create a new classification of real estate, but shall be construed as showing an intention of the legislature to continue a classification already existing. (Source: P.A. 91-357, eff. 7-29-99; 92-817, eff. 8-21-02.)
(735 ILCS 5/12-112.5 new)
Sec. 12-112.5. Charging orders. If a statute or case requires or permits a judgment creditor to use the remedy of a charging order, said remedy may be brought and obtained by serving any of the various enforcement procedures set forth within this Article XII. If the court does not otherwise have jurisdiction of the parties, the law relating to the type of enforcement served shall be used to determine issues ancillary to the entry of a charging order such as jurisdiction, liens, and priority of liens.
(735 ILCS 5/12-652) (from Ch. 110, par. 12-652)
Sec. 12-652. Filing and Status of Foreign Judgments.
(a) A copy of any foreign judgment authenticated in accordance with the acts of Congress or the statutes of this State may be filed in the office of the circuit clerk for any county of this State. The clerk shall treat the foreign judgment in the same manner as a judgment of the circuit court for any county of this State. A judgment so filed has the same effect and is subject to the same procedures, defenses and proceedings for reopening, vacating, or staying as a judgment of a circuit court for any county of this State and may be enforced or satisfied in like manner. A judgment filed or registered under this Act shall be an original Illinois judgment from the date it is filed with the clerk of the circuit court and for purposes of enforcement and revival, shall be treated in exactly the same manner as an Illinois judgment entered on that same date.
(b) A foreign judgment or lien arising by operation of law, and resulting from an order requiring child support payments shall be entitled to full faith and credit in this State, shall be enforceable in the same manner as any judgment or lien of this State resulting from an order requiring child support payments, and shall not be required to be filed with the office of the circuit clerk in any county of this State, except as provided for in Sections 10-25 and 10-25.5 of the Illinois

Public Aid Code.
(c) A foreign order of protection issued by the court of another state, tribe, or United States territory is entitled to full faith and credit in this State, is enforceable in the same manner as any order of protection issued by a circuit court for any county of this state, and may be filed with the circuit clerk in any county of this state as provided in Section 222.5 of the Illinois Domestic Violence Act of 1986 or Section 22.5 of the Code of Criminal Procedure of 1963. A foreign order of protection shall not be required to be filed with the circuit clerk to be entitled to full faith and credit in this State. (Source: P.A. 90-18, eff. 7-1-97; 91-903, eff. 1-1-01.)

Section 10. The Probate Act of 1975 is amended by changing Section 18-12 as follows:
(755 ILCS 5/18-12) (from Ch. 110 1/2, par. 18-12)
Sec. 18-12. Limitations on payment of claims.
(a) Every claim against the estate of a decedent, except expenses of administration and surviving spouse's or child's award, is barred as to all of the decedent's estate if:
(1) Notice is given to the claimant as provided in Section 18-3 and the claimant does not file a claim with the representative or the court on or before the date stated in the notice; or
(2) Notice of disallowance is given to the claimant as
provided in Section 18-11 and the claimant does not file a claim with the court on or before the date stated in the notice; or
(3) The claimant or the claimant's address is not known to or reasonably ascertainable by the representative and the claimant does not file a claim with the representative or the court on or before the date stated in the published notice as provided in Section 18-3.
(b) Unless sooner barred under subsection (a) of this Section, all claims which could have been barred under this Section are, in any event, barred 2 years after decedent's death, whether or not letters of office are issued upon the estate of the decedent, unless the estate of the decedent is opened 21 months after the date of death or later, in which case the time for filing the claim shall be not less than 6 months from the date of the first publication or 3 months from the date of mailing or delivery of the notice required in Section 18-3, whichever is later.
(c) This Section does not bar actions to establish liability of the decedent to the extent the estate is protected by liability insurance.
(d) Except with respect to a claimant whose claim is known to the representative and is not paid or otherwise barred under this Section, a representative who acts in good faith to determine and give notice to creditors of a decedent, as provided in Section 18-3, is not personally liable to a
creditor of a decedent, but any claim not barred under this Section may be asserted against (1) the estate, to the extent that assets have not been distributed, and (2) a distributee of the estate (other than a creditor), but only to the extent that the distributee's share of the estate will not, in effect, be diminished below what the distributee would have received had the claim been paid by the representative. (Source: P.A. 89-21, eff. 7-1-95; 89-686, eff. 12-31-96.)

