

## NEW ILLINOIS SETTLEMENT PAYMENT DEADLINES EFFECTIVE JANUARY 1, 2014

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This week, the Illinois Governor signed into law a bill providing specific deadlines affecting settlements in certain cases unless otherwise agreed by the parties.

Beginning January 1, 2014, defendants in personal injury, property damage, wrongful death and tort actions must provide a release to the plaintiff within **14 days** of written confirmation of an agreement to settle. The settling defendant must then pay the full settlement amount within **30 days** after the plaintiff provides an executed release and any other documents required of the plaintiff to effect the settlement. If a court finds that the defendant did not make timely payment, the court will enter judgment against the defendant for the amount of the release plus costs and interest.

As noted, the law only applies to “personal injury, property damage, wrongful death, and tort actions involving a claim for money damages.” However, the law does not apply to class actions, state or local governments, certain State agencies and State employees. Notably, as currently drafted, the law allows for the parties to specifically agree to opt out of the requirements of the Act.

For the full text of the Act, see: <http://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=098-0548>

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