

1 AN ACT in relation to tobacco settlement proceeds.

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

4 Section 5. The Attorneys Lien Act is amended by changing
5 Section 1 and adding Section 2 as follows:

6 (770 ILCS 5/1) (from Ch. 13, par. 14)

7 Sec. 1. Except as provided in Section 2, attorneys at
8 law shall have a lien upon all claims, demands and causes of
9 action, including all claims for unliquidated damages, which
10 may be placed in their hands by their clients for suit or
11 collection, or upon which suit or action has been instituted,
12 for the amount of any fee which may have been agreed upon by
13 and between such attorneys and their clients, or, in the
14 absence of such agreement, for a reasonable fee, for the
15 services of such suits, claims, demands or causes of action,
16 plus costs and expenses. To enforce such lien, such
17 attorneys shall serve notice in writing, which service may be
18 made by registered or certified mail, upon the party against
19 whom their clients may have such suits, claims or causes of
20 action, claiming such lien and stating therein the interest
21 they have in such suits, claims, demands or causes of action.
22 Such lien shall attach to any verdict, judgment or order
23 entered and to any money or property which may be recovered,
24 on account of such suits, claims, demands or causes of
25 action, from and after the time of service of the notice. On
26 petition filed by such attorneys or their clients any court
27 of competent jurisdiction shall, on not less than 5 days'
28 notice to the adverse party, adjudicate the rights of the
29 parties and enforce the lien.

30 (Source: P.A. 86-1156; 87-425.)

1 (770 ILCS 5/2 new)

2 Sec. 2. Tobacco settlement agreement.

3 (a) In this Section, "tobacco settlement agreement" means
4 the Master Settlement Agreement in the case of People of the
5 State of Illinois v. Philip Morris et al. (Circuit Court of
6 Cook County, No. 96-L13146). The term also includes any
7 settlement with or judgment against a tobacco product
8 manufacturer not participating in that Master Settlement
9 Agreement, if the settlement or judgment is in satisfaction
10 of a released claim as that term is defined in the Master
11 Settlement Agreement.

12 (b) This Act does not apply to any claim, demand, cause
13 of action, or action that results in a tobacco settlement
14 agreement. A lien is not created under this Act for the
15 whole or any part of the amount of any fee that may have been
16 agreed upon by and between an attorney and his or her client
17 with respect to such a claim, demand, cause of action, or
18 action, regardless of whether a notice claiming such a lien
19 is served before, on, or after the effective date of this
20 amendatory Act of the 92nd General Assembly. A lien does not
21 attach under this Act to any settlement or judgment that is
22 the subject of a tobacco settlement agreement, nor does a
23 lien attach under this Act to any money or property recovered
24 pursuant to such a settlement or judgment, regardless of
25 whether a notice claiming such a lien is served before, on,
26 or after the effective date of this amendatory Act of the
27 92nd General Assembly.

28 Section 99. Effective date. This Act takes effect upon
29 becoming law.