

## Notes From Take the Hill and AAPD Gala 2017

By Susan R. Clark

On March 7<sup>th</sup>, NSSTA industry leaders converged on Washington D.C. in an effort to meet with members of the Ways and Means Committee and other key ranking U.S. Representatives in a concerted effort to discuss the importance of our structured settlement industry and why our two main Tax Codes should not be in the “special interest pile” when tax reform occurs. Fifty two NSSTA members from several member firms, the NSSTA Board of Directors, and life insurance company representatives attended the meetings and AAPD Gala, led by Eric Vaughn. Our members scheduled 31 meetings on Capitol Hill with Members of Congress and key Congressional staffers.

As happens at every “Take the Hill”, the morning starts with an Uber ride from the hotel to Capitol Hill, passing the National Mall where sleepy protestors are just beginning to convene for the day’s particular cause—water rights, women’s rights, Native American’s rights. On Independence Avenue, the street is already lined with taxis and young people armed with notebooks and Starbucks dutifully forming lines to enter the different House office buildings. Despite the early hour, people are quietly excited to begin their meetings. After gaining security clearance into the buildings, we all bustle through the labyrinth of hallways throughout the Rayburn, Canon and Longworth Buildings. Sometimes you run into other NSSTA members as they are looking for their next appointments, sometimes you see no one and often there are throngs of other groups—of all ages--participating in their own lobbying efforts.

The group was able to meet with a few prominent U.S. Representatives on the Ways and Means Committee—Representative George Holding (NC-R), Rep. Jason Smith (MO-R) and finally Rep. Devin Nunes (R-CA) joined the group for lunch to speak with us all about tax reform, thanks to Louis Masry. Thanks also to Chris Shumate who met with tax and legal counsels for key Representatives from Texas who also serve on the Ways and Means Committee – Kevin Brady (TX-R), Kenny Marchant (TX-R) and Sam Johnson (TX-R). Chris had secured a breakfast with the NSSTA group and Kevin Brady on March 8<sup>th</sup>, but due to the push to present an alternative Healthcare Bill last week, he unfortunately had to cancel. Chris will be scheduling a meeting in Houston with Rep. Brady later in the year for NSSTA members.

So, why did we focus on the members from the Ways and Means Committee this year? “The Committee on Ways and Means has the responsibility for raising the revenue required to finance the Federal Government. This includes individual and corporate income taxes, excise taxes, estate taxes, gift taxes, and other miscellaneous taxes” (<https://waysandmeans.house.gov/committee-jurisdiction/>). As Representative Nunes explained to the group over lunch, tax reform will occur in 2017. They have an ambitious agenda—first to “repeal and replace” the Affordable Care Act and then to simplify the U.S. Tax Code. Their goal is to simplify the Tax Code in order to stimulate the economy by encouraging the creation of new small businesses and investments. Most believe tax reform will occur this year because of a few factors. Of course, it helps that “the House GOP tax plan overlaps with 80 percent of Trump's ideas” (<http://thehill.com/blogs/pundits-blog/economy-budget/311958-3-reasons-we-will-get-tax-reform-in-2017>).

Our message to all of the Representatives was to explain the importance of Sections 104 and 130 to each of them and the impact those codes have on claimants (their constituents), life insurance companies, property casualty companies and, of course, our companies. We received reassurances from most Representatives that they agreed with the work we do and do not foresee that our industry

would inadvertently be removed from the new Tax Code. Even with the reassurances, we still have work to do. Eric Vaughn will be meeting with the lead counsel for the Committee in charge of tax reform in the upcoming months to secure our position.

After our busy day of meetings, we ended the marathon at the AAPD Leadership Awards Gala (<http://www.aapd.com/leadership-awards/>). The AAPD (the American Association of People with Disabilities) is an organization that is dedicated to disability rights advocacy. Over the years, with thanks to Eric Vaughn, NSSTA has formed a great partnership with AAPD. To learn how you can get involved with AAPD, visit: <http://www.aapd.com/get-involved/>. Attending the gala is a humbling event—an acute reminder of **why** we do what we do—helping injured people attain security and stability.

Even though “Take the Hill” occurs annually in Washington D.C., each of us can do our own part locally by contacting our U.S. Representatives. To find your Representative, you simply type in your zip code: <http://www.house.gov/representatives/find/>. Most of the Congress-people have links to contact them or set up an appointment. Attached are the “Talking Points” NSSTA prepared for the March 7<sup>th</sup> event to help you during your meeting with you Congressperson. It is as simple as explaining the following:

- Provide specific information regarding how structured settlement are used to help settle a personal injury case and how the structured settlement provides life-time security for an injured person
- Any structured settlement cases involving an injured person in the Congressman’s District will be very helpful
- Focus our issues discussion on Congressional plans for comprehensive tax reform legislation in the 115th Congress
- Focus our comments and our issues discussion on explaining how Sections 130 and 104(a)(2) work in practice
- Highlight the fact the the Joint Committee on Taxation has concluded for the past 20 years that structured settlements are “deminimus” for revenue scoring purposes

This is an important year for us, so get out there and do your part!