

REMARKS:

CONGRESSMAN JOHN LEWIS

**2012 NATIONAL STRUCTURED SETTLEMENTS TRADE ASSOCIATION
ANNUAL MEETING**

Washington, D.C.
April 26, 2012

I am pleased to be here this morning with the members of the National Structured Settlements Trade Association at your 2012 Annual Meeting.

It is also an honor to share the podium at the NSSTA Annual Meeting with Congressman Richard Neal and Senator Max Baucus--two Members of Congress for whom I have great respect.

Almost exactly 26 years ago, I was first elected to the United States Congress.

Interestingly—26 years ago, the House Ways and Means Committee and the Senate Finance Committee adopted, with strong bipartisan support, special tax rules to encourage the use of structured settlements to provide long-term financial security to seriously injured victims and their families.

Congress acted to encourage the use of structured settlements to enable injured victims to live with dignity, free of reliance on Government benefit programs and with financial security.

Structured settlements constitute a private sector funding alternative to taxpayer-financed assistance programs to meet the ongoing, long-term medical expenses and basic living needs of seriously injured victims and their families, providing long-term financial security through an assured stream of payments tailored to the victim's needs throughout his or her lifetime.

Structured settlements enable seriously injured, often profoundly disabled people to live with dignity and financial independence, free of reliance on government programs and interference. I know all of you

understand the importance of working with injured people and their families to build a life time plan to pay for health care, medical care, education, training, housing and meet day-to-day living expenses. But, are you also aware of just how incredibly important it is for an injured person to live his or her life with dignity, respect and security.

A structured settlement is a voluntary agreement, reached between the parties generally through their counsel under which the injured victim receives damages in the form of a stream of periodic payments tailored to the future medical expenses and basic living needs of the victim and his or her family from a well-capitalized, financially-secure institution. One of the things that is most impressive about your industry is the fact that you all work together to identify the needs of the injured person and bring a case to a settlement based on those needs. I don't know any issues where plaintiff counsel, defense counsel, life insurance companies, disability groups and consumer organizations all agree on the value and importance of something for an injured person. You bring all of the parties together in a common cause and focused on important objectives.

Structured settlements have been widely used in the tort area for over 26 years, and thanks to legislation I co-sponsored with my good friend Congressman Pete Stark, the Congress extended the structured settlement tax rules to worker's compensation to cover physical injuries suffered in the work place. Today Worker's Compensation claims are routinely settled utilizing structured settlements to compensate severely injured, often profoundly disabled, victims.

In 2001, we also passed the Victims of Terrorism Tax Relief Act, which was enacted to compensate the victims of the September 11 attacks. This legislation included a measure that I supported along with Congressman Pete Stark of the Ways and Means Committee and with the support of Senator Baucus in the Senate to protect structured settlement recipients from factoring companies which seek to purchase part or all of the injured victim's future payments in exchange for a sharply discounted lump sum now. These factoring transactions jeopardized the long-term financial security of injured victims and their families.

Structured settlements have always enjoyed strong bipartisan support in the U.S. Congress—for one very simple reason—structured settlements work to help injured victims live their lives with security and confidence.

Thank you for inviting me to be here with you today.