June 5, 2012

The Honorable Lamar Smith  
Chairman  
Committee on the Judiciary  
U.S. House of Representatives  
Washington, DC 20515

The Honorable John Conyers, Jr.  
Ranking Member  
Committee on the Judiciary  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Smith and Ranking Member Conyers:

The National Association of Manufacturers (NAM), the largest industrial trade association and the voice for 12 million men and women who make things in America, urges you to support the Furthering Asbestos Claim Transparency Act of 2012 (FACT Act, H.R. 4369). This legislation would help combat fraud and abuse that can hinder the effectiveness of the asbestos trust system, which was established to ensure that victims of asbestos-related injuries receive fair compensation after a company with liability declares bankruptcy.

The FACT Act would provide much needed transparency by requiring trusts to quarterly disclose information on their claim payments and to cooperate in requests for information on claims. Different trusts could compare claims and prevent fraudulent or duplicate filings. Cutting down on fraud will ensure that more money is available for the intended recipients. The legislation would not require the disclosure of confidential medical or personal information, nor would it act as a barrier to legitimate claimants.

Manufacturers can face an insurmountable burden due to asbestos litigation. With roughly 60 asbestos trust funds and nearly $40 billion in assets, opportunistic individuals are able to file claims for the same claimant with numerous trusts, seeking multiple payouts. Without proper oversight and checks on the system, increasing fraud and abuse will harm the truly needy and diminish asbestos trust fund resources.

By ensuring that trust fund resources are dedicated to legitimate claims, the FACT Act would promote the system to function as Congress intended. It is a common sense transparency measure that would protect both manufacturers and the victims for whom the trusts were established. We urge your support for H.R. 4369.

Sincerely,

Rosario Palmieri

cc: Members of the Committee on the Judiciary, U.S. House of Representatives