



Property Casualty Insurers  
Association of America  
Shaping the Future of American Insurance

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## FOR RELEASE ON RECEIPT

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# PCI Supports Bipartisan Building Codes Legislation

WASHINGTON—The Property Casualty Insurers Association of America (PCI) supports legislation under consideration by the House Transportation Committee that would encourage the adoption and enforcement of statewide building codes throughout the nation. The bipartisan measure, originally introduced in May by Reps. Mario Diaz-Balart (R-Fla.) and Michael Arcuri (D-N.Y.) as H.R. 2592, will move to the House floor as part of H.R. 3377, the Disaster Response, Recovery and Mitigation Enhancement Act, after today's markup.

"Enforcing effective building codes is one of the most efficient ways to mitigate losses caused by natural catastrophes," said David A. Sampson, PCI's president and CEO. "We know how to construct and retrofit buildings to minimize the losses that individuals and communities face from natural disasters, and we know that mitigation techniques are cost-effective. A study conducted by the National Institute of Building Sciences in 2005 found that every dollar spent on mitigation at the federal level saves American taxpayers four dollars in disaster assistance. In short, an ounce of prevention is worth a pound of cure, and this preventive legislation is a wise investment that will save taxpayers money in the future."

While PCI believes that the costs of establishing, administering, and enforcing an effective building code program should be the responsibility of the communities and the states, PCI also recognizes that lack of funding is one of the primary impediments keeping communities from enacting these programs. Effective building codes lower the risk of loss and protect not only the safety, health and welfare of individuals, but also sustain the economic viability of communities. Every loss that is minimized also reduces the costs of replacing, restoring and rebuilding communities damaged by disasters.

"In addition to saving taxpayer dollars, improved mitigation efforts will help contain premiums for insurance consumers," Sampson said. "We urge Congress to pass this important legislation, and commend Congressmen Diaz-Balart and Arcuri for their bipartisan work on this important measure, as well as Chairman James Oberstar (D-Minn.) for his leadership in shepherding this bill through committee."

PCI is composed of more than 1,000 member companies, representing the broadest cross-section of insurers of any national trade association. PCI members write over \$180 billion in annual premium, 37.4 percent of the nation's property casualty insurance. Member companies write 44 percent of the U.S. automobile insurance market, 30.7 percent of the homeowners market, 35.1 percent of the commercial property and liability market, and 41.7 percent of the private workers compensation market.

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