



Property Casualty Insurers  
Association of America

Shaping the Future of American Insurance

**Contact:** Cliston Brown  
**Phone:** 202-639-0497  
**E-Mail:** [cliston.brown@pciaa.net](mailto:cliston.brown@pciaa.net)

## FOR RELEASE ON RECEIPT

June 24, 2008

# PCI Supports Building Codes Legislation

## *Bill scheduled for markup in House Financial Services Committee on Tuesday*

WASHINGTON—The Property Casualty Insurers Association of America (PCI) supports H.R. 4461, the Community Building Code Administration Grant Act, which is scheduled for a markup in the House Financial Services Committee on Tuesday, June 24<sup>th</sup>. PCI urges House leadership to move this important bill to a floor vote expeditiously following committee consideration.

This summer, many American communities are enduring the economic losses and personal hardships resulting from floods, tornadoes and wildfires. Other communities face potential threats from these natural hazards and others, such as hurricanes.

“Enforcing effective building codes is one of the most effective ways to mitigate potential natural catastrophes,” said David A. Sampson, PCI’s president and CEO. “We know how to construct 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.”

The legislation, introduced by Rep. Dennis Moore (D-Kan.), would authorize a total of \$100 million per year for five years to help state and local governments more effectively administer building codes. While PCI believes that the costs of setting up, administering, and enforcing an effective building code program should be the responsibility of the communities and the states, PCI also knows that enforcement 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 lowers the costs of replacing, restoring and rebuilding communities damaged by disasters.

“In addition to saving taxpayer dollars, improved mitigation efforts will help control premiums for insurance consumers,” Sampson said. “This bill is beneficial on many levels, and we urge the Financial Services Committee to move this bill forward on Tuesday for speedy consideration by the full House.”

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 \$194 billion in annual premium, 40.1 percent of the nation’s property/casualty insurance. Member companies write 51.3 percent of the U.S. automobile insurance market, 39 percent of the homeowners market, 32.1 percent of the commercial property and liability market, and 38.7 percent of the private workers compensation market.

###