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Before the Committee on Transportation and Infrastructure

Subcommittee on Economic Development, Public Buildings, and
Emergency Management

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“A Review of Building Codes and Mitigation Efforts to Help Minimize
the Costs Associated with Natural Disasters”

Thank you Chairman Denham and Ranking Member Holmes Norton for holding today’s important hearing on building codes and efforts to minimize costs associated with natural disasters. It is a pleasure to be back with the Transportation Committee, where I served for eight years, including the last two as Ranking Member of this Subcommittee.

From the destructive wildfires in Colorado this summer to the tornados that wreaked havoc in Joplin, Missouri to Hurricane Irene’s pounding and severe flooding along the East Coast, we have been reminded of the dramatic manner in which major storms can destroy lives, disrupt communities, and cause major damage.

The economic losses associated with major weather events in the first half of 2012 are already more than \$14.6 billion, including \$9.3 billion in insured losses. Two major wildfires in Colorado in June caused record damage, the largest wildfire in New Mexico history occurred in May, and an active early hurricane season with Tropical Storms Beryl and Debby caused wind damage and extensive flooding in Florida.

It is evident that Mother Nature is sending us a wake-up call. We need to answer it and move decisively to promote sound strategies that save lives, mitigate the devastation of future disasters, and save taxpayer money. The foundation of our national response should be the adoption of model building codes that will make our homes and businesses more resistant to nature’s forces. Strong building codes are widely accepted in the emergency management community as being our best line of defense against tornadoes, hurricanes, earthquakes, flooding, and other weather induced disasters. It is not enough to simply pass another supplemental appropriations bill and wait for the next storm to hit.

As Congress continues assisting communities rebuild following natural disasters, it is vital that we seize this opportunity to encourage states to update their building codes in a manner that will protect property, save lives, and ultimately reduce taxpayer exposure to natural disasters.

While the evidence is overwhelming that strong building codes work, most states have yet to adopt them or put in place inspection mechanisms to ensure compliance.

That is why I, along with my colleagues Representatives Albio Sires (NJ), Richard Hanna (NY), and Steve Southerland (FL), have introduced H.R. 2069, the Safe Building Code Incentive Act. This legislation provides a financial incentive for states to voluntarily adopt and enforce model national building codes for the construction of new residential and commercial properties. Qualifying states would receive an additional 4 percent in post-disaster relief grants from the Federal Emergency Management Agency to address long-term hazard mitigation, such as improving drainage structures, restraining cables on bridges, elevating structures to reduce flood damage, and installing window shutters for hospitals and other critical facilities. This bill rewards states that already have and enforce building codes, and states that don't have them are given a significant incentive. It is important to note that this bill does not place a mandate on states that do not currently have and enforce statewide building codes.

In H.R. 2069, the additional 4 percent of funding awarded to qualifying states struck by future disasters would be paid for by reallocating existing funds within the FEMA-managed Disaster Relief Fund. Furthermore, additional research shows that investments in mitigation activities, such as the adoption of strong building codes, generate substantial returns for taxpayers and the economy. According to a 2005 FEMA-commissioned study by the National Institute of Building Sciences, for every \$1 spent on hazard mitigation at the federal level, the nation reaps \$4 in benefits. The Congressional Budget Office (CBO) also conducted a study that examined mitigation projects funded from 2004 to mid-2007, and found that nearly \$500 million invested through Pre-Disaster Mitigation grants resulted in future losses reduced by \$1.6 billion. In other words, for every dollar invested in mitigation, \$3 dollars were saved.

Encouraging states to adopt model national building codes can help fortify our nation's defenses against major storms. In the aftermath of Hurricane Katrina, Louisiana State University's Hurricane Center conducted a landmark study on the effectiveness of model building codes. The findings were eye-opening. If strong building codes had been in place, wind damage from Katrina would have been reduced by 80 percent, saving \$8 billion. LSU also studied the effect of Katrina in Mississippi and found that with strong building codes in place, economic losses would have been reduced by \$3.1 billion and that almost 40,000 buildings would have been spared major damage.

With over 1,200 miles of coastline, more than any other state in the continental United States, my home state of Florida is often in the path of hurricanes and tropical storms. Next month marks the 20th anniversary of Hurricane Andrew's landfall, a category five storm, which devastated South Florida, killed dozens, and at the time was the costliest hurricane on record with \$26.5 billion dollars in damage. Following the storm, our state made a commitment to become the gold standard for utilizing strong building codes as a disaster mitigation strategy. The model building codes we put in place have played a vital role in containing the damage of subsequent storms in Florida. According to research conducted by the Insurance Institute for Business and Home Safety (IBHS), Florida's building codes reduced the severity of property damage resulting from Hurricane Charley in 2004 by more than 40 percent.

A recent study by IBHS examined and rated the building codes in 18 states along the Gulf of Mexico and East Coast that are vulnerable to hurricanes. On a scale of 100, both Florida and Virginia scored 95. Both states scored exceeding well due to strong statewide building codes, and comprehensive regulatory processes for building code officials and contractors. In South Florida, the building code exceeds that in other parts of the state, making homes and businesses even more hurricane safe. Out of the 18 states, states that are often hit the hardest by hurricanes—Mississippi, Texas, and Alabama—scored towards the bottom.

The facts surrounding strong building codes are clear and widely embraced by disaster mitigation experts and emergency management officials. As Congress considers disaster funding in response to current and future disasters, the Safe Building Code Incentive Act can make our homes and communities safer and stronger while saving lives, reducing long-term costs, and ultimately saving taxpayer dollars. We can't afford to pass up an opportunity to do something lasting for the American people.

Mr. Chairman, thank you for holding this important hearing and for the opportunity to testify before this subcommittee.