



For Immediate Release

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*The following is an editorial from Commissioner of Insurance Mike Chaney.

**BUILDING CODES WILL
SAVE LIVES, MONEY**

A standardized set of building codes across Mississippi will save lives, property and money. Let's make that clear.

When the Mississippi Insurance Department decided to support standardized codes for buildings across our state, we did not make that decision lightly. But we made the decision we did because all the evidence tells us it is the right thing to do.

The public need for protection from disaster due to storms, fire, structural collapse, and general deterioration underscores the need for modern codes and their administration.

Most aspects of building construction—electrical wiring, heating, sanitary facilities—represent a potential hazard to building occupants and users. Building codes provide safeguards. Although no code can eliminate all risks, reducing risks to an acceptable level certainly helps.

Now that the legislature has approved codes for our state a lot of misinformation is being bandied about, either willfully or through failure to understand the legislation.

Science tells us that houses that are built to modern codes have a much better chance of surviving storms, which leads to safer residents during the storm and less money being paid out through premiums because insurance companies know that better built homes lead to lower risk for them.

In December, 2011, the Insurance Institute for Building and Home Safety (IBHS) did a study titled, “Rating the States” which looked at building code enforcement in 18 coastal, hurricane-prone states. We were very startled to see that our state garnered a score of **FOUR** out of a possible 100, placing us at the absolute bottom of the list. Even our neighbor to the east, Alabama, scored much higher. When we inquired about our low score we were plainly told it’s because our state does not enforce building codes.

Residential building codes are not intended to ensure homes be built to the maximum standards. Most codes are meant to assure that **minimum acceptable standards** are used in design and construction of new homes. Any reduction in damage that results from the adoption of building codes helps keep people in their homes following a disaster reduces the amount and need for public assistance after a disaster and helps minimize economic damage to the community.

But even in the face of overwhelming evidence that lives, property and money can be saved with properly enforced codes, there is an element in Mississippi that simply wants no codes to be enforced because it serves their purposes, whatever those may be.

The building code requirement is not a mandate, as some have said. Any county or municipality in the state can opt out of enacting or enforcing building codes with a vote of the governing body spread upon their minutes, within 120 days of the effective date of the legislation, which is Aug. 1, 2014. Local leaders have an out if they don’t care about the safety or economic well-being of their constituents and communities.

Building codes WILL NOT affect landowners wanting to build a barn or a chicken house. The legislation clearly exempts non-residential farm structures, manufactured homes, industrial manufacturing facilities in areas where they are not already regulated, utilities, non-public fairgrounds, hunting and fishing camps and many other structures.

To be clear, building codes are not a magic bullet for lowering insurance premiums. For one reason, codes only apply to new construction and in most areas of the state there are not a large number of new homes and buildings being built. So it will take a while before the majority of homes are built to the newer standards. But insurance companies use more and better technology every day to isolate the better-built buildings and calculate premiums.

We do know that without building codes guaranteeing that new buildings are stronger and safer, insurance premiums will continue to go up. If your local governing authority votes to opt out of the new code standards, there will be no reduction in insurance premiums. And perhaps more importantly, there will be no further safeguards for your property or the lives of your loved ones.