**Table #7**

**Panel 4, Insurance**

**Note Taker: Jennifer Cunningham**

**Moderator: Tal Ezer**

***Question 1****: How can individuals be encouraged to buy flood insurance or lenders encouraged to require purchase of flood insurance?*

***Answer/Notes****:*

Individuals:

Mortgage lenders can require homeowners to purchase flood insurance in high-risk areas

Lenders can make flood insurance a part of homeowners insurance (bundling perils)

Insurance companies can spell out for consumers the general policies plus the additional perils they could consider purchasing, including flood insurance

Education – individuals should be made aware that in low-risk areas policies can be quite inexpensive

Insurance is a state issue – so making state departments of insurance include mandatory flood insurance in their policies is difficult

*Question 2: What are the social, political, and economic implications of charging fully risk-based rates for those in high-risk flood zones?*

***Answer/Notes****:*

No-one would ever be re-elected!

Gentrification of the coastline in higher- income areas (only the wealthy can afford living in these areas)

And/or blight in areas that are neglected, abandoned because of high costs

Would have a negative impact on municipal budgets, less money to go into the local economy, would make it more difficult for small businesses as well

***Question 3****: How should you balance between investments in flood protection and relying on flood insurance?*

***Answer/Notes****:*

Flood protection should be directed toward those areas of high public interest (universities, military bases, commercial ports, hospitals…)

Rely on flood insurance for private interests in high-risk areas, to encourage risk mitigation measures

***General Question****:* Given what you've learned during this panel, what types of collaborative research and action might be most useful in affecting adaptive policy?

***Answer/Notes****:*

Should collaborate with other governments, private lenders to learn about adaptive strategies, appropriate policies

*Consensus Points:*

Balance between investments in flood protection, incentives for mitigating risk important

Intergovernmental, international collaboration important for forming adaptive policies, learning about adaptive strategies

*Takeaways/Action Items:*

Recommend include flood insurance in homeowners insurance (spreading risk, “bundling perils”)

*Points of dissent:*

*None*