**Table 2**

**Panel 4, Insurance**

**Wiebke Lamer**

**Jan-Joel Andersson**

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

***Answer/Notes****:* Is it a good thing to buy insurance in the first place? We just heard about other ways to protect ourselves (levees), so the question assumes that we won’t do that.

The only people that don’t have to have flood insurance in Pocquoson are the ones that don’t have a mortgage.

Bundling is a good idea. That would be a good way to encourage people to buy it.

Why is it unbundled in the first place? You are demanded to have insurance, but then it’s not bundled.

Fire insurance might be a good blueprint. The government provides partial protection (fire brigades).

If you do a combination of bundling plus a small subsidy, you might avoid the UK problem where subsidies are not sustainable.

If you bundle it, though, it could still be too expensive for some people to afford it. Should we maybe run with this and move people out of certain areas? That brings new drawbacks like loss of tax revenues. Also, in Norfolk it’s not that easy to get away from flood zones to begin with.

With all insurance there’s always the problem that you need enough people in the system and people that live in no/low-risk areas, so in a way any kind of insurance subsidizes some people.

We don’t have the belief in the US/Hampton Roads that levees can protect us. See New Orleans, there was a lack of maintenance of the levees.

Virginia Beach has beach nourishment programs, Hampton has marsh extension programs. Basically, there are a lot of ways the government can support protection. In the Netherlands, by not having flood insurance, this really puts pressure on the government to keep the levees well maintained and increases the trust in the protection mechanisms.

It’s a matter of changing the mindsets. In Holland the dikes are the major national defense effort, so maybe we could pretend that the Russians would flood us and maybe then people and the government would put money into SLR protection measures.

You need to encourage people with incentives like premium discounts. But there seems to be a problem with the builder community in Hampton Roads. They are afraid to pass on the cost of house elevation measures to the customers in this economy. Explanation is key in this issue. If you explain this to builders and the customers, you will be able to make the case for incentive structures and encouraging people to put in the costs for house protection measures, if they see that this will pay off in the long run.

Dilemma of having built a house that’s elevated, but then the rest of the street is in a flood zone and you’re stuck. Some streets are being elevated, others are not. Why are these worthy of this?

The whole issue of elevation and flooding protection shows how none of this can be done by the individual alone. The state/local government needs to be involved.

*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****: That only those people that are able to afford the high premiums will be able to live along the coast.*

*Tax revenue losses, if communities get abandoned because of unaffordable premiums.*

*Abandonment of whole communities.*

*Economic losses, less revenue for businesses in high-risk areas.*

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

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

***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****:*

*Consensus Points: Bundling is a good measure to incentivize people to buy flood insurance.*

*Flood protection is a combined effort between the state, local government and individual homeowners.*

*Authorities should do more in order to increase public trust in the existing flood protection measures and new initiatives.*

*Takeaways/Action Items: Educate people (and builders) about incentives and possible future savings as a result of preparing their property for floods.*

*Points of dissent: None*

*Miscellaneous/Interesting:*