



VFP 2024–2025

Incentivizing Property-Level Flood Mitigation through Insurance Policy Reform

Design market-based insurance reforms that reward property-level flood mitigation, incentivizing homeowners to self-fund resilience upgrades, reducing moral hazard, improving risk pricing, and strengthening the long-term financial sustainability of US flood insurance, emergency management systems, and housing markets.



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Challenges

26%

of homes in high-risk flood zones will flood over a 30-year mortgage, exposing millions to catastrophic loss.

99%

of US counties have been affected by flooding, making it the most widespread natural disaster.

92%

of at-risk properties lack flood insurance, increasing systemic financial exposure and taxpayer burden through FEMA and HUD.

Learnings

★ **Federal-first approaches stall:** Even well-supported legislation failed procedurally, **revealing slow timelines, political gatekeeping, and limited appetite** for novel funding structures.

★ **State/local coalitions** (NJ and NH municipalities and nonprofits) lack **capital and execution capacity** without private markets.

★ Policy that relies upon **government funding alone is insufficient;** scalable resilience requires mobilizing **private capital through market-aligned incentives** and resilient construction economics.

Activities

1. Conducted **extensive research on flood risk, NFIP pricing failures,** and benefit-cost economics of property-level mitigation; developed a **market-based policy framework.**
2. Engaged stakeholders across **FEMA, insurance industry groups, nonprofits, and state government** to refine incentives, financing mechanisms, and program design.
3. Developed **model legislation and an advocacy strategy; built coalitions and conducted targeted outreach** to policymakers and institutional partners in New Hampshire.
4. Advanced **HB 595 in New Hampshire** through formal testimony, amendments, and direct legislative coordination.
5. Partnered with **NJCRC and a Jersey Shore municipal consortium** to structure a **public-private resilience financing model.**



Learn More
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