Maine Working Waterfront Advisory Council

Insurance Working Group Summary & Recommendations (June – August 2026)
REVISED October 2026

1. Introduction & Context

In May 2026, the Working Waterfront Advisory Council approved the formation of a Council working group to pursue the priority topic of insurance challenges related to working waterfront businesses and infrastructure in Maine. The working group consisted of several members of the Council and members of the Maine Bureau of Insurance and was supported by Council staff. This working group held two hybrid meetings in June and July 2026, both of which were open to collaborators, state agency partners, and members of the public.

The purpose of the working group was to explore the pressing needs and challenges around insurance and financing for working waterfronts and to propose opportunities to address these challenges to the full Council at the September 2026 meeting. This topic has been identified as an urgent issue by multiple stakeholder groups and processes, including in the 2025 recommendations from the Working Waterfront Coalition on priority topics for the Council to consider and in the 2026 Maine Office of Community Affairs Director's Report, submitted to the Legislature as part of the annual reporting requirements related to the Council.

This topic focused initially on the intersection of flood insurance and financing since flood insurance is required to access federally backed loans. Flood insurance through the National Flood Insurance Program (NFIP) is available for most commercial waterfront properties, but the real challenges are the limitations of coverage for overwater structures, coverage gaps, affordability concerns, lender requirements, and lack of familiarity with supplemental coverage options. Discussions on this topic also highlighted that insurance challenges can directly affect financing opportunities, as lenders often require specific insurance coverage and underwriting standards that may be difficult or costly for working waterfront property owners to satisfy. As discussions progressed in the Council, this topic was expanded upon and other themes arose that informed the working group process, summarized below:

1. A need for better understanding of commercial insurance options and the insurance claims process for working waterfront and overwater infrastructure, and, specifically in the case of the current flood insurance system, what is and is not covered regarding damage to overwater infrastructure (wharves, piers, floats, etc.).

2. A need for better understanding and education on the different types of available insurance coverage (e.g. NFIP coverage, private coverage, add-ons to private policies like pier and wharf endorsements, etc.) and what may be appropriate for different waterfront properties and equipment.

3. A need for more available funding and resources for resilience upgrades and improvements to mitigate future risk for working waterfront properties. The current insurance structure covers the cost of rebuilding to the original state but does not provide coverage for making improvements. Relatedly, insurance coverage can become unavailable if the rebuild is not fortified against future risk. Improvements could also potentially help reduce high insurance premiums in the long term.

4. A need for clarity and guidelines around how to build and maintain properties that meet fortified standards and that could endure future storms and climate impacts. Standards or guidelines should be evidence-based and grounded in current and predicted future climate conditions.

5. A need for greater understanding of the relationship between insurance and financing. Insurance coverage limitations, exclusions, deductibles, and replacement cost requirements can affect a working waterfront business's ability to obtain financing, refinance existing loans, or secure funding for property acquisition and resilience investments. These interconnected challenges may influence business continuity, infrastructure investment, and long-term waterfront viability.

The full Council discussed several potential solutions to address the above challenges. These included using the new Fortify ME Homes Program as a model for a state program to support and incentivize working waterfront resilience upgrades and developing educational resources for insurance consumers and agents to navigate insurance coverage in the working waterfront sector. The Fortify ME Homes Program is a new grant program through the Maine Bureau of Insurance that provides residents funding to help make their homes more resilient to severe weather events and lower insurance costs. Funding supports residential roof replacements that comply with the Insurance Institute for Business and Home Safety (IBHS) "FORTIFIED" standards and is a pilot program modelled after a successful program in Alabama.

There was general agreement on the importance of state funding in Maine to support the critical need to fortify and upgrade existing public and private working waterfront infrastructure against future extreme weather events. However, several barriers were identified that would need to be addressed before a state-backed funding program could exist. Identified barriers included: funding to support this work, identification of and capacity for a state agency to host such a program, and the need for defined resilience standards to be developed and decided upon by an entity that has the appropriate knowledge and experience in this sector. Additionally, there was concern with having funding tied to standards that small businesses may not be able to meet, potentially excluding a significant portion of working waterfront entities from obtaining critical support.

The working group explored these ideas and challenges, ultimately recommending a stepwise approach for advancing funding support to make public and private working waterfront infrastructure more resilient. The following two proposed pathways begin to address the outlined needs and would facilitate additional solutions, like a potential state-backed funding program, and the sample budget and scope of work includes the exploration of a pilot program to support potential resilience funding mechanisms.

2. Working Group Recommendations

The working group identified two opportunities as initial steps in addressing the identified challenges, described below.

Proposed Activity #1: Develop a suite of educational materials for targeted audiences that help increase understanding and knowledge of current insurance coverage and available options for working waterfronts.

Additional Details for Activity #1

The purpose of this proposed activity is to 1) provide educational resources for insurance consumers to better understand coverage options both within the current flood insurance system and additional coverage options that may be relevant, and 2) to help insurance agents and bankers/finance providers better understand the nuances and needs of working waterfront businesses and properties so that insurance and finance offerings can better meet those needs.

The proposed format for these educational resources would consist of both digital content that could be easily shared on existing online outreach platforms and printed versions in a pamphlet or trifold format that are easily digestible and shareable. These materials could include coverage comparison guides, visual illustrations of insurance coverage for various waterfront property and equipment types, lender insurance requirement checklists, case studies from recent storm recovery experiences, and directories of insurers and other technical assistance resources serving working waterfront businesses. Target audience and contributors would include commercial and municipal working waterfront insurance consumers, commercial marine underwriters, excess/surplus line carriers, bankers/finance providers, and non-profits and other service providers working in this space. Much of this information already exists so an initial step in this project would be to identify contributors and compile existing information before creating additional materials and customizing resources for target audiences.

Proposed Activity #2: Develop a set of best practices (voluntary standards) for construction and maintenance of resilient working waterfront infrastructure.

Additional Details for Activity #2:

The purpose of this proposed activity is to provide voluntary construction and maintenance standards for working waterfront property owners that would help alleviate risk of damage from future storms and could potentially reduce insurance premiums in the long term. The development of such standards is intended to provide guidance and inform future resilience investments rather than create new regulatory requirements. Additionally, these types of

resiliency standards would need to be in place to support any type of state-backed funding program or financial incentives for resilience upgrades (as discussed in the previous section). As part of this work, the Council may also wish to evaluate and quantify the economic benefits of resilience investments, including avoided storm losses, reduced business interruption, reduced public disaster recovery costs, and potential insurance premium savings. Some of this resilience investment information may already exist on a broad scale from FEMA but work could include compiling information specific to Maine and its working waterfront industry.

The proposed standards should incorporate practical, operational experience from marine contractors and engineers, as well as commercial harvesters, aquaculture operators, seafood processors, fuel distributors, marina operators, and other working waterfront users who have rebuilt following recent storm events. Information could also be pulled from existing waterfront building standards and resiliency guidelines, like the National Flood Insurance Program's building standards, both within and outside the state to help inform the guidelines. Another source of information that the working group identified as crucial would be identifying the criteria and recommended guidelines that insurance agents use to determine what to insure and at what level, and to use this information as well as data from claims experiences to inform the development of construction guidelines. Resiliency guidelines could also include sections on storm preparedness and a recommended maintenance schedule for properties and equipment, in addition to the content focused on new construction and upgrades to existing infrastructure. Finally, the process could include the compilation of a summary appendix highlighting examples of infrastructure that performed well and poorly during the 2023-2024 winter storms, including design attributes that contributed to performance outcomes.

3. Summary of Estimated Budget for Proposed Activities

The following budget estimations and project scope were developed by members of the Gulf of Maine Research Institute's (GMRI) Economic Development Department, at no cost, to support the Council's recommendations. This effort provided a valuable, practical starting point for considering resources and implementation needs associated with these recommendations and will help inform next steps and potential funding pathways to advance this work. (See Appendix for a more detailed breakdown of the estimated budget and scope for the proposed activities.)

Activity #1 – Educational Insurance Materials

Total Estimated Budget: $57,000 | Anticipated Completion Time: 6-9 months

The proposed budget for this activity consists of three milestones. The first focuses on developing consumer-facing educational resources through background research, workshops with insurance providers and bankers, stakeholder interviews, and the creation and review of educational materials and case studies (**$12,500**). The second milestone focuses on developing resources for insurance agents, informed by research, workshops, surveys, and interviews with working waterfront owners and managers (**$22,500**). The third milestone supports broad

dissemination through targeted outreach, regional events, and community engagement to promote awareness and use of the materials (**$19,000**).

Implementation is expected to span approximately six to nine months, with the development phases requiring roughly six months each and dissemination requiring an additional three to six months, with activities potentially overlapping. The expected outcome of this investment would produce stakeholder-informed educational resources and support their distribution to relevant audiences, helping improve understanding of insurance options and fostering stronger connections among insurance providers and working waterfront insurance consumers.

Activity #2 – Best Practices (Voluntary Standards) for Resilient Infrastructure

Total Estimated Budget: $49,500 | Anticipated Completion Time: 6-9 months

The proposed budget for this activity consists of one milestone that includes a review and analysis of existing resilience standards, followed by cross-industry workshops and interviews to gather perspectives on infrastructure vulnerabilities, resilience strategies, and implementation considerations. Additional research and interviews could examine the impacts and aftermath of the 2024 storms to identify lessons learned and opportunities to improve preparedness and resilience. Drawing on these findings, the initiative would develop draft voluntary guidelines, refine them in collaboration with key stakeholders, and convene workshops to review the proposed best practices and recommendations. The final guidelines would undergo further refinement and be submitted for approval by an entity to be identified.

Implementation is expected to take approximately six to nine months. The investment would ultimately produce stakeholder-informed best practices to guide infrastructure resilience planning, construction, and decision-making across the industry. By incorporating established standards, industry knowledge, and lessons from recent storm impacts, the initiative would provide a practical foundation for strengthening infrastructure preparedness and resilience without establishing mandatory regulatory requirements.

(Additional) Activity #3: Pilot State Funding Program to Support Resilience Upgrades*

Total Estimated Budget: $25,000 | Anticipated Completion Time: 6-9 months

*This activity was not one of the official recommendations of the Insurance Working Group but relates to the identified need of a state-backed funding program or financial incentives to support resilient infrastructure upgrades and construction. In their development of a sample budget and scope of work for the Council recommendations, the GMRI team included this activity based on their recent experience supporting the design and development of a newly created nonprofit, Resilient Home America, and accompanying revolving loan fund. Their lessons learned included first clearly defining the authoritative bodies for decision making that

would be foundational to this specific milestone and then determining a specific scope of work to inform the budget.

The proposed budget for this activity would include 1) compiling documentation to assess existing needs and funding gaps, 2) conducting a survey of prospective applicants to inform anticipated needs and the program's structure and priorities, and 3) financial modeling to evaluate initial and ongoing investment requirements, funding parameters, and fund flows to support the program's long-term financial sustainability. Additional work would establish governance guidelines to clarify funding decision-making authority and develop lending or financing guidelines aligned with the proposed financial model. A community engagement strategy would also be designed to support outreach, inform the development of a potential funding pilot, and encourage participation by eligible applicants.

Implementation would take approximately six to nine months. This investment would produce a comprehensive framework for a state funding program that is a sustainable, accessible funding mechanism designed to help communities and businesses address infrastructure vulnerabilities, recover from storm impacts, and prepare for future climate-related risks.

Potential Funding Sources

In addition to direct legislative appropriations, potential funding sources could include federal resilience and hazard mitigation programs, NOAA coastal resilience initiatives, FEMA mitigation and recovery programs, Economic Development Administration funding, existing state working waterfront assistance programs, philanthropic organizations focused on coastal resilience, and public-private partnerships involving insurers, lenders, and industry stakeholders. The newly established Working Waterfront Information and Technical Assistance Fund could be an additional source of funds in the future as well. Identifying potential funding pathways and estimated resource needs will help inform future implementation and demonstrate the feasibility of these recommendations.

4. Conclusion

Maine's working waterfront infrastructure represents critical economic assets supporting commercial fishing, aquaculture, marine transportation, seafood processing, tourism, and coastal communities. Insurance affordability, availability of appropriate coverage, and resilience of waterfront infrastructure are interconnected issues that directly affect business continuity, financing, and long-term economic viability. The Council believes that targeted education, development of resilient infrastructure guidance, and future investment in resilience programs are prudent first steps toward addressing these challenges.

Appendix – Proposed Activities, Scope of Work, Budgets, and Timelines

Table 1. Activity #1 – Educational Insurance Materials

Milestone	Task	Description
1. Development of resources for insurance consumers	Task 1.1	Background research
	Task 1.2	Insurance provider and banker workshops
	Task 1.3	Interviews with insurance providers
	Task 1.4	Resource development and case studies
	Task 1.5	Product copy-editing and socializing with key stakeholders
Milestone Subtotal: $12,500 Anticipated Completion: ~6 months		
2. Development of resources for insurance agents	Task 2.1	Background research
	Task 2.2	Working waterfront owners/managers workshops
	Task 2.3	Survey design, release, and analysis
	Task 2.4	Interviews with working waterfront owners/managers
	Task 2.5	Resource development
	Task 2.6	Product copy-editing and socializing with key stakeholders
Milestone Subtotal: $22,500 Anticipated Completion: ~6 months		
3. Resource dissemination	Task 3.1	Targeted outreach and materials dissemination
	Task 3.2	Regional event tour
	Task 3.3	Tabling and event attendance
Milestone Subtotal: $19,000 Anticipated Completion: ~3–6 months		

Total Activity #1 Budget: $57,000 **Overall Anticipated Completion: ~6-9 months**

Table 2. Activity #2 – Best Practices (Voluntary Standards) for Resilient Infrastructure

Milestone	**Task**	**Description**
4. Development of best practices (voluntary guidelines)	Task 4.1	Literature review and analysis of existing resilience standards
	Task 4.2	Workshop sessions across industries
	Task 4.3	Interviews across industries
	Task 4.4	Interviews and research on the aftermath of the 2024 storms
	Task 4.5	Development of draft best practices
	Task 4.6	Refine best practices with key stakeholders
	Task 4.7	Workshop best practices and recommendations
	Task 4.8	Refine best practices for approval (approving entity to be identified)
Total Activity #2 Budget: $49,500 **Anticipated Completion: ~6-9 months**		

Table 3. Activity #3 – Pilot State Funding Program to Support Resilience Upgrades

Milestone	**Task**	**Description**
5. Design a state funding program to support resilience upgrades	Task 5.1	Compile previous applications and funding requests from working waterfront businesses and municipalities for storm relief funds and resilience upgrade needs
	Task 5.2	Design a survey to assess prospective applicants' current and future needs and inform the funding mechanism and program design
	Task 5.3	Develop financial models to determine initial and subsequent investments, program parameters, and fund flow analysis for long-term sustainability

	Task 5.4	Develop governance guidelines for funding decision-making authority
	Task 5.5	Develop lending or financing guidelines for prospective applicants in alignment with the financial model
	Task 5.6	Develop a community engagement strategy for the funding pilot and its use
Total Activity #3 Budget: $25,000 Anticipated Completion: ~6-9 months		

Table 4. Summary of Proposed Activities and Estimated Costs

Activity	**Scope**	**Estimated Budget**	**Anticipated Completion**
Activity #1	Educational Insurance Materials	$57,000	~6–9 months
Activity #2	Best Practices for Resilient Infrastructure	$49,500	~6–9 months
Activity #3	Pilot State Funding Program to Support Resilience Upgrades	$25,000	~6–9 months
Total	**All Proposed Activities**	**$131,500**	**~12–18 months**

Note: Individual activity timelines may overlap. The overall anticipated completion period of 12–18 months reflects the proposed combined implementation schedule rather than the sum of each activity's duration.