

North Carolina General Assembly Joint Legislative Commission on Governmental Operations

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September 24, 2025



Overview

Major recovery efforts underway

Rebuilding Safe Housing

- Residents approved for more than \$514M in FEMA Individual Assistance
- 6,800+ households received help with temporary housing
- 500+ homes repaired by volunteer organizations with support from \$6 million in state funds
- NC is the fastest state in more than a decade to begin rebuilding homes after a major hurricane using HUD CDBG-DR funding

Families & Children

- 48,000+ higher education scholarships and grants
- 72,000+ households received food assistance
- More than 10,000 households received utility assistance
- 318 public schools received assistance to replace food and food-related equipment/supplies
- All 13 impacted state parks reopened, either fully or partially





Major recovery efforts underway

Total Incidents

1,512

since beginning of Storm

1,438 Fully Open

34

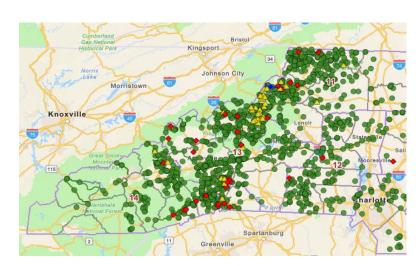
Current Closed

40
Partial Access

Total Closures

1,472

since beginning of Storm



Restoring our Infrastructure

- 95% of state-maintained roads fully re-opened
- 8.1M+ cubic yards of right-ofway debris removed
- 8M+ cubic yards of waterway debris removed
- \$26M in FEMA funds authorized to repair private roads and bridges for more than 6,500 households
- About 4,000 site assessments completed in the state's standalone private roads & bridges program

Revitalizing our Economy and Communities

- \$55M in state and philanthropically funded small business grants fully disbursed, with more than 2,100 recipients
- \$403M+ in SBA loans offered
- \$37.8M+ in disaster unemployment assistance distributed
- \$148M+ in loans offered to local government units
- GROW NC and NC Department of Commerce helping develop competitive Economic Development Administration grant applications

TOTAL DAMAGE AND NEEDS = \$59.62 B

Expected
Insurance &
Other \$6.68 B

Federal Funds
Obligated or
Allocated\$5.17 B

State Funds \$3.06 B

Unfunded needs \$44.71 B



State Funding Update

GROW NC is working with state agencies to accelerate deployment of Helene funding appropriated by the General Assembly

All Appropriations excluding HB1012 (as of July 31, 2025)



GROW NC is working with state agencies to quickly deploy \$528 million in Helene funding appropriated in HB 47 (Sess. Law 2025-2) (1 of 2)

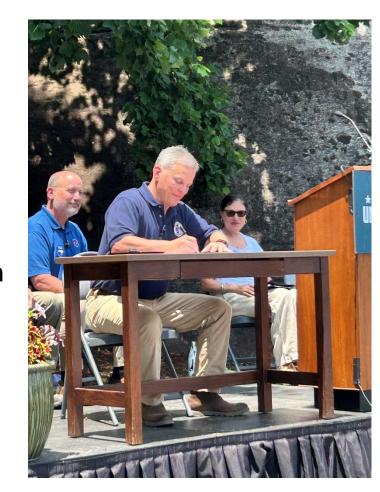
- Small Business Infrastructure Grant Program (\$55 million) First 9 grants to local governments awarded on June 30 totaling more than \$7 million. Next tranche anticipated to be released on or around October 31, 2025.
- **VisitNC Tourism Promotion** (\$4 million) Fully expended or obligated to expand the offerings and reach of VisitNC's existing tourism marketing initiatives.
- CDBG-DR Home Rebuild & Repair Program (\$120 million) Program is currently taking applications at <u>renewnc.org</u>. Construction work kicked off and will continue to scale over the coming months.
- Volunteer Organization Grants for Housing Repairs & Reconstruction (\$10 million) Signed agreements with 14 volunteer organizations for grant funding appropriated for housing repairs and reconstruction.

GROW NC is working with state agencies to quickly deploy \$528 million in Helene funding appropriated by HB 47 (Sess. Law 2025-2) (2 of 2)

- **Debris Removal Unmet Needs** (\$20 million) Division of Emergency Management obligated more than 60% of funding.
- Private Road and Bridge Repair and Replacement (\$100 million) Division of Emergency Management completed almost all site assessments, identifying more than 3,700 unique sites. Applications for the state-managed program closed, and construction began. (There was additional \$75 million appropriation in HB 1012, including \$25 million reimbursement program for which applications are now open.)
- Small and Volunteer Fire Department Grants (\$10 million) Office of the State Fire Marshal obligated \$10 million in HB 47 appropriations.
- Agriculture Disaster Farmer Recovery Grants (\$200 million) Dept. of Agriculture & Consumer Services recently distributed first batch of checks to farmers, totaling more than \$40 million.
- **K-12 Summer Learning Programs** (\$9 million) 14 local education agencies, 16 charter schools, and the North Carolina School for the Deaf participated.

Agencies began spending \$575 million in new funding appropriated by HB 1012, which was signed into law on June 27

- **\$24M** to support economic recovery by boosting the WNC tourism industry, supporting local and regional economic development sites, and rebuilding local parks
- \$292M to strengthen critical infrastructure by supporting local govts, repairing state parks, providing additional funding to rebuild private roads and bridges, rebuilding transportation infrastructure, and safeguarding against future disasters
- **\$23M** to advance housing recovery by supporting nonprofits engaged in housing repair and reconstruction
- **\$81M** to rehabilitate waterways and land used by farmers, as well as bolster wildfire prevention and response
- **\$80M** for repairs to area public schools, universities, and community colleges
- \$378M for required state matching of federal disaster programs and existing requirements not funded by state or federal dollars





Federal Funding Update

FEMA approved \$1.3 billion in funding for NC, but Public Assistance funding for state and local governments delayed due to new approval processes

ORIGINAL APPROVAL PROCESS

Agencies/local governments submit worksheets to FEMA for approval

FEMA

(Typically weeks to months)

NEW APPROVAL

FEMA-approved projects over \$100,000 sent to DHS Secretary for personal approval



(From days to months)

NEW APPROVAL

After NC DPS submits an itemized breakdown of all of a project's costs to DOGE's Defend the Spend, projects are put on hold



Department of Government Efficiency

(Funding on hold for ~30 days)

NEW APPROVAL

Additional follow-ups from DOGE for some projects can lead to delays, with no appeals process

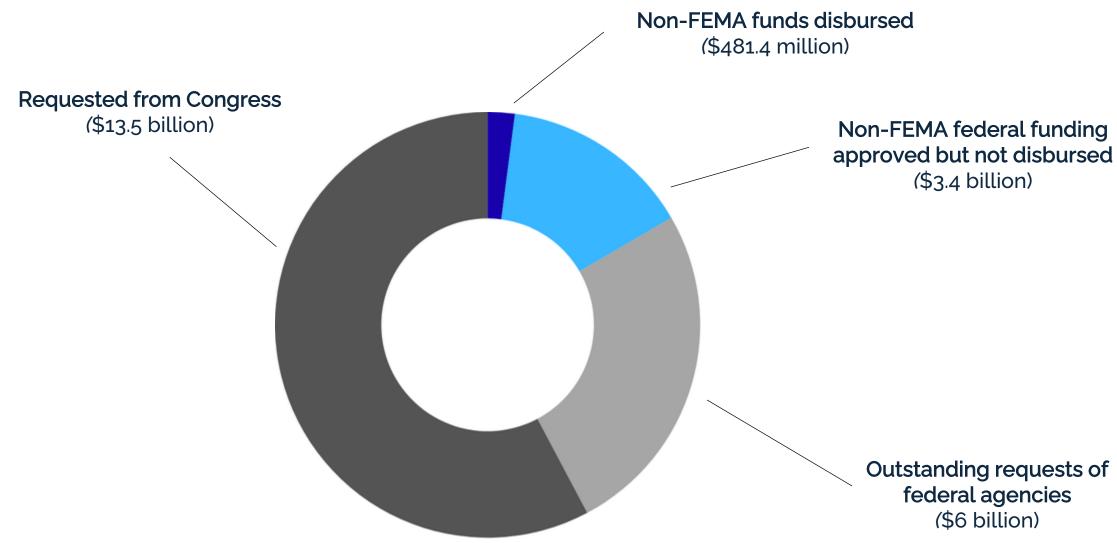


Department of Government Efficiency

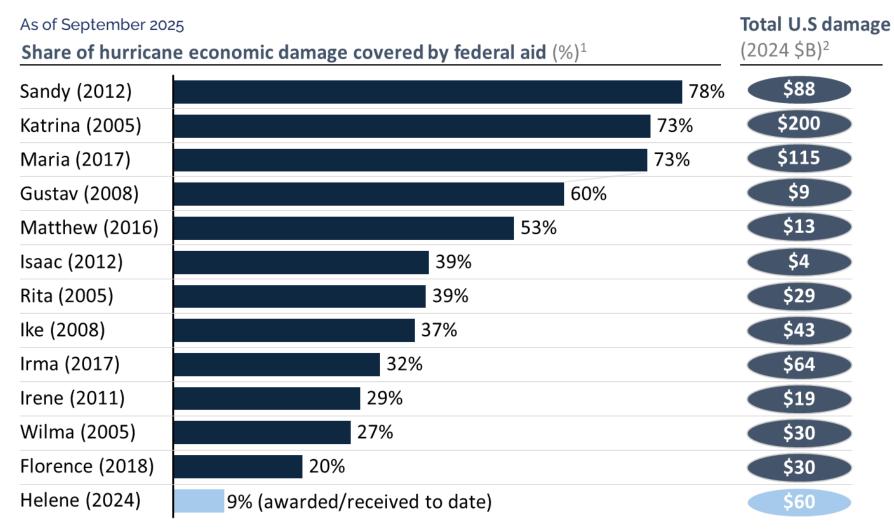
(Delays up to 60-90 days)

*NC DPS has submitted more than 1,000 Defend the Spend forms for hundreds of millions of dollars worth of projects

Status of Non-FEMA Federal Funds: Governor Stein requested \$13.5 billion in new funding from Congress and an additional \$6 billion from federal agencies



North Carolina has requested federal funding to cover 48% of Helene's damage, but so far, has received or been awarded federal funds covering 9% of total damages.



^{1.} Where available, federal aid is estimated using actuals from CBO and FEMA. In all other cases, FEMA actuals for Individual Assistance (IA), Public Assistance (PA), and Hazard Mitigation Grant Program (HMGP) were utilized, and non-FEMA federal aid was estimated based on the typical share of federal aid represented by FEMA funding, based on historical data.

^{2.} Damage estimated by NOAA, including both insured and uninsured losses.

Governor Stein submitted a new funding request to the federal government in September, requesting a total of \$13.5 billion in new Congressional appropriations

- **♦8.37 B** in additional CDBG Disaster Recovery funding to augment and expedite housing, infrastructure, and economic revitalization efforts.
- **◆ \$1.99 B** for Community Disaster Loans for local governments and the reinstatement of the Building Resilient Infrastructure and Communities (BRIC) program to protect North Carolina from future disasters.
- **◆ \$1.77 B** from the US Department of Transportation to fuel North Carolina's massive infrastructure restoration efforts.
- **♦ \$500 M** in additional State and Tribal Assistance Grant funding for water and sewer projects.
- **▼ \$400 M** from the Small Business Administration for small business grants and forgivable loans.
- ✓ **Replenish the nation's Disaster Relief Fund** (DRF) to ensure recovery work will continue unimpeded.

Stay Connected WNC Recovery

GROW NC is sharing recovery news, resources, progress metrics, and more.



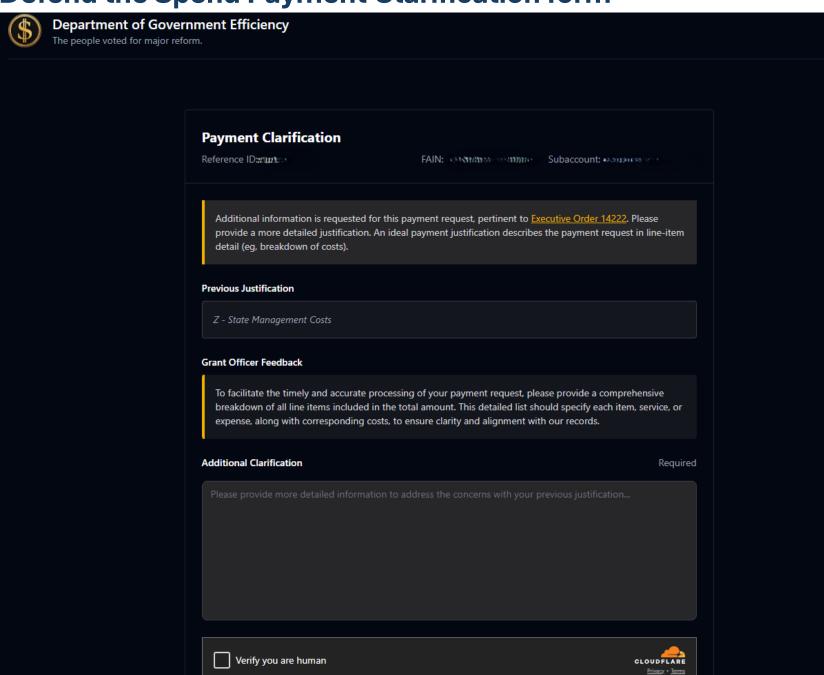


Website: wncrecovery.nc.gov

Social Media: @wncrecovery

Monthly Newsletter: bit.ly/GROW-NC-news

Appendix A: Defend the Spend Payment Clarification form



Appendix B: Requirements related to the North Carolina Private Roads and Bridges Program

Program details:

- The state must seek federal funding when possible
- Must prioritize repairs to private roads / bridges that are the sole access for emergency services to residential properties
- Must service homes occupied by the property owner for over six months of the calendar year
- Must prioritize repair to private roads / bridges providing access to multiple residential homes, recreation or commercial facilities
- Reimbursement program interest form period must remain open for 6 months