

# NC Emergency Management Budget Overview

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## Organizational Structure and Responsibilities

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In North Carolina, G.S. 166A-19.15 authorizes counties to establish emergency management (EM) agencies. These agencies are “responsible for emergency management within the geographic limits of such county,” and they coordinate all EM efforts within a given county. When a situation exceeds the capacity of a local EM office, the Division of Emergency Management (NCEM), part of the State’s Department of Public Safety, steps in to provide support.

NCEM provides oversight, consultation, technical support, and standards-setting functions while also issuing grant funds and coordinating activities across State and county lines during emergencies. Most personnel involved in emergency and disaster response are not NCEM employees – rather, they are local fire, police, EMS, and other first responders, National Guard, State Highway Patrol, federal partners, non-profit employees, and many others. These responders, however, might use equipment paid for with NCEM grant funding or take actions according to plans created by or in consultation with NCEM. They might use skills they learned in training provided by NCEM and take broad orders from NCEM as the agency coordinates the response effort. In other words, while NCEM does not directly operate emergency agencies in the State, the agency does play a vital role in ensuring that North Carolina is well prepared and organized to respond to emergency situations and disasters.<sup>1</sup>

## Budget

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NCEM’s Certified Budget for the current fiscal year is listed in Table 1 below.

NCEM Certified Budget FY 2025-26	
Expenditures	\$56,715,182
Receipts	\$41,228,468
<b>Net General Fund Appropriations</b>	<b>\$15,486,714</b>

Table 1 (Source: BD701, NCFS)

As shown in the table, State appropriations make up **less than half** of annual expenditures from the General Fund for the Division, with the remainder coming from various receipt sources, the largest of which are discussed in-depth later in this overview.

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<sup>1</sup> NCEM also plays a key role in administering many federal disaster recovery programs run by the Federal Emergency Management Agency (FEMA), and in that capacity, NCEM is permitted to utilize some FEMA disaster recovery funds for administrative purposes. Because this summary document is focused on annual appropriations or “baseline” funding, those uses are not accounted for here. In general, however, disaster recovery funds are used only for time-limited positions or for cost allocations where permanent staff are working on specific disaster recovery efforts, as appropriate.

## Positions

The majority of NCEM's 438 full-time equivalent (FTE) positions are split-funded, meaning that they are partially supported by appropriations and partially by receipts from either fees, federal grants, or other sources. Split-funded positions may have their costs allocated against various funding sources depending on the amount of work performed for each program. For example, a given NCEM employee may be 20% supported by one federal grant program, 20% by another, 40% by a third, and have the remaining 20% of their salary covered by State appropriations. Taken together, approximately **20% of NCEM's salary costs are covered by State appropriations, 15% by non-federal receipts, and the remaining 65% by federal receipts.**

In aggregate, NCEM has **78.3 appropriated FTE and 359.7 federal/receipt-supported FTE.** Additionally, because so many positions at NCEM are supported by federal grant funds or temporary disaster recovery funds, over half of their positions are time-limited.<sup>2</sup> Figure 1 below shows NCEM's FTE by type and vacancy.

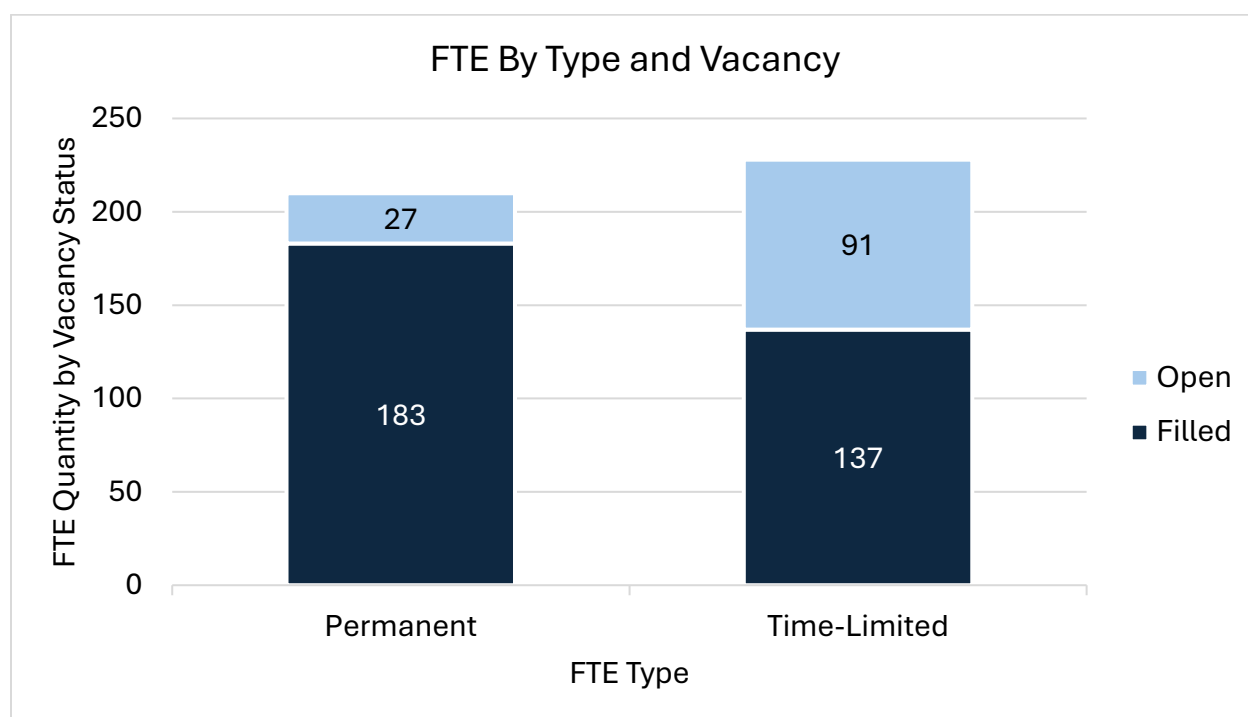


Figure 1 (Source: Beacon, 2/26/26)

<sup>2</sup> Time-limited State positions are not the same as "temporary" positions. Temporary positions are those that are under contract or appointed for no more than 11 months at a time and which receive no benefits. Time-limited positions are those where the funding supporting them is from a limited source, such as a federal grant. However, they receive full benefits and, in some cases, can become permanent positions.

## Major Federal Grants

NCEM is the State Administering Agency (SAA) for a number of federal grants. The largest of these are the Emergency Management Performance Grant (EMPG), the State Homeland Security Program (SHSP), and the Urban Area Security Initiative (UASI). As the SAA, NCEM is responsible for receiving funds from the disbursing federal agency and administering them in accordance with federal guidelines.

**EMPG** is a federal grant program utilized by States across the country in support of FEMA’s National Preparedness Goal to achieve “a secure and resilient nation with the capabilities required across the whole community to prevent, protect against, mitigate, respond to, and recover from the threats and hazards that pose the greatest risk.”

The program distributes **annual grants** according to formulas based on population and other factors. While annual updates to federal guidance may change areas of emphasis for recipients, the overall goals of the program typically remain the same year over year.

EMPG is an **extremely flexible program**, with States utilizing funds in a variety of ways. In North Carolina, NCEM **historically** elected to hold a portion of the funds to support its own activities at the State level while **passing through approximately 51%** of the grant to local EM offices, although this percentage decreased last year. Both the State and county recipients must provide either a **cash or in-kind match** for any funds received. In the most recent federal fiscal year, counties received **an average of \$29,231 under the program**. Counties most commonly use this funding to partially cover the salary expenses for their county Emergency Manager. Figure 2 below shows EMPG distribution for the past several federal fiscal years.

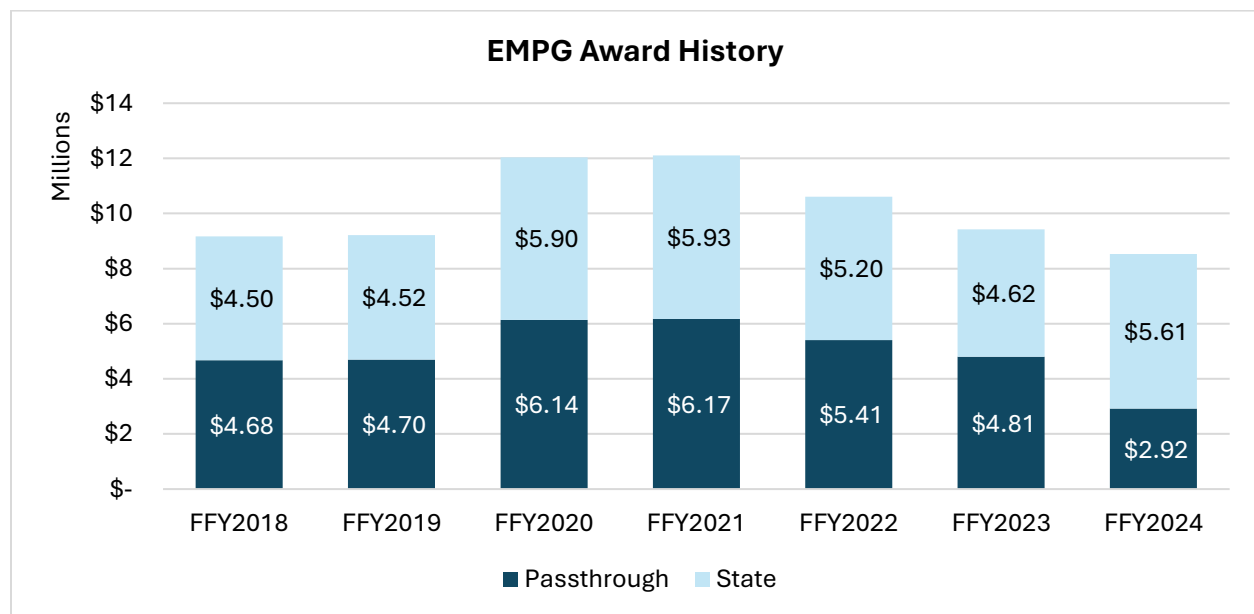


Figure 2 (Source: NCEM)

**SHSP** and its related program, **UASI**, are federal grants that support homeland security and counter-terrorism measures. Unlike EMPG, SHSP has a mandatory passthrough amount of 80% to local governments, and UASI is restricted to specific vulnerable urban areas as identified by the Dept. of Homeland Security (in NC’s case, Charlotte). Figure 3 below shows SHSP and UASI distribution for the past several federal fiscal years.

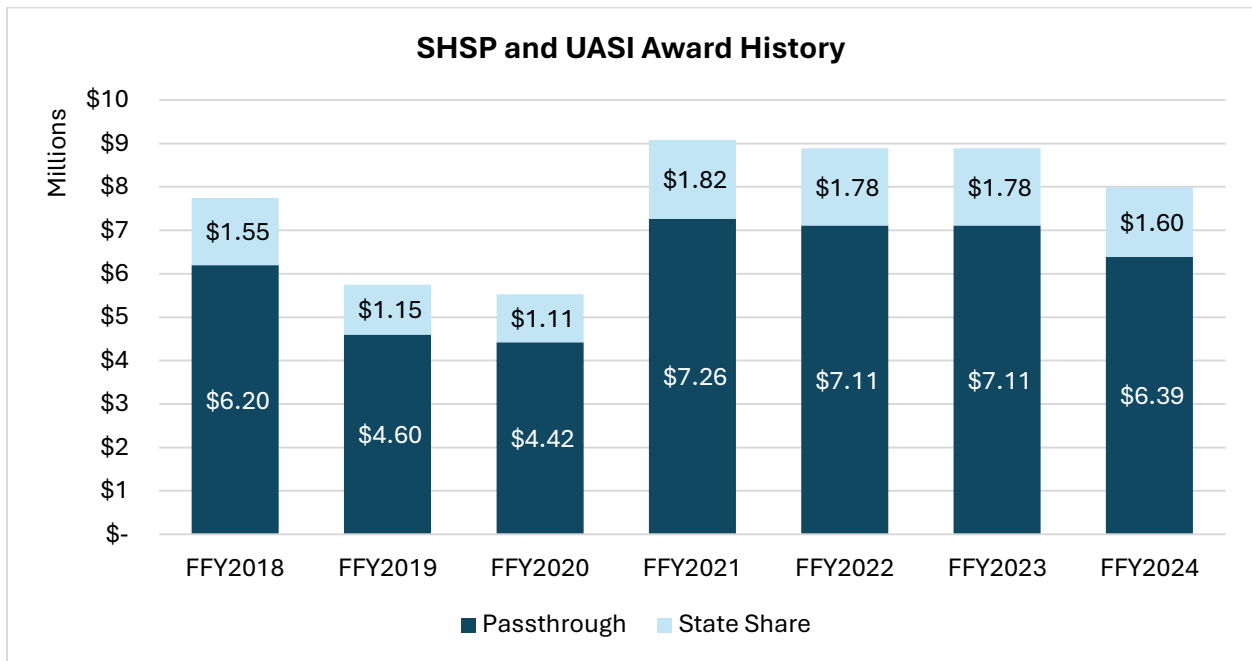


Figure 3 (Source: NCEM)

Federal support for these programs has been **either flat or declining** for several years. Coupled with inflation, this has reduced the purchasing power of these grants and led NCEM to retain a larger portion of funds at the State level for continuity of operations.

For FY 2025-26, **NCEM has not yet received any funding** under these programs. Typically, FEMA will produce a Notice of Funding Opportunity (NOFO) in April with funding awards announced over the summer before funds are released with the start of the new federal fiscal year in October. This year, the NOFO was released in late July. When NCEM received the Award Notices in late September for these programs, there were additional requirements and changes to the grant parameters not previously included in the NOFO. Eleven states, including North Carolina, subsequently sued FEMA alleging a violation of the federal Administrative Procedures Act. On December 23, 2025, a federal court ruled against FEMA. However, FEMA has not released the funding (as of 3/2/26) and has filed an appeal in the case.

### Other Major Receipt Sources: Fees

NCEM also generates receipts from various fees that provide reliable, dedicated funding for certain activities. These include:

1. Radiological Emergency Preparedness Fee – this fee is assessed against power providers based on their number of operating nuclear reactors with emergency protective zones impacting the State. Proceeds support preparations for and responses to a potential radiological incident. (\$3.1m annually)
2. Hazardous Materials Fee – this fee is assessed against companies that maintain certain supplies and quantities of hazardous substances as identified by the Environmental Protection Agency. Proceeds support the regional Haz-Mat Response Teams throughout the State. (\$1.3m annually)
3. Floodplain Mapping Fee – this fee is a portion of the Register of Deeds fee schedule. Proceeds support the Floodplain Mapping Program and related efforts. (\$3.7m annually)
4. Continuously Operating Reference Station (CORS) Network – this fee is assessed for accessing the CORS network and supports CORS operations, including surveying, mapping, and related activities. (\$263k annually)

### **Key Takeaways**

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1. NCEM has approximately 438 FTE supported by a mix of State appropriations, federal funds, and receipts from other sources including various fees.
2. Most of NCEM's annual funding comes from federal sources and outside receipts rather than from State appropriations.
3. Federal non-disaster-recovery grant funding that supports NCEM's core operations has decreased over the past several years and is delayed for the current fiscal year.