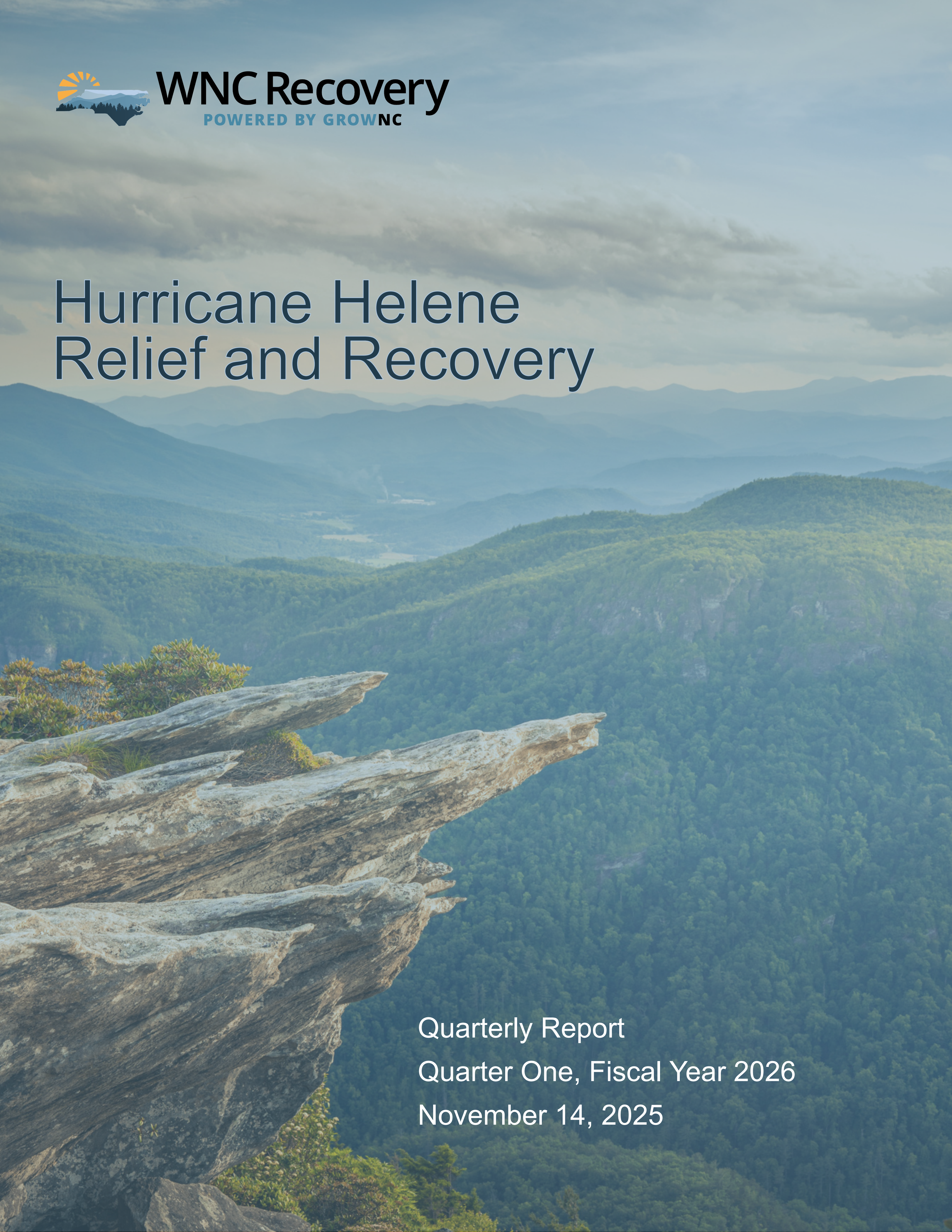


WNC Recovery
POWERED BY GROWNC

Hurricane Helene Relief and Recovery

Quarterly Report

Quarter One, Fiscal Year 2026

November 14, 2025

Table of Contents

INTRODUCTION

HELENE RESPONSE AND RECOVERY ACTIVITIES

APPENDICES

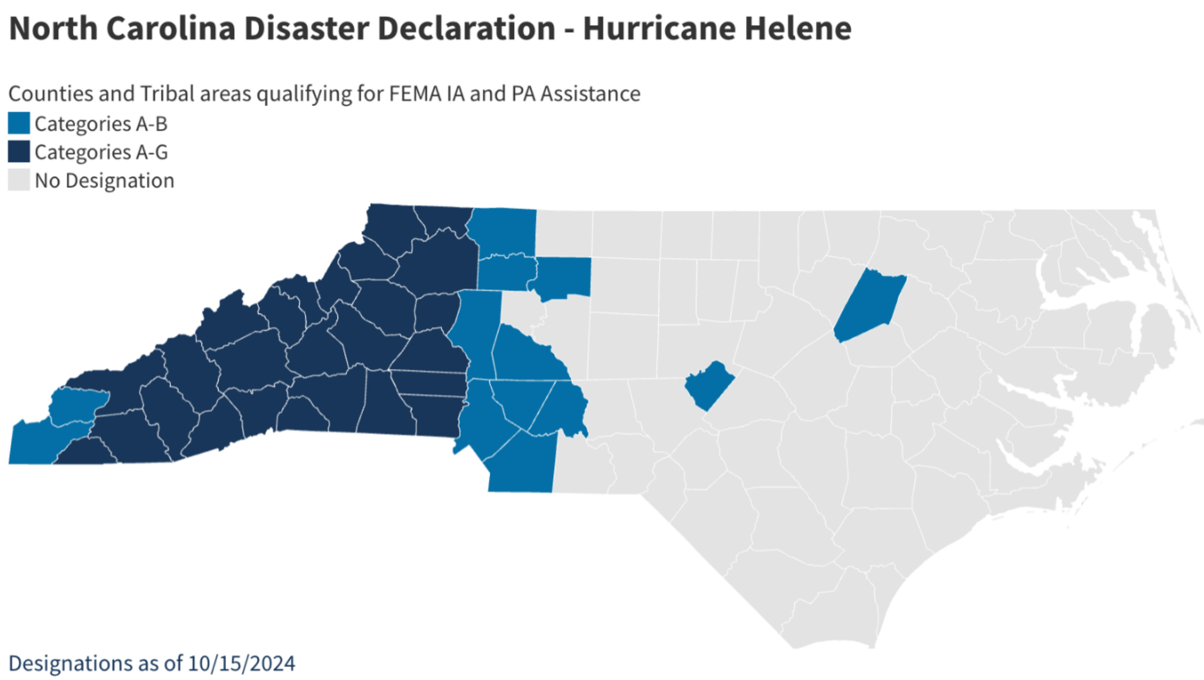
INTRODUCTION

This report provides an overview of the state and federal funds dedicated to Hurricane Helene relief and recovery efforts through September 30, 2025, and how North Carolina is using those resources to aid affected communities, as required by SL 2025-2 (HB 47), § 4.1(g)-(h) and continued by SL 2025-92, § 1D.1.(g). Unless otherwise noted, this quarterly report encompasses activities from the onset of the storm through September 30, 2025.

Hurricane Helene's Impact – $59.6B

Hurricane Helene reached North Carolina on Friday, September 27, 2024, generating historic rainfall, strong winds, landslides, and tornadoes, among other weather impacts.

President Biden subsequently declared a Major Disaster, and FEMA designated 39 counties for federal disaster assistance. An estimated 4.6 million people – more than 40% of the state's population – live in one of the designated counties. The region accounts for 45% of the state's GDP.



Hurricane Helene had a significant, long-term impact on western North Carolina. In addition to the devastating loss of more than 100 lives, the storm destroyed thousands of homes and damaged tens of thousands more. Millions of North Carolinians lost access to critical services such as water and sewer, electricity, telecommunications, and health care. Thousands of miles of roads and bridges were damaged, cutting off communities and limiting access for residents, first responders, and recovery teams. The region's economy suffered severely, threatening livelihoods and the long-term outlook of some communities.

Estimates as of December 13, 2024, indicated that Helene caused direct damages of $44.4 billion in the region, caused an additional $9.4 billion in indirect or induced damages, and necessitated $5.8 billion more for strengthening and mitigation.[1] Totaling more than $59.6 billion across the state, these damages and needs are more than three times the $16.7 billion impact of Hurricane Florence in 2018.

GOVERNMENT FUNDING FOR RECOVERY EFFORTS - $9.3 BILLION

As of September 30, 2025—roughly one year after the storm—the federal government and North Carolina state government had directed approximately **$9.3 billion**—about 16% of the estimated impact of the storm—to aid western North Carolina communities in their efforts to recover from Hurricane Helene. The state funding includes about **$2.5 billion** made available by the North Carolina General Assembly and at least **$592 million** in previously appropriated funds redirected by state agencies toward response and recovery work. The federal government has contributed approximately **$6.2 billion** toward the recovery, including both funds to state agencies and direct assistance to individuals, businesses, and local governments.

State agencies are working to deploy funding effectively and efficiently to accelerate recovery efforts. The funds provided by the General Assembly include more than $700 million for state matching funds to draw down federal program dollars and more than $300 million for loans to local governments or businesses. Some state appropriations require certain conditions to be met before state agencies may expend them.

SCOPE OF DATA INCLUDED

This quarterly report provides an updated overview of Hurricane Helene recovery funding, expenditures, and activities through September 30, 2025. In the case of S.L. 2025-92, which Governor Stein signed into law on September 30, 2025, funding provided by that law for Helene recovery is reflected in the aggregated figures above. However, information concerning the obligation and expenditure of those funds is not included in this report as agencies did not have access to the funds until after September 30, 2025.

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[1] Office of State Budget & Management (Dec 13, 2024). "Hurricane Helene Recovery, Revised Damage and Needs Assessment." https://www.osbm.nc.gov/hurricane-helene-dna/open

HELENE RESPONSE AND RECOVERY ACTIVITIES

1. Agriculture

1.1 Agricultural Disaster Crop Loss Program

Responsible State Agency: Department of Agriculture & Consumer Services

Purpose: The 2024 Agricultural Disaster Crop Loss Program is established to provide financial assistance to farmers with verified losses from an agricultural disaster in this state in 2024. This funding is for Helene-specific damage of agriculture, aquaculture commodities, or farm infrastructure.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
62,049,648.26	268,000,000.00	791,746.25	62,139,147.14	205,069,106.61

Activities: As of September 30, 2025, the NC Department of Agriculture and Consumer Services (NCDA&CS) distributed payments from the Helene disaster crop loss program totaling $61,863,445.08. Payments for Helene-damaged program crops, specialty crops, nursery crops, and aquaculture will continue, while payments for Helene-damaged infrastructure will take longer to review and distribute.

1.2 Crop and Timber Loss Supplemental Appropriation

Federal Agency: U.S. Department of Agriculture (USDA)

Responsible State Agency: Department of Agriculture & Consumer Services

Purpose: The North Carolina Disaster Block Grant for Helene is for production losses not covered by USDA programs or crop insurance. The program will cover four categories of eligible losses: infrastructure damage, market losses, future economic losses, and timber losses. It will apply to the 39 counties that received a Presidential Disaster Declaration for Hurricane Helene.

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
221,200,000.00	-	221,200,000.00	-	-	-	221,200,000.00

Activities: In September 2025, the NC Department of Agriculture & Consumer Services and the U.S. Department of Agriculture agreed to a $221 million block grant to aid farmers who sustained losses and damages from Hurricane Helene.

Collaboration between the two agencies to create a program work plan and farmer application for the block grant has been delayed by the recent federal government shutdown.

1.3 North Carolina Agricultural Manufacturing and Processing Initiative Grants

Responsible State Agency: Department of Agriculture & Consumer Services

Purpose: This program funds and promotes the establishment of value-add agricultural manufacturing and food processing facilities across North Carolina. For Helene recovery, this appropriation will be applied to atmosphere-controlled projects in the affected area.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	8,000,000.00	-	-	8,000,000.00

Activities: The department opened the application for the NC Agriculture Manufacturing and Processing Initiative (NCAMPI) program in September 2025. This application included special guidance for eligible applicants impacted by Hurricane Helene, as outlined in SL 2025-26. The application deadline for the NCAMPI program was October 3, 2025.

1.4 Streamflow Rehabilitation Assistance Program

Responsible State Agency: Department of Agriculture & Consumer Services

Purpose: Funds appropriated for purposes in the affected area authorized under the Streamflow Rehabilitation Assistance Program (StRAP), which funds projects that help reduce flooding, restore streams, and protect the integrity of drainage infrastructure across North Carolina's waterways, such as vegetative debris removal, streambank stabilization, stream restoration, and rehabilitation of critical watershed structures.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
23,726.79	40,000,000.00	-	23,726.79	39,976,273.21

Activities: The department facilitates work between local governments and the USDA Emergency Watershed Protection Program (EWP) and invests StRAP funds to meet needs unaddressed by EWP. The USDA is taking longer than anticipated to determine what stream rehabilitation work they will cover through EWP. The department plans to open applications for its Streamflow Rehabilitation Assistance Program in November.

2. Disaster preparedness and hazard mitigation

2.1 Wildfire Assets and Preparedness

Responsible State Agency: Department of Agriculture & Consumer Services

Purpose: The North Carolina Forest Service will use this funding for contractors and equipment to respond to and fight wildfires.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	15,000,000.00	511,217.26	-	14,488,782.74

Activities: The NC Forest Service (NCFS) will focus on increased capability and capacity with this funding. NCFS plans to hire four additional fire equipment operators, purchase new trucks, bulldozers, fire engines, utility terrain vehicles, and other firefighting equipment, enhance their aviation capabilities with new infrared imaging and water handling tools, and fund pre-positioned firefighter services to surge personnel to incidents.

NCFS will also enhance physical mitigation efforts via prescribed burning, installation of fire breaks, removal of vegetation, and public awareness efforts via increased capabilities to monitor weather and inform the public of wildfire preparedness.

2.2 Landslide Hazard Mapping

Responsible State Agency: Department of Environmental Quality

Purpose: Funding to conduct landslide mapping in the Helene-affected area.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	3,000,000.00	390,499.00	-	2,609,501.00

Activities: The Department of Environmental Quality (DEQ) Landslide Hazards Program is updating landslide susceptibility and debris flow runout models for western North Carolina post Helene. Twenty-four North Carolinians lost their lives to landslides during Hurricane Helene. As landslides will inevitably occur post-Helene, continuous landslide model updates will be necessary. The landslide mapping team began this work with a list of areas prioritized based on local input. To date, updated modeling is available for six of the 24 counties impacted. The program is also evaluating the feasibility for creation of a western North Carolina-wide landslide early warning system. The service would ideally provide county emergency management with the capability to issue targeted area specific landslide warnings, evacuation statements, and resource staging during extreme weather events.

2.3 Disaster Recovery Constituent Portal

Responsible State Agency: Department of Information Technology (DIT)

Purpose: Directs DIT to issue a request for proposals for the development of a disaster relief portal that will serve as a hub for all constituent-focused resources.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	3,000,000.00	-	-	3,000,000.00

Activities: DIT is soliciting input from relevant state agencies as they develop a request for proposals and hopes to open it for bids by the end of the calendar year.

2.4 Disaster Relief and Mitigation Fund

Responsible State Agency: Department of Public Safety

Purpose: Provides grants to local governments for projects that reduce the risk of future damage from flooding: culvert or bridge retrofits or replacements, stormwater and drainage system improvements, relocation of at-risk infrastructure, and hardening of critical facilities and utilities.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	20,000,000.00	-	-	20,000,000.00

Activities: The Division of Emergency Management released a notice of funding opportunity for grants from the Disaster Relief and Mitigation Fund in September 2025. Eligible applicants are units of local government and nonprofit organizations. Funding can be used for flood mitigation, transportation infrastructure resilience against natural disasters, and engineering assistance grants to local governments to identify and design shovel-ready projects. The deadline for applications is November 28, 2025.

3. ECONOMY

3.1 Economic Development Partnership of North Carolina (EDPNC) Business Loss Assessment

Responsible State Agency: Department of Commerce

Purpose: Allocates funds to the Department of Commerce for its contract with EDPNC to conduct a business loss assessment in counties with a federal disaster declaration due to Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	1,000,000.00	-	1,000,000.00	-

Activities: The department transferred all funds to the Economic Development Partnership of North Carolina (EDPNC), which spent approximately $60,000 conducting the Business Loss Assessment through research and data collection. The report has been finalized and released.

3.2 Small Business Recovery Bridge Loans

Responsible State Agency: Department of Commerce

Purpose: The allocated funds support a no- or low-interest loan program for small businesses in areas impacted by Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	50,000,000.00	-	50,000,000.00	-

Activities: The WNC Strong: Helene Business Recovery Fund is administered by Mountain BizWorks in partnership with the Golden LEAF Foundation (Golden LEAF). As of September 30, 2025, the NC Department of Commerce had distributed $50,000,000 to Golden LEAF, which in turn allocated $41,500,000 of these state funds to Mountain BizWorks. Mountain BizWorks has disbursed $38,667,396 of these funds as loan capital to small business applicants.

Overall, including both state and private funds, $46,767,474 has been disbursed from the program in loan capital to 798 entities, helping to retain a total of 6,467 jobs.

3.3 Small Business Infrastructure Grant Program

Responsible State Agency: Department of Commerce

Purpose: The purpose of this program is to assist small businesses by providing grants to local governments to expedite infrastructure repairs impacting the operation and patronage of small businesses in the affected area.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
18,419.95	55,000,000.00	7,324,664.00	27,900.79	47,647,435.21

Activities: The department announced the first round of Small Business Infrastructure awards on June 30, 2025. Nine awards were made, totaling $7.3 million. Municipalities receiving awards were the Village of Chimney Rock, Town of Clyde, Town of Gamewell, and City of Morganton.

Applications for this program are accepted on a rolling basis, and awards are announced periodically. The next awards will be announced in November 2025, and future awards will be announced in 2026.

3.4 Visit NC Tourism Promotion

Responsible State Agency: Department of Commerce

Purpose: Provides funds to the Economic Development Partnership of North Carolina's Visit NC division to support and revitalize western North Carolina's tourism economy.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
5,000,000.00	14,000,000.00	-	14,000,000.00	-

Activities: Visit NC leverages these funds to expand the reach of tourism marketing initiatives to benefit western North Carolina.

The breakdown of spending as of September 30, 2025, is:

- Total domestic media spend: $9,326,998
- Total international media spend: $500,000
- Total creative production spend: $711,900
- Total marketing consulting spend: $545,000
- Total public relations spend: $165,000
- Total research spend: $148,100

3.5 Child Care Centers and Family Child Care Homes Disaster Relief

Responsible State Agency: Department of Health and Human Services (DHHS)

Purpose: This appropriation provides one-time disaster relief grants to eligible child care providers (including child care centers, homes, and Pre-K sites) in the impacted counties and tribal communities. These restricted funds are to be utilized for capital costs, lost revenue, retention, recruitment, repairs, maintenance, or overcrowding expansion.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	10,000,000.00	5,000,000.00	5,000,000.00	-

Activities: DHHS transferred $5 million to the North Carolina Partnership for Children (NCPC), which then contracts with local Smart Start Partnerships to manage the application and allocation process for the child care centers. Funds were received by NCPC in February 2025. As of September 2025, these funds have served 4,621 children in 17 of the 21 eligible counties. Local partners have until June 30, 2027, to expend the funds and are working with the centers to determine needs and allocation.

Local Partnership[1,2,3,4]	Primary Counties Served	Current Allocation	YTD Allocation	Total Allocation
Alexander Parthership for Children[6]	Alexander	$ 53,000	$ 53,000	$ 53,000
Alleghany Partnership for Children	Alleghany	$ 26,861	$ 26,861	$ 26,861
Partnership of Ashe	Ashe	$ 167,427	$ 167,427	$ 167,427
B lue Riddge Partnership for Children	Avery, Mitchell, Yancey	$ 319,183	$ 319,183	$ 319,183
Buncombe County Partnership for Children	Buncombe	$ 1,542,092	$ 1,543,092	$ 1,543,092
Burke County Smart Start Inc.	Burke	$ 455,118	$ 455,118	$ 455,118
Caldwell County Smart Start A Partnership for Young Children	Caldwell	$ 413,418	$ 413,418	$ 413,418
Cleveland County Partnership for Children, Inc.	Cleveland	$ 144,579	$ 144,579	$ 144,579
Partnership for Children of the Foothills	McDowell, Polk, Rutherford	$ 253,350	$ 253,350	$ 253,350
Smart Start Partnership for Children	Henderson	$ 550,329	$ 550,329	$ 550,329
Smart State Partnership for Children[5]	Translyvania	$ 136,651	$ 136,651	$ 136,651
Madison County Partership for Children and Families, Inc.	Madison	$ 50,000	$ 50,000	$ 50,000
Children's Council of Watauga County, Inc.	Watauga	$ 510,692	$ 510,692	$ 510,692
Total		**$ 4,622,700**	**$ 4,623,700**	**$ 4,623,700**

1 - Wilkes Community Partnership for Children serving Wilkes County was initially awarded $60,000 but returned the funds to NCPC after private funding was made available to the centers in their community. These funds are being redistributed to other Local Partnerships.

2 - Funds were offered to the Partnership for Children of Lincoln and Gaston Counties serving Lincoln and Gaston Counties, but they stated there was insufficient need at the time.

3 - NCPC maintained $50,000 for administration expenses.

4 - Region A was initially awarded $250,000. On May 2, 2025, they requested termination of their contract after private funding was made available to centers in their community. All funds were returned to NCPC and are being redistributed to other Local Partnerships.

5 - Smart Start of Transylvania County is currently transitioning organizational leadership. To facilitate the distribution of funds within the community, the Board of Directors requested the assistance of Smart Start Partnership for Children.

6 - Alexander County Partnership for Children was initially allocated $70,000. On July 2, 2025, they returned $17,000 of their funds to NCPC after determining the maximum need for their community.

County	Current Expenses	YTD Expenses	Total Expenses	Children Served
Alexander		$ 50,024.45	$ 50,024.45	303
Alleghany[7]	$ -	$ -	$ -	-
Ashe	$ 2,700.82	$ 35,735.74	$ 50,969.50	56
Avery	$ 378.81	$ 4,479.43	$ 24,161.00	86
Buncombe	$ -	$ 730,364.84	$ 896,561.16	2,360
Burke	$ -	$ -	$ 455,418.00	337
Caldwell[8]	$ -	$ -	$ -	-
Cleveland[9]	$ -	$ -	$ 15,251.26	-
Henderson	$ 4,577.35	$ 66,133.73	$ 186,495.83	428
Madison	$ -	$ -	$ 50,000.00	147
McDowell	$ -	$ -	$ 4,934.27	21
Mitchell	$ 378.81	$ 6,099.93	$ 9,802.65	111
Polk[10]	$ -	$ -	$ -	-
Rutherford[10]	$ -	$ -	$ -	-
Transylvania	$ (1,112.60)	$ 51,661.42	$ 51,661.42	82
Watauga	$ -	$ 165,253.78	$ 174,394.72	662
Yancey	$ 378.81	$ 932.24	$ 15,866.13	28
LP Sub-Totals	**$ 7,302.00**	**$ 1,110,685.56**	**$ 1,985,540.39**	**4,621**
NCPC Allocation	**$ 563.62**	**$ 11,718.40**	**$ 29,382.06**	
Grand Total	**$ 7,865.62**	**$ 1,122,403.96**	**$ 2,014,922.45**	**4,621**

7 - Alleghany Partnership for Children is waiting for applications from 2 centers.

8 - Caldwell County Smart Start A Partnership for Young Children has completed the application process and has contracts in place with many centers. Expects first payments to go out sooon.

9 - Cleveland County Partnership for Children, Inc. has completed the application process and is working on finalizing grants with centers.

10 - Partnership for Children of the Foothills has payments to 2 centers in their payment queue and is determining eligibility of additional centers.

3.6 Dislocated Worker Grant

Federal Agency: U.S. Department of Labor

Responsible State Agency: Department of Commerce

Purpose: To provide temporary clean-up and humanitarian jobs for eligible dislocated workers. Workers hired will be limited to working up to 12 months or up to 2,080 hours, whichever comes first. The employment and training activities include career and training services.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
10,000,000.00	6,000,000.00	4,000,000.00	3,000,858.44	1,281,504.16	2,607,289.40	4,391,852.16

Activities: As of September 30, 2025, seven workforce development boards received funding to support 75 enrolled worksites and 272 enrolled participants in the program.

4. EDUCATION

4.1 Additional Mental Health Funds for Public Schools

Responsible State Agency: Department of Public Instruction

Purpose: Provides funds for mental health support for students and staff in districts and education institutions impacted by Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
155,892.02	5,000,000.00	3,192,555.74	1,807,444.26	-

Activities: All eligible Participating School Units (PSUs) impacted by Helene received a funding allocation. The staff hired by these funds will be deployed throughout each school district and will serve all impacted schools within that district. Funds have been budgeted and expended to provide salary and contractual services for school social workers, school counselors, health professionals, and school psychologists.

As of September 30, 2025, 275 public and charter schools benefited from this funding.

4.2 Capital Recovery Funds: Public School Facilities

Responsible State Agency: Department of Public Instruction

Purpose: Funds for repair and renovation of facilities for local school administrative units and lab schools in counties with a federal disaster declaration due to Hurricane Helene. These funds are for unmet needs not covered by insurance or available federal aid.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
4,799,892.50	81,300,000.00	-	49,522,951.09	31,777,048.91

Activities: This program served 21 schools in eight districts. Additional funds were appropriated for this program in SL 2025-26.

4.3 Competitive Grant Program for Public School Infrastructure

Responsible State Agency: Department of Public Instruction

Purpose: Creates a competitive grant program for public schools in the impacted area to repair or replace school buildings or infrastructure damaged by the disaster. The funds are intended to support schools for damages or repairs that were denied insurance coverage and federal aid, as opposed to the broader capital recovery program administered by DPI. The maximum award amount is $500,000.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	8,000,000.00	-	-	8,000,000.00

Activities: The application and award process for this program will be similar to the process for "Capital Recovery Funds: Public School Facilities" (see 4.2 above). However, applications for grants from this fund will require documentation that the applicant's property insurance coverage and federal disaster relief programs denied payment for the requested purpose. The Department of Public Instruction began accepting applications for the $8 million competitive grant fund (maximum grants of $500,000) on October 1.

4.4 School Extension Learning Recovery Program

Responsible State Agency: Department of Public Instruction

Purpose: A voluntary school extension learning program to provide instruction on specific subjects and enrichment to students in grades four through eight to address learning losses and other negative impacts caused by unusual and extraordinary conditions related to Hurricane Helene in the 2024-2025 school year.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
1,118,917.12	9,000,000.00	4,774,443.18	4,091,040.82	134,516.00

Activities: In all, 14 local education agencies, 16 charter schools, and the North Carolina School for the Deaf accepted funds to offer summer programming for students. Programs were required to offer math and reading courses, as well as time for enrichment programming and physical activity each day. Programs served 79,447 students.

4.5 School Nutrition Employee Compensation

Responsible State Agency: Department of Public Instruction

Purpose: Compensation of school nutrition employees, located in federal disaster declaration counties, that would have been provided by school meal receipts as part of the National School Lunch Program or School Breakfast Program. Funds are only for employees in counties with a federal disaster declaration due to Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	3,500,000.00	-	2,556,692.72	943,307.28

Activities: Schools that participate in the National School Lunch Program in the Helene-impacted areas were eligible for these funds, and that included nearly all of the region's public schools and some charter schools.

Funding was made available to all schools in the impacted districts to cover both Helene-related missed days and non-Helene missed days. Funds served 29 school systems and three charter schools.

The General Assembly reallocated $12.5 million in disaster relief funding previously allocated to the Department of Public Instruction in SL 2025-26. The program closed on June 30, 2025. No further expenditures will be made.

4.6 School Nutrition Food, Supplies, and Equipment Loss

Responsible State Agency: Department of Public Instruction

Purpose: Funds for the repair or replacement of food nutrition equipment, food, and food nutrition supplies in public school units participating in the National School Lunch Program or School Breakfast Program in counties with a federal disaster declaration due to Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	5,000,000.00	-	1,469,280.29	3,530,719.71

Activities: The Department of Public Instruction distributed funds to public school units that serve 318 schools and 149,470 students. As of September 30, 2025, 45 schools reported expending funds. Public school units have until June 30, 2030, to expend the funds.

4.7 Technology Funds for Public Schools

Responsible state agency: Department of Public Instruction

Purpose: Funds for the replacement of school technology, particularly student and teacher devices, in counties with a federal disaster declaration due to Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
105,477.89	5,000,000.00	225,253.00	529,747.00	4,245,000.00

Activities: The application process remains open for the program, and participating public school units expend the funding allotted to them within the procurement requirements. Seven public school units and four charter schools report expending funds for this program. Public school units have until June 30, 2030, to expend the funds.

4.8 Emergency Grants for Affected Community College Students

Responsible State Agency: NC Community College System

Purpose: Grants to assist students impacted by Hurricane Helene with tuition, fees, and emergency expenses that impact a student's ability to remain enrolled.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	11,663,029.00	-	10,209,773.96	1,453,255.04

Activities: As of September 30, 2025, 10,472 students received support from this program.

4.9 Expanded Mental Health Support for Affected Community College Students

Responsible State Agency: NC Community College System

Purpose: Provides funds for mental health support for students and staff at higher education institutions impacted by Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
1,736.00	1,250,000.00	-	393,068.99	856,931.01

Activities: As of September 30, 2025, 6,635 students and 1,952 staff received support through this program.

4.10 Tuition Grants for Students Attending Impacted Community Colleges

Responsible State Agency: NC Community College System

Purpose: Funds to provide grants that cover the cost of tuition and state registration fees for eligible students attending community colleges designated as having the most or medium impact by the System Office.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	1,363,000.00	20,680.00	1,342,320.00	-

Activities: As of September 30, 2025, 3,193 students benefited from this funding. A portion of this funding was reallocated by the General Assembly in Session Law 2025-26.

4.11 Community College Enrollment Stabilization

Responsible state agency: NC Community College System

Purpose: Funds to support community colleges located in the area impacted by Hurricane Helene that experienced enrollment declines from the 2023-2024 academic year to the 2024-2025 academic year.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	2,473,971.00	-	-	2,473,971.00

Activities: Funds are in the process of being set up in the financial system. Reporting on expenditures and activities will begin in the next quarterly report.

4.12 Capital Recovery for the School for the Deaf

Responsible State Agency: North Carolina School for the Deaf (NCSD)

Purpose: NCSD plans to utilize these funds to make repairs to infrastructure damaged by Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	1,000,000.00	-	-	1,000,000.00

Activities: The North Carolina School for the Deaf (NCSD) is compiling a project plan and following the procurement process for the scope of work that needs to be completed. NCSD anticipates that funding will be spent to repair damages to campus caused by Hurricane Helene by June 2026.

4.13 Private Colleges Capital Recovery

Responsible State Agency: Office of State Budget and Management

Purpose: Funds will be used to support capital recovery costs and repair damages to the six identified institutions: Brevard, Gardner-Webb, Lees-McRae, Lenoir-Rhyne, Mars Hill, and Montreat.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	4,250,000.00	4,250,000.00	-	-

Activities: As of September 30, 2025, the identified institutions are in various stages of accepting the funds from the Office of State Budget and Management. Colleges anticipate beginning work in the last quarter of the calendar year. Funds will be used on multiple projects across campuses to repair damage caused by Hurricane Helene.

4.14 Emergency Grants for Affected Private College and University Students

Responsible State Agency: North Carolina State Education Assistance Authority

Purpose: Funds to distribute to eligible private colleges and universities to assist students impacted by Hurricane Helene with paying for tuition, fees, and emergency expenses that impact a student's ability to remain enrolled.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	1,000,000.00	-	1,000,000.00	-

Activities: As of September 30, 2025, 607 students benefited from these grants. All private institution requests have been covered.

4.15 Emergency Grants for Affected UNC Students

Responsible State Agency: University of North Carolina System

Purpose: To assist students impacted by Hurricane Helene with paying for tuition, fees, and emergency expenses that impact a student's ability to remain enrolled.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	5,000,000.00	-	5,000,000.00	-

Activities: Emergency grants were awarded to 5,021 students. All funds are expended, and the program is now closed.

4.16 Need-Based Scholarship for Public College and University Students – Attending in Disaster Area

Responsible State Agency: North Carolina State Education Assistance Authority

Purpose: Funds for the Need-Based Scholarship for Public Colleges and Universities program to make additional award funds available in FY 2024-25, which will be used to provide additional financial aid to eligible disaster-impacted students.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	15,600,000.00	-	15,600,000.00	-

Activities: These awards are for students at Appalachian State University, University of North Carolina at Asheville, and Western Carolina University, along with directly impacted UNC and community college students. As of September 30, 2025, 21,397 students received awards from this program.

Awards for Summer 2025 completely expended the original $15.6 million appropriated by the General Assembly in Session Law 2024-53. The NC State Education Assistance Authority reallocated unobligated Next NC need-based funding to further supplement this program, allowing the program to support more students.

4.17 Need-Based Scholarship for Public College and University Students – Attending Outside Disaster Area

Responsible State Agency: North Carolina State Education Assistance Authority

Purpose: Funds for the Need-Based Scholarship for Public Colleges and University Students program to make additional award funds available to be used to provide additional financial aid to eligible disaster-impacted students.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	3,500,000.00	-	3,500,000.00	-

Activities: These funds are for awards to students from Helene-impacted counties attending a UNC institution or community college outside the impacted area. These funds provided 4,082 awards to students from Helene-impacted counties attending a UNC institution or community college outside the impacted area.

All funds have now been spent.

4.18 Need-Based Scholarship for Students Attending Private Colleges and Universities Additional Awards

Responsible State Agency: North Carolina State Education Assistance Authority

Purpose: Allows for use of unobligated funds available for need-based scholarships for students attending private institutions of higher education to provide additional financial aid to eligible disaster-impacted students.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	2,500,000.00	-	2,500,000.00	-

Activities: These awards are for students at Helene-impacted institutions and students from Helene-impacted counties attending private institutions outside the impacted area. As of September 30, 2025, 3,226 students had received awards. The remaining funds are obligated for the Winter 2025 term.

4.19 Tuition Grants for Students Attending UNC Asheville

Responsible State Agency: University of North Carolina at Asheville

Purpose: Funds to provide grants that cover the cost of tuition for eligible students.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	5,500,000.00	-	5,500,000.00	-

Activities: Awards issued to 1,468 students in Spring 2025, 1,121 in Summer 2025, and 420 in Fall 2025, plus 364 obligated in Spring 2026, for a total of 3,373 awards so far. Remaining funds are obligated for continued student assistance.

4.20 UNC System Schools Capital Recovery

Responsible State Agency: University of North Carolina System

Purpose: These funds were appropriated to disburse grants to Western Carolina University, Appalachian State University, the University of North Carolina at Asheville, and the North Carolina Arboretum to repair, replace, renovate, or construct buildings or infrastructure damaged by Hurricane Helene, and for resiliency and hazard mitigation on campus property to prepare for future disasters.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	6,000,000.00	6,000,000.00	-	-

Activities: Institutions provided plans for utilization to the System Office. These investments will focus on improving emergency communication and response capabilities, strengthening infrastructure, and ensuring continuity of operations in the face of extreme weather events. The initial campus plans were approved by the UNC Board of Governors in September 2025, and funds will be distributed in the next quarter.

4.21 Yancey County Schools Capital Recovery

Responsible State Agency: Department of Public Instruction

Purpose: Transfer $25 million in interest earned from the Needs-Based Public School Capital Fund to Yancey County for public school repair and replacement. Project must have been denied by insurance and FEMA.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	25,000,000.00	25,000,000.00	-	-

Activities: The Yancey County Board of Education voted unanimously in August 2025 to spend the appropriated funds on an elementary school to replace the loss of Micaville and Clearmont Elementary Schools due to the historic devastating floods from Hurricane Helene. As of September 30, 2025, Yancey County had not received the funds. Expenditure reporting will begin in the next quarterly report.

5. Health Care

5.1 Crisis Counseling Immediate Services Program

Federal Agency: Federal Emergency Management Agency (FEMA)
Responsible State Agency: Department of Health and Human Services

Purpose: Crisis Counseling Immediate Services Program is a short-term disaster relief initiative designed to provide immediate psychological and emotional support to individuals and communities affected by disasters. FEMA activated the program to address the mental health needs of residents dealing with stress, trauma, and challenges resulting from the disaster.

The Hope4NC Crisis Counseling Program provides immediate support and crisis counseling services at no cost for North Carolinians following Helene via the Hope4NC Helpline.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
2,912,532.00	2,912,532.00	-	-	-	56,297.00	-

Activities: The FEMA grant provided funding for the Hope4NC program, which assists individuals in communities as they recover from Hurricane Helene's devastating impacts. Unspent funds from the Crisis Counseling Immediate Services Program reverted to FEMA once the Regular Services Program grant became available in January 2025.

5.2 Crisis Counseling Regular Services Program

Federal Agency: Federal Emergency Management Agency (FEMA)

Responsible State Agency: Department of Health and Human Services

Purpose: This second phase of the FEMA Crisis Counseling Grant Program provides funding for mental health services to individuals and communities affected by natural and human-caused disasters for up to nine months after the Presidential disaster declaration.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
9,709,292.07	9,709,292.07	-	7,803,592.67	413,108.57	1,905,699.40	-

Activities: The FEMA Crisis Counseling Grant provides funding for the Hope4NC program, which assists individuals in communities as they recover from Hurricane Helene's devastating impacts. As of September 30, 2025, the grant provided more than 50,000 in-person contacts and answered over 11,000 hotline calls. Services include:

- Individual Crisis Outreach and Support
- Group Crisis Outreach
- Public Education
- Community Networking and Support
- Assessment, Referral, and Resource Connections
- Media Campaigns and Outreach Programs

5.3 Local Health Department (LHD) Support

Responsible State Agency: Department of Health and Human Services

Purpose: Funds to assist LHDs in counties with a federal disaster declaration due to Hurricane Helene with restoring essential functions, including temporary staffing, communicable disease and infection prevention efforts, environmental health efforts, and private well water quality efforts.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
539,889.59	12,000,000.00	10,579,157.29	1,420,842.71	-

Activities: Funds were allocated to all Local Health Departments (LHDs) in the impacted area, and 18 LHDs accepted funds. As of September 30, 2025, nine LHDs expended funds to serve a total of nine counties for staffing, emergency supplies, repairs, and equipment. The remaining impacted counties declined funds for reasons such as no disruption or little to no impact on essential public health functions, services, or programs. LHDs have until May 31, 2030, to expend the funds and until June 30, 2030, to draw down funds for reimbursement.

Local Health Department	Obligated Funds	Expended Funds
Appalachian Health District	$ 1,266,033.00	$ 230,190.00
Buncombe	$ 2,166,210.00	$ 676,400.78
Burke	$ 849,691.00	$ -
Caldwell	$ 800,010.00	$ 1,089.88
Clay	$ 245,610.00	$ -
Cleveland	$ 434,610.00	$ 22,314.47
Foothills Health District	$ 1,210,862.00	$ 52,061.36
Graham	$ 226,459.00	$ 101,713.91
Haywood	$ 667,530.00	$ 123,666.09
Henderson	$ 1,064,970.00	$ 49,828.65
Jackson	$ 316,170.00	$ 606.38
Macon	$ 301,050.00	$ -
Madison	$ 369,451.00	$ 4,054.07
Polk	$ 361,171.00	$ 16,269.29
Swain	$ 250,650.00	$ -
Toe River Health District	$ 664,382.00	$ -
Translyvania	$ 452,251.00	$ 59,612.88
Yancey	$ 352,890.00	$ 83,034.95
Total	**$ 12,000,000.00**	**$ 1,420,842.71**

5.4 Mental Health Crisis Supports and Support for Individuals with Intellectual/Developmental Disabilities

Responsible State Agency: Department of Health and Human Services

Purpose: Provides funds to strengthen behavioral health supports to ensure the Division of Mental Health can adequately respond to the expected rise in behavioral health needs of the more than 4 million individuals in the impacted counties, including crisis care, detoxification, and continued access to telehealth.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
2,377,672.89	25,000,000.00	19,288,753.86	5,711,246.14	-

Activities: Behavioral health crises tend to increase beginning six months after a disaster and into the recovery period. Helene-impacted areas have seen a continued increase in the number of residents seeking mental and behavioral health support. Funds are being used to provide services through more than 20 programs, including: counseling services and supports for deaf and hardof-hearing individuals; transitional housing, employment, and mental health/substance use services for veterans; support for federally qualified health centers to increase the amount of mental health support services they can offer; mobile units to support substance use or misuse treatment; expanded peer support center services; critical incident debriefing and counseling for first responders; crisis services and counseling for children and families; disaster preparedness training for group homes and organizations that support vulnerable populations; critical incident training and stress management for Division of Social Services employees; school-based mental health support; mental health crisis intervention, response, and counseling services; summer trauma recovery camps for children and families; and transition to community living.

As of September 30, 2025, 9,932 individuals have been served by these programs. While a significant portion of the funds has been obligated to local partners through letters of allocation, a lag in the process of invoice submission for reimbursement from the local partners results in an actual expenditures lag.

6. Housing

6.1 Rapid Unsheltered Survivor Housing (RUSH)

Federal Agency: U.S. Department of Housing and Urban Development

Responsible State Agency: Department of Health and Human Services

Purpose: The RUSH Program serves people experiencing or at risk of homelessness whose needs are not otherwise served or fully met by other federal disaster relief programs. RUSH funding can be used to provide emergency shelter, rapid rehousing with up to 24 months of rental assistance, move-in financial aid, and supportive services for those already experiencing homelessness before the disaster. It can also be used for rental and utility assistance, supportive services, and outreach to help individuals at risk of homelessness stabilize their housing situations.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
4,910,417.00	4,910,417.00	-	4,634,025.55	-	276,391.45	-

Activities: The state received two allocations of funding from the U.S. Department of Housing and Urban Development. The first allocation of immediate funding for $3 million and the second allocation of $1.9 million are fully obligated to partners by the NC Department of Health and Human Services.

Awards have been given to 14 subrecipients, and 12 subrecipients have programs in operation. Two subrecipients are in the contracting process. From the awards made, there are three street outreach programs, five shelter programs, eight rapid rehousing programs, and five homelessness prevention programs.

6.2 State Home Reconstruction and Repair Program

Responsible State Agency: Department of Commerce

Purpose: A program to expedite the Division of Community Revitalization (DCR) housing repair and rebuild program in anticipation of the $1.4 billion grant awarded by the U.S. Department of Housing and Urban Development (HUD). The State Home Reconstruction and Repair Program shortens the timeline for home repair and rebuilding following Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
2,444,876.62	120,000,000.00	81,509,545.49	2,444,876.62	36,045,577.89

Activities: This program operates to improve the timeline for single-family housing repair and reconstruction while the state works with federal partners to receive the $1.4 billion allocation of funds from the U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grants for Disaster Recovery (CDBG-DR). The program launched on June 16, 2025, under the name Renew NC, and applications are open through December 31, 2025. The state submitted a request for the first reimbursement from HUD for the program in September 2025.

The Department of Commerce Division of Community Revitalization (DCR) obligated $81,495,887.42 for the implementation vendor contract for the Renew NC Single-Family Housing program. DCR structured the contract to pay for outcomes, not activities. Payments will be made as the vendor meets the milestones set out in the contract. By structuring the contract to award outcomes instead of activities, DCR used a different contracting model than the state used in previous recoveries.

As of September 30, 2025, 3,479 applications had been submitted. Of these, 876 were confirmed as eligible for the program and 72 as ineligible, and the remainder were in review. Most of the eligible applications were confirmed to be Phase 1, Priority 1 under the program, meaning they are at or below 60% area median income, are in a HUD-identified Most Impacted and Distressed Area, and have a child, person with a disability, or elderly adult in the home.

The table below provides a breakdown of applications and ongoing work in the Renew NC Single-Family Housing program by county.

County	Applications	Reconstruction	Rehabilitation	Replacement	Reimbursement	Total
Alexander	34	0	0	0	0	0
Allegany	37	0	0	0	0	0
Ashe	237	0	0	0	0	0
Avery	226	0	0	0	0	0
Buncombe	1162	1	1	0	0	2
Burke	136	0	0	0	0	0
Caldwell	110	0	0	0	0	0
Catawba	61	0	0	0	0	0
Clay	2	0	0	0	0	0
Cleveland	99	0	0	1	0	1
Gaston	41	1	0	0	0	1
Haywood	182	0	0	0	0	0
Henderson	422	1	2	0	0	3
Jackson	23	0	0	0	0	0
Lincoln	24	0	0	0	0	0
Macon	9	0	0	0	0	0
Madison	41	0	1	0	0	1
Mecklenburg	20	0	0	0	0	0
McDowell	208	1	1	0	0	2
Mitchell	111	3	0	0	0	3
Polk	55	0	0	2	0	2
Rutherford	156	0	0	0	0	0
Surry	20	0	0	0	0	0
Swain	12	0	0	0	0	0
Transylvania	81	0	0	0	0	0
Watauga	204	1	0	0	0	1
Wilkes	52	0	0	0	0	0
Yadkin	4	0	0	0	0	0
Yancey	199	0	0	0	0	0
Total	**3,968**	**8**	**5**	**3**	**0**	**16**

Numbers as of October 15, 2025

6.3 Community Development Block Grant – Disaster Recovery

Federal Agency: U.S. Department of Housing and Urban Development

Responsible State Agency: Department of Commerce

Purpose: Grants to support housing repair, affordable housing construction, rental assistance, local redevelopment capacity, and mitigation activities.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
1,400,000,000.00	-	1,400,000,000.00	-	-	-	1,400,000,000.00

Activities: The NC Department of Commerce Division of Community Revitalization (DCR) finalized a grant agreement with the U.S. Department of Housing and Urban Development (HUD) for $1.4 billion in Community Development Block Grant – Disaster Recovery (CDBG-DR) funding. This funding will be used to cover multiple programs as approved in the state action plan submitted to HUD in March 2025:

- $807 million: Single-Family Housing Program
- $191 million: Multi-Family Housing Program
- $53 million: Workforce Housing for Ownership
- $194 million: Community Infrastructure Program
- $111 million: Economic Revitalization Program
- $71 million: Program Administration

The General Assembly appropriated $120 million to DCR in SL 2025-02 (see 6.2 above) to allow the state to begin the Single-Family Housing Program before receiving the HUD funds. The program launched on June 16, 2025, and is accepting applications. The state began drawing down funds from for the Single-Family Housing program from HUD in October.

The remaining programs in the HUD action plan are in development and did not launch prior to September 30, 2025.

6.4 Division of Community Revitalization Funding

Responsible State Agency: Department of Commerce

Purpose: This funding will be used to support staffing and administrative costs for the Division of Community Revitalization.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
1,219,786.81	5,000,000.00	3,780,213.19	1,219,786.81	-

Activities: Funding used to support operations of the Division of Community Revitalization in the administration of the $1.4 billion Community Development Block Grant – Disaster Recovery from the U.S. Department of Housing and Urban Development.

6.5 Weatherization Assistance

Responsible State Agency: Department of Environmental Quality (DEQ)

Purpose: Funds to supplement existing federal funds – North Carolina's Weatherization Assistance Program (WAP) – for weatherization services in counties with a federal disaster declaration due to Hurricane Helene. Weatherization reduces utility bills and energy costs and increases home safety.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
13,656.24	10,000,000.00	9,986,343.76	13,656.24	-

Activities: These funds provide flexibility to resolve home repair issues for affected homes on the existing Weatherization Assistance Program (WAP) deferral lists. Households are placed on the deferral list if a house needs major repairs or other work that is not eligible for WAP funding. This program seeks to also address households on the WAP waitlists. DEQ allocated $6 million to the Western Piedmont Council of Governments to manage the "readiness" phase of weatherization, including investments like roof repair, plumbing updates, and ground leveling. DEQ allocated $4 million to 10 weatherization providers in western North Carolina. The program's goal is to serve 575 households.

6.6 Rental Assistance

Responsible State Agency: Department of Health and Human Services

Purpose: Distribution of funds to county departments of social services in counties with a federal disaster declaration to provide rental assistance to households that suffered hardship due to Hurricane Helene and face a housing crisis, such as imminent risk of eviction. Funds can be used to pay for up to two rent payments per household.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	1,000,000.00	-	1,000,000.00	-

Activities: A total of 862 households received support through this program as of September 30, 2025. DHHS has allocated the full appropriation of $1 million to the counties, and the counties have spent the maximum amount possible based on the reimbursements they have submitted so far.

County	Rental Assistance Allocation	Rental Assistance Expenditure
Alexander	$ 16,563.00	$ 16,563.00
Alleghany	$ 4,818.00	$ 1,318.03
Ashe	$ 23,709.00	$ 23,709.00
Avery	$ 68,962.00	$ 68,962.00
Buncombe	$ 227,594.00	$ 223,088.28
Burke	$ 73,008.00	$ 73,008.00
Caldwell	$ 10,076.00	$ 10,075.70
Catawba	$ 6,644.00	$ 6,643.85
Clay	$ -	$ -
Cleveland	$ 73,261.00	$ 73,261.00
Gaston	$ 1,200.00	$ 1,200.00
Haywood	$ 25,998.00	$ 25,998.00
Henderson	$ 106,126.00	$ 106,125.86
Jackson	$ 1,645.00	$ 1,645.00
Lincoln	$ -	$ -
Macon	$ 1,862.00	$ 1,862.00
Madison	$ 8,270.00	$ 8,270.00
McDowell	$ 90,935.00	$ 90,935.00
Mitchell	$ 39,378.00	$ 39,378.00
Polk	$ 18,415.00	$ 18,414.65
Rutherford	$ 160,393.00	$ 160,393.38
Translyvania	$ 3,082.00	$ 3,082.00
Watuga	$ 1,253.00	$ 1,253.49
Wilkes	$ -	$ -
Yancey	$ 36,808.00	$ 36,808.00
Total	**$ 1,000,000.00**	**$ 991,994.24**

6.7 Utility Assistance

Responsible State Agency: Department of Health and Human Services

Purpose: This funding is for county departments of social services, in counties with a federal disaster declaration, to provide utility assistance to households that suffered hardship due to Hurricane Helene and face a housing crisis.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	9,000,000.00	-	9,000,000.00	-

Activities: As of September 30, 2025, 10,089 households received assistance under the program. DHHS has allocated the full appropriation of $9 million to the counties, and the counties have spent the maximum amount feasible.

County	Approved Applications	Unique Approved Households	Total Allocated	Total Expended
Alexander	239	208	$ 193,661	$ 193,661
Alleghany	16	14	$ 4,667	$ 4,667
Ashe	518	379	$ 438,267	$ 438,267
Avery	363	323	$ 245,469	$ 245,469
Buncombe	2427	2000	$ 2,341,809	$ 2,340,594
Burke	1329	941	$ 879,298	$ 878,898
Caldwell	50	45	$ 90,769	$ 90,769
Catawba	15	12	$ 7,318	$ 7,318
Clay	0	0	$ -00	$ -
Cleveland	765	626	$ 640,611	$ 640,611
Gaston	552	525	$ 349,169	$ 349,169
Haywood	523	443	$ 749,627	$ 749,627
Henderson	416	337	$ 631,007	$ 632,607
Jackson	13	12	$ 9,714	$ 9,714
Lincoln	45	43	$ 36,670	$ 36,670
Macon	29	29	$ 30,350	$ 30,350
Madison	50	39	$ 64,197	$ 64,197
McDowell	493	391	$ 358,880	$ 358,880
Mitchell	167	137	$ 138,527	$ 138,527
Polk	55	49	$ 52,498	$ 52,498
Rutherford	1021	851	$ 950,490	$ 950,490
Transylvania	232	202	$ 295,994	$ 295,994
Watauga	7	5	$ 43,331	$ 43,331
Wilkes	198	182	$ 160,452	$ 16,452
Yancey	566	406	$ 287,224	$ 287,224
Total	**10,089**	**8,199**	**$ 9,000,000**	**$ 8,855,984**

6.8 Ongoing Repair and Reconstruction (Volunteer Organizations)

Responsible State Agency: Department of Public Safety

Purpose: Grants to volunteer organizations actively involved in actual and ongoing repair and reconstruction projects from Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	28,000,000.00	9,400,000.00	-	18,600,000.00

Activities: The Department of Public Safety Division of Emergency Management issued a notice of funding opportunity and received applications for this grant program. Awards were issued in August 2025, and 14 organizations accepted the awards for a total of $9.4 million. Those funds are obligated to the organizations and expended on a reimbursement basis. Organizations began work on their projects. SL 2025-26 appropriated an additional $18 million to this program.

6.9 Private Road and Bridge Repair

Responsible State Agency: Department of Public Safety

Purpose: For the repair and replacement of private roads, culverts, pipes, and bridges damaged or destroyed by Hurricane Helene. The department shall prioritize applications for the repair and replacement of private roads or bridges that provide the sole option for ingress and egress for (i) emergency services to a residential property that is occupied by the owner for more than six months of the calendar year, (ii) multiple residential homes, or (iii) recreation or commercial facilities. These funds may be used for program costs incurred for the engineering, design, and construction of private roads, culverts, pipes, and bridges, and funding to nonprofit organizations supporting bridge repairs. These funds may also be used to provide technical support and assistance for individuals and local governments to comply with no-rise certification requirements required by FEMA under the National Flood Insurance Program.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	175,000,000.00	41,000,000.00	12,258,163.57	121,741,836.43

Activities: As of September 30, 2025, approximately 6,500 interest forms were submitted through the state's Private Roads and Bridges program online interest portal. Review of these forms uncovered a significant number of duplicate forms, therefore, approximately 3,650 unique sites are in the program queue. Duplication occurred because residents served by the same damaged road or bridge all submitted interest forms.

All sites in the Private Roads and Bridges program have been assessed, and cost estimates have been completed for each individual site. The estimated cost for repair or replacement of all sites is $524.9 million. The overall cost estimate will adjust as more actual costs are available. Approximately half of the sites require private road repair, a quarter require private bridge repair/replacement, and another quarter require repair/replacement of privately owned pipes and culverts.

Construction and design of private bridges, roads, and small pipes is underway. Approximately 15 bridge sites are complete or under construction. Repairs began for private roads and small pipes. Memorandums of agreement have been signed with three non-profit organizations to reimburse work they are doing to repair and replace private roads and bridges. Design work is underway on 20 bridge sites deemed particularly complex.

SL 2025-26 appropriates $25 million for reimbursement of private roads and bridges repaired by western North Carolina property owners. A reimbursement portal opened on September 1, 2025. As of September 30, 2025, the program received 225 submissions totaling requests for nearly $16 million. The department recently began processing reimbursements.

7. Human Services

7.1 Child Welfare Essential Services

Responsible State Agency: Department of Health and Human Services

Purpose: This program distributes funds to county departments of social services in the impacted counties to provide essential services and support to children involved in the child welfare system who were impacted by Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	3,000,000.00	300,000.00	2,700,000.00	-

County	Child Welfare Allocation
Alexander	$33,525
Alleghany	$18,051
Ashe	$92,266
Avery	$63,757
Buncombe	$769,011
Burke	$132,323
Caldwell	$111,245
Catawba	$65,085
Clay	$13,220
Cleveland	$70,525
Gaston	$57,085
Haywood	$193,427
Henderson	$174,422
Jackson	$23,271
Lincoln	$23,746
Macon	$19,475
Madison	$26,133
McDowell	$78,095
Mitchell	$62,763
Polk	$147,017
Rutherford	$252,627
Transylvania	$65,139
Watauga	$42,017
Wilkes	$39,576
Yancey	$59,199
Other*	$367,000
Total	**$3,000,000**

*State allocated to support the other 75 counties with clients placed in one of the 25 impacted counties.

Activities: The department distributed nearly all funding to county departments of social services but held $300,000 in reserve for counties outside of the declared disaster area that may be impacted if they had children placed with families in one of the affected counties.

A total of 25 counties have access to funds, and 15 of those 25 counties expended allocated funds. So far, 2,002 households have been served by the program.

These funds have been used to provide funding to replace essential items that children and families receiving child welfare services lost during the disaster and to provide support for children and impacted families that reduces the risk of maltreatment and prevents entry into foster care. FEMA, insurance, and other funds (such as community donations) assisted families early on, but more needs materialize as these resources are exhausted.

7.2 Essential Services for Vulnerable Adults

Responsible State Agency: Department of Health and Human Services

Purpose: Supports individuals receiving adult protective services or guardianship services, helping vulnerable adults remain in their communities following the impact of Hurricane Helene, reducing institutionalization, and ensuring their essential needs are met.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	1,400,000.00	140,000.00	1,260,000.00	-

Activities: The department distributed nearly all funding to county departments of social services. The remaining $140,000 that was not distributed provides a reserve for the 75 counties outside of the declared disaster zone that had individuals in guardianship in the 25 affected counties.

As of September 30, 2025, 1,006 households have been served by the funds. All funds are expected to be expended by January 2026.

County	Adult Services Allocation
Alexander	$14,503
Alleghany	$4,825
Ashe	$90,086
Avery	$16,545
Buncombe	$233,618
Burke	$151,441
Caldwell	$41,806
Catawba	$79,272
Clay	$6,573
Cleveland	$61,202
Gaston	$26,656
Haywood	$63,812
Henderson	$174,625
Jackson	$8,951
Lincoln	$9,650
Macon	$6,734
Madison	$18,270
McDowell	$65,994
Mitchell	$34,724
Polk	$111,269
Rutherford	$28,356
Transylvania	$65,542
Watauga	$9,724
Wilkes	$7,370
Yancey	$65,452
Other*	$3,000
Total	**$1,400,000**

*State allocated to support the other 75 counties with clients placed in one of the 25 impacted counties.

7.3 Line of Duty Death Benefits

Responsible State Agency: Department of State Treasurer

Purpose: Allocates funds to the Department of State Treasurer to pay line of duty death benefits to the dependents of public safety employees in counties with a Helene federal disaster declaration.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	500,000.00	-	200,000.00	300,000.00

Activities: These funds are administered by the State Treasurer in accordance with guidance from the Industrial Commission. Of the $500,000 appropriated for line of duty death benefits in Helene-affected counties, $200,000 has been expended for two awards.

8. Infrastructure

8.1 Clean Water and Drinking Water State Revolving Funds

Federal Agency: Environmental Protection Agency

Responsible State Agency: Department of Environmental Quality

Purpose: The Clean Water and Drinking Water State Revolving Funds offer low-interest loans to state and local governments for a variety of water quality projects.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
685,613,000.00	-	-	86,156,948.00	-	-	599,456,052.00

Activities: In September 2025, the State Water Infrastructure Authority approved the first loans for eligible drinking water and wastewater systems in Helene-impacted communities. Eight loans totaling $60,381,748 were approved for drinking water system repairs, and six loans totaling $25,775,200 were approved for wastewater system repairs. Applications will continue to be accepted on a rolling basis and awarded in future State Water Infrastructure Authority meetings.

8.2 DACS Facility Repairs

Responsible State Agency: Department of Agriculture and Consumer Services

Purpose: Funding for Department of Agriculture and Consumer Services facility repairs in the Helene-affected area.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	210,000.00	-	152,600.00	57,400.00

Activities: SL 2024-57 allowed the Department of Agriculture and Consumer Services to consolidate and reallocate existing capital project funds up to $210,000. The department repurposed $152,600 for facility repairs.

8.3 Dam Safety Grants

Responsible State Agency: Department of Environmental Quality

Purpose: The Dam Safety Grant Fund will issue grants to eligible dam owners for the purpose of dam repair, modification, or removal if the dam was damaged by a natural disaster. The Department will prioritize grants that serve as the state match to FEMA High-Hazard-Potential Dams eligible projects.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	10,000,000.00	-	-	10,000,000.00

Activities: The Department of Environmental Quality (DEQ) opened applications for the Dam Safety Grant Fund on October 13, 2025. During the pre-application period, DEQ assessed that approximately 40 dams in western North Carolina are likely eligible applicants. The application submission deadline will be December 12, 2025. The anticipated announcement of funding selection is March 2, 2026. The announcement date may be extended based on the number of complete and/or incomplete applications received.

8.4 Emergency Loans for Water/Wastewater Infrastructure Repair

Responsible State Agency: Department of Environmental Quality
Purpose: The General Assembly appropriated $100 million to provide emergency bridge loans to local government units in counties with a federal disaster declaration for water and wastewater infrastructure repairs.
Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
26,118,421.36	75,000,000.00	44,176,872.43	30,823,127.57	-

Activities: SL 2025-26 reallocated $25 million from this program for other use. The department awarded loans totaling $75 million to approximately 20 local governments in western North Carolina. Local governments have individual control of when to begin drawing down loans. The department anticipates more requests for more emergency loans for water/wastewater infrastructure, as well as requests from awardees to expand their loan amounts. SL 2025-26 also adjusted the loan terms to make them more favorable for local governments. The maximum loan amount is $3 million.

8.5 Underground Storage Tank (UST) Repair

Responsible State Agency: Department of Environmental Quality

Purpose: To provide emergency bridge loans to owners and operators of commercial underground storage tanks for testing and repair of that infrastructure in counties with a federal disaster declaration due to Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
7,546.89	2,000,000.00	681,637.00	554,136.35	764,226.65

Activities: SL 2025-26 reallocated $20 million from this program for other uses. The Department of Environmental Quality awarded loans to all eligible applications. The department distributed notice letters to potential loan recipients, visited 35 sites in western North Carolina to meet with owners and operators, and reached out to inform more than 3,800 facilities about the loan program.

8.6 Federal Highway Administration Emergency Relief Program

Federal Agency: Federal Highway Administration
Responsible State Agency: Department of Transportation

Purpose: Reimburse the state for costs associated with damage to roads and bridges in the National Highway System. North Carolina received $1.9 billion in authorization for reimbursement from the Emergency Relief program.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
1,900,000,000.00	177,800,000.00	1,722,200,000.00	-	-	177,800,000.00	1,722,200,000.00

Activities: The Emergency Relief program provides spending authority from which the Department of Transportation may seek reimbursement. As of September 30, 2025, the Federal Highway Administration reimbursed $177,800,000.

8.7 Transportation Infrastructure Repair, Matching, and Cash Flow Funds

Responsible State Agency: Department of Transportation

Purpose: The General Assembly authorized the Department of Transportation to use approximately $423 million of previously appropriated state funds for transportation infrastructure repair and reconstruction, matching federal spending, and aiding with the Department's cash flow.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	423,000,000.00	-	-	423,000,000.00

Activities: As of September 30, 2025, the department had not yet utilized the $423 million made available by the General Assembly, but it had spent $1.09 billion of other existing operational funds on Hurricane Helene recovery. As of September 30, 2025, the department estimates $4.9 billion in total transportation costs for Hurricane Helene recovery.

8.8 Railroad Repair Funds

Responsible State Agency: Department of Transportation

Purpose: Temporarily reclaims NC Railroad Dividend to be deposited in the Highway Trust Fund. Dividend represents 25 percent of the company's prior year income. In FY 26, appropriations of this dividend are as follows: $2 million to Blue Ridge Southern Railroad; $2 million to Great Smoky Mountains Railroad; and $600,000 to the Department of Transportation

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	4,000,000.00	-	-	4,000,000.00

Activities: The Department of Transportation expects the requisite NC Railroad Dividend to be deposited in the Highway Trust Fund sometime in early 2026.

8.9 Aerial Asset Accessibility Grant Program

Responsible State Agency: Department of Public Safety

Purpose: This funding provides grants for airports damaged by Hurricane Helene. The maximum grant is $5 million per eligible recipient.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	25,000,000.00	-	-	25,000,000.00

Activities: The department intends to fill a newly created, state-funded Long-Term Recovery Coordinator position, which will administer this program and other state-funded grant programs.

8.10 Floodplain Mapping

Responsible State Agency: Department of Public Safety

Purpose: Funds for floodplain mapping in counties with a federal disaster declaration due to Hurricane Helene. The funds will be used to revise existing floodplain maps according to new data and imagery that will capture changes in the region such as new high-water marks.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	5,000,000.00	5,000,000.00	-	-

Activities: The department will develop new models, incorporating new post-event LIDAR data along with high-resolution rainfall, stream gauge, and storm damage data, to identify areas for future updates to flood zones for the National Flood Insurance Program (NFIP) regulatory digital flood insurance rate maps, in coordination with affected local communities. The new flood hazard data will also support building-level risk assessments and the evaluation of mitigation strategies, aiding local rebuilding efforts. Updated modeling will focus on watersheds that received the heaviest rainfall and where significant channel migration occurred.

After this appropriation was made, the department received funding from FEMA to support this project. Therefore, the department used the state funding for post-processing of LIDAR mapping scans, which provide critical input for updating the state's floodplain mapping, understanding shifts that occurred due to Helene, and evaluating how flood risks evolved as a result. LIDAR map processing occurs in two stages. The first stage – which is a 2D base level elevation map –

became available to counties in 2025 as completed. The second stage, which requires FEMA input and approval, will take longer to complete.

8.11 Debris and Sediment Removal (OSBM)

Responsible State Agency: Office of State Budget and Management

Purpose: Funding for state agencies and units of local government for debris and sedimentation removal unmet needs.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	20,000,000.00	-	12,500,000.00	7,500,000.00

Activities: The Office of State Budget and Management (OSBM) distributed funds to NC Department of Environmental Quality (DEQ), NC Department of Natural and Cultural Resources (DNCR), and NC Department of Public Safety (DPS) for debris removal unmet needs.

DEQ allocated funds to:

- MountainTrue, a nonprofit organization, to conduct waterway debris removal of smaller streams and tributaries across western North Carolina;
- Haywood Waterways Association, a nonprofit organization, to support clean-up and restoration efforts in the Pigeon River Watershed; and
- Southwestern NC Resource Conservation and Development Council to pilot the use of mobile equipment that converts downed trees into biochar, a soil-enhancing carbon product that may benefit farmland damaged by Helene. This project will help remove hazardous woody debris, lower wildfire risks, and improve soil health.

DNCR uses funding to pay for debris removal operations on state parks in western North Carolina that were denied FEMA Public Assistance Category A (debris removal) funding.

DPS is working with FEMA to gain a better understanding of which debris removal operations will not be covered by federal reimbursement through FEMA before deciding how to use these funds.

8.12 Parks and Recreation Trust Fund

Responsible State Agency: Department of Natural and Cultural Resources

Purpose: Funds can be used for the State Parks System or state recreational forests.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	7,962,500.00	-	-	7,962,500.00

Activities: The Department of Natural and Cultural Resources will use this portion of funding in the Parks and Recreation Trust Fund for capital projects, for repair and renovation of park facilities damaged by Hurricane Helene, and for land acquisition. This funding will be for projects that are not eligible for FEMA reimbursement.

8.13 Hurricane Helene Growing Rural Economies with Access to Technology (GREAT) Program

Responsible State Agency: Department of Information Technology

Purpose: To award grants to eligible entities to purchase installation materials for satellite internet service. Installation materials and internet service must be for the grantee's own use and not for distribution to other parties. No portion of funds granted under this section shall be used for internet service subscriptions.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	20,000,000.00	-	-	20,000,000.00

Activities: The Department of Information Technology will prioritize grant applicants that operate in one of the 39 counties designated as a disaster area due to Hurricane Helene and may also prioritize applicants that offer emergency services, disaster relief, educational services, or economic development.

8.14 Broadband Recovery Program

Responsible State Agency: Department of Information Technology

Purpose: To provide grants to help internet service providers rebuild and repair broadband infrastructure destroyed by Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	50,000,000.00	-	-	50,000,000.00

Activities: The Department published an application for this program, and impacted internet service providers are encouraged to apply for funding. The Broadband Recovery Program prioritizes funding for the restoration of broadband service. Applications for the Broadband Recovery Program are due on November 24, 2025.

9. Local Capacity for Recovery

9.1 Technical Assistance for Assessments and Design

Responsible State Agency: Department of Environmental Quality

Purpose: Allocates funds to provide technical assistance to local government units in counties with a federal disaster declaration for assessment and design of water and wastewater infrastructure repair, including the feasibility of regionalization.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
95,994.30	7,000,000.00	6,197,438.38	802,561.62	-

Activities: The Department of Environmental Quality provided 19 technical assistance grants to local governments for preliminary engineering as part of their emergency bridge loans, which could also apply to preparation for the U.S. Environmental Protection Agency State Revolving Fund allocation for repair of water infrastructure. Another 14 technical assistance grants have been obligated to local governments to assess and/or design interconnections for resiliency with other local government partners.

9.2 State and Local Government Unmet Needs

Responsible State Agency: Department of Public Safety

Purpose: Funding for state agencies and units of local government in counties with a federal disaster declaration due to Hurricane Helene for unmet needs not covered by insurance or available federal aid.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	50,000,000.00	-	34,636,849.35	15,363,150.65

Activities: The Department of Public Safety uses these funds to pay costs associated with Hurricane Helene recovery that are not covered by the federal government.

The department transferred $26 million to the Office of State Budget and Management (OSBM) to administer grants designed to address unmet needs for small business support and housing repairs. OSBM administered a grant for $20 million to expand the Western North Carolina Small

Business Initiative and leverage additional philanthropic investment of $10 million from the Dogwood Health Trust and $5 million from the Duke Endowment. These funds expanded the small business grant program, which provided a total of $55 million in grants to 2,182 businesses.

OSBM administered grants to Baptists on Mission and Habitat for Humanity for $3 million each ($6 million total). These grants were designed to meet immediate housing needs while the state completed the extensive requirements to create the federally funded housing repair and reconstruction program in the Department of Commerce and launch its operations. Baptists on Mission expended funds solely for rehabilitation projects and immediate needs. The organization spent a maximum of $30,000 per home on repairs. As of September 30, 2025, Baptists on Mission repaired 450 homes with these funds. Habitat for Humanity will use the funding to provide permanent repairs for 160 homes, construction of six new homes, and temporary housing for 12 households for up to six months. Habitat for Humanity completed 26 projects as of September 30, 2025.

9.3 Elections

Responsible State Agency: State Board of Elections

Purpose: Allocates funds to the State Board of Elections for items such as technology and internet connectivity, printing and communications, temporary staff, and mobile voting units and related supplies and equipment.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
27,806.87	2,750,000.00	-	550,816.58	2,199,183.42

Activities: These funds were allocated specifically to conduct the November 2024 elections.

From the $5 million previously appropriated for the 2024 election in the affected area, $2.25 million was reappropriated for other uses in SL 2025-26. The General Assembly also authorized the State Board of Elections to spend the remaining $2,226,990 for conducting future elections in the impacted area.

9.4 Governor's Recovery Office for Western NC Funding

Responsible State Agency: Office of the Governor

Purpose: These funds will serve as operating costs for the Governor's Recovery Office for Western North Carolina and help fund initiatives beyond staffing and operations, like technical assistance efforts and long-term economic recovery planning.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
525,665.85	10,000,000.00	176,653.65	525,665.85	9,297,680.50

Activities: The Governor's Recovery Office for Western North Carolina facilitates coordination among state agencies working on the recovery, reports on the status of the recovery to the Governor and the General Assembly and assists local governments, non-profit organizations, and residents in western North Carolina with efforts to recover from Hurricane Helene. As of September 30, 2025, the Recovery Office employed 15 staff.

9.5 Hurricane Helene Local Government Capital Grant Program

Responsible State Agency: Office of State Budget and Management

Purpose: $50 million made available to local governments and federally recognized tribes in western North Carolina for capital grants to repair, renovate, or replace infrastructure damaged by Hurricane Helene; $20 million was made available specifically for Madison County.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	70,000,000.00	-	-	70,000,000.00

Activities: The Office of State Budget and Management (OSBM) opened applications for the Helene Local Government Capital Grant program in September 2025. Local government units or federally recognized tribes denied FEMA Public Assistance funding may apply for a grant. Capital grants are intended to repair, renovate, or replace infrastructure damaged by Hurricane Helene. The deadline to apply for the program is November 21, 2025.

9.6 Technical Assistance for Local Governments

Responsible State Agency: Office of State Budget and Management

Purpose: Provide technical assistance with local recovery funds, including applying for federal financial aid, planning and permitting assistance, and building capacity for building and trade inspectors. Counties with a population of less than 250,000 will be given priority for these grants.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	13,500,000.00	-	13,500,000.00	-

Activities: The Office of State Budget and Management (OSBM) disbursed all funds equally among the North Carolina Association of Regional Councils of Governments, the North Carolina Association of County Commissioners, and the North Carolina League of Municipalities. The organizations are using this funding to provide technical support to western North Carolina communities.

9.7 Grants to Fire Departments and Rescue Squads

Responsible State Agency: Office of the State Fire Marshal

Purpose: SL 2025-2 provided the initial appropriation of $10 million for the purpose of disbursing grants to small and volunteer fire departments to cover expenses incurred due to Hurricane Helene, to purchase equipment, or to make capital improvements to assist with readiness for future emergency response.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
21,107,405.70	28,000,000.00	-	21,107,405.70	6,892,594.30

Activities: The Office of the State Fire Marshal is in the process of awarding grants and disbursing payments as of September 30, 2025. The Office received grant requests totaling approximately $44 million, far exceeding the $10 million provided by the original SL 2025-2 appropriation. SL 2025-26 provides $18 million to fire departments and rescue squads to be used to repair or replace equipment and facilities damaged by Hurricane Helene and to enhance wildfire response and preparedness.

9.8 Local Government Cash Flow Loans

Responsible State Agency: Department of State Treasurer

Purpose: Allocates funds to the Department of State Treasurer to administer a cash flow loan program to support local governments. Loans are intended to serve as bridge loans until FEMA reimbursement is received.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
72,025,056.70	151,500,000.00	-	151,500,000.00	-

Activities: The Office of the State Treasurer expended all funds appropriated for this program in both SL 2024-53 and SL 2025-26. A total of $148,529,411.77 was wired across three rounds of funding through 109 loans to local governments. Remaining funding was used to cover administrative expenses.

As of September 30, 2025, $126,238.03 has been repaid by local governments.

Round 1

County	Local Government Unit	Loan Amount	Wire Date
Ashe County	Ashe County	$ 468,678	4/3/2025
Ashe County	Lansing	$ 207,673	5/2/2025
Avery County	Avery County	$ 1,973,034	5/8/2025
Avery County	Banner Elk	$ 769,419	3/26/2025
Avery County	Sugar Mountain	$ 428,865	3/13/2025
Avery County	Crossnore	$ 266,444	4/10/2025
Avery County	Elk Park	$ 178,731	4/3/2025
Avery County	Newland	$ 166,206	3/7/2025
Buncombe County	Buncombe County	$ 8,449,310	3/7/2025
Buncombe County	Asheville	$ 2,791,793	3/27/2025
Buncombe County	Biltmore Forest	$ 1,028,198	4/10/2025
Buncombe County	Black Mountain	$ 705,703	3/12/2025
Buncombe County	Woodfin	$ 664,984	3/13/2025
Buncombe County	Montreat	$ 120,716	5/13/2025
Burke County	Morganton	$ 5,460,967	6/5/2025
Caldwell County	Caldwell County	$ 1,146,530	7/17/2025
Cleveland County	Cleveland County	$ 1,162,090	7/10/2025
Cleveland County	Boiling Springs	$ 149,625	6/6/2025
Haywood County	Canton	$ 1,958,746	6/18/2025
Haywood County	Waynesville	$ 503,483	6/13/2025
Haywood County	Clyde	$ 126,238	2/24/2025
Haywood County	Maggie Valley	$ 23,440	3/18/2025
Henderson County	Henderson County	$ 4,197,973	5/15/2025
Henderson County	Laurel Park	$ 1,512,214	3/11/2025
Henderson County	Hendersonville	$ 1,172,005	3/19/2025
Henderson County	Mills River	$ 133,954	4/1/2025
Jackson County	Sylva	$ 203,929	4/1/2025
Madison County	Madison County	$ 1,601,939	2/28/2025
Madison County	Marshall	$ 1,040,338	6/2/2025
McDowell County	Old Fort	$ 573,328	3/20/2025
McDowell County	McDowell County	$ 217,051	3/21/2025
Mitchell County	Mitchell County	$ 2,887,431	3/18/2025
Mitchell County	Spruce Pine	$ 2,831,869	4/1/2025
Mitchell County	Bakersville	$ 76,766	3/7/2025
Polk County	Polk County	$ 1,654,939	4/4/2025
Polk County	Tryon	$ 164,467	5/28/2025
Polk County	Saluda	$ 150,546	3/20/2025
Rutherford County	Lake Lure	$ 3,423,123	3/20/2025
Rutherford County	Rutherford County	$ 1,836,666	4/29/2025
Rutherford County	Spindale	$ 160,985	5/1/2025
Surry County	Dobson	$ 48,053	4/2/2025
Watauga County	Beech Mountain	$ 3,825,337	3/3/2025
Watauga County	Watauga County	$ 895,478	4/8/2025
Watauga County	Seven Devils	$ 112,986	6/13/2025
Wilkes County	Wilkesboro	$ 227,252	4/16/2025
Yancey County	Yancey County	$ 3,680,783	4/16/2025
Yancey County	Burnsville	$ 2,171,711	3/10/2025
Total		**$ 63,551,998**	

Round 2

County	Local Government Unit	Loan Amount	Wire Date
Ashe County	Ashe County	$ 309,259	8/15/2025
Avery County	Avery County	$ 1,301,914	7/11/2025
Avery County	Sugar Mountain	$ 282,988	6/20/2025
Buncombe County	Buncombe County	$ 5,575,310	6/24/2025
Buncombe County	Asheville	$ 1,842,175	7/2/2025
Buncombe County	Biltmore Forest	$ 678,460	7/2/2025
Buncombe County	Black Mountain	$ 465,661	7/2/2025
Buncombe County	Woodfin	$ 438,792	6/20/2025
Buncombe County	Montreat	$ 79,655	8/1/2025
Cleveland County	Cleveland County	$ 766,810	7/10/2025
Haywood County	Waynesville	$ 332,225	8/1/2025
Haywood County	Maggie Valley	$ 216,710	7/10/2025
Henderson County	Henderson County	$ 2,770,048	7/2/2025
Henderson County	Laurel Park	$ 997,840	7/18/2025
Henderson County	Mills River	$ 88,390	7/2/2025
Madison County	Madison County	$ 1,057,046	7/29/2025
Madison County	Marshall	$ 686,471	7/3/2025
Madison County	Hot Springs	$ 94,506	8/7/2025
McDowell County	Old Fort	$ 378,313	8/1/2025
Mitchell County	Mitchell County	$ 1,905,283	6/20/2025
Mitchell County	Spruce Pine	$ 1,868,620	7/2/2025
Polk County	Polk County	$ 1,092,018	7/2/2025
Polk County	Tryon	$ 108,524	6/26/2025
Polk County	Saluda	$ 99,338	7/29/2025
Rutherford County	Lake Lure	$ 2,258,761	7/23/2025
Rutherford County	Rutherford County	$ 1,211,931	7/29/2025
Rutherford County	Spindale	$ 106,227	6/18/2025
Watauga County	Beech Mountain	$ 2,524,163	7/10/2025
Watauga County	Watauga County	$ 590,884	7/3/2025
Yancey County	Yancey County	$ 2,428,779	6/24/2025
Yancey County	Burnsville	$ 1,433,012	7/2/2025
Total		**$ 33,990,111**	

Round 3

County	Local Government Unit	Loan Amount	Wire Date
Ashe County	Ashe County	$ 485,631	10/14/2025
Avery County	Avery County	$ 1,227,536	9/25/2025
Avery County	Banner Elk	$ 578,609	9/17/2025
Avery County	Sugar Mountain	$ 263,135	9/19/2025
Avery County	Elk Park	$ 67,633	9/4/2025
Buncombe County	Buncombe County	$ 5,418,434	9/11/2025
Buncombe County	Asheville	$ 12,218,317	9/16/2025
Buncombe County	Biltmore Forest	$ 657,303	9/17/2025
Buncombe County	Black Mountain	$ 1,233,911	9/22/2025
Buncombe County	Woodfin	$ 400,072	9/18/2025
Buncombe County	Montreat	$ 65,472	9/17/2025
Cleveland County	Cleveland County	$ 507,228	9/22/2025
Haywood County	Waynesville	$ 298,672	9/10/2025
Haywood County	Haywood County	$ 998,885	9/5/2025
Haywood County	Maggie Valley	$ 231,051	9/4/2025
Henderson County	Henderson County	$ 5,276,144	9/4/2025
Henderson County	Laurel Park	$ 676,827	9/19/2025
Madison County	Madison County	$ 902,849	9/26/2025
Madison County	Marshall	$ 523,951	10/1/2025
Mitchell County	Mitchell County	$ 2,706,171	9/4/2025
Mitchell County	Spruce Pine	$ 3,364,027	10/7/2025
Polk County	Polk County	$ 911,230	9/19/2025
Polk County	Tryon	$ 107,514	9/8/2025
Rutherford County	Lake Lure	$ 2,328,479	8/27/2025
Rutherford County	Rutherford County	$ 1,557,449	9/16/2025
Rutherford County	Spindale	$ 52,345	9/22/2025
Watauga County	Beech Mountain	$ 1,499,749	9/11/2025
Watauga County	Watauga County	$ 3,268,633	9/4/2025
Watauga County	Seven Devils	$ 41,466	10/1/2025
Yancey County	Yancey County	$ 1,920,977	8/27/2025
Yancey County	Burnsville	$ 1,197,600	9/9/2025
Total		**$ 50,987,303**	

9.9 Town of Canton Wastewater Treatment

Responsible State Agency: Office of State Budget and Management

Purpose: Funds for acquisition of the former Pactiv wastewater treatment facility and other related properties for the purpose of constructing a new regional wastewater treatment facility and other related infrastructure outside of the floodplain for disaster mitigation and recovery.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
16,000,000.00	16,000,000.00	-	16,000,000.00	-

Activities: Funds have been transferred to the Town of Canton. The town will use this funding to acquire the current wastewater treatment plant and additional property.

10. Match Funds

10.1 State Parks and Local Government Match Funds

Responsible State Agency: Department of Natural and Cultural Resources

Purpose: Funds available to units of local government as matching funds.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	4,287,500.00	-	-	4,287,500.00

Activities: The Helene Recovery Fund through the Parks and Recreation Trust Fund provides dollar-for-dollar matching grants to local governments for the acquisition and/or development of park and recreational projects to serve the public. The Division of Parks and Recreation announced the availability of grant funding on October 1, 2025, and the deadline for applications is January 30, 2026. Grant recipients will be announced on March 27, 2026.

10.2 State Matching Funds

Responsible State Agency: Department of Public Safety

Purpose: Session Laws 2024-51 and 2024-53 provided a total of $395 million for state match required for federal disaster assistance programs for state and local governments.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	395,000,000.00	-	70,504,180.86	324,495,819.14

Activities: These funds are expended when the federal government requires a state match for certain recovery services, such as debris removal. Therefore, funds will not be expended immediately but over time as the federal government sends money to the state for eligible work. The rate of spend from this fund has increased since April 2025, when FEMA denied the state's request to extend the 100% federal cost share for Helene expenses. Recently, the state received a "lock-in" amount of $1.543 billion in funding for FEMA's Hazard Mitigation Grant Program (HMGP). This program requires a 25% state cost share, which equates to $513 million.

10.3 Disaster Supplemental Nutrition Assistance Program Match Funds

Responsible State Agency: Department of Health and Human Services

Purpose: Funds to assist the Department of Health and Human Services and county departments of social services in matching federal funds for the administrative expenses incurred in operating D-SNAP, a federal program to provide food assistance to low-income households with food loss or damages caused by Hurricane Helene.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
-	6,000,000.00	-	3,771,792.61	2,228,207.39

Activities: A total of $7,543,585.22 was spent on D-SNAP – 50 percent state and 50 percent federal. The funds served 72,703 households with food support following Hurricane Helene. There will be no further updates to this program or expenditures made.

11. Natural Resources

11.1 Soil and Water Conservation Technical Assistance

Responsible State Agency: Department of Agriculture and Consumer Services

Purpose: Funds to provide technical support to soil and water conservation districts in the affected area, including the creation of time-limited positions.

Expenditures:

FY 26 Q1 Expenditures	State Funds Net Appropriation	Obligations as of Sep. 2025	Cumulative Expenditures	Balance
9,255.66	2,000,000.00	-	37,797.66	1,962,202.34

Activities: The NC Department of Agriculture and Consumer Services established two time-limited positions in the Division of Soil and Water Conservation. Funding will also support seven additional positions to be contracted through local soil and water conservation districts. These contracts took effect July 1, 2025, and run through June 30, 2028.

11.2 Resource Conservation and Recovery Act Funds

Federal Agency: Environmental Protection Agency (EPA)

Responsible State Agency: Department of Environmental Quality and the Department of Agriculture and Consumer Services

Purpose: The North Carolina Department of Environmental Quality received supplemental federal funding from EPA to support hazardous waste, recycling and solid waste management recovery in the aftermath of Hurricane Helene.

Expenditures:

Federal Funds Approved or Awarded	Federal Funds Disbursed	Federal Funds Not Yet Disbursed	Obligations as of Sep. 2025	FY 26 Q1 Expenditures	Cumulative Expenditures	Balance
61,006,486.00	-	61,006,486.00	-	-	-	-

Activities: This funding, called the North Carolina Hurricane Helene Supplemental Appropriation for Hazardous Waste and Solid Waste Management Financial Assistance Grants, will provide critical support for disaster response, emergency preparedness and long-term resiliency. Funding will be distributed across several divisions and programs and will be used to support both immediate response efforts and long-term resiliency projects, including:

Grant Programs	Funding	Description
Recycling Infrastructure	$26,355,456	Grants to local governments to replace or improve recycling infrastructure damaged by the storm, build resilient convenience centers and transfer stations and coordinate recycling/HHW workshops.
Debris Recovery & Disposal	$20,394,893	Direct funding for local governments and nonprofits to manage disaster debris, storage, reduction, disposal and non-hazardous waste collection.
Brownfields Redevelopment	$5,025,931	Identification, assessment, and remediation of contaminated sites as well as community planning efforts for areas that were previously in productive use.
Emergency Response and Cleanup	$2,351,705	Environmental contracts to remove orphaned containers, contaminated soil and other hazardous materials caused by Hurricane Helene.
Hazardous Waste Preparedness	$1,147,393	Groundwater sampling at impacted sites and field response for storm-related emergencies. This funding source will be utilized for internal projects only.
Waste Management Workshops & Grant Support	$1,381,669	Administer grant, develop resources, and provide resilient solid waste, recycling and household hazardous waste infrastructure workshops for local government solid waste and recycling managers. This funding source will be utilized for internal projects only.
Department of Agriculture and Consumer Services	$4,349,438, subaward	Collection events and disposal programs for unusable pesticides, including mini-bulk containers at farm and dealer sites, with education and training components for long-term safety.

Appendix – Other Federal Funds

Other Federal Funding as of September 30, 2025

This table shows federal funds disbursed to North Carolina recipients that are not a state agency of North Carolina (e.g., individuals, small business owners, local governments, etc.).

Individual and Business Assistance

		Disbursed
FEMA Individual Assistance	Housing Assistance	$251,817,602
	Other Needs Assistance	$268,610,325
	Private Roads and Bridges	$27,761,501
Small Business Administration	Economic Injury Disaster Loans (EIDL)	$52,147,100
	Physical Damage Loans	$195,527,000
	Home and Personal Property Disaster Loan Program	$161,545,100
Unemployment Insurance	Department of Labor	$ 57,736,471
	FEMA Disaster Unemployment Assistance	$38,716,145
U.S. Dept. of Health and Human Services	Emergency Prescription Assistance Program (EPAP)	$2,434,611

Assistance to State Agencies, Local Governments, and Nonprofits

		Obligated Costs[2]
FEMA Public Assistance	(A): Debris Removal	$105,873,243.29
	(B): Emergency Protective Measures	$292,772,633.34
	(C): Roads and Bridges	$274,999,578.80
	(D): Water Control Facilities	$916,169.04

[2] *Source FEMA Portal as of September 30, 2025. Reflects approved projects by FEMA. Once a project becomes obligated funds become available for recipient(s) to draw down.*

	(E): Buildings and Equipment	$22,798,771.67
	(F): Utilities	$36,127,215.29
	(G): Parks, Recreational Facilities, and Other Items	$19,592,120.72
	(Z): Management Costs	$30,920,758.85
FEMA Hazard Mitigation	Management Costs	$16,366,733.00
U.S. Dept. of Education	School Emergency Response to Violence (SERV)	$7,350,907

GOVERNOR'S RECOVERY OFFICE FOR WESTERN NORTH CAROLINA

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