

Report to the President:
What's Needed to Advance Hurricane Helene Recovery
in Western North Carolina

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Aboard Air Force One on January 24, 2025, the President of the United States commissioned a special task force to accelerate the recovery of Western North Carolina from Hurricane Helene. Michael Whatley was appointed the head of this task force, and added to it were Congressman Chuck Edwards (NC-11), Congresswoman Virginia Foxx (NC-5) and Congressman Tim Moore (NC-14).

Executive Summary

On September 27, 2024, Hurricane Helene ravaged Western North Carolina. Since then, Western North Carolina has struggled to recover and rebuild. Many of North Carolina's recovery challenges have been a result of traditional practices the federal government implements for an average storm experienced by coastal communities, that are not conducive for the mountainous terrain and that fail to meet the needs of the people of Western North Carolina.

In American history, only **eight** hurricanes have reached the \$50 billion damage threshold across the area of impact.¹ For Hurricane Helene, North Carolina has calculated *at least \$59.6 billion* in damage in North Carolina **alone**, not including the six other states of impact.

The sheer scope of damage in Western North Carolina differentiates the disaster from that of others, and warrants a reevaluation of the traditional approach to disaster recovery. No two disasters are the same, and disaster recovery cannot be a one size fits all approach. The following report lays out the top challenges impeding Western North Carolina's recovery from Hurricane Helene, and provides recommendations to cut red tape and resolve those challenges so the community can finally rebuild, displaced survivors can finally return home, and Western North Carolina can finally be one of America's favorite travel destinations again.

¹ NOAA National Centers for Environmental Information (NCEI) Costliest U.S. Tropical Cyclones (2025). <https://www.ncei.noaa.gov/access/billions/dcmi.pdf>.

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RECOMMENDATIONS FOR HELENE RECOVERY IN NORTH CAROLINA

1.1 Private Roads and Bridges

Action Requested

Executive Order: Direct OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Restoring Access to Mountain Homes Act* which permits the reimbursement of private road and bridge repairs under Section 428 of the Stafford Act.

The statement should urge Congress to send legislation to President Trump for signature into law within 60 days.

Background

Western North Carolina's mountainous terrain necessitates the use of private roads and bridges to access remote portions of the region that would otherwise be economically infeasible for the North Carolina Department of Transportation to pave and maintain. The North Carolina Office of State Budget and Management (NC OSBM) found that private roads make up nearly one half, fifty percent, of all roads in Western North Carolina.² Upkeep and repair of these private roads are typically the legal responsibility of the property owners along the road. The severity of damage from Hurricane Helene necessitates federal assistance for the repair and replacement of these roads.

The *Restoring Access to Mountain Homes Act* was included in the base language of H.R. 10545, the *American Relief Act*, but was later removed after controversy regarding the length of the bill.

Problem

Following Hurricane Helene, NC OSBM found that more than 7,000 private roads, bridges, and culverts were damaged or destroyed by the storm.³ There is a lack of available data on private road and bridge damage caused by past hurricanes; but, that lack of data, coupled with

² Gov. Roy Cooper, *Hurricane Helene Recovery*. (NC: NC OSBM, 2024)
<https://www.osbm.nc.gov/hurricane-helene-dna/open>

³ Ibid.

statements from veteran FEMA officials sharing that Hurricane Helene in Western North Carolina caused the most private road and bridge damage of any disaster they'd ever seen, indicates that even though Western North Carolina is probably not the only state to deal with damage to private roads and bridges, the scale of damage in Western North Carolina far exceeds previous disasters and thereby warrants the need for additional support.

Generally, FEMA's Public Assistance program is not available for repairs to privately owned roads and bridges that were damaged in a disaster; however, Category C of Public Assistance is available in limited situations for **temporary** repairs to re-establish minimal emergency access to private roads and bridges that place survivors back in their homes.⁴ The temporary repairs are only eligible up to the basic level of work that allows emergency vehicles to reach the residence.

Permanent repairs, which have been estimated at over \$100,000 for many of the region's damaged and destroyed bridges, continue to be the responsibility of the individual homeowners who are each limited to recovering a maximum of \$42,500.00 in FEMA Other Needs Assistance through the Individual Assistance program.⁵

It is important to note that most homeowners do not receive the maximum award. In January 2025, an internal request to FEMA for additional information revealed that 434 out of 275,861 total applicants had received the maximum Individual Assistance award since Hurricane Helene hit. One homeowner in Avery County, North Carolina received a quote of \$100,000 for him and his four neighbors to replace their bridge that was destroyed in Hurricane Helene. The homeowners have not been able to access their property by anything other than ATV since September 2024. To replace the \$100,000 bridge, FEMA awarded the homeowner \$3,000. In its current form: FEMA Individual Assistance is not enough to cover the extensive damage caused by Hurricane Helene.

The people of Western North Carolina are hardworking, middle class Americans of modest means. The North Carolina Department of Commerce estimates the average income in the disaster area ranges from \$35,809 to \$55,607 depending on the county.⁶ FEMA's Individual

⁴ "Homeowner Assistance Available to Repair Private Roads and Bridges." FEMA.gov, November 16, 2024. <https://www.fema.gov/fact-sheet/homeowner-assistance-available-repair-private-roads-and-bridges>.

⁵ "Help for Survivors with Insurance." FEMA.gov, March 2024. <https://www.fema.gov/fact-sheet/help-survivors-insurance>.

⁶ "Average Private Sector Wages." Commerce.nc.gov, 2025. <https://www.commerce.nc.gov/north-carolina-county-average-wages/open>

Assistance program, while positive, is insufficient to address the needs of the community. Western North Carolina's infrastructure will never get rebuilt if the government does not step in to assist.

Justification

Issue an Executive Order directing OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Restoring Access to Mountain Homes Act* which permits the reimbursement of private road and bridge repairs under Section 428 of the Stafford Act. The statement should urge Congress to send legislation to President Trump for signature into law within 60 days.

The *Restoring Access to Mountain Homes Act* will make repair and replacement of private roads and bridges damaged by Hurricane Helene reimbursable through FEMA's Public Assistance program under Section 428 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.⁷ This would alleviate responsibility for road repairs from the individual homeowners and allow the North Carolina Department of Transportation and local municipalities, both of which have repeatedly shown and articulated a willingness to rebuild Western North Carolina's entire transportation network, regardless of road ownership, to be reimbursed by FEMA for repairs to private roads and bridges that were damaged by Hurricane Helene.

Passage of the *Restoring Access to Mountain Homes Act* is critical to adapting disaster assistance to meet Western North Carolina's unique needs and cutting through red tape to finally allow the full region to rebuild. Without federal assistance for private road and bridge repairs, Western North Carolina communities are at risk of ghostland properties that were once inhabited, but have since been deserted because families decide it is economically more feasible to relocate than to spend tens, if not hundreds, of thousands of dollars rebuilding their private road or bridge.

⁷ Congress.gov. "H.R.760 - 119th Congress (2025-2026): Restoring Access to Mountain Homes Act." January 29, 2025. <https://www.congress.gov/bill/119th-congress/house-bill/760>.

1.2 CDBG-DR Action Plan Approvals

Action Requested

Executive Order: Direct the Secretary of Housing and Urban Development to automatically approve the State of North Carolina and City of Asheville’s CDBG-DR action plans on June 30, 2025, if the Agency has not approved the action plans by that date.

Background

In December of 2024, Congress passed H.R. 10545, the *American Relief Act*, providing \$110 billion in disaster assistance for relief efforts across the country, including in North Carolina.⁸ Within the *American Relief Act* was \$12,070,701,000 in Community Development Block Grant - Disaster Recovery (CDBG-DR) funds for major disasters occurring in 2023 or 2024. In the allocation announcement published in the Federal Register on January 16, 2025, the State of North Carolina was allocated \$1,428,120,000 and an additional \$225,010,000 was awarded directly to the City of Asheville.⁹

Two of Western North Carolina’s greatest challenges that seek to be addressed using CDBG-DR funding include the destruction of the mountain’s housing supply and loss of visitor spending during peak season for Western North Carolina’s small businesses.

Problem

Hurricane Helene has left significant, long-term impacts, some of which may only be met through rapid disbursement of CDBG-DR funds; however, experienced government officials, including officials within the Department of Housing and Urban Development itself, continue to warn of the lengthy approval process for CDBG-DR action plans - stating that it will likely take over a year or more for North Carolina and the City of Asheville to get their action plans

⁸ “House Passes Critical Disaster Relief for Americans.” House Committee on Appropriations, December 20, 2024. <https://appropriations.house.gov/news/press-releases/house-passes-critical-disaster-relief-americans>.

⁹ “Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG-DR Consolidated Waivers and Alternative Requirements Notice (UN AAN).” Federal Register, January 21, 2025. <https://www.federalregister.gov/documents/2025/01/16/2025-00943/allocations-for-community-development-block-grant-disaster-recovery-and-implementation-of-the#:~:text=SUMMARY%3A,occurring%20in%202023%20or%202024>.

approved. This clearly does not meet the President’s charge to accelerate the recovery of Western North Carolina.

North Carolina’s damage needs assessment estimates 73,700 single-family, manufactured, and duplex homes were damaged by Helene.¹⁰ FEMA verified damage maps from January 7, 2025, show a lower number of damaged homes than the state estimates, but visualize the centralized nature of the damage in central and northeastern Western North Carolina.

Despite lower estimates than the State of North Carolina provides, FEMA data indicates over 18% of Yancey County’s housing stock has been damaged or destroyed, over 14% of Mitchell County’s housing stock has been damaged or destroyed, and over 7.5% of the housing stock of both Buncombe County and Henderson County - the two largest and most economically productive counties in Western North Carolina - was damaged or destroyed, just to name a few.¹¹ Keep in mind: The real proportion of destruction using the state’s educated estimates is undoubtedly much greater than what the FEMA data indicates.

As a result of the reduced housing stock, over 3,000 Western North Carolina households are still relying on FEMA’s short-term housing programs - including the Transitional Sheltering Assistance and Direct Temporary Housing Assistance programs, each of which last an average of 30 to 60 days and 18 months, respectively - without long-term housing solutions.

Housing cannot be quickly or easily rebuilt and replaced in the mountains. The challenging terrain, including steep slopes, rocky soil, limited access, and potential for landslides, increase the cost and complexity of construction and repairs.

Quick access to CDBG-DR funding is critical to addressing the challenges posed by the decreased housing stock, and to finding long-term solutions so Western North Carolinians can begin to transfer out of FEMA’s short-term housing programs and back into their own, permanent homes before the short-term programs expire.

Just as urgent as Western North Carolina’s housing shortage is the looming threat of an economic crisis if the region’s small businesses do not receive immediate additional relief. According to FEMA, roughly 40 percent of businesses do not reopen after a major disaster; and of those businesses that do reopen, another 25 percent will close within two years of the

¹⁰ Gov. Roy Cooper, *Hurricane Helene Recovery*. (NC: NC OSBM, 2024)
<https://www.osbm.nc.gov/hurricane-helene-dna/open>

¹¹ “NC Housing Snapshot.” North Carolina Housing Finance Agency, 2024.
<https://www.nchfa.com/about-us/research-reporting-and-policy/nc-housing-snapshot>.

disaster.¹² More alarmingly, the Small Business Administration has estimated that 90% of businesses fail within two years of being struck by a disaster.¹³

North Carolina's 11th Congressional District is a tourism-centric economy. In 2023, the district brought in nearly \$6 billion in visitor dollars - about a sixth of the state's total.¹⁴ At the core of mountain tourism is mom and pop, main street businesses of the same middle class as stated in the 'Private Road and Bridges' section of this report.

Like coastal communities, Western North Carolina's businesses are built around the seasons. Unlike coastal communities, the region's peak season coincides with peak hurricane season. Western North Carolina's small businesses generate 30 percent of the region's annual visitor spending in September, October, and November of each year.¹⁵ Businesses rely on fall revenue to make it through the slower spring months.

Preliminary estimates from the Buncombe County Tourism Development Authority show a 70% decline in the visitor economy in Q4 of 2024, which translates to more than \$584 million in lost revenue for Buncombe County alone.¹⁶ Haywood County's Tourism Development Authority reports similar losses.¹⁷ These losses directly translate to lost revenue for business owners in Western North Carolina.

While the Small Business Administration is currently offering low-interest loans for businesses recovering from Hurricane Helene, the reality is that many businesses in Western North Carolina cannot afford to take on another monthly payment. Some businesses are still paying their COVID-19 Economic Injury Disaster Loan (EIDL) from the SBA, while others have private financing from expansion efforts that are inhibiting their ability to take on more debt.

¹² Congress.gov. "Federal Disaster Assistance for Businesses: Summaries and Policy Options." March 20, 2025. <https://www.congress.gov/crs-product/R47631>.

¹³ U.S. Small Business Administration, SBA Disaster Workshop: Are You Prepared for the Next Big Disaster? November 12, 2015.

¹⁴ Visit NC. *Visitor Spending, 2023 (millions)*. <https://partners.visitnc.com/contents/sdownload/74611/file/2023+County+Level+Visitor+Expenditures+by+Total+Expenditures.pdf>

¹⁵ Gov. Roy Cooper, *Hurricane Helene Recovery*. (NC: NC OSBM, 2024) <https://www.osbm.nc.gov/hurricane-helene-dna/open>

¹⁶ Moran, Meredith. "After Floods, N.C. County Looks to Repair Its Tourism Economy." National Association of Counties, December 19, 2024.

<https://www.naco.org/news/after-floods-nc-county-looks-repair-its-tourism-economy#:~:text=Last%20year%20marked%20a%20record,want%20more%20ups%20for%20sure.%E2%80%9D>

¹⁷ "HCTDA Board Meeting Minutes" (December 4, 2024. Canton, NC) https://haywoodtda.com/wp-content/uploads/2025/01/hctda_meetingminutes_12.04.2024.pdf

Regardless of the reasoning, the CDBG-DR program addresses the issue by allowing for the provision of recovery grants directly to small businesses.¹⁸

Both the State of North Carolina and the City of Asheville are requesting use of CDBG-DR funds for grants to small businesses in the Action Plans that they are submitting to the Department of Housing and Urban Development.

Small businesses are the lifeblood of Western North Carolina's economy. They drive job creation, innovation, community engagement, and tourism. Helping small businesses back on their feet will have a ripple effect that exponentially increases the speed at which the region will be able to recover.

Justification

Issue an Executive Order directing the Secretary of Housing and Urban Development to automatically approve the State of North Carolina and City of Asheville's CDBG-DR action plans on June 30, 2025, if the Agency has not approved the action plans by that date.

According to HUD guidelines, grantees are required to submit Action Plans within 90 days of the Allocation Announcement Notice publication. HUD then has 45 days to review the Action Plan and either approve the plan, or notify the grantee of any deficiencies. The grantee then has 45 days to cure deficiencies and resubmit the Action Plan, and HUD has 30 days to re-review the improved Action Plan. That process repeats until all deficiencies are cured.¹⁹

An automatic approval date of June 30, 2025 provides HUD with two and a half months from the April 16, 2025 date of submission to review the State of North Carolina and City of Asheville's CDBG-DR Action Plans and for any amendments to be made. This timetable is wholly reasonable, and in line with HUD procedure so long as the Department makes a concerted effort to resolve any and all deficiencies during the first Action Plan review.

Western North Carolina's businesses can not wait for the bureaucratic back and forth of the Department of Housing and Urban Development CDBG-DR action plan review process. Both long-term housing and the crux of the region's economy - small businesses - are in immediate jeopardy if the financial relief from the CDBG-DR program does not become

¹⁸ "Disaster Recovery Small Business Loan and Grant Program - Hud Exchange." HUD Exchange. Accessed March 20, 2025. <https://www.hudexchange.info/programs/cdbg-dr/disaster-recovery-small-business-loan-and-grant-program/>.

¹⁹ "Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice." Federal Register, January 8, 2025. <https://www.hud.gov/sites/dfiles/CPD/documents/CDBG-DR/Universal-Notice-CDBG-DR-Signed-English.pdf>

available soon. A fail safe must be implemented to ensure that Western North Carolina's recovery does not get stifled by an agency's red tape.

1.3 Increase FHWA's I-40 Cost Share to 100%

Action Requested

Executive Order: Direct OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Rebuild WNC Act of 2025* which increases the FHWA cost share from 90 percent to 100 percent.

The statement should urge Congress to send legislation to President Trump for signature into law within 60 days.

Background

Hurricane Helene destroyed North Carolina's transportation network, impacting approximately 5,000 miles of state-maintained roads across the affected area in Western North Carolina, including several major national interstates and arterial routes that serve as critical transportation corridors.²⁰ The most concerning damage to a corridor was along Interstate 40 at Mile Marker 3 in the Pigeon River Gorge, where East Tennessee and Western North Carolina connect. Over four miles of eastbound lanes were completely washed into the Pigeon River to the centerline. The North Carolina Department of Transportation (NCDOT) immediately contracted to stabilize the remaining roadway, but there was an additional failure in the same location just before Christmas of 2024. NCDOT preliminary estimates calculate total repairs for I-40 at \$1 billion.

Problem

I-40 is a major east-west transportation corridor connecting the Appalachian Mountains to the coastal plains. It is a vital artery for commerce. According to North Carolina's Statewide Multimodal Freight Plan, in 2019, I-40 in Western North Carolina was one of the heaviest utilized freight corridors in the state based on truck volumes, seeing an average of 7,501 to 10,000 freight trucks daily.²¹ But I-40 is not just a regional conduit for business, and these trucks

²⁰ Gov. Roy Cooper, Hurricane Helene Recovery. (NC: NC OSBM, 2024)
<https://www.osbm.nc.gov/hurricane-helene-dna/open>

²¹ HNTB Corporation and SASI World Clearbox Forecasting, "North Carolina Statewide Multimodal Freight Plan," (North Carolina: NCDOT, December 2022)
<https://connect.ncdot.gov/projects/planning/Statewide-Freight-Plan/Documents/Draft%202022%20NCDOT%20Statewide%20Multimodal%20Freight%20Plan%20Full%20Report.pdf>

are not just delivering critical resources to Western North Carolina. I-40 is a transcontinental highway stretching from California to North Carolina that facilitates the efficient transport of goods and materials for the entire country. I-40 in Western North Carolina specifically connects the western United States to the rest of the east coast, including to ports in North Carolina and beyond.

An interstate's closure in the mountains is like a domino effect. Most immediately, drivers are required to take a detour that adds dozens of miles to their travel route, on roads that are not built to handle the capacity of an interstate, resulting in increased congestion and longer travel times.²² The longer travel times increase the vehicle operating costs and pavement maintenance costs.²³ Each of the aforementioned side effects add a cost to the driver of the vehicle; and cumulatively, these disruptions result in delays for truck deliveries, straining the national and regional supply chains.

Beyond the immediate supply chain concerns, I-40 is also a critical route supporting the region's tourism economy. NCDOT Traffic Mapping estimated the pre-Helene I-40 corridor at Mile Marker 3's average traffic users between 20,000 and 34,999 people every day.²⁴ Western Carolina University used to track the total number of tourists brought into Western North Carolina via each major interstate using NC Department of Commerce data. In the University's latest data from 2013, I-40 was responsible for attracting the most tourists to Western North Carolina out of any major interstate in the area, over 75,400 people.²⁵

In 2009, when rockslides closed portions of I-40 in Western North Carolina and Tennessee, the Appalachian Regional Commission conducted a study to measure the impact of the closures and detours on transportation and the economy. While inherently different from the situation Western North Carolina finds itself in today, the impacts of the closures shine light on the dire importance of I-40 to Western North Carolina's economy.

²² "How Does a Road Closure Affect Traffic Flow?" National Traffic Designs, 2023.
<https://www.nationaltrafficdesigns.com/how-does-a-road-closure-affect-traffic-flow/#:~:text=Closure%20of%20a%20major%20road,to%20spread%20across%20the%20network>.

²³ HDR | Decision Economics, "Economic Impact of Rockslides in Tennessee and North Carolina," (Tennessee and North Carolina: HDR, May 2010).

<https://www.arc.gov/wp-content/uploads/2020/06/EconomicImpactofRockslidesinTNandNC.pdf>

²⁴ NC Dot Maps

<https://ncdot.maps.arcgis.com/apps/webappviewer/index.html?id=964881960f0549de8c3583bf46ef5ed4>

²⁵ Brennan, Kathleen M, Christopher A Cooper, and Inhyuck Ha. "Chapter 3: The State of Western North Carolina's Regional Economy." Chapter 3: The State of Western North Carolina's regional economy, 2014.

<https://www.wcu.edu/engage/regional-development/public-policy-institute/Regional-Outlook-Report/chapter3.aspx>.

The study found that detours increased transportation costs for local distributors by \$3,000 to \$5,000 per month for additional fuel, maintenance, and related transportation expenses. One of the largest employers at the time, Pactiv Evergreen, reported incurring an additional \$60,000 per month in transportation costs due to the I-40 closure.²⁶ Additionally, I-40's closure caused an overall decrease in tourism resulting in decreased revenue for multiple industries, ranging from 25 percent to 90 percent reductions from the same period the year before, including for the hospitality, retail, and healthcare industries.²⁷

NCDOT is dedicated to paying their fair share throughout the recovery process, but I-40 is a heavy lift, and the importance of the system to the greater network justifies consideration for a greater cost share, similar to the 100% cost share that was provided to the Francis Scott Key Bridge in the *American Relief Act*.

Federal Highway Administration cost-share guidelines for emergency repair work under the Emergency Relief Program is 100% for emergency repair work completed within the first 270 days after a disaster occurs. Emergency repair work is considered work to restore essential travel, minimize the extent of damage, or protect the remaining facilities. The standard federal share applies to all non-essential work and any essential work completed after the 270-day period. The standard federal-share is 90% for interstate highways and 80% for other highways.²⁸

Under the federally mandated 90 percent cost share structure, NCDOT anticipates being responsible for \$100 million to repair the North Carolina segment of I-40. This cost share would severely hamstring the North Carolina Department of Transportation's ability to keep up with other maintenance and construction obligations.

NCDOT operates on a roughly \$7 billion budget annually to cover an increasing maintenance and construction workload across all modes of transportation. In fiscal year (FY) 2021, NCDOT operated on a \$7,076,028,932 budget to cover \$5,483,424,925 in maintenance and construction expenses.²⁹ In FY 2022, NCDOT's operating budget increased by 0.03 percent

²⁶ HDR | Decision Economics, "Economic Impact of Rockslides in Tennessee and North Carolina," (Tennessee and North Carolina: HDR, May 2010).
<https://www.arc.gov/wp-content/uploads/2020/06/EconomicImpactofRockslidesinTNandNC.pdf>

²⁷ Ibid.

²⁸ "Federal-Aid Programs and Special Funding." U.S. Department of Transportation/Federal Highway Administration, January 8, 2025.
<https://www.fhwa.dot.gov/programadmin/erelief.cfm#:~:text=Approved%20ER%20funds%20are%20available,not%20to%20the%20entire%20event.>

²⁹ 2021 Annual Report. North Carolina Department of Transportation. (2021).
<https://www.ncdot.gov/about-us/our-mission/Documents/2021-annual-report.pdf>

to \$7,078,477,788 but maintenance and construction expenses rose by 24 percent to \$6,813,520,205.³⁰ Most recently, in FY 2023, NCDOT's operating budget increased by 3 percent to \$7,323,369,649; however, additional expenses including inflation and Hurricane Helene caused maintenance and construction expenses to increase by another 13 percent to \$7,692,489,472, exceeding NCDOT's operating budget for the first time.³¹

Like other states, North Carolina's transportation infrastructure is aging and needs repair. The state has a backlog of highway and other projects due to financial constraints, and continues to experience a dramatic growth and worsening of congestion causing increased freight costs, shipment delays, and limited interstate access that is constraining the state's economic growth and competitiveness.³² While NCDOT annually re-prioritizes projects to ensure taxpayer dollars are targeting North Carolina's infrastructure weaknesses to prioritize transportation efficiency, the state will be limited in the speed of their repairs to the cost match they are able to gather for the project. Additionally, the impact of cutting other projects to free up \$100 million for the I-40 state match will far exceed the actual cost of the \$100 million needed for the match. Diverting \$100 million of the state's limited highway funds will only worsen the severe backlog of maintenance and construction across the remainder of the state, further jeopardizing North Carolina's interstate competitiveness over industry and opportunity for economic growth.

The need for continued investment in the entire North Carolina transportation system does not negate the importance of Interstate 40 in Western North Carolina, which cannot be overstated. I-40 must be rebuilt, but timely repairs can not be made without additional federal support.

Justification

Issue an Executive Order directing OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Rebuild WNC Act of 2025* which increases the FHWA cost share from 90 percent to 100 percent. The statement should urge Congress to send

³⁰ 2022 Annual Report. North Carolina Department of Transportation. (2022).
<https://www.ncdot.gov/about-us/our-mission/Documents/2022-annual-report.pdf>

³¹ 2023 Annual Report. North Carolina Department of Transportation (2023).
<https://www.ncdot.gov/about-us/our-mission/Documents/2023-interactive-annual-report.pdf>

³² Final Commission Report. North Carolina Future Investment Resources For Sustainable Transportation (NC First) Commission. (January 2021)
<https://www.ncdot.gov/about-us/how-we-operate/finance-budget/nc-first/Documents/2021-01-08-final-report.pdf>

legislation to President Trump for signature into law within 60 days. Increasing the I-40 cost share to 100% has an estimated increased cost of \$100 million to the federal government.

I-40 is a critical interstate for not just Western North Carolina, but the region and the entire country. The Mile Marker 3 segment of I-40 in the Pigeon River Gorge is necessary for the region, and by serving as a transcontinental highway, for our country to thrive. Further, the State of North Carolina, as well as the private companies and the citizens therein, are not liable for the cause of the damage to I-40. The damage to I-40 was caused by a natural disaster.

In the *American Relief Act*, the Francis Key Scott Bridge in Baltimore, Maryland was awarded a 100 percent federal cost share for \$2 billion to repair the bridge from the collapse that was caused by a private cargo ship hitting one of its piers in March of 2024. Maryland cited the bridge's importance to economic growth and maintaining strength in America's economy when requesting a 100 percent federal cost share, but the same can be said for I-40 in Western North Carolina.

If a vital commerce artery in Maryland that was damaged by private industry can receive a 100 percent federal cost share for repairs to alleviate the burden on the state, it seems reasonable that a damaged vital commerce artery in Western North Carolina receive the same consideration and support for recovery.

NCDOT will continue to search for the \$100 million in funding to serve as the state's 10 percent cost match, with the understanding that it may take several years before the state can afford to meet the full match requirements and make all necessary repairs.

Increasing the State of North Carolina's I-40 federal cost share to 100 percent would allow I-40 repairs to be expedited, as the state would no longer be limited by their ability to find capital for the state match, restoring tourism and reigniting economic growth in Western North Carolina and the Appalachian region, sparking great regional recovery from Hurricane Helene. While Congress will be responsible for designating a 100 percent federal cost share, Presidential support to House leadership can assist with passage.

1.4 Increase FHWA and FEMA Cost Share to 100% for Major Corridors

Action Requested

Direct Congress to pass legislation increasing the FHWA federal cost share for major corridors damaged by Hurricane Helene and FEMA reimbursement for all eligible project costs to 100 percent.

Background

Approximately 70 percent of all major corridor storm damage occurred on FHWA eligible roads and bridges, with the remaining major corridor damage being covered by FEMA Public Assistance Category C reimbursement. The major corridors are as follows:

Route	County	Est. Cost	% Eligible if 100%
1-40 Pigeon River Gorge	Haywood	\$1B	100% FHWA
Toe/Nolichucky	Yancey	\$350M	10% FHWA; 90% FEMA
US 19W North	Yancey	\$320M	70% FHWA; 30% FEMA
US 64/74A Chim. Rock	Rutherford	\$290M	95% FHWA; 5% FEMA
NC 197 Pensacola	Yancey	\$290M	50% FHWA; 50% FEMA
US 19W South	Yancey	\$200M	80% FHWA; 20% FEMA
US 64A	Henderson	\$128M	100% FHWA
US 64	Henderson	\$37M	100% FHWA
TOTAL:		\$2.615 Billion	

Problem

Before Hurricane Helene, North Carolina's most significant weather event was Hurricane Florence in 2018. Road damage from Florence caused more than \$250 million in damage, and even then, it was challenging for NCDOT to meet the state's cost share to address the storm's financial needs.³³ Hurricane Helene caused \$6 billion in damage, **twenty-four times** the total damage caused by Hurricane Florence.

³³ North Carolina Department of Transportation, "NCDOT Hurricane Florence Preparation and Response," *National Operation Center of Excellence* (August, 2019).
<https://itsheartland.org/wp-content/uploads/2019/08/NCDOT-Case-Study-Hurricane-Florence.pdf>

Hurricane Helene was a storm of horrific magnitude, causing unfathomable damage to the state's road network. NCDOT is taking financial measures to shift maintenance dollars from the \$7 billion operating budget, to be used for hurricane repair costs, but the shift is unsustainable and insufficient to meet recovery needs.

Justification

Direct Congress to pass legislation increasing the FHWA federal cost share for major corridors damaged by Hurricane Helene and FEMA reimbursement for all eligible project costs to 100 percent. Increasing the FHWA and FEMA cost share for major corridors to 100% has an estimated increased cost of just under \$262 million to the federal government.

Unless NCDOT delays hurricane repairs over multiple years, NCDOT will not be able to meet the state's share of \$6.0 billion in damage without additional federal relief. If the State is required to assume full responsibility for the current projected cost share, NCDOT will be forced to delay, cancel, and reduce the scope of critical maintenance and construction projects in the 10-year State Transportation Improvement Program (STIP), jeopardizing the state's overall transportation network health and economic competitiveness.

Alleviating NCDOT's cost share burden for major corridors would dramatically increase the state's capacity to meet the greater needs for Western North Carolina's disaster recovery and allow the Department to quickly restore the region's transportation network. Without the additional support, financial constraints to meet cost share requirements will force delays in recovery, unnecessarily impeding the mountain's ability to rebuild.

1.5 Expand RAPID Reimbursement in FEMA and to FHWA

Action Requested

Executive Order: Direct FEMA to expand the RAPID Pay reimbursement program to all eligible roadway impacts, and the Secretary of Transportation to establish an expedited reimbursement program under the Emergency Relief Program.

Background

North Carolina has secured up-front funding for 41 bridge projects through FEMA's RAPID Pay reimbursement program. Additional bridge projects are currently under consideration for RAPID reimbursement. The program has been instrumental in speeding up recovery and providing North Carolina with the liquidity needed to help Western North Carolina rebuild, but the program is limited to certain bridge projects for potential reimbursement.

Problem

NCDOT has identified a total of 152 bridges and 76 National Bridge Inspection Standards (NBIS) culverts that need replacement on FHWA and FEMA routes due to damage incurred by Hurricane Helene.

Additionally, the RAPID Pay reimbursement program does not cover other roadway impacts experienced by Western North Carolina such as mud or landslide damage, guardrail repairs, or pipe washouts. These additional impacts are as equally critical and easily addressable as bridge repairs, if quickly reimbursed by FEMA.

Currently, the FHWA does not operate an expedited reimbursement program similar to the RAPID Pay program implemented by FEMA; however, a similar program under FHWA would assist NCDOT with expediting infrastructure repairs throughout the entire district, without the current limitations posed by bridges in FEMA's jurisdiction being the only eligible expense.

Justification

Issue an Executive Order directing the Secretary of Homeland Security to expand FEMA's RAPID reimbursement program to all eligible roadway impacts and directing the

Secretary of Transportation to establish an expedited reimbursement program under the Emergency Relief Program.

As previously noted, the scope of damage exceeds NCDOT's financial capacity to make timely repairs. While guardrail repairs or pipe washouts may seem like negligible repairs in the greater scheme of Western North Carolina's infrastructure damages, every expedited reimbursement provides another dollar for the State to reinvest into a new recovery project. Despite North Carolina's limited financial resources, expedited reimbursements serve as a sort of revolving door of funds that permit faster repairs throughout the disaster area. For every dollar reimbursed, another dollar can be spent on a new project.

Ultimately, NCDOT needs access to every avenue for recovery as possible. Expanding eligibility and expediting financial assistance for work that would otherwise be approved months down the line eliminates the red tape that is stifling NCDOT's productivity, and prioritizes recovery over bureaucracy.

1.6 Expand FEMA Expedited Project Funding to Category C Public Assistance

Action Requested

Executive Order: Direct FEMA to expand Public Assistance expedited project funding to Category C - roads and bridges.

Background

During a Presidentially declared major disaster, FEMA is able to provide expedited funding at 50 percent of the estimated cost for projects above the \$1 million large project threshold within Public Assistance Categories A and B, Emergency Work - debris removal and emergency protective measures.³⁴

Through February 12, 2025, FEMA has made 11 separate awards providing more than \$88 million to local governments for emergency work-related expedited project funding. The expedited funding has played a critical role in the region's ability to clear debris and respond to immediate needs following Hurricane Helene.

Problem

As previously indicated, Western North Carolina's transportation network sustained unprecedented damage from Hurricane Helene. The total cost of damage is twenty-four times the total damage caused by North Carolina's second most destructive storm, Hurricane Florence.³⁵

Beyond FEMA's RAPID Reimbursement program, a program limited to damaged bridge projects, there is no expedited reimbursement program available for repairs to the state's transportation system. Instead, North Carolina must front 100% of secondary route repair costs and await eventual reimbursement from FEMA, which may take anywhere from a few months to a few years.³⁶

³⁴ "More than \$38M in Expedited FEMA Funds Support North Carolina Helene Recovery ." FEMA, October 17, 2024.
<https://www.fema.gov/press-release/20241017/more-38m-expedited-fema-funds-support-north-carolina-helene-recovery>

³⁵ North Carolina Department of Transportation, "NCDOT Hurricane Florence Preparation and Response," *National Operation Center of Excellence* (August, 2019).
<https://itsheartland.org/wp-content/uploads/2019/08/NCDOT-Case-Study-Hurricane-Florence.pdf>

³⁶ Kevin Shrawder and Brett Mattson. "Counting the Costs Of Post-Disaster Reimbursement: County Fiscal Impacts of Federal Disaster Response" National Association of Counties. (February 2024)
<https://www.naco.org/resource/counting-costs-post-disaster-reimbursement-county-fiscal-impacts-federal-disaster-response>

As of March 14, 2025, North Carolina reports spending \$510 million on Helene recovery, and receiving \$84 million in reimbursements through FEMA's RAPID Reimbursement program.

North Carolina's Department of Transportation continues to report 150 road closures, 100 of which are closed to all traffic. Furthermore, the hurricane resulted in roughly 9,400 damage sites, approximately 3,100 of which have been permanently repaired and another 3,100 of which are at some stage of repair. Still, over 3,100 damage sites remain untouched.

Justification

Issue an Executive Order directing FEMA to expand Public Assistance expedited project funding to Category C - roads and bridges.

The sheer scope of damage to North Carolina's transportation network, combined with the current reimbursement process for repairs to state system roads and bridges under Public Assistance Category C, have made Western North Carolina's recovery entirely dependent on the federal government. While the North Carolina Department of Transportation continues to prioritize recovery, capital constraints are forcing the department to rely on FEMA to make progress on infrastructure repairs. The department is unable to start new repairs until FEMA has reimbursed completed projects.

Expansion of FEMA's expedited project funding eligibility to Category C projects would alleviate the state's reliance on FEMA to advance repairs and empower and restore authority to North Carolina to prioritize infrastructure repairs and lead regional resilience following Hurricane Helene. Enhancing the State's access to capital will speed up the region's recovery beyond what would be otherwise possible under NCDOT's general operating budget and minimize disruptions to non-Helene related statewide transportation operations.

1.7 SBA Loans Exemption - Duplication of Benefits

Action Requested

Executive Order: Direct OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Helene Small Business Recovery Act* that permits the President to waive loans as a duplication of disaster assistance.

The statement should urge Congress to send legislation to President Trump for signature into law within 60 days.

Background

In the aftermath of a disaster, many families depend on federal resources to rebuild their homes and businesses. Section 312(a) of the Stafford Act limits the resources a survivor may access by prohibiting federal agencies from “duplicating benefits”.³⁷ Under current law, a loan is considered duplicative of a grant; thus, if a home or business owner qualifies for a federal disaster recovery loan from the Small Business Administration, they are ineligible to receive a federal recovery grant through the CDBG-DR program.³⁸

SBA loans are inherently different from grants provided through the CDBG-DR program. Loans are required to be repaid. CDBG-DR grants are one-time payments to victims that do not require repayment.

The Disaster Recovery Reform Act of 2018 (DRRA) temporarily clarified that a loan is not duplicative of a grant, but the duplication of benefits waiver only applied to disasters occurring between January 1, 2016 and December 31, 2021.³⁹ The waiver does not apply to any disasters occurring on January 1, 2022 or later.

Following Helene, the North Carolina delegation secured over \$1.65 billion in Community Development Block Grant-Disaster Recovery (CDBG-DR) funds to help Western North Carolinians recover and rebuild. The region’s families and businesses should not be

³⁷ Stafford Act, *as Amended*, and Related Authorities, FEMA P-592. (Washington, D.C.) :Federal Emergency Management Agency, 2019. https://www.fema.gov/sites/default/files/2020-03/stafford-act_2019.pdf

³⁸ “Duplication of Benefits: What It Means.” FEMA.gov, December 8, 2021. <https://www.fema.gov/fact-sheet/duplication-benefits-what-it-means>.

³⁹ “CDBG-DR FAQs on Duplication of Benefits and the DRRA Loan Exception.” HUD Exchange, May 2023. <https://www.hudexchange.info/resource/6897/cdbg-dr-faqs-on-duplication-of-benefits-and-the-drra-loan-exception/>.

restricted from accessing federal resources simply because the entity needed capital to stay afloat during recovery and loans happened to be made available first.

Problem

Across the State of North Carolina, small businesses make up over 99% of all businesses and employ over 1.7 million hard working Americans.⁴⁰ That statistic is only amplified in Western North Carolina, where, according to 2021 Census Bureau data, some counties' business makeup, such as Transylvania County, are entirely composed of small businesses with 500 employees or less.⁴¹ Small businesses employ a concentrated percentage of the population and serve as the primary driver for regional economic competitiveness.⁴²

According to the Dogwood Health Foundation, a local grant-making non-profit dedicated to the health and wellbeing of the Appalachian region, as of January 31, 2025, eighty-two (82) businesses in the disaster region's economic hub, the Buncombe County, have permanently closed due to Helene-related damage and stressors. An additional 163 remain temporarily closed because of Helene.

Prior to Helene, Buncombe County had over 1,300 thriving businesses. Today, permanent or temporarily closed businesses account for over 18 percent of the county's pre-Helene business population. As previously referenced, FEMA reports that roughly 40 percent of businesses do not reopen after a major disaster; and of those businesses that do reopen, 25 percent will close within two years of the disaster.⁴³ This research indicates that businesses will continue to struggle and close their doors unless they receive access to additional financial resources to stabilize the impacts of lost revenue and hurricane damage.

Additionally, as previously addressed, the State of North Carolina estimates 73,700 single-family, manufactured, and duplex homes were damaged by Hurricane Helene.⁴⁴ Many homeowners have relied on the Small Business Administration's home and personal property

⁴⁰ "Small Business in NC." NC SBTDC, February 4, 2025. <https://sbtnc.org/impact/small-business-in-nc>.

⁴¹ U.S. Census Bureau, North Carolina, "data.census.gov, https://data.census.gov/profile?q=Small+Business&g=040XX00US37_050XX00US37011,37021,37039,37043,37075,37087,37089,37099,37111,37113,37115,37121,37149,37173,37175,37199

⁴² "2023 Small Business Profile." U.S. Small Business Administration Office of Advocacy. (North Carolina: 2023) <https://advocacy.sba.gov/wp-content/uploads/2023/11/2023-Small-Business-Economic-Profile-NC.pdf>

⁴³ Congress.gov. "Federal Disaster Assistance for Businesses: Summaries and Policy Options." March 20, 2025. <https://www.congress.gov/crs-product/R47631>.

⁴⁴ Gov. Roy Cooper, Hurricane Helene Recovery. (NC: NC OSBM, 2024) <https://www.osbm.nc.gov/hurricane-helene-dna/open>

disaster loan program to finance home repairs. But, just as a business owner should not be subject to a federal disaster loan simply because the loan was made available before grant funding, a homeowner who chose to proactively prioritize rebuilding should not be subject to the burden of federal disaster home loan payments while other homeowners are able to access grant funding that does not need to be repaid.

Disaster home loans are the equivalent of a second mortgage for many homeowners, and the burden of repayment is perpetuated far beyond that of a traditional mortgage due to the extenuating circumstances surrounding recovery after a disaster.

Justification

Issue an Executive Order directing OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Helene Small Business Recovery Act* that permits the President to waive loans as a duplication of disaster assistance. The statement should urge Congress to send legislation to President Trump for signature into law within 60 days.

The *Helene Small Business Recovery Act* will temporarily waive loans as a duplication of benefits for disasters occurring in calendar year 2023 or 2024, providing an exemption for all communities that received a Community Development Block Grant - Disaster Recovery allocation pursuant to the *American Relief Act*.

Hurricane Helene caused nearly \$60 billion in damage to Western North Carolina's mountains, and the State of North Carolina's Damage and Needs Estimate estimates at least \$30 billion in total damage to the region's economy and housing.⁴⁵ With damage far exceeding available federal resources, our communities are struggling. Businesses and homeowners need access to every possible dollar to recover from Hurricane Helene.

Without passage of the *Helene Small Business Recovery Act*, disaster survivors will be restricted from accessing critical federal assistance necessary to sustain our region's businesses and keep families in WNC.

⁴⁵ "State of North Carolina Action Plan: U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant-Disaster Recovery (CDBG-DR) Funding in Response to Hurricane Helene." HUD Exchange, February 2025.
<https://www.commerce.nc.gov/draft-proposed-north-carolina-hud-action-plan-cdbg-dr-hurricane-helene/open>

1.8 Expedite Access to Disaster Funding for NC Farmers

Action Requested

Executive Order: Direct USDA to expedite the rulemaking process to provide clear structure on disaster payment assistance for agricultural disaster relief aid provided by Congress in the *American Relief Act* in December of 2024.

Background

Western North Carolina's agricultural landscape is predominantly composed of specialty crops, including apples, Christmas trees, and nursery or greenhouse products. Following Hurricane Helene, the State of North Carolina estimates over \$3.9 billion in direct damage to the region's agriculture industry, with an additional \$782 million in indirect damage resulting from the storm.⁴⁶

Readily measurable damages include loss of crops, livestock, and agricultural infrastructure; however, long-term consequences such as reduced yields and the farmability of flooded agricultural land, will take years to be fully realized and will only exacerbate the overall impact of Hurricane Helene on Western North Carolina's farmers.

In December of 2024, Congress passed H.R. 10545, the *American Relief Act*, providing \$110 billion in disaster assistance for relief efforts across the country, including in North Carolina.⁴⁷ Within the *American Relief Act* was \$10 billion in agriculture economic assistance and \$20.78 billion in agriculture disaster relief funds for major disasters occurring in 2023 or 2024. The \$10 billion in economic aid is expected to reach producers in a timely manner through direct payments, but the \$20.78 billion in disaster relief is expected to take more time to administer.

North Carolina anticipates receiving at least \$635 million in agriculture relief from the *American Relief Act* across economic aid and disaster relief programs.

⁴⁶ "State of North Carolina Action Plan: U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant-Disaster Recovery (CDBG-DR) Funding in Response to Hurricane Helene." HUD Exchange, February 2025.

<https://www.commerce.nc.gov/draft-proposed-north-carolina-hud-action-plan-cdbg-dr-hurricane-helene/open>

⁴⁷ "House Passes Critical Disaster Relief for Americans." House Committee on Appropriations, December 20, 2024.

Problem

Damage to hurricane-stricken agriculture communities have created an immediate financial burden on an already fragile agriculture economy.

Over the past two years, farm income has dropped drastically. In 2023, farmers experienced a drop in income of \$34.6 billion from the previous year. Additionally, in 2024, farm income dropped another \$8.2 billion.⁴⁸ This income loss, coupled with the projected U.S. farm trade deficit of \$49 billion in fiscal year 2025, has left farmers facing difficult financial conditions to renew lines of credit for this year's growing season.⁴⁹

The pre-existing financial stressors are compounded for Western North Carolina farmers due to the revenue and crop loss resulting from Hurricane Helene. Producers are at risk of having to greatly downsize or shut down operations if agricultural disaster relief funding does not become fully accessible in the next few months. Timely access to financial relief for the region's farmers will be critical to eliminating the risk of shut downs and additional damage to Western North Carolina's agricultural industry as producers seek to replant and rebuild.

Justification

Issue an Executive Order directing USDA to expedite the rulemaking process to provide clear structure on disaster payment assistance for agricultural disaster relief aid provided by Congress in the *American Relief Act* in December of 2024.

Clear direction and quick action from the USDA on the administration of disaster relief programs and disaster payment structure would provide certainty and, in many cases, a lifeline, to farmers seeking to continue their generational operations. Lack of clarity in the rulemaking process for natural disaster programs will prevent many farmers from being able to overcome the financial impact of Hurricane Helene, and will prevent others from fully utilizing the aid when it becomes available.

America's and Western North Carolina's farmers deserve clear communication from the USDA regarding how to access the critical economic and disaster relief funding included in the

⁴⁸ U.S. Department of Agriculture, Economic Research Service. (2025, February 6). *Farm sector income & finances: Farm sector income forecast*. <https://www.ers.usda.gov/topics/farm-economy/farm-sector-income-finances/farm-sector-income-forecast#:~:text=N et%20farm>

⁴⁹ Williams, Angelica and Bart Kenner, Outlook for U.S. Agricultural Trade: February 2025 (USDA: February 2025). https://ers.usda.gov/sites/default/files/_laserfiche/outlooks/111066/AES-131.pdf?v=65039

American Relief Act. Quick, transparent rulemaking and communication from USDA providing farmers with a clear understanding of how to access disaster funds will be critical to the recovery of the region's agricultural industry.

1.9 Increase Flexibility of FEMA’s CDL Program for Western NC Communities

Action Requested

Executive Order: Direct FEMA to take the following steps to enhance flexibility and certainty for local governments participating in the Community Disaster Loan (CDL) program:

- **Within 30 days, conduct a comprehensive review of the steps and processes required to apply for a Community Disaster Loan and subsequent forgiveness, including but not limited to:**
 - **Total CDL applicants per major disaster declaration since 2015.**
 - **Average length of time it takes a local government to apply for a CDL.**
 - **Average period from first disbursement of CDL funds to forgiveness approval.**
 - **Documentation utilized to evaluate a local government’s application for loan forgiveness.**
- **Within 60 days, use that review to initiate program reforms that expand flexibility in the analysis used to consider a loan for cancellation and accelerate the timeline for forgiveness approval by allowing local governments to apply for forgiveness one year after disbursement of the loan.**

Require FEMA to submit a summary of completed actions and outcomes within 180 days.

Background

Under traditional economic conditions, finance capacity is a challenge for many North Carolina counties; but tourism-centric communities, like those in the mountains of Western North Carolina, face a unique strain on capital due to the prevalence of tourism and vacation homes that force governments to rely on inconsistent ebbs and flows of local tax revenue to maintain infrastructure and services for the seasonal influx of visitors.

According to data from the North Carolina Association of County Commissioners’ Fiscal Year 2023-2024 Budget and Tax Survey, counties in North Carolina have average general fund

expenditures approaching \$164 million.⁵⁰ General fund expenditures are a key component in a county's operating budget and represent the discretionary resources available and used for day-to-day operations and services.⁵¹

Accessible capital is significantly more bleak in Western North Carolina, where operating budgets fall well below the statewide average due to the rural nature of the region. Across all sixteen counties in North Carolina's 11th Congressional District, average general fund expenditures for fiscal year 2023 to fiscal year 2024 were \$81.4 million. Buncombe County serves as an outlier in the dataset, with general fund expenditures exceeding \$430 million, over 50 percent more than the next largest operating county. Removing the outlier, average general fund expenditures are closer to \$58 million for the region's fifteen westernmost counties; 65 percent lower than the statewide average for discretionary operating expenditures.⁵²

Problem

Due to the severity of damage to Western North Carolina's transportation network and communities, the State of North Carolina closed the region to the public for several weeks. Visitors did not know when or if they could resume travel into the area, leading to long delays in the restoration of tourism for the entire region. This interruption in tourism caused counties to lose the very revenue that they would need to finance the repair of destroyed infrastructure and maintain services post-disaster. The City of Asheville estimates \$17 million to \$18 million in lost revenue due to the impact of Hurricane Helene.⁵³ Buncombe County estimates anywhere from \$15 million to \$25 million in loss, and Henderson County estimates at least \$3.2 million in lost revenue.⁵⁴

⁵⁰ North Carolina Association of County Commissioners, "Fiscal Year 2023-2024 Budget and Tax Survey", North Carolina. <https://www.ncacc.org/research-and-publications/research/county-budget-and-tax/>

⁵¹ "Graham County, NC Budget 2024-2025."

<https://grahamcounty.org/docs/finance/Graham%20County%20Budget%20Ordinance%20FY%2024-25%20-%20FI%20LED.pdf>

⁵² North Carolina Association of County Commissioners, "Fiscal Year 2023-2024 Budget and Tax Survey", North Carolina. <https://www.ncacc.org/research-and-publications/research/county-budget-and-tax/>

⁵³ Honosky, Sarah. "Asheville Estimates \$18m in Lost Revenue after Helene; Where Were Biggest Losses?" The Asheville Citizen Times, January 7, 2025.

<https://www.citizen-times.com/story/news/local/2025/01/07/asheville-estimates-18m-in-lost-revenue-post-helene/77482180007/>.

⁵⁴ "Commissioners Adjust FY25 Expenditures, Begin Navigating Post-Helene Budget Process for FY26." Buncombe County Center, January 16, 2025.

<https://www.buncombecounty.org/countycenter/news-detail.aspx?id=21949>; Ibid.

To mitigate the impact of lost revenue and assist communities with access to capital during disaster recovery, FEMA administers the Community Disaster Loan program. The program provides loans to local governments suffering from a substantial loss of tax and revenues following a major disaster declaration.⁵⁵ CDL recipients are eligible for loan forgiveness if the government's revenues for the following three fiscal years after a major disaster cannot pay for the government's operating budget.⁵⁶ While helpful on its surface, blatant flaws in the program have resulted in zero North Carolina counties applying for a CDL loan since Helene hit the state in September of 2024.

The North Carolina Association of County Commissioners has found that a major barrier to participation in the CDL program post-Helene is uncertainty in the repayment structure of CDL loans and opportunities for loan forgiveness. Under the current rules of the program, local governments are required to provide extensive financial information such as annual real estate property taxes and audit reports, alongside operating budgets for at least four fiscal years, including the year of the disaster and the three subsequent fiscal years, to apply for loan forgiveness.⁵⁷ Many Western North Carolina communities can not afford dedicated staff for grant writing, especially when loan forgiveness is not guaranteed, but the complexity of the CDL program effectively makes a dedicated grant writer a necessity to comply with requirements and remain eligible for forgiveness. Local governments with limited resources and smaller operating budgets, such as those in Western North Carolina, simply cannot afford the price of participation.

According to the Congressional Research Service, 97.2 percent of CDL principals and 89 percent of all disbursed CDLs have received either full or partial forgiveness. On average, CDL loans are forgiven in 1,579 days, almost four and a half years after disbursement.⁵⁸ Forgiveness of a recipient's loan balance is a common theme throughout the program, yet program length and complexity continues to limit access to funding to only those communities capable of navigating and managing a complex, multi-year federal program with the risk of zero forgiveness.

Additionally, FEMA utilizes a rigid review process for forgiveness that prioritizes submission of annual audited financial statements that inadequately evaluates revenue loss. For

⁵⁵ Community Disaster Loan (CDL) Program (97.030). FEMA. (March 2024) <https://www.fema.gov/emergency-managers/practitioners/recovery-resilience-resource-library/community-disaster-loan-cdl>

⁵⁶ Congress.gov. "FEMA's Community Disaster Loan Program: History, Data, and Issues for Congress." March 20, 2025. <https://www.congress.gov/crs-product/R47342>.

⁵⁷ Ibid.

⁵⁸ Ibid.

example, audited financial statements fail to consider collection rates as it relates to revenue loss, leading to understated evaluations of a local government's financial condition when considering loan forgiveness. An internal survey conducted by the North Carolina Association of County Commissioners found that some counties are facing an estimated \$7 million to \$8 million revenue loss in the current tax year, due in part to a 1 percent to 2 percent reduction in collection rates as of January 6, 2025, compared to the previous year. Similarly, costs associated with increased strains on infrastructure and services to adapt to the seasonal influx of visitors in Western North Carolina fail to be clearly considered in the current revenue loss analysis, despite resulting in higher costs for local governments.

If a local government does not have the appropriate audited financial statements readily available for all three years following a disaster, FEMA is unable to evaluate the official financial condition of the applicant post-disaster and will not consider forgiveness of the loan.

Justification

Issue an Executive Order directing FEMA to take steps to enhance flexibility and certainty for local governments participating in the Community Disaster Loan (CDL) program.

Limited resources in Western North Carolina's communities combined with complexity and uncertainty of forgiveness in the Community Disaster Loan program are inhibiting participation by local governments in need, who might otherwise benefit from the program. The lengthy program process and burdensome reporting requirements cause uncertainty in repayment expectations and restrict smaller communities from accessing the program.

According to FEMA, flexibility is a core principle of recovery, "compatible with the integrity and accountability of taxpayer-funded programs".⁵⁹ FEMA's CDL program's rigidity and inflexibility explicitly contradicts that principle and inhibits regional recovery in Western North Carolina.

Under the Stafford Act, the majority of CDL recipients receive either partial or full forgiveness of their loan balance, but not without facing significant administrative costs to comply with program requirements for nearly half a decade. The program was created to alleviate financial capacity restraints caused by lost revenue for local governments, but

⁵⁹ National Disaster Recovery Framework. FEMA. (September 2011)
<https://www.fema.gov/pdf/recoveryframework/ndrf.pdf>

realistically, the program is simply supplanting financial burdens with administrative burdens and on net, does not provide a secure or accessible benefit to loan recipients.

Program history indicates that over 97 percent of all principal balances are eventually forgiven, so why does the federal government require communities to jump through hoops in a circus-like spectacle for multiple years just to access the eventual benefit?⁶⁰ The federal government must ensure due diligence is exhibited in the evaluation of forgiveness, but adding a rigid, multi-year burden to the backs of disaster-stricken communities is not due diligence. It continues to ensure elitist communities are able to access the resources they need to recover, while rural America is left behind. The federal government should be working with, not against, communities recovering from a disaster.

Western North Carolina is the epitome of rural America, and the current CDL program must be re-evaluated and adapted to ensure limited-resource communities have access to the relief needed to recover. Allowing local governments to apply for CDL forgiveness one year after the disaster will significantly reduce the administrative burden to access and apply for a CDL loan, but will alleviate much of the uncertainty currently associated with the program.

Additionally, if a local government is unable to provide all of the financial information specified in the Application for Loan Cancellation, but can still demonstrate substantial revenue loss sustained by Hurricane Helene, program flexibility should allow for the recipient to be considered for forgiveness. The purpose of the CDL program is to assist with substantial lost revenue so they may continue to operate essential municipal services and recover from the natural disaster. Multiple factors go into revenue loss, and an audited financial statement should not serve as the one-size-fits all approach to determining forgiveness eligibility when a local government has additional evidence indicating such loss.

After a disaster, flexibility amongst all stakeholders, including the federal government, is critical to meeting the long-term resilience and community needs to assist a survivor's recovery. The CDL program is too rigid for communities to feel comfortable participating, and additional flexibility parameters would go a long way in ensuring Western North Carolina's rural communities have access to the resources needed to mitigate revenue loss and rebuild stronger after Hurricane Helene.

⁶⁰ Congress.gov. "FEMA's Community Disaster Loan Program: History, Data, and Issues for Congress." March 20, 2025. <https://www.congress.gov/crs-product/R47342>.

1.10 Immediate Payment of Category A and B Public Assistance Applications

Action Requested

Executive Order: Direct FEMA to immediately release all Category A and Category B Public Assistance obligations within 14 days of the Executive Order being signed, and immediately approve all new, unobligated Category A and Category B Public Assistance applications for reimbursement within 14 days of receiving the application.

Background

Western North Carolina counties have experienced significant revenue loss, exceeding \$15 million in some communities; meanwhile, the region's local governments continue to finance millions in recovery-related expenditures, straining available capital while awaiting reimbursement from FEMA.

As of March 17, 2025, the DR-4827-NC Public Assistance Dashboard indicates forty-three applications totalling over \$116 million has been obligated towards debris removal under Category A of FEMA's Public Assistance Program, and ninety-eight applications totalling \$168 million has been obligated towards emergency protective measures under Category B of FEMA's Public Assistance Program. Cumulatively, this represents \$284 million in obligated emergency work reimbursements.

Total reported damage across all public assistance reimbursement applications as of March 17, 2025, over 70 percent of which represents emergency work applications, exceeds \$945 million.⁶¹

Problem

Western North Carolina communities continue to report roadblocks while trying to receive reimbursement through FEMA's Public Assistance program, including for Categories A and B. Many communities have yet to receive a single reimbursement from FEMA, despite having spent millions of dollars out-of-pocket, draining the community's general fund to save lives under the impression that FEMA was going to reimburse them to maintain cash flow.

⁶¹ *Smartsheet*. (March 27, 2025).
<https://app.smartsheet.com/b/publish?EQBCT=0cdf1b65549b49beb2371223c043cbbc>

The tragic reality is that Western North Carolina is at risk of going bankrupt without immediate injection of capital into many of the region's smaller communities. As previously noted, average general fund expenditures for Western North Carolina's fifteen westernmost counties, excluding Buncombe County, are just \$58 million; 65 percent lower than the statewide average for discretionary operating expenditures.⁶² Municipal operating budgets are significantly smaller with some municipalities, such as Hot Springs, North Carolina, averaging general fund expenditures below \$1 million annually.⁶³ The region's communities were not prepared for, or created to, respond to a multi-billion dollar disaster and need expedited reimbursement in every instance possible to continue making progress towards recovery.

Justification

Issue an Executive Order directing FEMA to immediately release all Category A and Category B Public Assistance obligations within 14 days of the Executive Order being signed, and immediately approve all new, unobligated Category A and Category B Public Assistance applications for reimbursement within 14 days of receiving the application.

Emergency work conducted under FEMA Public Assistance Categories A and B focuses on immediately addressing threats to save lives, protect the public's health and safety, and mitigate further damage to property. This work represents the most critical, time-sensitive aspects of disaster recovery that are non-negotiable expenditures for local governments seeking to support the best interests of their communities and mitigate loss to life and property.

Purchases made under Public Assistance Categories A and B should be reimbursed first, and questions should be asked second. With total Helene-related damage exceeding \$59 billion across the region, communities cannot continue to float the cost of recovery while reimbursement of FEMA Public Assistance applications take months.

Between February 24 and March 24, zero new obligations were made to Western North Carolina communities for public assistance. This kind of gap in resources is unacceptable, but

⁶² North Carolina Association of County Commissioners, "Fiscal Year 2023-2024 Budget and Tax Survey", North Carolina. <https://www.ncacc.org/research-and-publications/research/county-budget-and-tax/>

⁶³ Casey, J. (2024, June 29). Hot Springs approves 2024-25 budget; property tax rate to decrease 3 cents. *The Asheville Citizen Times*. <https://www.citizen-times.com/story/news/madison/2024/06/29/hot-springs-approves-new-budget-property-tax-rate-to-decrease-3-cents/74236123007/>

providing immediate reimbursement for Categories A and B projects will help to stabilize local governments as other projects work through the traditional review process.

Local leaders in Western North Carolina are more than willing to undergo scrutiny to prove funds were used responsibly; but time continues to be of the essence, and without timely reimbursement, Western North Carolina's recovery and the economy will quickly slow to a halt.

1.11 Procurement Flexibilities

Action Requested

Proclamation: Suspend application of federal procurement rules, “Uniform Rules” found in 2 C.F.R. §§ 200.317 – 200.326, to all contracts to be performed in specific jurisdictions in North Carolina in the Hurricane Helene disaster area.

Background

Following a disaster, non-Federal entities must follow documented federal procurement guidelines outlined in the “Uniform Rules”, 2 C.F.R. §§ 200.317 – 200.326, for the acquisition of property or services required under the Federal award or sub-award, while also adhering to any other procurement procedures or applicable state, tribal, or local laws. When procurement rules vary by level of government, entities are required to follow the rule that allows for compliance with all applicable layers.⁶⁴

According to a report by the University of North Carolina School of Government entitled, “*Comparison of Federal and State Procurement Requirements for FEMA Public Assistance Grants to North Carolina Local Governments*”, the federal procurement process for FEMA Public Assistance mandates compliance with 39 separate requirements. North Carolina procurement requirements either have no similar requirement or do not require 20 of the 39 federal requirements.⁶⁵

Problem

Federal procurement guidelines are overwhelmingly burdensome in the wake of a disaster, especially for rural communities like Western North Carolina. The scope and scale of Hurricane Helene - including the excessive damage to the region’s infrastructure and public buildings - has forced implementation of federal procurement processes at a greater frequency

⁶⁴ *Contracting with Federal Funds for Goods and Services Before, During and After Disasters*. (2024, December 4). FEMA.gov. <https://www.fema.gov/grants/procurement/>

⁶⁵ UNC School of Government. (2018). *Comparison of federal and state procurement requirements for FEMA public assistance grants to North Carolina local governments*. https://www.sog.unc.edu/sites/www.sog.unc.edu/files/general_media/Federal%20and%20State%20Procurement%20Comparison%20Chart%20-%20FEMA_3.pdf

than for Public Assistance applicants following a traditional disaster which only perpetuates the inefficiencies of the process.

The federal procurement process requires that applicants implement a full and open competitive bidding process. This requirement fails to accommodate the unique circumstances of recovery in Western North Carolina. Workforce shortages in trade industries across the region have made competitive processes predictable, forcing applicants to repeatedly and unnecessarily expend additional administrative overhead for contracts with one eligible contractor.

Additionally, when comparing the state and federal procurement process, local contractors have estimated that the federal procurement process would add between 10 and 20 percent to the overall project cost and increase the total project length by 12 to 18 months if implemented over the North Carolina procurement process.

The federal procurement process is only delaying Hurricane Helene recovery and driving up the federal government's disaster recovery bill.

Justification

Issue a Proclamation suspending application of all federal procurement rules, "Uniform Rules" found in 2 C.F.R. §§ 200.317 – 200.326, to contracts to be performed in the Hurricane Helene disaster area in North Carolina.

Currently, local governments must comply with the "most restrictive" procurement process of both federal and state law, as well as their own local policies; but following a disaster, communities should be permitted to pursue the path of least resistance for procurement and recovery projects.⁶⁶ By waiving federal procurement requirements, applicants will experience reduced administrative overhead and a simpler compliance structure. The North Carolina procurement process eliminates multiple layers of federal bureaucracy, streamlining recovery processes that allow for expedited rebuilding timelines in time-sensitive disaster recovery scenarios. Ultimately, shorter project timelines reduce total project costs for the applicant, which in turn reduces the federal-cost share, saving taxpayers and the Federal government money.

⁶⁶ UNC School of Government. (2018). Most Restrictive Rule Procurement Requirements under the Federal Uniform Guidance for North Carolina Local Governments. In *UNC School of Government*. https://www.sog.unc.edu/sites/www.sog.unc.edu/files/general_media/Most%20Restrictive%20Rule%20summary_1.pdf

Increasing procurement flexibilities by eliminating federal procurement requirements will cut the red tape that is currently inhibiting Helene recovery. The North Carolina procurement process is the best of both worlds. It aligns with 2 C.F.R. 200 and offers adequate internal controls, documentation, and oversight to ensure accountability in procurement without interfering with Western North Carolina's recovery.

The State of North Carolina and local governments know what Western North Carolina needs to recover better than the Federal government ever could. Suspending federal procurement processes is yet another way to empower state and local governments in disaster recovery and would undoubtedly enhance the region's ability to rebuild following Hurricane Helene.

1.12 Hold Harmless Protections

Action Requested

Executive Order: Direct FEMA to enter into indemnity agreements with each Public Assistance applicant related to Hurricane Helene, eliminating the applicant's liability during an audit in the event of an error made in good-faith.

Background

Implementation of FEMA's Public Assistance program relies on interpretation of the agency's "Public Assistance Program and Policy Guide".⁶⁷ Applicants of FEMA's Public Assistance program may be subject to an audit to ensure disaster funds were used appropriately. Applicants awarded reimbursement through the Public Assistance program are required to keep their spending records for three years in case of an audit. If funds are found to have been misused, FEMA may recoup the award, or require that applicants repay the funds.

In order to reduce liability and prevent the misuse of disaster funding, applicants must have accurate information regarding how to navigate FEMA's Public Assistance program. Inconsistent information severely inhibits a community's ability to ensure compliance with program requirements and unfairly increases the risk of future repayment for misuse of funds.

Problem

One of the most frustrating aspects of Hurricane Helene recovery for local stakeholders has been the inconsistency of answers provided by FEMA personnel related to the FEMA Public Assistance program.

Beginning the day that Hurricane Helene hit Western North Carolina, local leaders have been asking questions related to implementation of the Public Assistance program, including the do's, don'ts, and what may be expected of an applicant seeking reimbursement. In response to these questions, FEMA frequently directed local governments to the "Public Assistance Program and Policy Guide Version 4", a two hundred and seventy seven (277) page document detailing FEMA's Public Assistance Program. The document is long, convoluted, and frequently requires understanding of a preceding or future provision in order to understand the provision you are

⁶⁷ FEMA. (June 1, 2020). *V4*.

https://www.fema.gov/sites/default/files/documents/fema_pappg-v4-updated-links_policy_6-1-2020.pdf

reading. It was clearly written by a lawyer, for a lawyer. The document did little to answer the regional leaders' questions and often caused greater confusion.

As applicants began to receive their assigned Program Delivery Manager (PDMG), the primary point of contact responsible for providing assistance throughout the Public Assistance development process, a local leader's questions were redirected towards the community's PDMG; however, issues quickly arose. PDMG managers have been unable to answer or provided inconsistent answers to easy questions on multiple occasions.

For example, when asked whether a non-profit must follow the state or federal procurement process, Asheville Buncombe Community Christian Ministry - an organization that provides housing to homeless veterans and lost the majority of their facility due to flooding from Helene - was initially told to follow the state process, then the federal, then the state again, and most recently has been told to follow the federal procurement process. This back and forth has made it nearly impossible for the organization to move forward on recovery contracts.

If that example was not frustrating enough, a local government in Western North Carolina attempted to submit an application for Public Assistance reimbursement and was told the application did not include the information that FEMA needed. In response to FEMA's denial, the local leader asked FEMA what information was needed for consideration of the application. FEMA would not share any explicit information, so the local leader resubmitted the application. For a second time, the local leader was told that the application was missing critical information. When the local leader probed what information FEMA needed to consider the application, the FEMA representative stated that they "do not know, but they will know it when they see it". How can an entity ensure all of the i's are dotted and t's are crossed if FEMA is unable to provide any guidance on what is expected of the applicant?

Western North Carolina's local governments and nonprofits have been diligently trying to seek accurate information to advance the region's recovery. These leaders are dedicated to implementing FEMA policies accurately and in-good faith, but cannot do so if FEMA is unable to provide clear answers regarding how Public Assistance is implemented, what an applicant is eligible for, or what may be expected of an applicant.

Justification

Issue an Executive Order directing FEMA to enter into indemnity agreements with each Public Assistance applicant related to Hurricane Helene, eliminating the applicant's liability during an audit in the event of an error made in good-faith.

It is clear that while FEMA's current workforce is unable to reliably administer the Public Assistance program, Western North Carolina communities are facing the brunt of the risk and repercussions. Recovery from Hurricane Helene is repeatedly slowed down by unclear and confusing guidance, and Public Assistance applicants are being forced to assume excess risk of potential errors in applications due to the agency's inability to provide clear guidance. If a Western North Carolina community is audited in the wake of Hurricane Helene, it will be the community, not the FEMA staff, that will have to repay assistance if they relied on inaccurate information from an uninformed PDMG.

The scale and scope of Hurricane Helene has forced Western North Carolina communities to rely on FEMA's advice and guidance when making Public Assistance applications. If an application is made in good faith, but under incorrect information obtained from FEMA, it is untenable to believe that Western North Carolina will be liable for FEMA's inaccuracies. If Public Assistance applicants submit an application or make a decision in good faith, under faulty guidance from their PDMG or other FEMA personnel, that applicant should be shielded from being forced to repay the award.

The communities of Western North Carolina have been through enough. Forcing them to assume the liability of FEMA failures cannot be permitted. Indemnity, or "hold harmless", agreements will alleviate the stress felt by every local leader that has received varying answers from FEMA, allowing them to navigate Public Assistance with greater confidence and recover quicker and more resilient than before.

RECOMMENDATIONS FOR FEMA REFORM TO IMPROVE NC RECOVERY

2.1 Eliminate Duplicative Programs and Processes

Action Requested

Executive Order: Direct FEMA to submit a breakdown to OMB of all its pre/post-disaster grant programs, related steps, and timelines to review, approve, and release funding within 180 days. Include in the breakdown:

- **A detailed list of steps or processes that could be cut or consolidated with the goal of reducing overall steps and process timelines by half.**
- **A detailed list of duplicative FEMA and non-FEMA programs that could be consolidated or eliminated.**

Require FEMA to implement OMB-approved process reforms and consolidations within 60 days, and submit a summary of completed actions and outcomes within 180 days.

Background

FEMA grants involve 30+ steps with zero transparency into the application or review process. This broken system wastes taxpayer resources, slows down recoveries, and undermines the United States' ability to prepare for the next disaster. These grants include FEMA's Public Assistance Program, which provides supplemental grants in the form of reimbursements for a local or state government's work to quickly respond to and recover from major disasters and emergencies.

Problem

Western North Carolina communities have struggled to navigate FEMA's web of bureaucracy, with many having to spend valuable taxpayer dollars on FEMA grant experts when they're already strapped for cash, just so they can navigate the system and recover the grants that the federal government rightfully owes them for disaster recovery expenditures covered under the Stafford Act. The complex process currently in place has slowed Western North Carolina's

recovery from Hurricane Helene and will continue to do so if immediate steps are not taken to streamline recovery for communities and survivors post-disaster.

Justification

Issue an Executive Order directing FEMA to submit a breakdown to OMB of all its pre/post-disaster grant programs, related steps, and timelines to review, approve, and release funding within 180 days; and requiring FEMA to implement OMB-approved process reforms and consolidations within 60 days accompanied by a summary of completed actions and outcomes within 180 days.

This request coincides with a recommendation made by American Flood Coalition Action to cut federal red tape, empower states, and deliver better disaster recovery results for Americans.

FEMA must dramatically pare down processes, duplicative federal programs, and unnecessary regulations to allow North Carolina, Western North Carolina's local governments, their residents, and all future disaster victims to get relief faster. The American people and local governments should not have to become experts in disaster response just to recover from a hurricane. Streamlining FEMA's duplicative programs will save taxpayer resources, expedite disaster recoveries - including the continued recovery of Hurricane Helene - and enhance our country's overall emergency preparedness.

2.2 Modernize IT Systems

Action Requested

Executive Order: Direct FEMA to take the following steps to enhance technological capabilities and update information technology systems:

- **Within 90 days, conduct a comprehensive review of current IT platforms and contractors to determine which legacy systems could be eliminated, replaced, or updated.**
- **Initiate a dynamic, 60-day procurement process to pilot at least 3 platforms that utilize AI, satellites, and aerial technology capable of assessing disaster damages, automating document intake and/or consolidating application steps and synthesizing project reviews.**
- **Award 2-year pilot contracts to at least 3 platforms, requiring onboarding of services within 90 days and evaluations on performance within 1 year.**
 - **Require termination of pilot contracts where performance expectations are not satisfied by the 1 year evaluation.**
- **Upon pilot contract completion, evaluate each platform's overall effectiveness against stated goals.**
- **Use that evaluation to determine continued contracting with platforms based on performance.**

Background

FEMA's IT systems are severely outdated, leading to inefficient processes that are cumbersome and duplicative.

FEMA's Individual Assistance IT system, the National Emergency Management Information System (NEMIS), has been in operation since 1998.⁶⁸ NEMIS is a database system used to track disaster data and manage FEMA's disaster response and recovery programs. The

⁶⁸ OpenFEMA Dataset: Individual Assistance Housing REgistrants-Large Disasters - v1. FEMA. (November 2022) <https://www.fema.gov/openfema-data-page/individual-assistance-housing-registrants-large-disasters-v1#:~:text=The%20data%20is%20derived%20from,includes%20the%20Census%20Block%20Group.>

program is responsible for authorizing payments related to disaster response and recovery efforts.⁶⁹

Further, FEMA's Integrated Financial Management Information System (IFMIS), began implementation in late 1994 and has been fully installed and in operation since 1995.⁷⁰ IFMIS is FEMA's primary financial management system used for all internal and external financial reporting. The system maintains all budgeted resources received by the agency through an appropriation from Congress. IFMIS is in the process of being modernized, but updates have been reported as not being implemented until the second quarter of fiscal year 2026 at the earliest.⁷¹

Problem

FEMA's operations are technologically obsolete. Rather than modernize the agency's IT systems, FEMA relies on work-around processes that depend on bureaucrats to do tedious, inconsistent assessments while continuing to require that the American people jump through outrageous hoops like requiring geo-coordinates for every downed tree just to access federal disaster relief.

America leads the world in technology and innovation, but the Federal Emergency Management Agency fails to utilize those capabilities to help disaster-stricken communities and deliver better value for the services provided.

Justification

Issue an Executive Order directing FEMA to conduct a comprehensive review of all IT systems, initiate a rapid procurement process, and award pilot contracts to enhance the delivery of FEMA's disaster relief services for the American people and state and local communities.

This request coincides with a recommendation made by American Flood Coalition Action to cut federal red tape, empower states, and deliver better disaster recovery results for Americans.

⁶⁹ "FEMA Systems FAQ." Grants Management Technical Assistance (GMTA), May 2020.
https://www.fema.gov/sites/default/files/documents/fema_gmta_fema-grants-systems-faq_6-3.pdf

⁷⁰ "Lesson 1.2: IFMIS Background and Organization Lesson Overview" FEMA.
https://emilms.fema.gov/is_0337/groups/400.html

⁷¹ "FEMA Systems FAQ." Grants Management Technical Assistance (GMTA), May 2020.
https://www.fema.gov/sites/default/files/documents/fema_gmta_fema-grants-systems-faq_6-3.pdf

FEMA must leverage private sector technology to deliver quick and accurate damage assessments, simplify document intake, and expedite review timelines for applications. While updated technology may be expensive up front, innovative technology will save money, speed up assessments, and lead to better and faster outcomes for disaster survivors across the country.

2.3 Empower States in Pre-Disaster Hazard Mitigation

Action Requested

Executive Order: Direct FEMA to update Building Resilient Infrastructure and Communities (BRIC) program allocations so that:

- **Seventy-five percent of funding is awarded for the state allocation to all 50 states, the District of Columbia, and U.S. territories.**
- **The remaining twenty-five percent of funding is made available through the national competition, including a \$50 million Tribal set-aside, to advance major, innovative projects.**

Background

The Building Resilient Infrastructure and Communities (BRIC) program is a federal funding program that supports state, local, and territorial governments and Tribal Nations to implement projects intended to reduce the risk to life and property in the event of a natural disaster.⁷² The program seeks to help communities build capability and capacity and may include projects such as the elevation of flood-prone structures, voluntary acquisition of structures out of the floodplain, protective and redundancy measures to protect public utilities and water and sewer systems.⁷³

In Fiscal Year 2023, FEMA’s BRIC program awarded nearly \$1 billion through formula funds and the national competition.⁷⁴ The “national competition” is FEMA’s rendition of a competitive federal grant process where applicants submit proposals, which are evaluated against each other before funding awards are made.

The national competition favors wealthy, coastal cities that can afford grant writers and consultants who are familiar with FEMA procedures, and disadvantages less wealthy inland

⁷² “Building Resilient Infrastructure and Communities” FEMA.

<https://www.fema.gov/grants/mitigation/learn/building-resilient-infrastructure-communities#:~:text=This%20brings%20the%20total%20amount,Flood%20Mitigation%20Assistance%20Obligations%20Dashboard.>

⁷³ “Building Resilient Infrastructure and Communities (BRIC), Alaska Division of Homeland Security and Emergency Management. 2024. <https://ready.alaska.gov/Mitigation/PDMP>

⁷⁴ Ibid.

communities, such as the mountains of Western North Carolina, who are forced to compete with coastal elites but lack adequate resources to be a true contender for federal BRIC awards.⁷⁵

As of July 30, 2024, New York City has received 14 separate BRIC awards totaling \$439 million. In FY 23, over 75 percent of all BRIC funding benefitted higher-capacity counties. A higher-capacity county is a county with the staffing, resources, and expertise needed to apply for funding and fulfill the federal government's complex reporting requirements necessary to complete a long-term infrastructure project.⁷⁶ Roughly 20 percent benefitted medium-capacity counties, while only 4 percent of awards benefitted low-capacity counties.⁷⁷

Additionally, in FY23, California, New York, and Louisiana received a collective 50 percent of BRIC's total budget. Meanwhile, less than 10 percent of total funding was split amongst the bottom 30 states.⁷⁸

Problem

The maximum state or territory formula-based allocation is just \$2 million to invest in jurisdiction-wide priorities, for a total of \$112 million nationwide, and \$50 million for awards to federally recognized tribes that do not exceed \$2 million.⁷⁹ The remaining pre-disaster hazard mitigation grants through FEMA's BRIC program, more than \$825 million in FY23, were awarded through a national competition controlled by Washington, DC bureaucrats.⁸⁰

States are in the best position to prepare for and respond quickly and efficiently to disasters, but the current BRIC program allocation model does not reflect that reality.

⁷⁵ Kris Smith, "Rising Demand for FEMA's BRIC Program Far Exceeds Available Funding." Headwaters Economics, September, 2024.
<https://headwaterseconomics.org/natural-hazards/rising-demand-for-femas-bric-program-far-exceeds-available-funding/>.

⁷⁶ "A Rural Capacity Map." Headwaters Economics, February 2025.
<https://headwaterseconomics.org/equity/rural-capacity-map/>

⁷⁷ Kris Smith, "Rising Demand for FEMA's BRIC Program Far Exceeds Available Funding." Headwaters Economics, September, 2024.
<https://headwaterseconomics.org/natural-hazards/rising-demand-for-femas-bric-program-far-exceeds-available-funding/>.

⁷⁸ Ibid.

⁷⁹ News Editor, "Nearly \$2 Billion Available in BRIC, FMA Funding for FY23" Association of State Floodplain Managers, October, 2023.
[https://www.floods.org/news-views/fema-news/nearly-2-billion-available-in-bric-fma-funding-for-fy23/#:~:text=In%20FY23%2C%20all%2050%20states,a%20total%20of%20\\$112%20million.](https://www.floods.org/news-views/fema-news/nearly-2-billion-available-in-bric-fma-funding-for-fy23/#:~:text=In%20FY23%2C%20all%2050%20states,a%20total%20of%20$112%20million.)

⁸⁰ Obligations Dashboard: Building Resilient Infrastructure and Communities and Flood Mitigation Assistance. FEMA. <https://fema.maps.arcgis.com/apps/dashboards/8812b5926abd408cbb340b2159b98732>

Justification

Issue an Executive Order directing FEMA to update BRIC program allocations to reflect a seventy-five percent state allocation to all 50 states, the District of Columbia, and U.S. territories, and a twenty-five percent national competition allocation, including \$50 million for a Tribal set-aside.

This request coincides with a recommendation made by American Flood Coalition Action to cut federal red tape, empower states, and deliver better disaster recovery results for Americans.

FEMA has continuously held that disaster response is executed locally, state managed, and supported by the federal government, but a state or local government's ability to effectively and efficiently respond to a disaster is heavily dependent on mitigation and preparedness.

In accordance with FEMA's National Preparedness Goal, a secure and resilient community must have the ability to protect against and mitigate the threats and hazards that are posing the greatest risk to their population and infrastructure.⁸¹ Each community is different, and subjective awarding of mitigation funding based on a bureaucrat's interpretation of the community's need for that award jeopardizes emergency preparedness, national security, and fails to achieve the National Preparedness Goal.

A bureaucrat in Washington, DC can not and does not understand the merits of a BRIC application for risk mitigation, nor can that bureaucracy understand the unique risks associated with every American community applying for mitigation funding. Disaster preparedness is best handled by our state and local governments, who must be empowered with the flexibility needed to determine and address relevant global and dynamic threats and hazards to mitigate risk.

Increasing formula funding for states, territories, and tribes will ensure disaster preparedness is in the hands of the American people and their direct state and local governments, not subjected to the bureaucracy of the federal government. An increased allocation would ensure the nation's critical mitigation projects are being funded and completed nationwide, so communities like Western North Carolina, not just our country's most wealthy coastal communities, can be prepared in the event of disaster.

⁸¹ "National Preparedness Goal." FEMA. <https://www.fema.gov/emergency-managers/national-preparedness/goal>

2.4 Simplify Processes for Disaster Survivors

Action Requested

Executive Order: Direct OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Disaster Survivors Fairness Act* which stands up a universal application across FEMA, SBA, HUD, USDA, and other federal entities providing disaster assistance to individuals, among other reforms.

The statement should urge Congress to send legislation to President Trump for signature into law within 60 days.

Background

After a natural disaster upends an individual's life and livelihood, survivors are forced to navigate a confusing array of federal agencies just to find the disaster assistance they are eligible for. These agencies include, but are not limited to, FEMA, the Small Business Administration, the United States Department of Agriculture, and the U.S. Department of Housing and Urban Development.

Problem

Federal disaster relief processes are duplicative, complex, and confusing to survivors. There are too many cooks in the kitchen. Depending on a survivor's circumstances, an individual may be required to submit an application for federal assistance to three or more federal agencies, each with their own complex application process to navigate.

Just one example of this faulty system comes from FEMA. After a survivor submits an application for assistance, the agency will deny any applicant with missing information, without providing the applicant with an opportunity to provide the required documentation before a determination is made. Despite the fact that the missing documentation may just be a copy of the applicant's driver license, an applicant that receives a denial must endure the full appeal process

in order to receive federal assistance. This process can take up to 3 months, or 150 days. An applicant has 60 days to submit an appeal and FEMA has up to 90 days to make a decision.⁸²

Additionally, programs may require that an applicant submit the same information multiple times utilizing difficult to access materials such as the title to a survivor's home, insurance information, or photos of damage. These documents may be difficult to keep track of, and resubmission of the same information is often frustrating to survivors.

Even more troublesome, federal programs do not advise an applicant on general eligibility. The SBA will accept or deny a loan application based on internal criteria, without regard to an applicant's eligibility for future grant funding through another federal entity, such as HUD. After a disaster, applicants seek immediate assistance, and separate application processes across agencies restrict a survivor's ability to find and understand the best federal assistance for their particular circumstance.⁸³ Although a better alternative may be available, applicants are often unaware of other assistance and will rely on the disaster relief that is most convenient and quickly accessible regardless of the financial implications or potential limitations for future assistance due to a prohibition on duplication of disaster benefits in the Stafford Act.

Justification

Issue an Executive Order directing OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Disaster Survivors Fairness Act* which stands up a universal application across FEMA, SBA, HUD, USDA, and other federal entities providing disaster assistance to individuals, among other reforms.

This request coincides with a recommendation made by American Flood Coalition Action to cut federal red tape, empower states, and deliver better disaster recovery results for Americans.

The federal government should take a “no wrong door” approach that makes it easy for survivors to upload their information one time, in one place, and swiftly receive relief to rebuild.

⁸² “FEMA Answers: Appeals Process Q&A.” FEMA.gov, February 2021.
<https://www.fema.gov/fact-sheet/fema-answers-appeals-process-qa#:~:text=How%20long%20does%20it%20take,d ocuments%20with%20your%20initial%20appeal.>

⁸³ Martín, Carlos, and Daniel Teles. “Improving the Disaster Aid Application Process Will Ensure Victims Aren’t Left behind | Urban Institute.” Urban, August 21, 2018.
<https://www.urban.org/urban-wire/improving-disaster-aid-application-process-will-ensure-victims-arent-left-behind.>

The *Disaster Survivors Fairness Act* cuts red tape, making the federal disaster system prioritize American families over paperwork and bureaucratic check boxes, streamlining the process and improving survivor outcomes.

2.5 Building Code Flexibilities for Access to Mitigation Funds

Action Requested

Executive Order: Direct OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Promoting Resilient Buildings Act* that eliminates onerous administrative requirements on state and local governments and increases state access to federal hazard mitigation resources.

The statement should urge Congress to send legislation to President Trump for signature into law within 60 days.

Background

Building codes regulate new construction and major renovations, setting minimum standards for homes and commercial structures to withstand natural disasters such as floods, earthquakes, or in Western North Carolina’s case, Hurricane Helene. Every three years, the International Code Council publishes a new edition of building codes for states to consider adopting. The codes adhere to advancements in industry practices and technology.⁸⁴

FEMA utilizes the definition of building codes to determine eligibility for federal hazard mitigation programs that are authorized by Section 404 of the Stafford Act and provide funding to state and local governments to implement long-term hazard mitigation measures after a presidential disaster declaration.⁸⁵ FEMA’s hazard mitigation programs include the Building Resilient Infrastructure and Communities (BRIC) program, Hazard Mitigation Grant Program (HMGP), and Flood Mitigation Assistance (FMA) program, and account for billions in annual federal expenditures.⁸⁶ If a state has not adopted a recent-enough published edition of codes that is conducive with the current definition of “building codes”, the state will not be eligible for most hazard mitigation assistance.

⁸⁴ International Code Council (ICC). *Find codes*. <https://codes.iccsafe.org/codes/i-codes>

⁸⁵ *Hazard Mitigation Grant Program (HMGP)*. (2025, March 25). FEMA.gov. <https://www.fema.gov/grants/mitigation/learn/hazard-mitigation#:~:text=FEMA's%20Hazard%20Mitigation%20Grant%20Program,disaster%20losses%20in%20their%20communities>.

⁸⁶ *Side by side comparison of funds* | US EPA. (2025, March 13). US EPA. <https://www.epa.gov/fedfunds/side-side-comparison-funds>

In 2018, the Disaster Recovery Reform Act (DRRA) established the definition of building codes, as they relate to hazard mitigation, to include the latest two published editions of relevant codes, specifications, and standards. This definition alleviated significant administrative burdens on states and local municipalities responsible for producing Hazard Mitigation Plans, but the definition was sunset in October 2023. Once it sunset, the definition building codes reverted to being the single latest published edition of relevant codes.

Problem

The complexity of building codes makes it burdensome for states to update and enforce new codes every three years, resulting in many states losing eligibility for critical hazard mitigation funding that can be used to prepare against loss of life and property in the event of a natural disaster. Additionally, inconsistent building standards caused by frequently changing building codes have alarming impacts on building costs, decreasing housing affordability and worsening the nation's housing crisis. A 2022 National Association of Home Builders and National Multifamily Housing Council report found that code changes over the past decade were the largest cost driver to multifamily development costs due in large part to the lack of clarity and enforcement inconsistencies associated with changing regulations.⁸⁷

Justification

Issue an Executive Order directing OMB to issue a Statement of Administration Policy within 7 days supporting passage of the *Promoting Resilient Buildings Act* to eliminate the sunset and codify the definition of building codes to include the latest two published editions of relevant codes, specifications, and standards.

As WNC looks to rebuild more resilient after Hurricane Helene, additional flexibilities in building code requirements to access hazard mitigation funding and stabilize the crippled housing industry is critical to advancing recovery.

FEMA advocates for the use of the single latest edition of building codes because the agency believes the latest two editions of building codes make states more vulnerable to significant hazard exposure; however, a November 2020 study published by FEMA analyzes

⁸⁷ NMHC Pulse Survey: *Analyzing the Impact of Building codes on rental housing Development & Affordability*. <https://www.nmhc.org/research-insight/survey/nmhc-pulse-survey-analyzing-the-impact-of-building-codes-on-rental-housing-development-affordability/>

vulnerabilities among buildings built pre-2000 versus post-2000's hazard resistant building codes, and the report does not indicate an increased risk caused by permitting the use of building codes up to six years old in present time.⁸⁸

Expanding the definition of building codes to include the two most recent editions, which are published over a six year period, will eliminate onerous administrative requirements on state and local governments, reduce burdensome regulations on trade industries responsible for rebuilding Western North Carolina's housing stock and adapting their techniques to meet new standards and codes, and will support stabilized building costs that might otherwise be interrupted by frequently changing building codes and rising construction costs. Furthermore, the additional flexibility created by expanding the definition does not jeopardize resiliency and will better ensure American communities are prepared for disaster if it ever strikes.

⁸⁸ *Building Codes Save: A Nationwide Study of Loss Prevention*. (2025, January 13). FEMA.gov. <https://www.fema.gov/emergency-managers/risk-management/building-science/building-codes-save-study>

ADDITIONAL REQUESTS

3.1 Additional Requests to Monitor

It has been over six months since Hurricane Helene struck Western North Carolina, destroying homes, businesses, and destabilizing the region's economy.

Since September 2024, the mountains of North Carolina have made great strides towards recovery, but it has not been an easy journey. Local, state, and federal stakeholders had to fight tooth and nail with the Biden Administration to achieve clarity, operational efficiency, and assistance from FEMA that was conducive to disaster recovery in the mountains of North Carolina. Progress was slow in order to move forward with agency programs, such as the Direct Temporary Housing Assistance program, and to navigate bureaucratic regulations that have repeatedly slowed recovery. Many of these pain points required hundreds of emails, dozens of meetings, and Congressional intervention to achieve a resolution that guaranteed timely and effective implementation.

While Western North Carolina is in a much better place now than on September 27, 2024, FEMA's history of inconsistent decision making and program implementation warrants enhanced observation of certain programs and regulations to ensure bureaucracy does not impede recovery for Hurricane Helene or any future disaster.

For the sake of brevity, additional requests are as follows:

- 1) Ensure bridges with greater conveyance in Western North Carolina are exempt from the costly and lengthy no-rise certification process under FEMA's National Flood Insurance Program.
- 2) Allow state and local officials to perform all inspections for the installation of temporary or transportable housing units to reduce the time it takes to complete installation and place an eligible applicant into a safe housing solution; eliminate FEMA from the process.
- 3) Grant the State of North Carolina the authority to waive Environmental Historic Preservation (EHP) requirements to reduce permitting or environmental review timelines and expedite the completion of disaster recovery projects.

- 4) Take steps to reduce the number of times Project Delivery Managers tasked with assisting local governments are reassigned, resulting in disruptions in project submissions and frequently forcing local governments to resubmit information.
- 5) Streamline the waterway debris removal process between local stakeholders and the Army Corps of Engineers.
- 6) Increase transparency in FEMA communication with disaster survivors and the media, and eliminate limitations in information sharing for non-confidential information, to reduce the public's frustration associated with not knowing what FEMA is doing or how the community is progressing throughout recovery.
- 7) Simplify FEMA application decisions to eliminate confusing terminology and conduct a usability study to test whether the updated application decisions are easily understood by disaster survivors.
- 8) Increase the frequency of FEMA's communication to applicants with missing documentation prior to issuing an application decision to reduce the frequency of missing documentation leading to denials and lengthy appeals processes.

Western North Carolina is grateful for the Trump Administration's assistance mitigating continued issues with the above topics, but risk of lapse in administrative procedures and of similar difficulties with FEMA's response to future disasters under subsequent administrations necessitates that the suggestions above be provided serious consideration.

The "Additional Requests" will address many of the inconsistencies and frustrations that have continued to plague disaster communities for decades, and attention to the issues will enhance ease of access and use of federal disaster assistance for decades to come.

CONCLUSION

Western North Carolina's unique topography has led to unprecedented destruction that necessitates greater federal assistance than may be traditionally provided. The requests in this report seek to ensure that North Carolina's communities and disaster survivors have access to the resources that are needed to recover in a timely manner.

Without implementation of these recommendations, it will be years before Western North Carolina resembles a community similar to what existed before the storm. With the flexibility and enhanced reimbursement processes requested in this report, communities will be equipped to rebuild more quickly, expediting recovery for the region. The State of North Carolina and local governments are dedicated to the region's recovery, they just need additional support to ensure the mountains rebuild stronger and more resilient than before.

Western North Carolina also cannot afford for recovery to be interrupted by total terminations of critical recovery programs. The requests made in this report take a meticulous approach to increasing the functionality of disaster response programs, while reducing the size of the federal disaster footprint, without inhibiting recovery. As the Administration reviews opportunities to reform FEMA and make the agency more efficient, please consider the suggestions included above, and employ a similar, cautious approach that preserves access to federal resources for Hurricane Helene recovery.

Thank you for your attention to and consideration of Western North Carolina's needs and subsequent suggestions that will enhance disaster recovery across the region's mountains. Hurricane Helene was unlike any storm that has ever hit the State of North Carolina and President Trump's dedication to ensuring Western North Carolina does not get left behind has not gone unnoticed. The report lays out the top challenges impeding Western North Carolina's recovery from Hurricane Helene, and makes recommendations to cut red tape and resolve those challenges so the community can rebuild, displaced survivors can return home, and Western North Carolina can return to being one of America's favorite travel destinations again.