

STATE OF NORTH CAROLINA OFFICE OF THE GOVERNOR

JOSH STEIN Governor

September 17, 2025

The North Carolina Senate The Honorable Phil Berger, President Pro Tempore The Honorable Sydney Batch, Minority Leader

The North Carolina House of Representatives The Honorable Destin Hall, Speaker The Honorable Robert Reives, Minority Leader

Dear Mr. Speaker, Mr. President, Leaders, Members of the General Assembly and fellow North Carolinians.

Tropical Depression Chantal (Chantal) brought heavy rains, damaging winds, and several EF-1 tornadoes to central North Carolina on July 6th, 2025, leading to devastating effects for 13 counties. Chantal caused both flash and riverine flooding and led to at least six confirmed storm-related fatalities. Approximately 290 homes and businesses in Alamance, Caswell, Chatham, Durham, Granville, Orange, Person, and Wake Counties were destroyed or sustained damages, leading to economic disruption and displacing residents. The storm also caused severe damage to state parks, transportation and water infrastructure in the affected counties.

The severity and magnitude of damage from Chantal exceeds local and state capacity to completely and effectively respond. To facilitate disaster response and recovery, I declared a State of Emergency in the affected counties on July 16th and petitioned the federal government for a major disaster declaration on August 5th. The federal government has approved that request on September 11th, authorizing federal aid through the Public Assistance and Hazard Mitigation Grant programs to assist state and local governments in recovery efforts. To qualify for and match this federal support for Chantal disaster victims, we will need state funding.

Funding Request

State appropriations of **\$26.75 million** are needed to support the impacted counties and municipalities. State funding is requested to provide support with the following:

• **\$6 million** for the administration of a state Individual Assistance (IA) program, including temporary housing, rental assistance, and other direct aid to residents. Funds will be utilized for state program management and grants to individuals and families for

- temporary housing and rental assistance, repair or replacement of housing and personal property, and medical or funeral expenses resulting from the emergency.
- \$15 million for the state cost-share of federal Public Assistance (PA) program to reimburse state and local governments for immediate response efforts, such as evacuation and sheltering, and longer-term recovery projects, such as public facility and utility repairs.
- \$5.5 million for the Department of Transportation (DOT) to cover the state cost share of highway repairs.
- \$250,000 for the Department of Natural and Cultural Resources (DNCR), Division of Parks and Recreation, to offset lost revenue from park closures; lost revenue is not eligible for federal reimbursement.

I request flexibility with these appropriations to move funding across categories as demand requires.

In addition to funding for Chantal recovery, I request that \$25 million in the State Emergency Response and Disaster Relief Fund (SERDRF) be appropriated as a cash flow mechanism to support urgent action following future storms. This minimum threshold of appropriated SERDRF funds will support activities outlined in <u>GS 166A-19.42</u> to ensure available resources for disaster response and remove delays from seeking funding. The SERDRF has a current <u>unappropriated balance of \$106.2 million</u>.

I appreciate your commitment to serving the people of our great state and look forward to working with you on storm recovery.

Sincerely,

Josh Stein Governor

John Stin