



**STATE OF NORTH CAROLINA  
OFFICE OF STATE BUDGET AND MANAGEMENT**



Employment First State for Individuals with Disabilities

JOSH STEIN  
GOVERNOR

KRISTIN WALKER  
STATE BUDGET DIRECTOR

December 22, 2025

TO: House Appropriations Committee  
Senate Appropriations/Base Budget Committee  
Brian Matteson, Director, Fiscal Research Division

FROM: Kristin Walker *Kristin Walker*  
State Budget Director  
Office of State Budget and Management

SUBJECT: Report on Expenditures for Disaster Recovery

The attached report fulfills the reporting requirement from S.L. 2022-74, Sec. 5.4(a) regarding funds appropriated for disaster recovery. This report is for the first quarter of FY 2026.

Please contact Mark Bondo with any questions at [mark.bondo@osbm.nc.gov](mailto:mark.bondo@osbm.nc.gov) or 984-236-0684.

CC: Anca Grozav, OSBM  
Mark Bondo, OSBM  
Sarah Grimsrud, OSBM  
Loretta Peace Bunch, OSBM

**Quarterly Implementation Status Report**  
**State Emergency Response and Disaster Relief Funds (SERDRF)**  
**Allocated pursuant to Section 5.4(a) of Session Law 2022-74 for**  
**Various Disaster Relief, Recovery, Mitigation and Resiliency Purposes**

**Reporting Period: July 2025 to September 2025**

**Prepared by the North Carolina Office of State Budget and Management**

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**Department of Health and Human Services**

**1. COVID-19 Cash Expenditure Offset**

SL 2022-74 Section 5.4 (a)(1)

The purpose of this program is to reserve funds for the Department of Health and Human Services to offset cash expenditures made by the Department for COVID-19 eligible expenses pending reimbursements by the Federal Emergency Management Agency (FEMA) at one hundred percent (100%) of associated costs. As reimbursements from FEMA are received, the Department shall return funds to the State Emergency Response and Disaster Reserve (Reserve), and those funds shall remain in the Reserve until appropriated by the General Assembly.

**Responsible Department and Agency**

Department of Health and Human Services

**Funding Allocation Update**

Appropriated	\$125,000,000.00
Expended	\$125,000,000.00
Obligated	\$00
Unobligated Balance	\$00

**Contact**

Jennifer Street, Director – Division of Budget & Analysis

919-865-4856

[Jennifer.street@dhhs.nc.gov](mailto:Jennifer.street@dhhs.nc.gov)

## Department of Public Safety

### 2. State Match for Federal Assistance Programs

SL 2022-74 Section 5.4 (a)(2)

The purpose of this program is to provide funds to state agencies from the State Emergency and Disaster Relief (SERDF) for the required state match tied to FEMA assistance for COVID-19

#### Responsible Department and Agency

Department of Public Safety, Division of Emergency Management

#### Funding Allocation Update

Appropriated	\$15,000,000.00
Expended	\$406,237.00
Obligated	\$14,593,763.00
Unobligated Balance	\$0.00

#### Contact

Matt Kemnitz, Assistant Director for Administration  
919-825-2365

[matthew.kemnitz@ncdps.gov](mailto:matthew.kemnitz@ncdps.gov)

## Department of Public Safety

### 3. Private Road and Bridge Repair and Replacement

SL 2022-74 Section 5.4 (a)(3)(a)

The purpose of this program is to provide funds for the Private Road and Bridge Repair and Replacement Program established in Section 5.9A of S.L. 2021-180 to address continued demand for private road and bridge repairs in response to damage caused by Tropical Storm Fred.

#### Funding Allocation Update

Appropriated	\$ 5,000,000.00
Expended	\$ 4,316,372.33
Encumbered	\$ 683,627.67
Unobligated Balance	\$ 0.00

#### Contact

Matt Kemnitz, Assistant Director for Administration

919-825-2365

[matthew.kemnitz@ncdps.gov](mailto:matthew.kemnitz@ncdps.gov)

#### **4. Tropical Storm Fred Debris Removal and Infrastructure Repairs**

SL 2022-74 Section 5.4 (a)(3)(b)

The purpose of this program is to provide funds to local government units for the removal and disposal of debris and public infrastructure repairs from damage caused by Tropical Storm Fred.

##### **Responsible Department and Agency**

Department of Public Safety, Division of Emergency Management

##### **Funding Allocation Update**

Appropriated	\$5,000,000.00
Expended	\$754,655.04
Obligated	\$4,245,344.96
Unobligated Balance	\$0.00

##### **Contact**

Joe Stanton, Assistant Director for Long-Term Recovery

919-218-6325

[joe.stanton@ncdps.gov](mailto:joe.stanton@ncdps.gov)

## **5. Star Telephone Membership Corporation Relocation**

SL 2022-74 Section 5.4 (a)(3)(c)

The purpose of this program is to provide funds to Star Telephone Membership Corporation to relocate the Corporation's headquarters to another location within Sampson County. If Star Telephone Membership Corporation receives federal funds from FEMA or any other federal agency for this purpose, the Corporation shall return the amount of funds equal to any federal award to the Reserve as soon as practicable.

### **Responsible Department and Agency**

Department of Public Safety, Controller's Office

### **Funding Allocation Update**

Appropriated	\$21,402,739.00
Expended	\$21,402,739.00
Obligated	\$0.00
Unobligated Balance	\$0.00

### **Contact**

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

## **6. Carteret County Directed Grant**

SL 2022-74 Section 5.4 (a)(3)(d)

The purpose of this directed grant is to provide funds to Carteret County for debris removal and storm resiliency.

### **Responsible Department and Agency**

Department of Public Safety, Controller's Office

### **Funding Allocation Update**

Appropriated	\$12,000,000.00
Expended	\$12,000,000.00
Obligated	\$0.00
Unobligated Balance	\$0.00

### **Contact**

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

## Department of Public Safety

### 7. Town of Canton Directed Grant

SL 2022-74 Section 5.4 (a)(3)(e)

The purpose of this directed grant is to provide funds to Town of Canton for various disaster recovery projects.

#### Responsible Department and Agency

Department of Public Safety, Controller's Office

#### Funding Allocation Update

Appropriated	\$8,300,000.00
Expended	\$8,300,000.00
Obligated	\$0.00
Unobligated Balance	\$0.00

#### Contact

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

## Department of Public Safety

### 8. Town of Lillington Directed Grant

SL 2022-74 Section 5.4 (a)(3)(f)

The purpose of this directed grant is to provide funds to Town of Lillington for flood resiliency projects.

#### Responsible Department and Agency

Department of Public Safety, Controller's Office

#### Funding Allocation Update

Appropriated	\$3,500,000.00
Expended	\$3,500,000.00
Obligated	\$0.00
Unobligated Balance	\$0.00

#### Contact

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

## Department of Public Safety

### 9. North Carolina Resource Conservation and Development Association

SL 2022-74 Section 5.4 (a)(3)(g)

The purpose of this directed grant is to provide funds to North Carolina Resource Conservation and Development Association for flood mitigation projects.

#### Responsible Department and Agency

Department of Public Safety, Controller's Office

#### Funding Allocation Update

Appropriated	\$1,000,000.00
Expended	\$1,000,000.00
Obligated	\$0.00
Unobligated Balance	\$0.00

#### Contact

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

## Department of Public Safety

### **10. Purchase of Portable Deployable Emergency Communications Assets**

SL 2022-74 Section 5.4 (a)(3)(h)

The purpose of this directed grant is to provide funds for the purchase of portable deployable emergency communications assets capable of operating independent from commercial power and capable of generating an area of Wi-Fi and cellular coverage using Federal Communications Commission-licensed spectrum, including the Band 14 spectrum. These emergency communications assets shall be strategically staged across the State to enable swift response to emergencies by supporting public safety and emergency management communications. Up to one hundred thousand dollars (\$100,000) of these funds shall be used to provide emergency communications assets as described in this sub-subdivision to the North Carolina Search and Rescue Program, established in G.S. 166A-166.

#### **Responsible Department and Agency**

Department of Public Safety, Division of Emergency Management

#### **Funding Allocation Update**

Appropriated	\$600,000.00
Expended	\$582,289.89
Obligated	\$17,710.11
Unobligated Balance	\$0.00

#### **Contact**

Matt Kemnitz, Assistant Director for Administration

919-825-2365

[matthew.kemnitz@ncdps.gov](mailto:matthew.kemnitz@ncdps.gov)

## Department of Public Safety

### **11. Southeast Drainage Office, Inc.**

SL 2022-74 Section 5.4 (a)(3)(i)

The purpose of this program is to provide funds to Southeast Drainage Office, Inc., a nonprofit corporation, for stream and river cleanup, maintenance, and drainage of waterways in Pitt County and surrounding counties. The Office shall provide training on and demonstration of best practices for debris removal and drainage system maintenance activities to public and private entities.

#### **Responsible Department and Agency**

Department of Public Safety, Controller's Office

#### **Funding Allocation Update**

Appropriated	\$400,000.00
Expended	\$400,000.00
Obligated	\$0.00
Unobligated Balance	\$0.00

#### **Contact**

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

## Department of Public Safety

### **12. Town of Colerain Directed Grant**

SL 2022-74 Section 5.4 (a)(3)(j)

The purpose of this directed grant is to provide funds to Town of Colerain for flood recovery.

#### **Responsible Department and Agency**

Department of Public Safety, Controller's Office

#### **Funding Allocation Update**

Appropriated	\$198,500.00
Expended	\$198,500.00
Obligated	\$0.00
Unobligated Balance	\$0.00

#### **Contact**

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

### **13. Hyde County Directed Grant**

SL 2022-74 Section 5.4 (a)(3)(k)

The purpose of this directed grant is to provide funds to Hyde County as a directed grant for a pilot project to contract for the deployment of an emergency communications assets system with all of the following capabilities:

1. Operating independently from commercial power systems
2. Using satellite transport.
3. Generating an area of Wi-Fi and cellular coverage using Federal Communications Commission-licensed spectrum

#### **Responsible Department and Agency**

Department of Public Safety, Controller's Office

#### **Funding Allocation Update**

Appropriated	\$114,100.00
Expended	\$114,100.00
Obligated	\$0.00
Unobligated Balance	\$0.00

#### **Contact**

Tripti Dahal, DPS Controller's Office

984-920-8811

[tripti.dahal@ncdps.gov](mailto:tripti.dahal@ncdps.gov)

## Department of Agriculture and Consumer Services

### **14. Agricultural Crop Loss Program**

SL 2022-74 Section 5.4 (a)(4)

The purpose of this program is to provide additional funding to the Agricultural Crop Loss Program established in Section 5.9B of S.L. 2021-180, for the following purposes:

- a. \$5,000,000 to provide additional assistance to applicants affected by Tropical Storm Fred.
- b. \$5,000,000 to provide additional assistance to applicants affected by the Freeze Disaster, as defined in Section 4.4 of S.L. 2022-6.

#### **Responsible Department and Agency**

Department of Agriculture and Consumer Services

#### **Funding Allocation Update**

Appropriated	\$853.27
Expended	\$853.27
Obligated	\$0.00
Unobligated Balance	\$0.00

**Summary of Activities:** Per Session Law 2025-2 Section 2D.1.(c) directs the Department of Agriculture to use remaining funds from Section 5.9A(c)(2) of S.L. 2021-180 and Section 5.4(a)(4) of S.L. 2022-74 for the Agriculture Disaster Crop Loss Program for verifiable losses from an agricultural disaster in 2024, excluding Hurricane Helene. \$9,999,146.73 of the initial funding from SL 2022-74 Section 5.4(a)(4) will be used to cover the new Agriculture Disaster Crop Loss Program.

#### **Contact**

Dr. Joe French

336-349-8347

[Joe.French@ncagr.gov](mailto:Joe.French@ncagr.gov)

Kaleb Rathbone, Assistant Commissioner

828-558-1074

[Kaleb.rathbone@ncagr.gov](mailto:Kaleb.rathbone@ncagr.gov)

## Department of Natural and Cultural Resources

### 15. North Carolina Coastal Federation Directed Grant

SL 2022-74 Section 5.4 (a)(5)

The purpose of this directed grant is to provide funding to the North Carolina Coastal Federation, Inc., for living shoreline work at Hammocks Beach State Park, Black Duck Island on the Oregon Inlet, Fort Macon State Park, and Pine Knoll Shores Aquarium.

#### Responsible Department and Agency

Department of Natural and Cultural Resources

#### Funding Allocation Update

Appropriated	\$6,500,000.00
Expended	\$5,434,081.22
Obligated	\$1,065,918.78
Unobligated Balance	\$0.00

#### Summary of Activities

The contract for this grant has been executed and the grantee is working on permitting and construction. We have received and paid 13 requests for reimbursement to date totaling \$5,434,081.22. All permits are in place for three of the four project sites and construction is nearing completion on Black Duck Island, at Fort Macon State Park, and at Pine Knoll Shores Aquarium.

#### Contact

Will Summer, NCLWF Executive Director

919-707-9489

[will.summer@dnrcr.nc.gov](mailto:will.summer@dnrcr.nc.gov)

Steve Bevington, NCLWF Restoration Program Manager

919-707-9478

[steve.bevington@dnrcr.nc.gov](mailto:steve.bevington@dnrcr.nc.gov)

## Department of Information Technology

### **16. Public Safety Broadband Network**

SL 2022-74 Section 5.4 (a)(6)

The purpose of this program is to provide matching funds for mobile broadband providers to deploy infrastructure to extend coverage or enhance the capacity of the Public Safety Broadband Network to unserved and underserved State agency campuses. The Department shall determine the match rate for each campus based on the ability of each campus to provide funding based on the Department's criteria. Mobile broadband infrastructure funded under this subdivision shall be capable of utilizing the Band 14 spectrum.

#### **Responsible Department and Agency**

Department of Information Technology

#### **Funding Allocation Update**

Appropriated	\$2,000,000.00
Expended	\$0.00
Obligated	\$116,296.98
Unobligated Balance	\$1,883,703.02

#### **Update narrative:**

This program is housed in the NCDIT Division of Broadband and Digital Opportunity's FirstTech Program and piloted with the Samarcand Training Academy campus. NCDIT is working with the vendor to firm up the contract vehicle that will be used for the installation of the cellular equipment. This could include an amendment to state convenience contract 915A for cellular services though we are also exploring a Request For Quote in parallel as the master agreement for 915a was originally designed for cellular service.

The State Property Office conducted an open Request for Proposal process, and a tower builder is under contract to build the tower at Samarcand at no cost to the State while generating revenue to the State on the land lease. The cellular vendor has established a relationship with the tower builder and will become one of the tenants of the tower. This funding will be used for the cellular vendor to install the needed equipment on the tower. The site plan has been completed, and the tower builder is working with Moore County and other authorities to complete the permit and application process.

NCDIT funded NC DPS to purchase of a deployable cellular tower that can be used in targeted areas around the Samarcand campus for temporary cellular coverage as needed. This

equipment assists with the immediate needs during select courses, while the permanent tower is being constructed as a long-term solution.

Things are moving forward, and we anticipate the cellular equipment installation to happen in the spring of 2026 after the tower is built. NCDIT is working with other state agencies to identify additional sites that can benefit from this process.

### **Contact**

Annette Taylor, NCDIT Deputy Secretary of Broadband and Digital Opportunity  
[annette.taylor@nc.gov](mailto:annette.taylor@nc.gov)

Red Grasso, Director, FirstTech Program  
[red.grasso@nc.gov](mailto:red.grasso@nc.gov)