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NC needs a full and inclusive recovery for Western NC post-Helene

Recovery and rebuilding from Hurricane Helene in Western NC requires a bold public response that ensures everybody gets the help that they need and that the public capacity to support resiliency and well-being in every community is there for the long-term.

To ensure that rebuilding can be sustained, NC policymakers must pause the state income tax cuts scheduled for Jan. 1, that will disproportionately benefit profitable out-of-state corporations and the wealthiest North Carolinians. This will provide \$1 billion in public money next year.

The needs are great in Western NC. Meeting them with a robust public plan will stop hardship and help the entire economy.

Meeting the needs of people, public institutions, and businesses in the region can stave off the negative effects of job and housing loss, provide stability to children and older North Carolinians, and ensure that communities stay connected and cared for after this traumatic event.

- The number of FEMA temporary shelter assistance applications in the first three weeks were already nearly 5 times the number of applications from the past two disasters to hit Eastern NC, combined.
- Food assistance applications in the first round totaled more than 175,000, according to the NC Department of Health and Human Services.

The NC General Assembly has only scratched the surface of what is needed.

In total, the two disaster packages provide less than 2 percent of the estimated need: just \$954 million for Helene recovery when preliminary estimates of the damage in Western NC alone total more than \$53.6 billion.

- Just \$1 million was provided for rental assistance. The Office of State Budget & Management identified a need for at least \$25 million. The \$1 million would allow the state to provide just 297 households with rental assistance for two months, not even getting them to the holiday season.

- Just \$10 million was provided for child-care providers. The Office of State Budget & Management identified a need for at least \$36 million. More than 55 child-care providers are damaged such that they cannot reopen without significant work to their buildings. Furthermore, many child-care providers were already destabilized by the loss of federal funds this summer and the inequitable formula used to determine child care market rates, which disproportionately disadvantages rural counties like those in Western NC.

The federal government will continue to play an important role, but it is unlikely to be sustained and reach every person and community impacted.

As the [Congressional Research Services](#) has noted, the United States takes a “bottom up” approach to disaster management, relying on local and state governments to lead, while the federal government plays a supplemental role.

- The federal government, however, does have significant experience and systems that kick into gear automatically when a disaster strikes, a model of infrastructure that the state should seek to ensure is available to it by funding state disaster management functions, including coordinating federal funds, case management, and resiliency planning.
- In the preliminary disaster assessment for North Carolina, federal funding was expected to be roughly \$13.6 billion, or just 25 percent of the total preliminary damage assessment.

The state can fund a more equitable recovery.

North Carolina has the wealth to meet the needs of communities and promote people’s well-being, but this is possible only if lawmakers stop sending our public money out of state and to the richest in North Carolina through tax breaks and private school vouchers.

- We can prudently take \$1.25 billion from the Savings Reserve Fund. Between the House and Senate packages that have passed since Helene hit, North Carolina policymakers have already drawn \$877 million from the Savings Reserve Fund. So, if policymakers remain committed to the guidance of state economists, this leaves only \$373 million in the Savings Reserve for disaster relief.
- Pausing income tax cuts for the richest North Carolinians and profitable corporations will ensure \$1 billion is available next year for the rebuilding effort. In a recent poll, North Carolinians overwhelmingly supported stopping income tax cuts for profitable corporations so that the state had public money for community priorities. Lawmakers owe it to their constituents to abide by the wishes of the majority of North Carolinians.



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