



2025-2026 General Assembly

# HOUSE BILL 1012: Disaster Recovery Act of 2025 - Part II, Subpart II-B: Hurricane Helene Local Government Capital Grant Program

**Analysis of:** S.L. 2025-26, Subpart II-B

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Subpart II-B of S.L. 2025-26 (House Bill 1012) creates the Hurricane Helene Local Government Capital Grant Program (Program), administered by the Office of State Budget and Management (OSBM), to disburse grants to units of local governments or federally recognized tribes in the Helene-affected area for capital projects in the affected area in accordance with the Program requirements. OSBM must disburse grants to eligible recipients under a damage per capita formula developed from Federal Emergency Management Agency's (FEMA) damage estimates and reports in the affected area from Hurricane Helene. The grants must be used for capital projects to repair, renovate, or replace infrastructure damaged by Hurricane Helene. These capital projects must be projects that have been denied eligibility for FEMA Public Assistance reimbursement. OSBM must prioritize grants to an eligible recipient with a population of 300,000 or fewer based on the 2023 Certified County Population Estimates from the State Demographer and that qualify, in whole or in part, for FEMA Public Assistance Categories C through G. OSBM may not award more than the following percentages of the funds appropriated for the Program:

- (1) 20% to one county, including grants to units of local government within that county.
- (2) 5% per eligible recipient.
- (3) 5% per zip code if that zip code only qualifies for FEMA Public Assistance Categories A through B.

OSBM must submit a report to the chairs of the Joint Legislative Oversight Committee on General Government, the Joint Legislative Emergency Management Oversight Committee, and the Fiscal Research Division no later than six months after the application period for this Program opens, and every six months thereafter until all funds are expended. The report must include, at a minimum, the following:

- (1) The number of grants disbursed and to which eligible recipients.
- (2) The proposed uses for each grant.
- (3) The average and median amounts of the grants disbursed under the Program.

This section became effective June 27, 2025.

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