



2024 (FY25) Federal Priorities for NC Counties

A Quick Guide to Our Issues

February 2024 Highlights

Support Additional SLFRF Flexibility

Support additional flexibility and an extension in the deadline for spending American Rescue Plan (ARP) State and Local Fiscal Recovery Funds (SLFRF).

- Counties are very grateful for the direct federal funds all 100 NC counties received through the American Rescue Plan Act.
- Every county is doing its best to meet the obligation deadline for the State and Local Fiscal Recovery Fund program, which is December 31, 2024.
- Any SLFRF funds that are not obligated by December 31, 2024, must be returned to U.S. Treasury.
- All SLFRF funds must be fully expended by December 31, 2026.
- Counties expect to face challenges related to the upcoming obligation deadline because of the difficulty in predicting costs for projects between December 31, 2024 (obligation deadline) and December 31, 2026 (expenditure deadline).
- Counties also anticipate challenges due to the inability to move funds between projects after the obligation deadline has passed.
- NCACC along with NACo, the NC Pandemic Recovery Office, the NC Department of Environmental Quality, the NC League of Municipalities, the Government Finance Officers Association, and the National League of Cities expressed similar concerns to U.S. Treasury asking for additional flexibility in drawing down SLFRF funds.
- Certain fixes will require an Act of Congress.
- Senators Cornyn and Padilla are introducing legislation to help SLFRF recipients draw down their funds in a timely manner.
- Please contact Senators Cornyn and/or Padilla to express support for extending the obligation deadline for ALL eligible use categories and join as a cosponsor of the Cornyn/Padilla bill.

February 2024 Update: NCACC supports the bipartisan Cornyn-Padilla legislation, which is expected to be introduced soon. See separate [one-page briefing](#) sheet on the topic.

Food System Resiliency

Support efforts to promote food system resiliency, such as ways to strengthen North Carolina's Food System and increase access to affordable, healthy food options. Access to food is a basic human need and a critical component to a healthy society. Food system resilience can be defined as the capacity over time of a food system to provide sufficient, quality food accessible to all, in the face of various and often unforeseen disturbances. When people are food insecure, meaning they lack access to high-quality and affordable food to sustain a healthy lifestyle, it has wide impacts on a community.

February 2024 Update: Congress passed a one-year extension of the 2018 Farm Bill which was due to expire at the end of FY23. The current extension expires September 30, 2024, and Congress continues to work on a new five-year Farm Bill including provisions like the Supplemental Nutrition Assistance Program (SNAP), which in North Carolina is administered by counties. NCACC supports passage of the Farm Bill including funding for SNAP and other programs that make our food system resilient and robust.

Disaster Preparation, Assistance, and Mitigation

Support increased funding for disaster preparation, assistance, and mitigation; legislation or policy changes that expedite and expand county use of federal disaster assistance funds; legislation or policy changes to streamline and expedite the FEMA individual assistance process; and legislation to review and update flood maps more frequently in counties experiencing high rates of population growth and counties prone to flooding. North Carolina ranks 4th nationwide in the number of hurricanes that make landfall. Some of these, including hurricanes Matthew (2016), Florence (2018), Dorian



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(2019), Isaias (2020), and Ian (2022), coupled with tropical storms Michael (2018) and Eta (2020) have killed more than 100 people and left counties with damage in the many billions of dollars. The FY23 Omnibus Appropriations Act, signed into law on December 29, 2022, includes a 6.15% increase in the FEMA Disaster Relief Fund (DRF) to \$19.9 billion and a 13.71% increase in the Flood Hazard Mapping and Risk Analysis (RISK MAP) Program to \$312.7 million. The Act, through the inclusion of the bipartisan Cornyn-Padilla amendment (State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act), allows counties to use ARPA Recovery Funds toward emergency relief services to address natural disasters or the negative economic impacts of natural disasters, including temporary emergency housing, food assistance, financial assistance for lost wages, or other immediate needs. Counties throughout the state need long-term federal assistance for recovery and disaster preparedness efforts before more storms occur. Counties need flexibility when receiving and prioritizing funds, and counties need resources to deliver to communities in a timely manner.

February 2024 Update: Both House and Senate draft FY24 appropriations bills include increases to the FEMA Disaster Relief Fund (DRF), with proposed DRF funding at \$20.4 B and \$20.2 B, respectively. The RISK MAP Program funding in the FY24 House bill is about the same as FY23 levels while the Senate proposal includes a decrease in funding of the program. NCACC supports increased funding of both the DRF and the RISK MAP program.

Behavioral Health Programs & Opioid and Substance Abuse Epidemic Services

Support funding for behavioral health programs and services to address the opioid and substance abuse epidemic and support flexibility for counties to use funds for prevention and recovery. The United States is in the midst of an unprecedented opioid and substance abuse epidemic. North Carolina counties are on the front lines of this battle working with the state to develop and fund substance abuse and overdose inhibition programs, but progress is limited without consistent funding and support from Congress.

February 2024 Update: NCACC President Johnnie Carswell introduced his "One More Thing" presidential initiative at the NACo (National Association of Counties) executive meeting in January 2024. "One More Thing" focuses on empowering North Carolina counties to invest opioid settlement dollars and that "one more thing" to help save lives across the state and nation.

In Congress, many bills have been introduced to address the opioid and substance abuse epidemic including reauthorization of the 2018 SUPPORT (Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities) Act that expired on September 30, 2023. Reauthorization legislation was passed in the House by 386 votes in December 2023 and is pending in the Senate Committee on Health, Education, Labor, and Pensions, a committee on which U.S. Senator Ted Budd (R-NC) serves. NCACC supports reauthorization of the SUPPORT Act.

Expanding Broadband Access

Support funding and legislation to expand high-speed broadband access. Adequate digital infrastructure is essential for education, economic development, health care and social services; however, many portions of North Carolina counties do not have access to high-speed Internet. Counties urge Congress to provide digital infrastructure funding and adopt legislation that clarifies Federal Communications Commission (FCC) definitions for speed thresholds and unserved areas.

February 2024 Update: The N.C. Department of Information Technology's (NCDIT) Division of Broadband and Digital Equity submitted its draft five-year plan for the Broadband Equity, Access, and Deployment (BEAD) program where it is under review by the National Telecommunications and Information Administration (NTIA). In all, \$42.45 billion will be allocated, with North Carolina receiving \$1,532,999,481. On December 26, 2023, NTIA released a policy notice (in response to comments made by stakeholders, including NCACC) that aligns its approach to federal Uniform Guidance that would increase incentives for participation and streamline administration of the programs by state broadband offices.



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Additionally, support for reauthorization of the Affordable Connectivity Program (ACP) remains strong, including by NCACC and by Governor Cooper, who addressed Congress in a letter signed by 24 other governors. Along those same lines, President Biden requested \$6B to continue funding the ACP through 2024, and bipartisan, bicameral legislation (Affordable Connectivity Program Extension Act) was introduced to provide \$7B, funding the program into 2025. NCACC supports reauthorization of the ACP.

Mental Illness in County Jails

Support measures to reduce the number of people with mental illness in county jails and legislation that would allow individuals in custody to continue receiving Medicaid and other federal health benefits until they are convicted, sentenced, and incarcerated. Without appropriate treatment and services, people with mental illnesses can continue to cycle through the criminal justice system. Nationwide, there is a growing reliance on local jails to serve as "one-stop" treatment centers for individuals suffering from mental health, substance abuse and other chronic illnesses, resulting in additional strain and increased costs for county jails. Exacerbating the issue, people who are awaiting trial while in local jail custody are stripped of federal healthcare benefits (Medicare, Medicaid, veterans' benefits and the Children's Health Insurance Program for juveniles). Legislation to close this "Medicaid Inmate Exclusion Policy," which has been in effect for more than 50 years, would result in a reinstatement or continuation of healthcare benefits for pre-trial detainees and allow them to receive needed mental health care services.

February 2024 Update: The Medicaid Reentry Act of 2023 was introduced in both the House (H.R. 2400) and the Senate (S. 1165). The legislation allows for "Medicaid payment of medical services furnished to an incarcerated individual during the 30-day period preceding the individual's release." NCACC supports the Medicaid Reentry Act of 2023.

Health, Human and Economic Services Programs

Support funds for health, human and economic services programs including Temporary Assistance for Needy Families, Food and Nutrition Services and federal block grants. Counties are the first responders providing services to the public locally and our nation's vulnerable populations. Since many of these services are mandated by federal law and the federal government provides funding to assist states and counties in meeting local demands, this funding should be protected in upcoming budgets.

February 2024 Update: The Temporary Assistance for Needy Families (TANF) program is funded as an entitlement program through the U.S. Department of Health and Human Services (HHS). Funding levels have remained at \$16.5B annually since its inception. Additionally, since 2010, Congress has reauthorized TANF through short-term extensions. Meanwhile, food and nutrition programs, including SNAP, are authorized through the multi-year Farm Bill. The 2018 Farm Bill expired on September 30, 2023, but received a one-year extension last Fall to September 30, 2024. Currently, draft text of a new Farm Bill has not been offered although it is expected that nutrition programs will be about 84% of the total spending of the bill, compared to 76% of the 2018 law; most of this is for SNAP. Additionally, it is expected that work requirements will be instituted for SNAP beneficiaries.

Services for Older Americans and Veterans

Support increased funding and flexibility in services for older Americans and veterans. In 2025, one in five North Carolinians will be 65 and over. The Supporting Older Americans Act (SOAA) was signed into law in 2020, reauthorizing the Older Americans Act (OAA) through 2024. FY22 saw increased appropriations for programs provided by the SOAA for the first time in many years. The FY23 Omnibus Appropriations Act, signed into law in late December 2022, includes a 9.45% increase in funding (to \$2.5 billion) for the U.S. Department of Health and Human Services Administration for Community Living which administers many OAA programs. Nearly 642,000 veterans live in North Carolina, according to 2019 statistics. Veterans who need assistance accessing the federal benefits system (service-connected benefits, enrollment in the VA health care, VA home



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loans, education benefits, and available job placement assistance) can get help from local County Veteran Service Officers (CVSOs), who are located in almost every county across the state providing services to veterans free of charge. The service offices are almost entirely funded by counties and receive no federal funding.

February 2024 Update: Congress has not yet introduced legislation to reauthorize the Older Americans Act. NCACC supports reauthorization and urges Congress to act on legislation to do so. S. 106, the Commitment to Veteran Support and Outreach Act, was passed by the Senate and is awaiting action in the House. This bill would "provide grants to states to implement programs that improve outreach and assistance to veterans and their families to ensure that such individuals are fully informed about veterans' benefits and programs." In the House, H.R. 984, of the same title, was introduced in March 2023 and reported out of committee on July 27, 2023. No further action has been taken since then. NCACC supports passage of H.R. 984.

PILT and Public Needs Development

Support additional funding for Payment in Lieu of Taxes (PILT), agricultural, conservation, workforce, economic development, and infrastructure programs that help counties meet public needs. Funding for programs that maintain partnerships between federal and county governments in meeting demand for public services should remain a priority for Congress. In both rural and urban areas, counties rely on federal-local partnerships to support community and economic development, and public infrastructure.

February 2024 Update: NCACC urges Congress to fully fund the Payments in Lieu of Taxes (PILT) program to help counties deliver essential services, including search and rescue operations and infrastructure.

Addressing PFAS Contamination

Support strong regulations and enforcement along with funding assistance or reimbursement to state and local governments when a federal agency, such as the EPA, regulates emerging contaminants and other discharges into drinking water sources. The U.S. Environmental Protection Agency (EPA) classifies certain large and complex industrial chemicals called per- and polyfluoroalkyl substances (PFAS) as "emerging contaminants" that need research so that the agency can set limits. Counties urge Congress to insist that the EPA maintains coordination with state and local governments throughout this process.

February 2024 Update: To date, over 75 bills relating to PFAS have been introduced in Congress. Additionally, the bipartisan Congressional PFAS Task Force was reinstated in May with U.S. Representative Deborah Ross (D-NC) as a member. The task force promotes legislation to address PFAS contamination; holds informational sessions for Members of Congress and staff on PFAS issues; and more.

Unfunded Mandates and Changes in Eligibility for Federal Programs

Oppose unfunded mandates and changes in eligibility for federal programs that shift costs to counties. Reductions in federal deficits should not be accomplished by shifting costs to counties, imposing unfunded mandates. Counties also oppose any legislative or regulatory initiatives that undermine local government decision making authority or pre-empt county programs and taxing authority.

February 2024 Update: U.S. Representative Virginia Foxx (R-NC) introduced the Unfunded Mandates Accountability and Transparency Act (H.R. 3230) in May 2023. The bill, which has bipartisan co-sponsorship support, was reported out of committee in July 2023 but has seen no further action since then. NCACC supports passage of H.R. 3230.



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Workforce Innovation and Opportunity Act

Reauthorize the Workforce Innovation and Opportunity Act (WIOA) and increase funding for Title I programs. WIOA is a vital funding source for workforce development that helps counties tackle and overcome the challenges facing job seekers and employers. A long-term reauthorization of this program will provide counties with the funding certainty needed to deliver program resources to residents. Increasing funding for Title I programs will help counties address economic challenges and promote economic growth by providing job training programs.

February 2024 Update: U.S. Representative Virginia Foxx (R-NC) introduced A Stronger Workforce for America Act (H.R. 6655) on December 12, 2023; the bill passed out of committee (44-1) soon thereafter. H.R. 6655 would reauthorize, modernize and strengthen the Workforce Innovation and Opportunity Act (WIOA) which is the largest single source of federal funding for workforce development activities. Reauthorization funding levels in this bill remain the same every year from FY25 to FY30 when the bill expires. No comparable legislation has been introduced in the Senate, but would be considered by the Senate Committee on Health, Education, Labor and Pensions (HELP). U.S. Senator Ted Budd (R-NC) serves on the HELP Committee. NCACC supports reauthorization of WIOA.

The FY24 appropriations bill for the Departments of Labor, Health and Human Services, and Education was passed out of the Senate committee in late July. This bill includes funding for WIOA. A House bill, which passed out of subcommittee in late July, contains substantial cuts to WIOA, including Title 1 programs. As is, the House bill would fund discretionary programs at the U.S. Department of Labor at about 34 percent less than FY23 enacted levels, and, for some programs, funding is eliminated entirely (WIOA Adult Job Training, WIOA Youth Job Training, Job Corps, and the Senior Community Service Employment Program). NCACC supports FY24 and FY25 funding levels to be at least the same as in FY23, with no cuts to job training programs for youth and seniors.