

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

ROY COOPER
GOVERNOR

March 22, 2020

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue, SW
Washington, DC 20500

Through: Regional Administrator Gracia B. Szczech
FEMA Region IV
3003 Chamblee Tucker Road
Atlanta, GA 30341

Re: Major Disaster Declaration for COVID-19

Dear Mr. President:

Under the provisions of Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207 (Stafford Act), and implemented by 44 C.F.R. § 206.36, I request that you declare an expedited major disaster declaration for Public Assistance Category B emergency protective measures, including Direct Federal Assistance, and for Individual Assistance limited to the Crisis Counseling Program, Disaster Unemployment Assistance, Disaster Case Management, and Disaster Legal Services, for the State of North Carolina as a result of the on-going impacts of the global pandemic Coronavirus Disease 2019 (COVID-19). United States Health and Human Services Secretary, Alex M. Azar II, declared a public health emergency for the United States on January 31, 2020, pursuant to Section 319 of the Public Health Service Act. The World Health Organization declared COVID-19 a global pandemic on March 11, 2020. You declared a National Emergency on March 13, 2020, pursuant to Section 201 and Section 301 of the National Emergencies Act (50 U.S.C. § 1621) and an emergency declaration pursuant to Section 501(b) of the Stafford Act.

As of the date of this letter, 255 people have contracted COVID-19 in the State of North Carolina. The unusual severity and magnitude of this extraordinary event required the State of North Carolina to take unprecedented measures to save lives and protect public health and public safety, and to lessen or avert the spread of the virus and mitigate a greater disaster. The event has exceeded the capabilities of the state and local governments to effectively respond to the event. I ask that you declare an expedited major disaster declaration.

Action under State Law and Implementation of the State Emergency Operations Plan

In accordance with 44 C.F.R. § 206.36, I have taken appropriate actions under state law to respond to this situation. On March 10, 2020, I declared a State of Emergency and directed all state and local government entities and agencies to cooperate in the implementation of the declaration and the execution of the State Emergency Operations Plan to respond to the event.

On January 24, 2020, the North Carolina Department of Health and Human Services (NCDHHS) appointed a Public Health Incident Management Team at the Public Health Coordination Center to manage the public health impacts of COVID-19. I created the Governor's Novel Coronavirus Task Force on February 11, 2020, to coordinate North Carolina's response to the emerging threat from this virus. Our first case of COVID-19 was identified on March 3, 2020. On March 10, 2020, the State Emergency Operations Center (SEOC) was opened to coordinate the state and local government response activities designed to lessen or avert the spread of the virus and to implement treatment response for residents who have contracted the disease.

On March 14, 2020, I ordered the closing of all K-12 public schools and prohibited mass gatherings in the State of North Carolina for any event or convening that would bring together more than one hundred (100) persons in a single room or single space at the same time, such as an auditorium, stadium, arena, large conference room, meeting hall, theater, or any other confined indoor or outdoor space.

On March 17, 2020, I ordered the closing of bars and limited restaurants in this state to carry-out, drive-through and delivery only. We anticipate significant economic impacts and I have issued an Executive Order to waive the enforcement of certain unemployment benefit requirements to help workers unemployed due to COVID-19 and those who are employed but will not receive a paycheck. Additionally, the Executive Order adds benefit eligibility for those out of work because they have the virus or must care for someone who is sick.

Nature and amount of State and local resources that have been or will be used to alleviate the conditions of this incident (See also FEMA Form 010-0-13)

State Response Actions

North Carolina has 255 cases of COVID-19 with 11 hospitalizations as of the date of this letter and has documented the first case of community spread. The number of confirmed cases continues to rise daily.

Our State Public Health lab in Raleigh, North Carolina, working in partnership with private labs and labs in our public and private universities, will continue to expand our testing capacity as long as we have the testing materials and personal protective equipment for medical professionals.

The SEOC through the State Emergency Response Team (SERT), which includes NCDHHS, is activated and continues to monitor the global COVID-19 situation. The SERT is working to protect the public's health by identifying confirmed cases as well as people under investigation (PUI) and focusing on surveillance, management of confirmed cases/PUI's, triage, testing, contact tracing, and laboratory testing. The SERT will evaluate other protective actions and will continue to plan for scarce resources and medical surge potential.

Our SEOC has received requests for personal protective equipment, durable medical equipment and supplies, testing supplies, tents, and personnel to provide emergency protective measures for state and local governments. The state will be opening additional test collection sites for COVID-19 in the coming days.

Local Declarations

As of the date of this letter, eighty-seven (87) county governments have declared states of emergency and eighty-six (86) have opened their county Emergency Operations Centers in response to COVID-19.

INDIVIDUAL ASSISTANCE DECLARATION FACTORS

44 C.F.R. § 206.48(b) establishes six individual assistance declaration factors to be considered when making a request. These factors are:

Disaster Impacted Population Profile

According to the US Census Bureau, the State of North Carolina has 15.40% of its people living below the poverty level. The table provided below shows the demographics of the state. In North Carolina, the average percentage of persons living below the poverty level surpasses the national average.

	<u>Percent below poverty level (POVERTY STATUS IN THE PAST 12 MONTHS)</u>	<u>Per capita income in the past 12 months (in 2018 inflation-adjusted dollars)</u>	<u>Percent of Population under 18 years</u>	<u>Percent Elderly (Aged 65 or older)*</u>	<u>Percent of total civilian noninstitutionalized population with a disability</u>	<u>Percent of Persons with Limited English (Speak English less than "very well")</u>	<u>Percent households receiving food stamps/SN AP</u>	<u>Pre-Disaster Unemployment Rate (Seasonally Adjusted)</u>
National Average	14.10%	\$32,621.00	22.80%	15.20%	12.60%	8.50%	12.20%	3.50%
State Average	15.40%	\$29,456.00	22.60%	15.50%	13.60%	4.60%	13.20%	3.60%
Source	ACS 2018: 5 Year Estimate	ACS 2018: 5 Year Estimate	ACS 2018: 5 Year Estimate	ACS 2018: 5 Year Estimate	ACS 2018: 5 Year Estimate	ACS 2018: 5 Year Estimate	ACS 2018: 5 Year Estimate	Current Population Survey, D4 Commerce LAUS
ACS at https://data.census.gov/								Nationally from Feb. 2020
Unemployment Statistics at https://d4.nccommerce.com/LausSelection.aspx & https://fred.stlouisfed.org/series/UNRATE								State from Jan. 2020 (latest available)

State Fiscal Capacity and Resource Availability

According to State and Federal Treasury reporting the State of North Carolina has Total Taxable Resources of \$586.3 billion, and a Gross Domestic Product of \$449 billion.

Impact to Community Infrastructure

The impact to the community infrastructure in the State is as follows:

- Childcare assistance will be required in order to ensure the continuity of health care and other critical services.
- Social distancing, isolation, and quarantine measures directly impact the supply chain, including food and medical supplies, due to manufacturing and distribution disruption.
- Care and resources will be necessary to provide door-to-door assistance to at risk populations, including but not limited to the elderly, those with disabilities, and those in isolation and quarantine.
- Closure of schools requires innovative solutions to provide continuity of childcare and food needs of students.
- A significant risk to public safety occurs when personnel, including firefighters, law enforcement, healthcare and emergency medical service workers, become ill or need to care for family members.

It is not currently anticipated that housing assistance, including temporary housing or repair and replacement assistance, will be needed due to the nature of

this event. However, the need for Other Needs Assistance is evident to deal with uninsured, disaster-related necessary expenses and serious needs, to include:

- Child Care Assistance for families, healthcare workers, first responders, and others whose children cannot attend school due to mandatory school closures, and daycare center closures.
- Funeral/Burial Assistance for fatalities resulting from the COVID-19 disease.
- Miscellaneous Costs, such as cleaning/sanitizing homes of persons who have contracted COVID-19 or to prevent the spread of the virus.
- Medical services and prescriptions for persons who have contracted COVID-19.
- Critical Needs Assistance for households who have immediate or critical needs for vital resources due to the disruption of community services and higher demand and limited availability of commodities.

In addition to Other Needs Assistance, the State of North Carolina also assistance with Voluntary Agency Coordination to assist with the unmet needs of the thousands of North Carolinians who are directly impacted by the community response to COVID-19.

The significant impacts of COVID-19 on school systems and students in North Carolina cannot be overstated. School personnel and students will have increased and heightened needs for spiritual and emotional care and will require enhanced access to mental health services.

North Carolina's public school system serves more than 1.5 million students across 116 school districts and 196 charter schools. Prolonged school closures will affect all public school students. Special populations of students – including students with special needs, children in foster care, and economically-disadvantaged students are likely to have the greatest increased needs for mental health services. Access to school programs, school routines, and other auxiliary services, helps students in these special populations succeed and mitigates against students' adverse childhood experiences (ACEs) in their home-lives. The absence of such services paired with students' limited access to mental health care during and after the COVID-19 public health emergency is likely to have far-reaching, negative mental health effects.

The impact to our Health and Human Services system has been significant since our first reported case of COVID-19 and will be increasing from both social service and behavioral health needs. The North Carolina Suicide Prevention Lifeline, our state-wide disaster crisis line, the Substance Abuse and Mental Health Services Administration (SAMHSA) Disaster Distress Helpline, as well as the call centers of our seven publicly funded behavioral health managed care organizations have all reported increases in COVID-19 specific calls, and many are seeing overall increases in call volume. Some key statistics:

- Reports from individual managed care organizations, which together manage care for 2.2 million Medicaid beneficiaries and 1 million uninsured individuals:
 - 63% increase in calls in the past 9 days compared to the first 9 days of the month
 - 234% increase in our social media traffic indicating people are seeking urgent real time information for themselves and others.
- Reports of services needed from behavioral health outpatient providers linking school closures to an increase of 30% over normal volume, and that has escalated in the past week to a volume that is 175% over normal volume.
- Numerous reports from providers who are concerned about the impact of social distancing, which is driving social isolation and potentially worsening stabilized individuals with mental illness.
- Reports from behavioral health and others who provide group, adult-day, and congregant care to individuals with disabilities indicate there is concern about being able to shift treatment methods to provide care.

Currently, Department of Social Services offices in 33 counties are altering public-facing operations. There are concerns for staff with respect to public health and safety, as well as concerns that beneficiaries may face delays in accessing needed services including Supplemental Nutrition Assistance Program (SNAP) and Medicaid. NCDHHS is currently preparing guidance for county agencies to ensure access to services and benefits. Since March 1, 2020, county Departments of Social Services have seen an increase of 200 additional applications per day for Food and Nutrition Service benefits. The average number of applications per day was 1453 for the last 6-month period. For the period of March 1, 2020 to March 20, 2020, the average daily total was 1620.

From experience in previous disasters, we know that mental illness is usually slow to arise as an issue because individuals can sustain some early isolation and trauma and issues spike later. This delayed effect is especially concerning during the COVID-19 pandemic, because North Carolina's provider networks are already experiencing drops in patient census, liquidity, and staff availability, on top of issues like school closures. Combined with a potentially lengthy pandemic timeline, this likely will negatively impact the number of North Carolinians who are able to get their behavioral health and intellectual/developmental disability needs met through traditional means, which could create additional, significant resource pressure on crisis lines as the COVID-19 pandemic unfolds.

Casualties

As of the date of this letter, the State of North Carolina has 255 cases of COVID-19 with 11 hospitalizations across 39 counties and anticipates that many more cases will be identified over the upcoming days, weeks and months.

Disaster Related Unemployment

The full economic impact to the State of North Carolina has yet to be determined, but the impacts to our economy from this pandemic are expected to be devastating.

North Carolina is experiencing large layoffs and increased claims due to the impact of COVID 19. The largest impacts are currently being experienced in the following industries: retail trade; transportation and warehousing; educational services; arts, entertainment and recreation; accommodation and food services; and real estate and rental and leasing. The large increase in unemployment claims and layoffs are also centered in these industries. In the third quarter of 2019, these industries accounted for over 1,620,000 jobs and \$13.7 Billion in quarterly wages. It is anticipated in the coming weeks that all sectors of the economy will experience extensive declines in employment.

A Presidential major disaster declaration will provide needed relief to those applying for unemployment benefits. Pursuant to Article 2C of Chapter 96 of the North Carolina General Statutes, there is a one-week waiting period for each unemployment claim filed. A major disaster declaration under the Stafford Act would mean the one-week waiting period will not apply for any unemployment claim that is directly related to the federal disaster declaration. The Emergency Declaration under the Stafford Act issued by you on March 13, 2020, does not meet the requirements to waive the one-week waiting period because it was not a major disaster declaration. Pursuant to N.C. Gen. Stat. § 96-1(14)(a), a major natural disaster declaration by the President under the Stafford Act is necessary in order to waive the one-week waiting period for unemployment assistance.¹

To help address the economic impacts, on March 17, 2020, I issued Executive Order No. 118, which will directly aid workers who may have lost wages in restaurants and meeting places due to mass gathering restrictions. For example, workers who lose income due to tips or scheduled work hours, but are still employed, would be eligible for benefits because of this Order. Among other changes:

¹ See N.C. Gen. Stat. § 96-1(14a) (defining "Federal disaster declaration" as a "Declaration of a major natural disaster by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, provided that the declaration allows disaster unemployment assistance under the federal act."

- It removes the one-week waiting period to apply for unemployment benefits for those workers who lose their jobs;
- It removes the requirement that a person must be actively looking for another job during this time when many potential employers are closed and social distancing guidelines are in effect.
- It allows employees who lose their jobs or, in certain cases have their hours reduced due to COVID-19, to apply for unemployment benefits.
- It directs that employers will not be held responsible for benefits paid as a direct result of COVID-19 claims.
- It waives the requirement that people must apply for benefits in person; workers can apply for benefits online or by phone.

However, the State will need Disaster Unemployment Assistance pursuant to Section 410 of the Stafford Act because tens of thousands of employees will require unemployment assistance, severely straining and potentially exceeding the State's capacity to fund. The State has received 83,211 unemployment assistance claims since the issuance of Executive Order No. 118.

Uninsured Home and Personal Property Loses

This event will most likely not damage homes and property like a natural disaster but there may be some unforeseen impacts that we have not yet realized. However, it is possible that disaster housing will be required to maintain proper quarantine and isolation for high-risk individuals.

DISASTER HISTORY

The State of North Carolina has a strong Emergency Management Division, with Individual Assistance, Public Assistance, Hazard Mitigation, and Resiliency programs. However, the State has been inundated with a number of declared disasters, both Federal and State, which have strained our capabilities and resources.

HISTORY OF EVENTS

- a. Hurricane Matthew devastated over half of the state in 2016, resulting in a Stafford Act Declaration with an estimated State cost share of \$126,767,728.00 for Hazard Mitigation, Individual Assistance and Public Assistance.
- b. In the fall of 2016, western North Carolina suffered from multiple wild fires, two of which were declared for assistance under FEMA's Fire Management Assistance Grant. The state share cost was over \$9,085,144.00.

- c. In May 2017, there was a straight-line winds and severe weather event in Sampson County, which resulted in a US Small Business Administration (SBA) and State Type I Individual Assistance declaration for that County. Estimated Cost - \$650,000.00.
- d. On August 16, 2017, a State Type I disaster was declared for the Town of Windsor, from the effects of Tropical Storm Julia. Estimated Cost - \$66,704.66.
- e. On November 15, 2017, a State Type I disaster was declared for the City of Eden for a straight-line wind event. Estimated Cost - \$186,301.00.
- f. On November 22, 2017, a State Type I disaster was declared for Ashe, Avery, Caldwell, Watauga and Wilkes counties for flooding and heavy winds. This also resulted in a SBA Disaster Declaration. Estimated Cost - \$87,084.00.
- g. Fiscal year 2017, the State suffered from two significant fires resulting in Stafford Act Fire Management Assistance Grant Declarations. Combined Cost Estimate - \$858,992.29.
- h. On April 24, 2018, a State Type One Disaster was declared for the Village of Cedar Creek, and the Town of Tryon for the effects of Tropical Storm Nate. Estimated Cost - \$44,410.69.
- i. On May 08, 2018, tornadoes and severe storms impacted the State resulting in a Major Disaster Declaration. The State cost share for Individual Assistance and Hazard Mitigation was over \$101,000.00.
- j. Hurricane Florence, which has been referred to as a 'Historic Storm', made landfall in the State of North Carolina on September 14, 2018. A Stafford Act declaration for both Individual Assistance and Public Assistance was issued. The extent of the damage is still being determined but, costs have already exceeded \$2 billion.
- k. On October 10, 2018, Tropical Storm Michael affected North Carolina, for which the State received another Stafford Act declaration for Public Assistance. Recovery is ongoing but damage costs have exceeded \$23 million.
- l. On September 6, 2019, Hurricane Dorian made landfall in the State of North Carolina. Both State Individual and Federal Public Assistance Disaster Declarations were issued. The extent of damage

is still being determined, but estimates indicate it will be more than \$62 million.

I have determined that COVID-19 will be of such severity that effective recovery is beyond the capabilities of the state and local governments and that supplementary Federal assistance is necessary. The State has expended an extraordinary amount of money on Stafford Act and non-Stafford Act disasters in the previous three years, as well as the current fiscal year. Serious remaining impacts still need to be addressed; therefore, I am respectfully asking you to issue an expedited Major Disaster Declaration for Individual Assistance for the State of North Carolina limited to, Disaster Unemployment Assistance, the Small Business Administration's Disaster Assistance Loans Program, Crisis Counseling, Disaster Legal Services, Disaster Case Management and the Disaster Supplemental Nutritional Assistance Program. I also request Public Assistance Category B emergency protective measures, including Direct Federal Assistance.

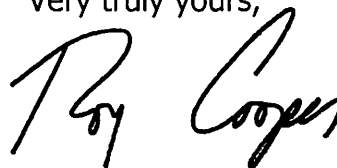
I certify that for this major disaster, the state and local governments will assume all applicable non-federal shares of cost required by the Stafford Act.

I have designated Michael A. Sprayberry as the State Coordinating Officer for this request. He will work with the Federal Emergency Management Agency in damage assessments and may provide further information or justification on my behalf.

I appreciate your support and recognition of the continued impact that COVID-19 poses to the State.

With kind regards, I am

Very truly yours,

A handwritten signature in black ink that reads "Roy Cooper". The signature is written in a cursive style with a large, stylized "R" and "C".

Roy Cooper

Enclosures

OMB No. 1660-0009/FEMA Form 010-0-13