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North Carolina and the Rising Cost of Extreme Weather

Many North Carolinians are under **enormous and increasing financial strain from the COVID-19 pandemic** and its economic fallout. More than one million North Carolinians have filed for unemployment, and countless small businesses have shuttered. Yet even during this crisis, we face the growing threat of additional economic harm and damage to public health from hurricanes and other extreme weather events, confirming that climate change is a "threat multiplier" that makes other challenges to our nation that much harder to fight.

A new report from Datu Research, *Climate Change-Fueled Weather Disasters: Costs to State and Local Economies,* reveals how extreme weather has already inflicted huge costs on North Carolina taxpayers. In fact, North Carolina has suffered from 20 different billion-dollar hurricane disasters since 1980. We cannot fully rebuild America's economy if we continue to ignore the threat of steadily worsening weather that we now know is driven by climate change.

Climate change is fueling rising disaster costs

Nationwide, since 1980:

- The number of annual severe weather disasters has increased fourfold, costing U.S. taxpayers **more than $1.75 trillion,**
- The annual cost has risen from **$17 billion to $84 billion,**
- Populations in hurricane-prone communities have grown at least **22 percent faster** than the US population overall.

It's only going to get worse

Climate models predict that with only a moderate increase in greenhouse gas emissions, we could see a 45%-87% increase in the frequency of Category 4 and 5 hurricanes in the Atlantic basin.

North Carolina has seen this firsthand

- North Carolina is one of only five states in the country that have been impacted in recent decades by all seven types of extreme weather events tracked by NOAA. Those are hurricanes, severe storms, floods, winter storms, freezes, droughts and wildfires.
- Hurricanes Florence and Matthew led to tragic loss of life. They also cost $20 billion and $5 billion, respectively to impacted states, including at least $886 million in combined losses to North Carolina businesses and over $190 million in combined losses to farmers in the state.
- Costs of hurricanes in North Carolina are not limited to coastal areas. In fact, 92% of damage to business from Hurricane Matthew occured in inland counties.
- Communities of color in the state are disproportionately impacted by extreme weather. For example, a study found that in Lumberton, a town hit hard by Hurricane Matthew, Black and indigenous residents were much more likely than white residents to both live in flood prone areas before the storm and be dislocated as a result of the storm.
- **This raises the critical question: how will governments, businesses and communities, in the future, afford to keep pace with increasingly intense calamities fueled by a changing climate?**

We can avoid the most costly extreme weather impacts if we act now

To avert the trend toward ever-more-destructive and costly weather, we must immediately cut climate pollution and move toward a 100% clean economy. This means investing in a cleaner energy and transportation system, modernizing our buildings and manufacturing, and more. And knowing that climate pollution will for some time continue to drive up costs, policymakers must also prioritize pre-disaster planning, mitigation, and response. Anything less will mean increasing strain on local and state economies.

With discussions happening in Congress now on COVID-19 recovery, it's critical that our leaders prioritize policies that mitigate the costs of future disasters. We can't afford the cost of inaction.