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## Education Finance Incentive Grants Under ESEA Title I

**January 28, 2002**

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## Summary

Throughout the United States, there exists substantial variation — both across and within states — in per-pupil expenditures on elementary and secondary education. Perceived inadequacies in the amount of funding provided for education, and concerns about the equity of its distribution, have led to education finance systems being challenged in the courts in many states, mostly on state constitutional grounds. While much of the responsibility for resolving education finance policy issues has been relegated to the states, the Congress has identified a federal role in influencing the amount and the distribution of education expenditures across school districts.

Education finance incentive grants are allocated according to one of the four allocation formulas authorized under ESEA Title I, Part A for providing federal education funding to the states for the education of disadvantaged pupils. The education finance incentive grant formula is unique in that it accounts for various characteristics of a state's elementary and secondary education finance system in determining a state's grant allocation. In addition to the number of disadvantaged children, funds are awarded under the formula according to variables that account for the average level of per-pupil expenditures in the state and the degree to which the state's education finance system minimizes disparities in the distribution of expenditures across local educational agencies.

For FY2002, \$793,499,000 has been appropriated for the allocation of education finance incentive grants under Title I-A. This report estimates the amount of funds that will be awarded to each state according to the formula, and also describes how the grants reward states that have education finance systems with characteristics favored by the formula. This is accomplished by comparing estimated education finance incentive grant awards to states with what states otherwise might have received had the funding appropriated for allocation according to the education finance incentive grant formula been awarded proportionally under the other three Title I-A formula grants. Our estimates show a distinct, but modest reward, or incentive, to states having education finance systems with characteristics favored by the education finance incentive grant formula.

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# Education Finance Incentive Grants Under ESEA Title I

Throughout the United States, there exists substantial variation — both across and within states — in per-pupil expenditures on elementary and secondary education. Much of this variation has to do with the disparate systems employed by the states for organizing and funding local educational agencies (LEAs) or school districts. The number and type of districts vary from one state to another, with some states having only one district and others over a thousand; some states have only unified districts (elementary and secondary combined), while others have a mix of unified, elementary-only, secondary-only, and other special purpose districts. States also differ in how they derive and allocate funding for elementary and secondary education. Some states rely heavily on locally derived funding for education, primarily generated from property taxes. Others provide a substantial amount of state funding, usually derived from income or sales taxes. Typically, locally derived funding is retained within the district from which it is generated, with the amount of funding per pupil tending to vary from one district to another according to locally approved tax rates and property values. State funding tends to be allocated either evenly across districts on a per-pupil basis, or used to provide proportionately more funding to poorer districts. Funding disparities in many states' school finance systems have resulted in the legality of such systems being challenged on state constitutional grounds, though not always with success.<sup>1</sup>

While much of the responsibility for resolving education finance policy issues has been relegated to the states, the Congress has identified a federal role in influencing the amount and distribution of education expenditures across school districts. ESEA Title I — *Improving the Academic Achievement of the Disadvantaged*, authorizes the appropriation of federal funds to be distributed to states and LEAs for purposes to include ensuring “that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging State academic achievement standards and state academic assessments”; and “distributing and targeting resources sufficiently to make a difference to local educational agencies and schools where needs are greatest.”<sup>2</sup> To accomplish these purposes, the Congress has authorized four formula-based grants under ESEA Title I, Part A: basic grants, concentration grants, targeted grants, and education finance incentive grants.

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<sup>1</sup>For an overview of issues concerning disparities in public elementary and secondary education expenditures, see CRS Report 96-51, *Public School Expenditure Disparities: Size, Sources, and Debates Over Their Significance*, by Wayne Riddle and Liane White. Also, descriptions of state education finance systems can be accessed via the Internet on the National Center for Education Statistics website at: [[http://nces.ed.gov/edfin/state\\_finance/statefinancing.asp](http://nces.ed.gov/edfin/state_finance/statefinancing.asp)].

<sup>2</sup>P.L. 107-110, The No Child Left Behind Act of 2001, ESEA, Section 1001.

## Education Finance Incentive Grants, ESEA Title I

The 103<sup>rd</sup> Congress authorized the allocation of education finance incentive grants under P.L. 103-382, the Improving America's Schools Act (IASA) of 1994, which amended and extended the ESEA; however, the Congress had never appropriated funding for the allocation of grants.<sup>3</sup> The 107<sup>th</sup> Congress amended and extended the authorization to allocate education finance incentive grants under P.L. 107-110, the No Child Left Behind Act of 2001, and appropriated \$793,499,000 for the allocation of grants during the 2002-2003 school year.<sup>4</sup>

Education finance incentive grants are to be allocated to states according to a formula that rewards states with higher per-pupil expenditures and less disparity in the distribution of expenditures across districts. It penalizes states that have lower per-pupil expenditures and greater disparity in the distribution of education expenditures. The formula for awarding grants to states accounts for state per-pupil expenditures as a portion of state per-capita income (adjusted relative to national averages) and the equity of expenditures across LEAs within a state; as well as state average per-pupil expenditures and the number of disadvantaged children residing within the state (as is done in the basic, concentration, and targeted grant formulas). Subgrants are awarded to LEAs within the states according to a formula with weights applied to either the number or the proportion of disadvantaged children enrolled in a district. Weights are greater in states with greater disparities in their school finance systems.

### Education Finance Incentive Grant Formula: State Grants

The education finance incentive grant formula is distinguished from the other Title I-A formulas in that a state's grant allocation is determined not only by the number of eligible children in the state and a state expenditure factor, but also by characteristics of its elementary and secondary education finance system. The state grant formula contains four variables: a population factor, an expenditure factor, an effort factor, and an equity factor. Funds are allocated to states proportionally according to the product of the population factor, the expenditure factor, the effort factor, and 1.30 minus the equity factor, after accounting for minimum state grant amount.<sup>5</sup> Each variable is described below.

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<sup>3</sup>For a discussion and analysis of the education finance incentive grant program as authorized under P.L. 103-382, see CRS Report 94-968, *Education for the Disadvantaged: Analysis of 1994 ESEA Title I Amendments Under P.L. 103-382*, by Wayne C. Riddle; and CRS Report 96-51, *Public School Expenditure Disparities: Size, Sources, and Debates Over Their Significance*, by Wayne Riddle and Liane White.

<sup>4</sup>P.L. 107-116, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, provides for \$793,499,000 in advance FY2003 funding for the Education Finance Incentive Grant program.

<sup>5</sup>The minimum grant amount for states is the lesser of 0.35% of the total amount appropriated for the program, or the average of 0.35% of the total amount appropriated and 150% of the national average grant per eligible child, multiplied by the state's number of eligible children,

(continued...)

**Population Factor.** The population factor is the number of children, aged 5 to 17, as counted in the ESEA Title I basic grant formula. This includes children from families below the poverty line; children in families receiving temporary assistance for needy families (TANF) payments in excess of the poverty income threshold for a family of four; and children in institutions for neglected and delinquent children, or who are being supported in foster homes with public funds, whether or not they are from a family below the poverty line. This factor has the greatest effect of the four in determining the size of each state's grant.

**Expenditure Factor.** The expenditure factor is defined as 40% of the average per-pupil expenditures in the state, but is constrained between 34% and 46% of the average per-pupil expenditures in the United States.<sup>6</sup> The expenditure factor is a measure of the level of per-pupil expenditures in the state, and is unadjusted for state or regional economic conditions. Constraining the expenditure factor between these bounds limits its effect in determining a state's grant award for those states whose expenditure factor otherwise would be beyond these bounds.

**Effort Factor.** The effort factor is calculated using state and national data and is a measure of average per-pupil state and local expenditures for elementary and secondary education as a proportion of state per-capita income, relative to national averages of per-pupil expenditures as a proportion of per-capita income. This factor is calculated using data averaged over the 3 most recent years, with the result limited by the bounds of 0.95 and 1.05. An effort factor greater than 1.0 indicates that a state's per-pupil education expenditures as a proportion of state per-capita income are greater than the national average, while an effort factor less than 1.0 indicates that the state's education expenditures are less than the national average.

The effort factor is distinguished from the expenditure factor, in that for each state, the effort factor depicts the portion of each individual's income devoted toward the education of each child, relative to the national average; whereas the expenditure factor merely depicts per-pupil expenditures on average. Bounding the effort factor between 0.95 and 1.05 limits its effect in determining a state's grant allocation for those states whose effort factor otherwise would be beyond the bounds. For instance, the effort factor in the state with the highest effort factor, West Virginia, is reduced from 1.38 to 1.05; and the effort factor in the state with the lowest effort factor, Utah, is increased from 0.785 to 0.95. The bounds of 0.95 and 1.05 reduce the effort factor to 1.05 in 17 states and raise it to 0.95 in 17 states. The effort factor for Puerto Rico is set at that of the lowest state.

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<sup>5</sup>(...continued)

without applying any weighting factors.

<sup>6</sup>The bounds under this formula are marginally narrower than for the other three Title I-A formulas (where they are 32% and 48%). For FY2002, the expenditure factor for Puerto Rico is set at 34% of the percentage that Puerto Rico's per-pupil expenditures is of that of the lowest state's, except that this percentage shall be at least be 77.5% (this percentage is set to increase annually, reaching 100% in FY2007). For FY2002, the expenditure factor for Puerto Rico is 26.35% of the national average.

**Equity Factor.** The equity factor is a measure of how evenly per-pupil elementary and secondary education funding is distributed across LEAs within a state. This factor is determined by taking the coefficient of variation in LEA per-pupil expenditures, with LEAs weighted according to total enrollment, and with Title I-eligible pupils weighted by a factor of 1.4.<sup>7</sup> The coefficient of variation is a measure of dispersion and is calculated for a set of observations by dividing the standard deviation by the mean. It is useful for comparing relative dispersion across sets of observations, each with a different mean (as in this instance, with LEA per-pupil expenditures in each state dispersed around a different mean). A lower coefficient of variation reflects greater equality. In order for the effect of the equity factor variable to be greater in states with lower disparities than in those with greater disparities, the equity factor is subtracted from 1.3 when included in the education finance incentive grant formula. Under the formula, the equity factor is calculated using expenditure data only for school districts with enrollments greater than 200 to eliminate distortions that might be caused by very small districts, which in many cases have very high per-pupil expenditures. In our calculations, we also excluded expenditure data for vocational and special education districts that might have exceptionally high per-pupil expenditures.<sup>8</sup>

## **Education Finance Incentive Grant Formula: LEA Subgrants**

Education finance incentive subgrants to LEAs are to be allocated according to a formula that increasingly weights Title I-eligible pupils as either their total number, or their proportion of LEA total enrollment, increases. In addition, there is a greater rate of increase in the weights applied to Title I-eligible pupils in states where expenditures per pupil are more equal across LEAs than in states where per-pupil expenditures are less equal. LEA subgrants are to be determined using the greater of the weighted number of Title I-eligible pupils, as determined according to a scale based on number of eligible pupils constituting various proportions of total enrollment, or according to a scale based on the count of eligible pupils in an LEA. The coefficients used to weight Title I-eligible pupils in the allocation of LEA subgrants according to both methods are presented in **Table 1**.

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<sup>7</sup>This weighting factor is employed to reduce the measured level of disparity from what otherwise would be the result in instances where spending on behalf of high-need pupils from poor families is higher than spending for other pupils. Otherwise, there would be a disincentive for states and LEAs to spend more on high-need pupils from poor families than on other pupils and this would counterbalance the intended effect of the education finance incentive grant.

<sup>8</sup>A special rule applies to the equity factor, in that for states that meet the disparity standard described in 34 CFR 222.162 (essentially, if disparities in current expenditures or revenues per pupil are no more than 25%, excluding LEAs above the 95<sup>th</sup> and below the 5<sup>th</sup> percentiles) as of the day preceding the enactment of the No Child Left Behind Act of 2001, and for states with only one LEA, the equity factor shall not be greater than 0.10. In such instances, we have assumed that the equity factor shall be the lesser of a state's calculated equity factor or 0.10. The equity factor was set at 0.10 for three states meeting the disparity standard (Alaska, Kansas, and New Mexico), and at 0.0 for three single-LEA jurisdictions (District of Columbia, Hawaii, and Puerto Rico).

**Table 1. Weights for Determining LEA Subgrants**

<b>Based on number of eligible children as % of total enrollment</b>				
<b>Eligible children in LEA</b>		<b>State equity factor</b>		
		<b>&lt;.10</b>	<b>.10 to .20</b>	<b>&gt;=.20</b>
# less than	15.58%	1.000	1.000	1.000
# between	15.58% and 22.11%	1.750	1.500	2.000
# between	22.11% and 30.16%	2.500	3.000	4.000
# between	30.16% and 38.24%	3.250	4.500	6.000
# greater than	38.24%	4.000	6.000	8.000
<b>Based on count of eligible children</b>				
<b>Eligible children in LEA</b>		<b>State equity factor</b>		
		<b>&lt;.10</b>	<b>.10 to .20</b>	<b>&gt;=.20</b>
# less than	691	1.000	1.000	1.000
# between	691 and 2,262	1.500	1.500	2.000
# between	2,263 and 7,851	2.000	2.250	3.000
# between	7,852 and 35,514	2.500	3.375	4.500
# greater than	35,514	3.000	4.500	6.000

An example will help illustrate how LEA subgrants would be calculated. If a state had an equity factor of 0.15, the weights in the center column would be used for calculating LEA subgrants for all LEAs in that state. To determine a particular LEA's subgrant, one would first calculate the weighted pupil count based on the proportion of Title I-eligible children in the LEA. If for example, there were 1,000 pupils in the LEA, and 310 were eligible for Title I, then a weight of 1.000 would be applied to the first 155 pupils (i.e., the first 15.58% of Title I-eligible pupils), a weight of 1.500 applied to the next 66 pupils (those between 15.58% and 22.11% of all eligible pupils), a weight of 3.000 applied to the next 80 pupils (those between 22.11% and 30.16% of eligible pupils), and a weight of 4.500 applied to the remaining nine pupils (those constituting between 30.16% and 38.24% of eligible pupils). This would result in a weighted pupil count of 534.5 pupils. Next, the weighted pupil count would be calculated based on a count of the number of eligible children. Under this method, a weight of 1.000 would be applied to each of the 310 pupils (i.e., those constituting less than the first 691 Title I-eligible pupils) for a weighted pupil count of 310. The greater of these two pupil counts, 534.5, would be used to determine the LEA subgrant. If this hypothetical LEA were in a state with an equity factor either less than 0.10 or greater than or equal to 0.20, then the weights in the other respective columns would be used.

## **Estimates of State Grants**

We now turn to estimating the education finance incentive grants to be provided to each state for FY2002, after reserving 1% of the appropriated funds for the



outlying areas and the Bureau of Indian Affairs. These estimates are presented in **Table 2**, along with each state's expenditure, effort, and equity factors, as well as per-pupil grant amounts. As previously noted, while each state's grant is dependent largely upon the number of Title I-eligible pupils in the state, the expenditure, effort, and equity factors determine the amount of a state's incentive according to characteristics of its education finance system. For several small states, however, the small state minimum effectively determines the size of a state's grant, irrespective of a state's expenditure, effort, or equity factors.<sup>9</sup>

While **Table 2** displays the expenditure, effort, and equity factors, and estimated grant allocation for each state, it is difficult to perceive how the interaction of the variables in the education finance incentive grant formula determines each state's grant allocation. To illustrate what might be termed the *incentive effect* of the formula, we estimate the difference between the amount of funds that will be awarded to the states as education finance incentive grants and the amount that otherwise might have been awarded to the states (hypothetically), had the same amount of funds been allocated proportionally across the other three Title I grants (basic, concentration, and targeted grants), which as previously mentioned, do not account for relative effort or equity in a state's education finance system. This resulting difference may be considered the incentive provided through the grant allocation formula for states to maintain elementary and secondary education finance systems with relatively higher levels of per-pupil expenditures, and greater evenness in the distribution of per-pupil expenditures across LEAs. These estimates are provided in **Table 3**.

As can be seen in **Table 3**, there is wide variation from state to state in the difference between what will be allocated under the education finance incentive grant formula and what otherwise would be allocated were such funds awarded instead under the other three Title I grant allocation formulas. For instance, the estimated grant amount is 32.4% higher than it might otherwise have been for South Dakota, while it is 14.5% lower than it might otherwise have been for Illinois. However, while the incentive effect for South Dakota is large, this grant amount, and that for eight other small states, is determined by the small state minimum rather than by the incentive effects of the grant formula.<sup>10</sup> Of the states for which the small state minimum is not applicable, the greatest incentive effect is for Iowa, at 17.9%. **Table 3** clearly indicates that the education finance incentive grant formula is redistributive in nature, providing more funding than otherwise might be available to those states with moderate to high per-pupil expenditures and those with lower disparities across LEAs in the level of state and local per-pupil expenditures, at the expense of those states that fund elementary and secondary education at a lower level, or with greater disparities across LEAs.

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<sup>9</sup>The small state minimum applies to nine states: Alaska, Delaware, Idaho, Montana, New Hampshire, North Dakota, South Dakota, Vermont, and Wyoming.

<sup>10</sup>The state minimum is up to 0.35% for all funds allocated under the education finance incentive grant formula, but is only up to 0.25% for a substantial majority of the funds allocated under the other three Title I-A formulas.

**Table 2. Education Finance Incentive Grant Expenditure, Effort, and Equity Factors; and Estimated State Grant Allocations**

<b>State</b>	<b>Expenditure factor</b>	<b>Effort factor</b>	<b>Equity factor</b>	<b>State grant (estimated)</b>	<b>\$/Title I pupil (estimated)</b>
Alabama	\$2,254	0.950	0.096	\$12,005,000	\$67
Alaska**	\$3,050	1.050	0.100	\$2,691,000	\$118
Arizona	\$2,254	0.950	0.123	\$13,343,000	\$66
Arkansas	\$2,254	0.950	0.128	\$7,336,000	\$65
California	\$2,320	0.950	0.092	\$108,509,000	\$69
Colorado	\$2,374	0.950	0.105	\$7,493,000	\$70
Connecticut	\$3,050	1.012	0.124	\$8,293,000	\$94
Delaware	\$3,050	1.050	0.083	\$2,464,000	\$130
District of Columbia	\$3,050	1.050	0.000	\$2,844,000	\$108
Florida	\$2,395	0.950	0.059	\$38,623,000	\$73
Georgia	\$2,497	0.958	0.106	\$23,766,000	\$74
Hawaii	\$2,558	0.986	0.000	\$2,771,000	\$85
Idaho	\$2,254	0.952	0.139	\$2,749,000	\$70
Illinois	\$2,914	0.961	0.259	\$29,271,000	\$76
Indiana	\$2,748	1.050	0.123	\$13,666,000	\$88
Iowa	\$2,412	1.011	0.073	\$5,294,000	\$78
Kansas**	\$2,542	1.026	0.100	\$6,277,000	\$81
Kentucky	\$2,402	1.050	0.100	\$12,354,000	\$79
Louisiana	\$2,254	1.008	0.096	\$15,587,000	\$71
Maine	\$2,961	1.050	0.134	\$2,988,000	\$94
Maryland	\$2,988	1.026	0.105	\$12,687,000	\$95
Massachusetts	\$3,050	1.034	0.165	\$16,779,000	\$93
Michigan	\$3,050	1.050	0.155	\$32,204,000	\$95
Minnesota	\$2,714	0.950	0.141	\$8,972,000	\$78
Mississippi	\$2,254	0.950	0.102	\$8,382,000	\$67
Missouri	\$2,376	0.963	0.172	\$11,776,000	\$67
*Effort factor set to 0.95, that of the lowest state.					
**Equity factor reduced to 0.10 because state meets disparity standard described at 34 CFR 222.162.					

<b>State</b>	<b>Expenditure Factor</b>	<b>Effort Factor</b>	<b>Equity Factor</b>	<b>State Grant (Estimated)</b>	<b>\$/Title I Pupil (Estimated)</b>
Montana	\$2,454	1.050	0.180	\$2,749,000	\$78
Nebraska	\$2,516	1.016	0.098	\$3,065,000	\$80
Nevada	\$2,254	0.950	0.098	\$3,118,000	\$67
New Hampshire	\$2,609	0.950	0.169	\$2,506,000	\$128
New Jersey	\$3,050	1.050	0.139	\$20,470,000	\$97
New Mexico**	\$2,254	0.959	0.100	\$6,491,000	\$67
New York	\$3,050	1.050	0.197	\$74,306,000	\$92
North Carolina	\$2,313	0.950	0.087	\$16,446,000	\$69
North Dakota	\$2,254	0.957	0.145	\$2,481,000	\$129
Ohio	\$2,705	1.048	0.173	\$26,213,000	\$83
Oklahoma	\$2,254	0.964	0.103	\$9,679,000	\$68
Oregon	\$2,918	1.050	0.108	\$8,218,000	\$95
Pennsylvania	\$3,050	1.050	0.174	\$31,593,000	\$94
Puerto Rico*	\$1,747	0.950	0.000	\$28,271,000	\$56
Rhode Island	\$3,050	1.050	0.086	\$2,883,000	\$101
South Carolina	\$2,254	1.003	0.104	\$10,982,000	\$70
South Dakota	\$2,254	0.950	0.116	\$2,749,000	\$106
Tennessee	\$2,254	0.950	0.131	\$11,085,000	\$65
Texas	\$2,307	0.950	0.106	\$61,541,000	\$68
Utah	\$2,254	0.950	0.109	\$3,539,000	\$66
Vermont	\$3,048	1.050	0.208	\$2,094,000	\$168
Virginia	\$2,320	0.950	0.177	\$12,522,000	\$64
Washington	\$2,480	0.950	0.079	\$11,567,000	\$75
West Virginia	\$2,721	1.050	0.055	\$6,567,000	\$93
Wisconsin	\$3,050	1.050	0.105	\$13,120,000	\$100
Wyoming	\$2,814	1.050	0.134	\$2,184,000	\$156
*Effort factor set to 0.95, that of the lowest state.					
**Equity factor reduced to 0.10 because state meets disparity standard described at 34 CFR 222.162.					

**Table 3. Estimated Incentive Effect of Education Finance Incentive Grant Formula**

<b>State</b>	<b>Proportionate allocation under other three Title I formulas</b>	<b>Estimated education finance incentive grant allocation</b>	<b>Estimated incentive amount</b>	<b>Estimated incentive effect</b>
Alabama	\$11,640,000	\$12,005,000	\$365,000	3.1%
Alaska <sup>^</sup>	\$2,226,000	\$2,691,000	\$465,000	20.9%
Arizona	\$13,270,000	\$13,343,000	\$73,000	0.6%
Arkansas	\$7,232,000	\$7,336,000	\$104,000	1.4%
California	\$113,095,000	\$108,509,000	-\$4,586,000	-4.1%
Colorado	\$7,424,000	\$7,493,000	\$69,000	0.9%
Connecticut	\$8,183,000	\$8,293,000	\$110,000	1.3%
Delaware <sup>^</sup>	\$2,017,000	\$2,464,000	\$447,000	22.2%
District of Columbia	\$2,682,000	\$2,844,000	\$162,000	6.0%
Florida	\$39,959,000	\$38,623,000	-\$1,336,000	-3.3%
Georgia	\$24,577,000	\$23,766,000	-\$811,000	-3.3%
Hawaii	\$2,582,000	\$2,771,000	\$189,000	7.3%
Idaho <sup>^</sup>	\$2,480,000	\$2,749,000	\$269,000	10.8%
Illinois	\$34,235,000	\$29,271,000	-\$4,964,000	-14.5%
Indiana	\$12,100,000	\$13,666,000	\$1,566,000	12.9%
Iowa	\$4,491,000	\$5,294,000	\$803,000	17.9%
Kansas	\$5,728,000	\$6,277,000	\$549,000	9.6%
Kentucky	\$11,515,000	\$12,354,000	\$839,000	7.3%
Louisiana	\$15,214,000	\$15,587,000	\$373,000	2.5%
Maine	\$2,738,000	\$2,988,000	\$250,000	9.1%
Maryland	\$12,165,000	\$12,687,000	\$522,000	4.3%
Massachusetts	\$16,928,000	\$16,779,000	-\$149,000	-0.9%
Michigan	\$31,271,000	\$32,204,000	\$933,000	3.0%
Minnesota	\$8,769,000	\$8,972,000	\$203,000	2.3%
Mississippi	\$8,030,000	\$8,382,000	\$352,000	4.4%
Missouri	\$12,284,000	\$11,776,000	-\$508,000	-4.1%
<sup>^</sup> Grant allocation based on small state minimum.				

<b>State</b>	<b>Proportionate allocation under other three Title I formulas</b>	<b>Estimated education finance incentive grant allocation</b>	<b>Estimated incentive amount</b>	<b>Estimated incentive effect</b>
Montana^	\$2,621,000	\$2,749,000	\$128,000	4.9%
Nebraska	\$2,724,000	\$3,065,000	\$341,000	12.5%
Nevada	\$3,247,000	\$3,118,000	-\$129,000	-4.0%
New Hampshire^	\$2,022,000	\$2,506,000	\$484,000	23.9%
New Jersey	\$19,677,000	\$20,470,000	\$793,000	4.0%
New Mexico	\$6,376,000	\$6,491,000	\$115,000	1.8%
New York	\$81,122,000	\$74,306,000	-\$6,816,000	-8.4%
North Carolina	\$16,539,000	\$16,446,000	-\$93,000	-0.6%
North Dakota^	\$2,019,000	\$2,481,000	\$462,000	22.9%
Ohio	\$24,840,000	\$26,213,000	\$1,373,000	5.5%
Oklahoma	\$9,169,000	\$9,679,000	\$510,000	5.6%
Oregon	\$7,154,000	\$8,218,000	\$1,064,000	14.9%
Pennsylvania	\$30,389,000	\$31,593,000	\$1,204,000	4.0%
Puerto Rico	\$25,894,000	\$28,271,000	\$2,377,000	9.2%
Rhode Island	\$2,676,000	\$2,883,000	\$207,000	7.7%
South Carolina	\$10,637,000	\$10,982,000	\$345,000	3.2%
South Dakota^	\$2,048,000	\$2,749,000	\$701,000	34.2%
Tennessee	\$10,865,000	\$11,085,000	\$220,000	2.0%
Texas	\$64,164,000	\$61,541,000	-\$2,623,000	-4.1%
Utah	\$3,192,000	\$3,539,000	\$347,000	10.9%
Vermont^	\$1,781,000	\$2,094,000	\$313,000	17.6%
Virginia	\$13,445,000	\$12,522,000	-\$923,000	-6.9%
Washington	\$10,936,000	\$11,567,000	\$631,000	5.8%
West Virginia	\$5,890,000	\$6,567,000	\$677,000	11.5%
Wisconsin	\$11,444,000	\$13,120,000	\$1,676,000	14.6%
Wyoming^	\$1,857,000	\$2,184,000	\$327,000	17.6%
^Grant allocation based on small state minimum.				