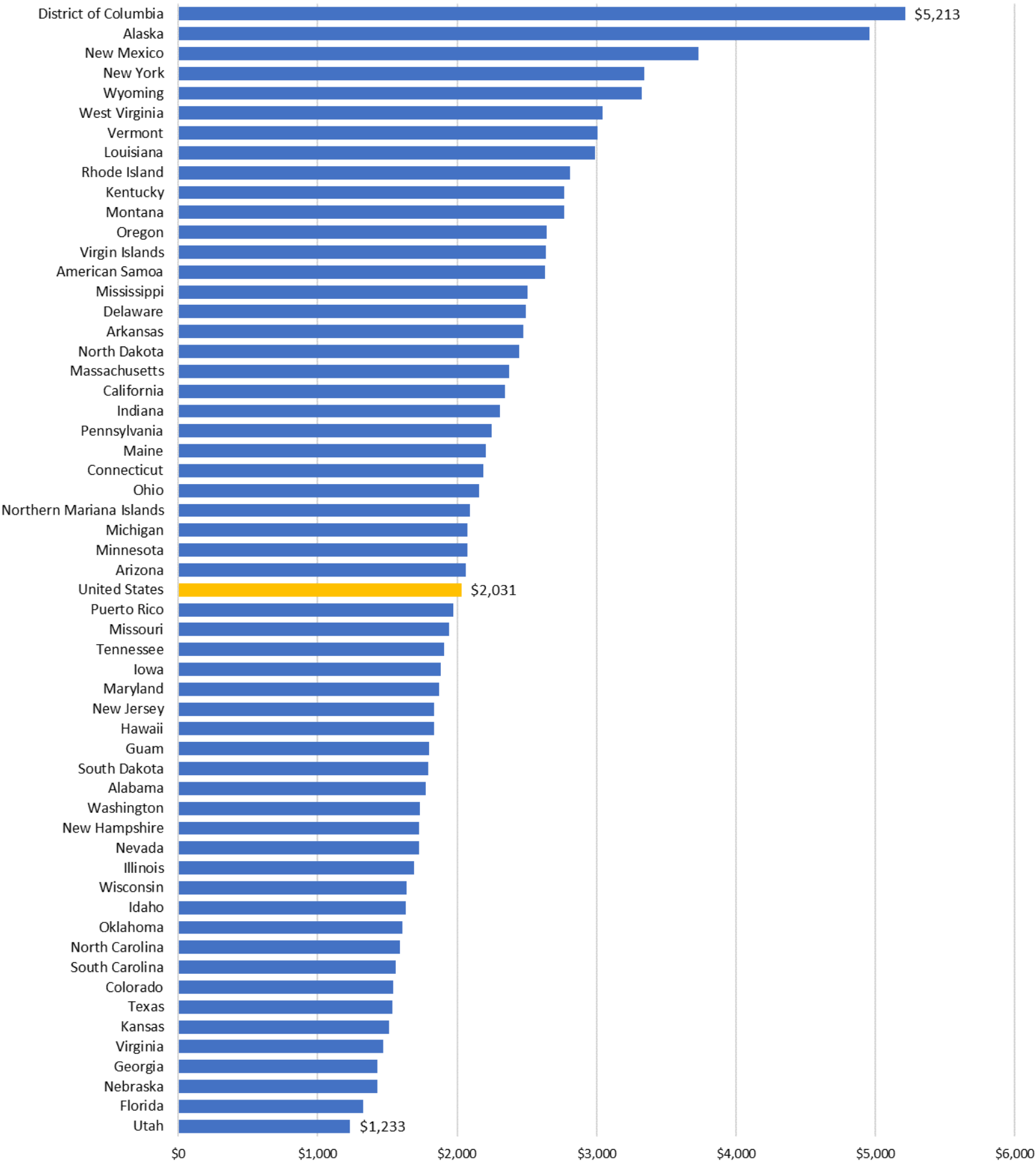


Federal Grants Per Capita, FY 2019

Special Analysis 20-01

November 2020



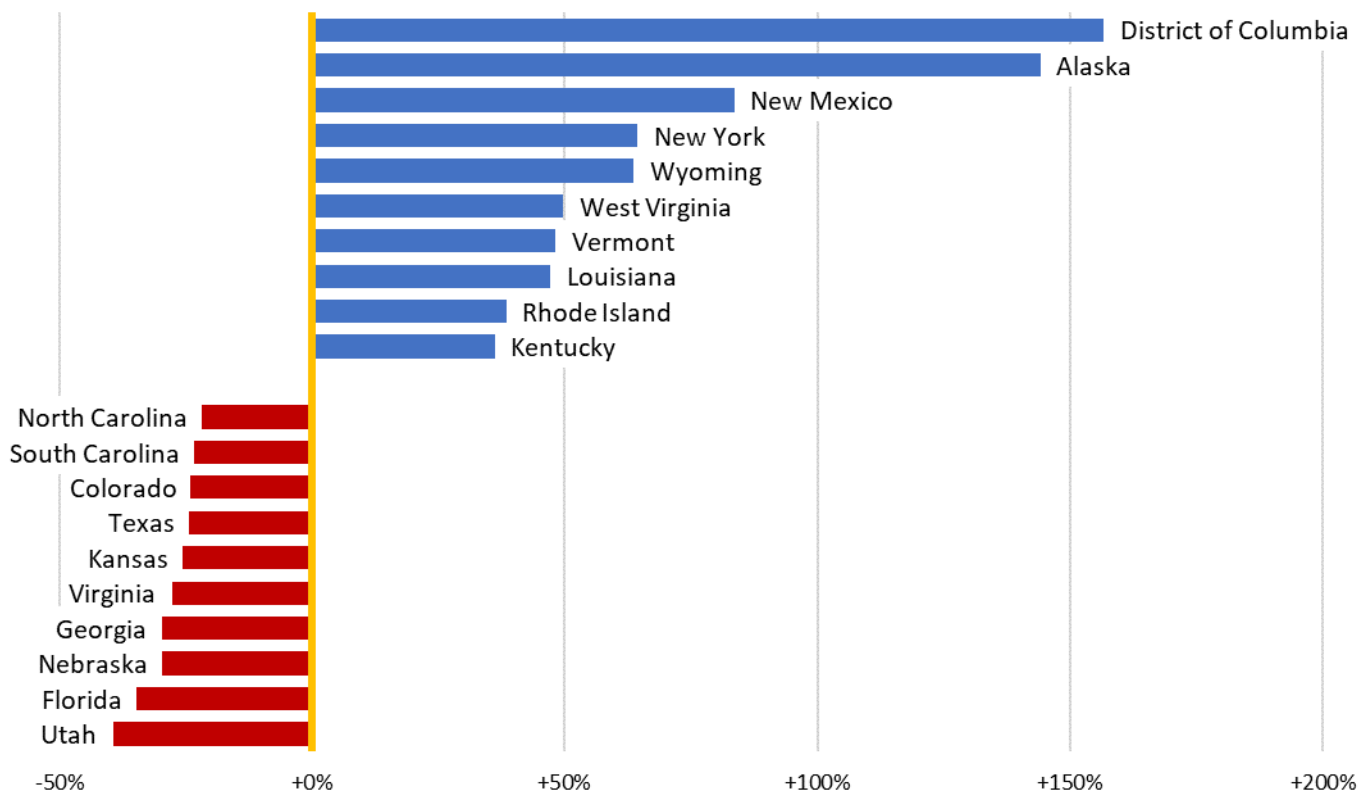
Introduction

This analysis reports how much each state received per person in federal grants in fiscal year (FY) 2019. These calculations are based on the 200+ formula grants in the FFIS database, which account for about 90% of federal grant funding. State-specific infographics are available at www.ffis.org/PerCapitaFY2019. FFIS database subscribers also have access to a spreadsheet with comprehensive program information (see p. 10 for details).

The report excludes three programs that FFIS tracks—Supplemental Nutrition Assistance Program (SNAP) benefits, Nutrition Assistance for Puerto Rico, and Pell grants—as these flow to individuals rather than states. Many graphics in the report exclude territories; however, territories are included in the supplemental materials referenced above. The District of Columbia is treated as a state.

The chart below lists the states that fare the best and worst. The **District of Columbia** receives about 157% more per capita than the national amount, while **Utah** receives about 39% less.

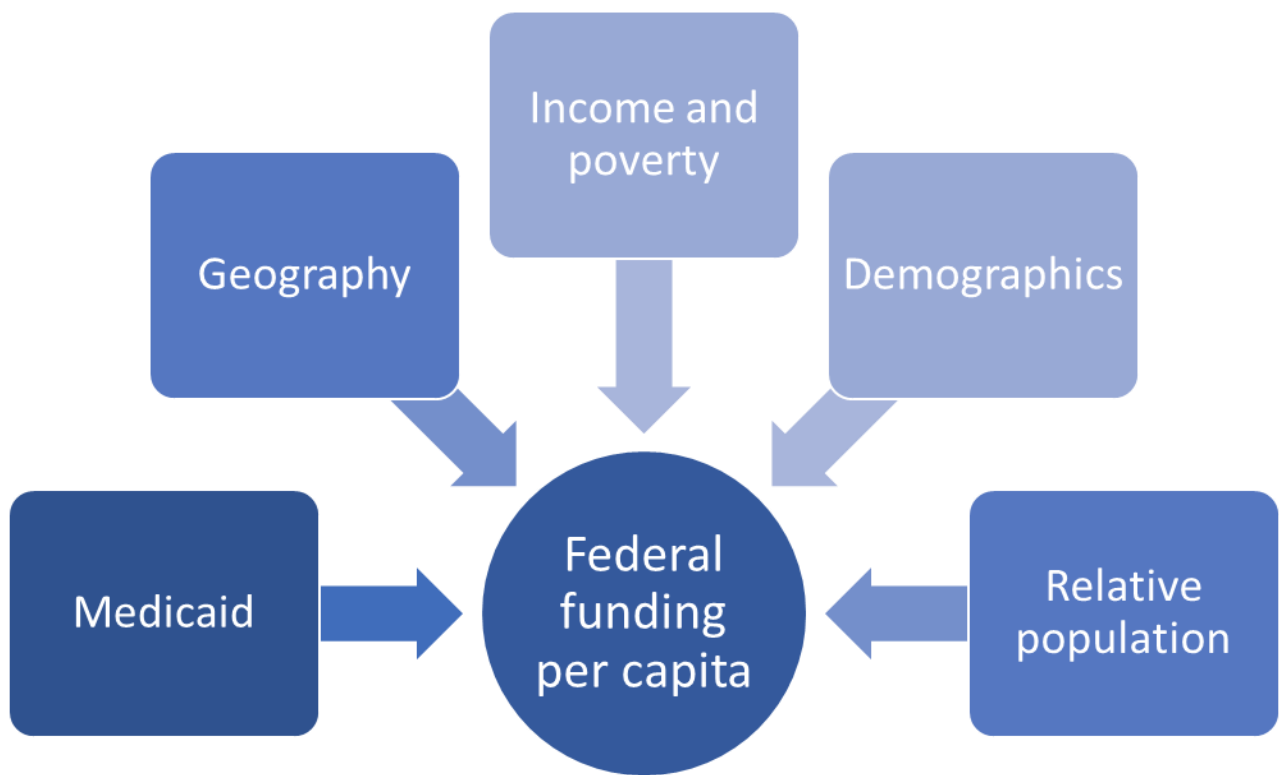
Federal Grant Funding Per Capita vs. United States, FY 2019



What determines a state's per capita funding?

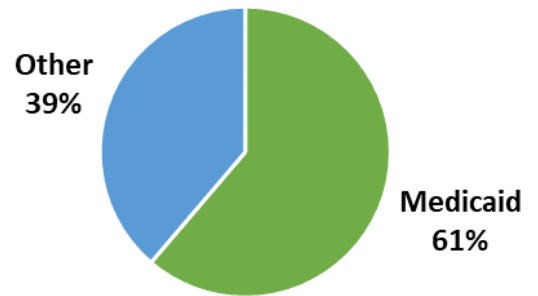
Most grant funding is distributed by formula, and most grant formulas incorporate some aspect of population. Accordingly, a state's share of total grant funding might approximate its share of the nation's population, with states having similar per capita receipts. That's not the case. Five important factors help to explain state variations. The following sections describe how each factor affects specific states.

Major Factors Affecting Federal Grant Funding Per Capita



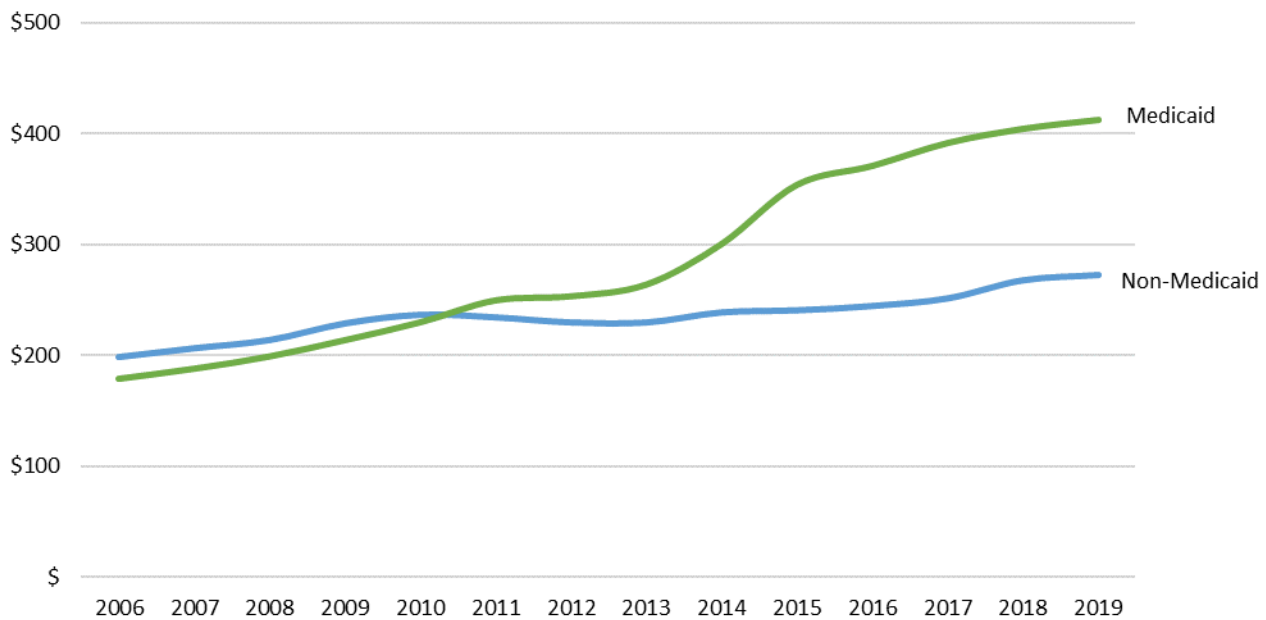
Medicaid

Medicaid accounts for a large (see right) and growing (see below) share of grant funding. Prior to FY 2011, non-Medicaid grants exceeded Medicaid grants; Medicaid now dwarfs non-Medicaid.



The following pages expand on Medicaid’s role in each state.

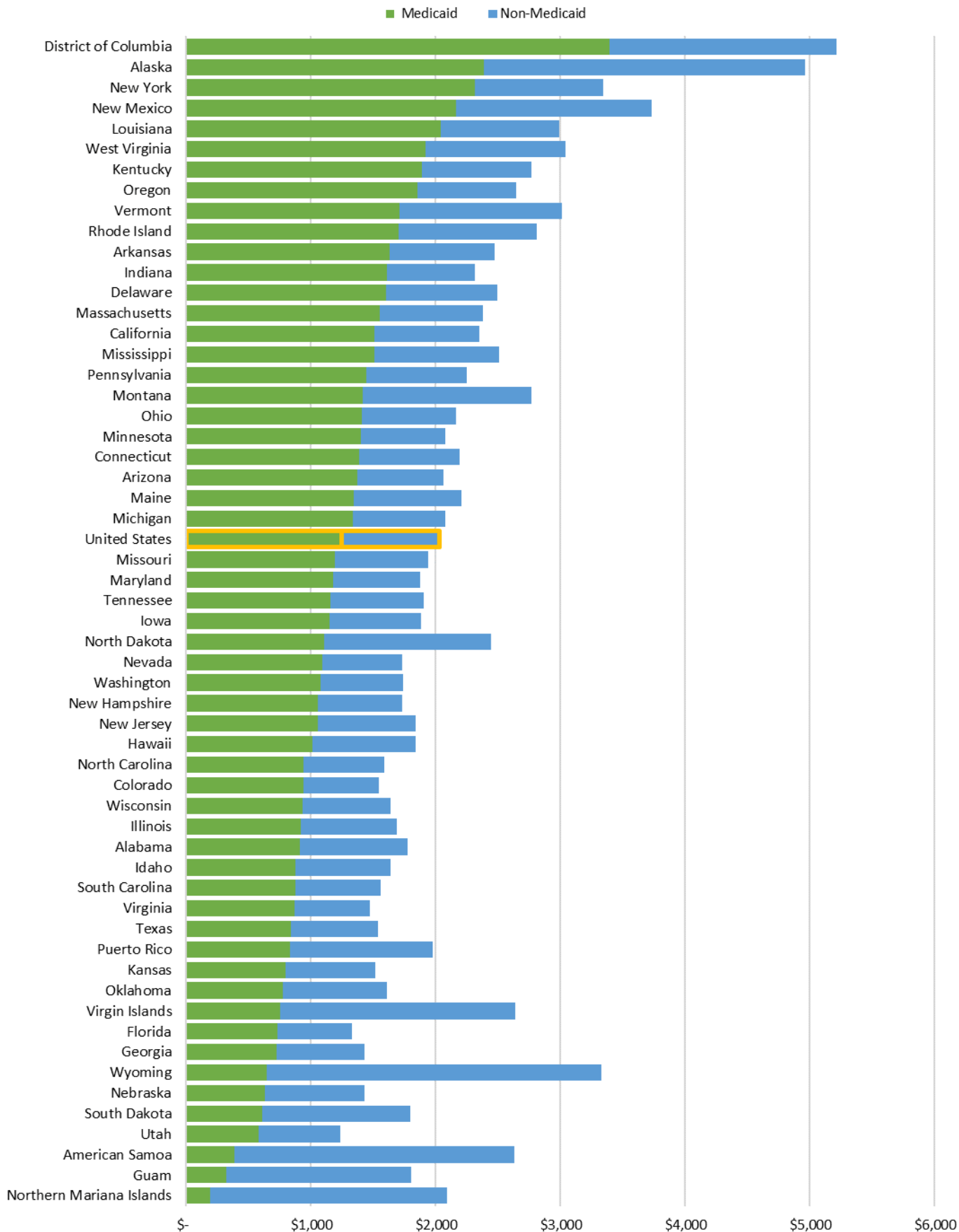
Medicaid vs. Non-Medicaid Federal Grant Funding
(\$ in billions)



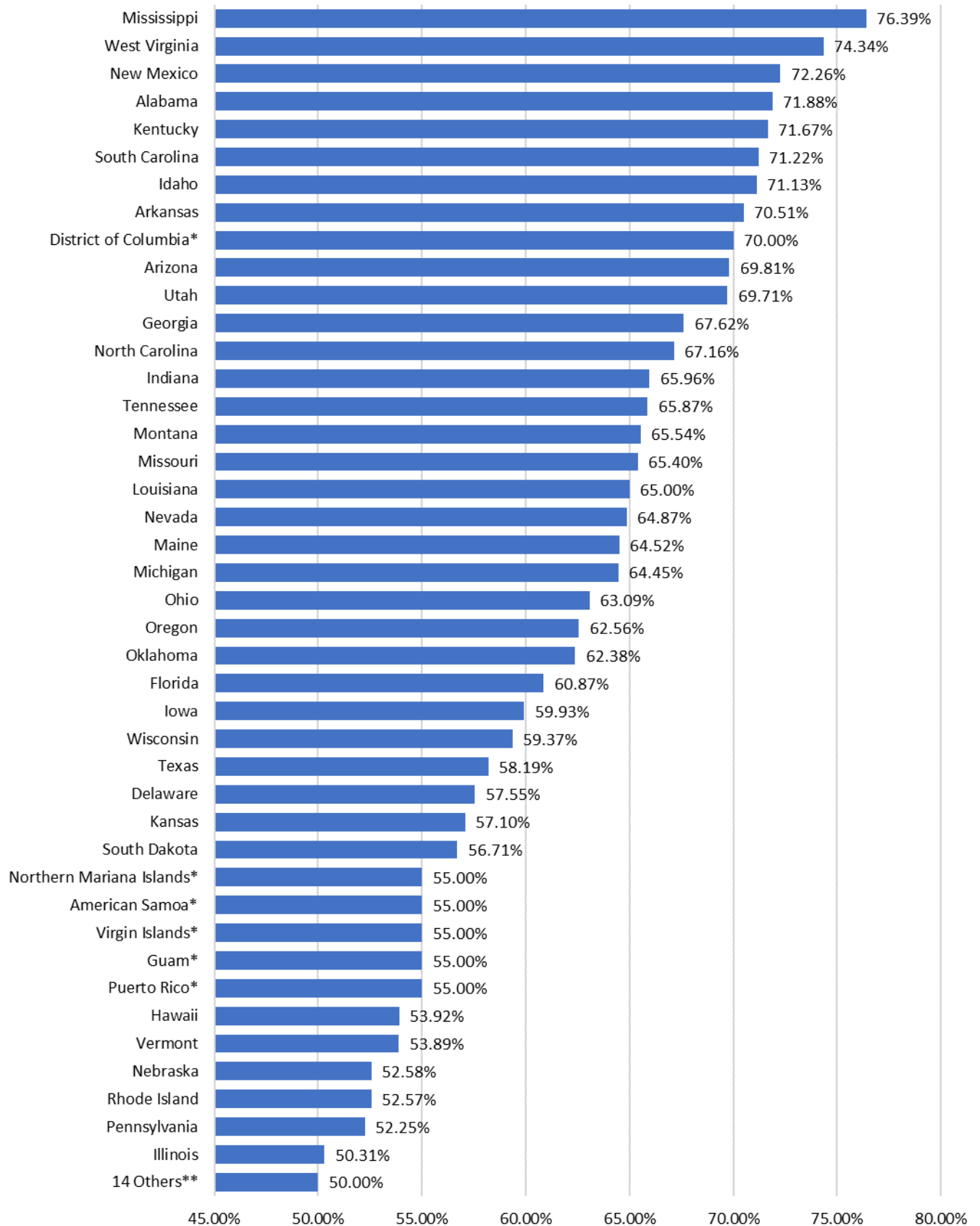
- Page 4 highlights Medicaid’s share of total federal grant funding per capita for each state.
- Page 5 lists matching rates (FMAPs—federal medical assistance percentages) for FY 2019, which range from a federal share of 76.39% in **Mississippi** to the statutory minimum of 50% in the 14 states listed in the footnote.

The states where Medicaid accounts for the largest share of the total have adopted the Affordable Care Act (ACA) Medicaid expansion.

Medicaid vs. Non-Medicaid Federal Grant Funding Per Capita, FY 2019



Federal Medicaid Matching Rates (FMAPs), FY 2019



*Determined by statute.

**50.00% is the minimum FMAP. States at this minimum include: Alaska, California, Colorado, Connecticut, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, North Dakota, Virginia, Washington, and Wyoming.

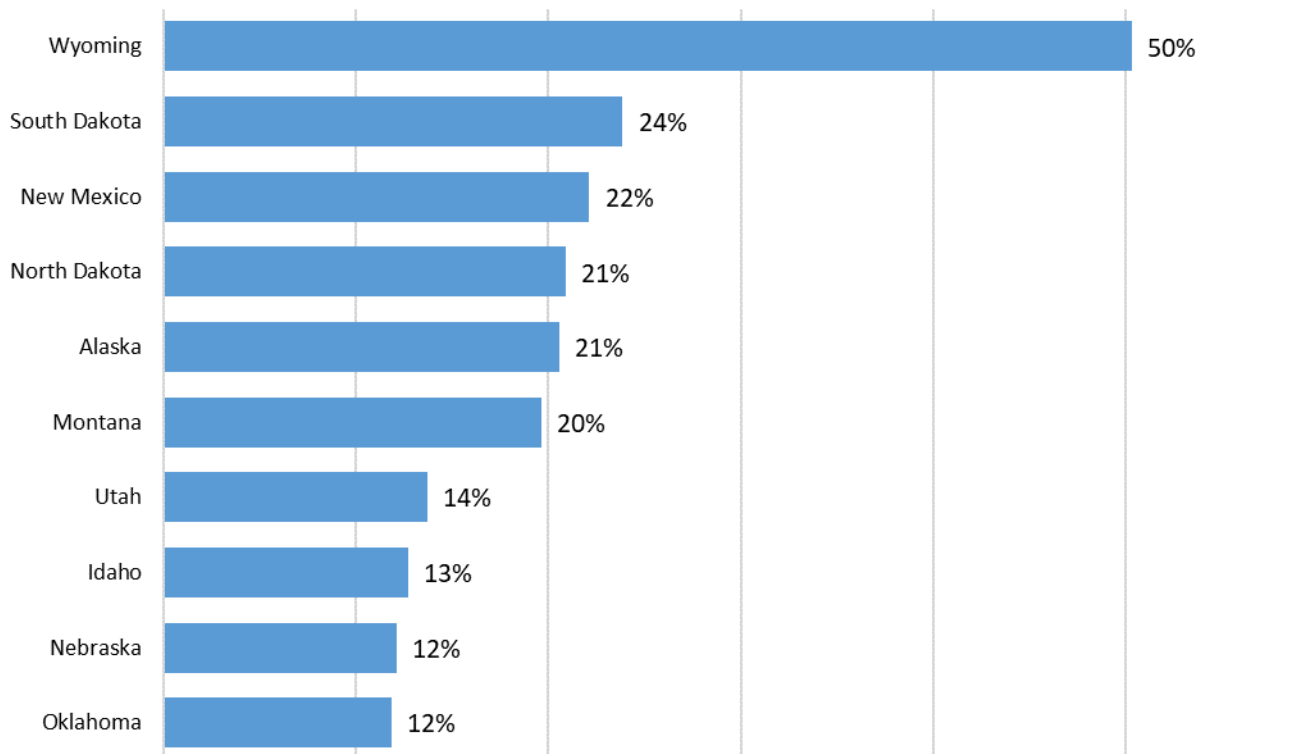
Geography

Some grants are based on geographic features. These include:

- Payments in lieu of taxes for federal property
- Shared revenues from resources extracted from federal lands
- Highway lane-miles as a component of federal highway funding

The chart below lists states where geography-related grants account for a large share of total grants. Most western states have large federal land holdings, so they often receive the most from such programs. Several western states also have small populations, further boosting their per capita amounts. For example, **Wyoming** received more than \$1,100 per capita from mineral leasing payments. It is the only state where Medicaid isn't the largest federal grant.

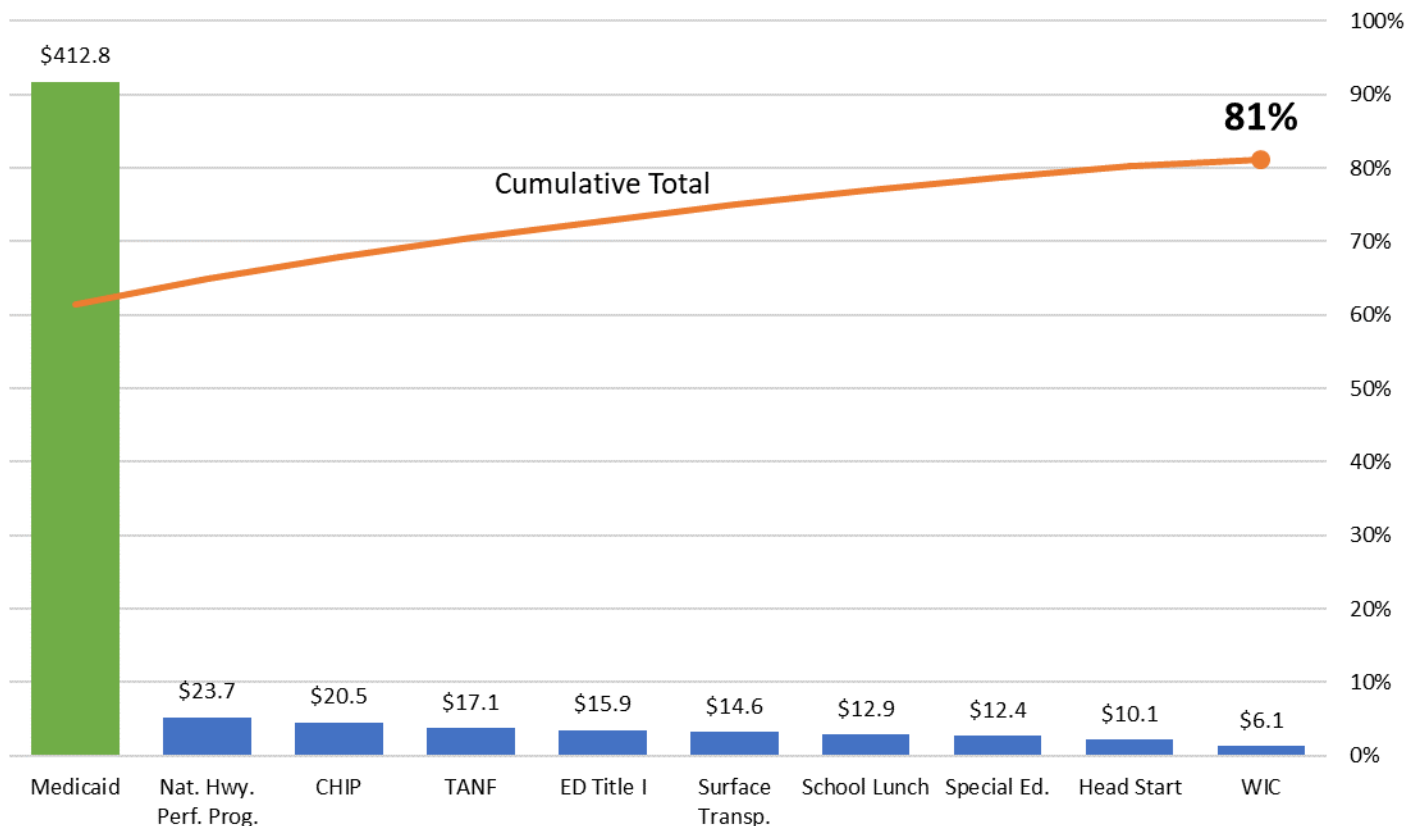
States with Largest Shares of Geography-Based Grant Funding, Per Capita, FY 2019



Income and Poverty

Though some grants are geography-based, most are allocated by formulas that take account of a state’s income and/or poverty. The chart below lists the 10 largest grants, which together account for more than 80% of the funding FFIS tracks. Seven are targeted by income or poverty; the exceptions are the two transportation programs and special education.

Largest Federal Grants, FY 2019
(\$ in billions)



A state’s federal Medicaid matching rate is based on its per capita personal income, with the federal government paying a larger share in poorer states. This makes the FMAP an indicator of relative state income. The chart on page 5 lists the FY 2019 matching rates.

The chart on the next page identifies the states with the highest and lowest poverty rates in 2019. The cluster of marks in the middle shows the concentration of states between the two extremes.

Low-income states are often high-poverty states and vice versa, but not always. For example, **Utah’s** relatively high Medicaid matching rate (69.71%) points to its modest income, but it has the second lowest poverty rate in the nation (8.9%). Similarly, **Hawaii** has one of the lowest poverty rates (9.3%) but not one of the highest per capita incomes.

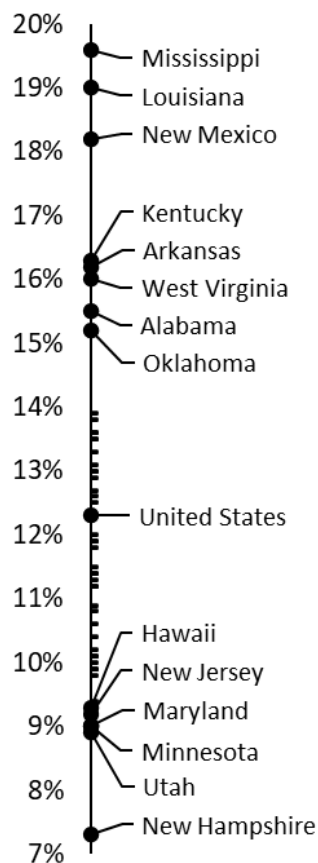
Demographics

Grant receipts also are affected by the age of a state's population. For example:

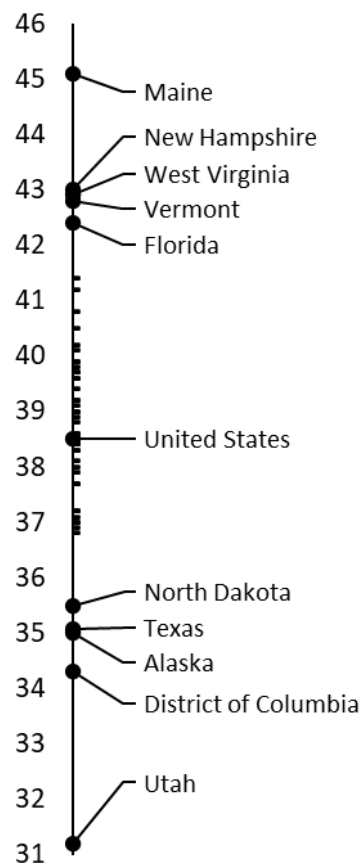
- Education grants target school-aged children.
- Many human services programs target children or families with children.
- Administration on Aging programs target the elderly.

As a point of reference, the chart below identifies the states with the highest (**Maine**) and lowest (**Utah**) median ages.

Poverty Rate by State, 2019



Median Age by State, 2019



Relative Population

Finally, many formulas include “small state minimums,” which stipulate that each state receives a certain base amount or share of funds. As a result, the least populous states receive more funding than their population share would suggest, and more populous states receive a smaller share.

The table below lists the 10 least populous states. All receive above-average amounts of non-Medicaid grants per capita, partly attributable to small-state minimum provisions in grant formulas.

Non-Medicaid Federal Grant Funding Per Capita and Rank, FY 2019

State	Population Rank	Grants Per Capita	Rank
Maine	42	\$861	17
Montana	43	\$1,354	5
Rhode Island	44	\$1,109	10
Delaware	45	\$895	14
South Dakota	46	\$1,181	8
North Dakota	47	\$1,340	6
Alaska	48	\$2,577	2
District of Columbia	49	\$1,820	3
Vermont	50	\$1,304	7
Wyoming	51	\$2,681	1

Where can I find out more?

For more analysis, visit www.ffis.org/PerCapitaFY2019. There, you can download:

- State-specific infographics with detailed breakdowns
- A detailed Excel file for FFIS database subscribers summarized below:

Sheet	Description
Summary - Overall	FY 2019 Federal Grant Funding and Funding Per Capita by State and Medicaid/Non-Medicaid
Summary - by Function	FY 2019 Federal Grant Funding Per Capita by State and Budget Function
Summary - by Program	FY 2019 Federal Grant Funding Per Capita by State and Program
One-Year Analysis	Change in Federal Grant Funding and Funding Per Capita from FYs 2018-2019 by State and Medicaid/Non-Medicaid
Five-Year Analysis	Change in Federal Grant Funding and Funding Per Capita from FYs 2015-2019 by State and Medicaid/Non-Medicaid
Medicaid and FMAPs	FY 2019 Federal Medicaid Matching Rates (FMAPs) and Medicaid Expansion Status
Demographics	Selected demographics by state
Rankings	State/Territory rankings (out of 56) for items in the previous tables
Data - Long Format	Long-format dataset for analysis (adapted from the FFIS database)
Budget Function Reference	Reference sheet for budget function categorization

Sources

Population, age, and poverty rate figures come from the U.S. Census Bureau. Per capita income figures come from the Bureau of Economic Analysis. Medicaid expansion information comes from the Kaiser Family Foundation. All other data come from the FFIS database.

Contact Ethan Ableman/eableman@ffis.org/202-624-5849/www.ffis.org

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