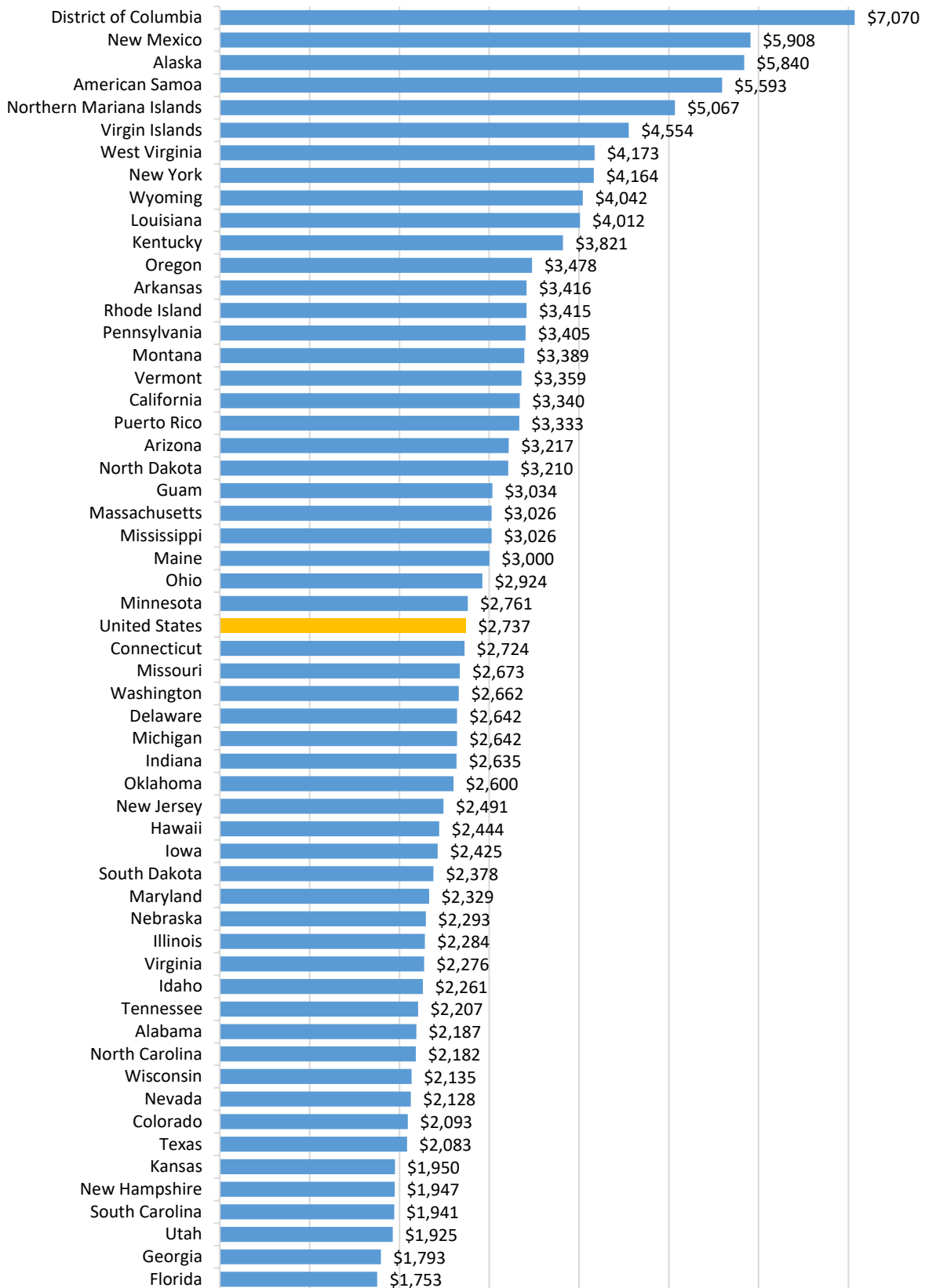


FEDERAL GRANTS PER CAPITA, FY 2022

SPECIAL ANALYSIS 23-01

September 2023



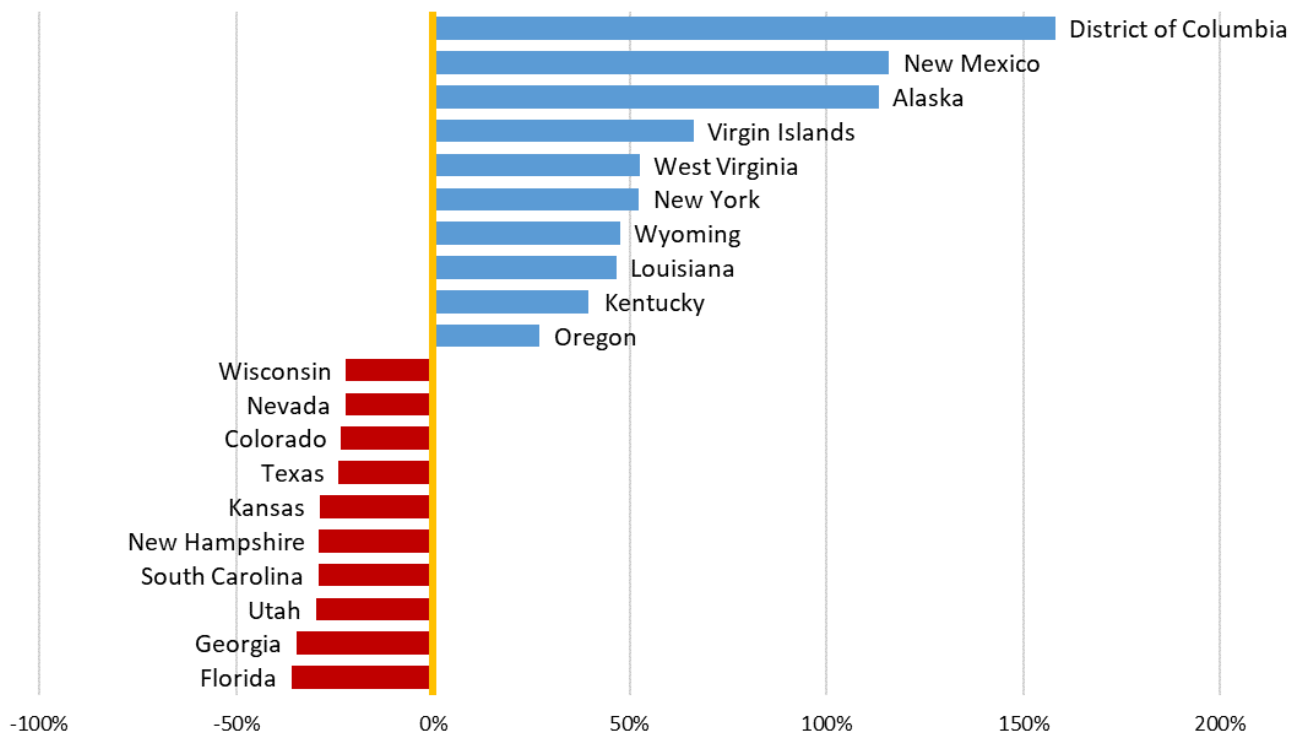
Introduction

This analysis reports on federal grants per capita in fiscal year (FY) 2022. The calculations are based on the 200+ grants in the FFIS database, which account for about 90% of federal grant funding. State-specific infographics with detailed breakdowns are available [online](#). Additionally, FFIS database subscribers have access to a spreadsheet with program-level information ([see p. 11](#)).

- The report excludes the Supplemental Nutrition Assistance Program (SNAP) and Pell grants because these funds flow to individuals rather than states.
- The District of Columbia is treated as a state.
- FY 2022 funding for some programs—namely Medicaid and Child Nutrition—includes federal assistance for COVID-19.
- For some programs, FY 2022 amounts include large infusions from the Infrastructure Investment and Jobs Act (IIJA).

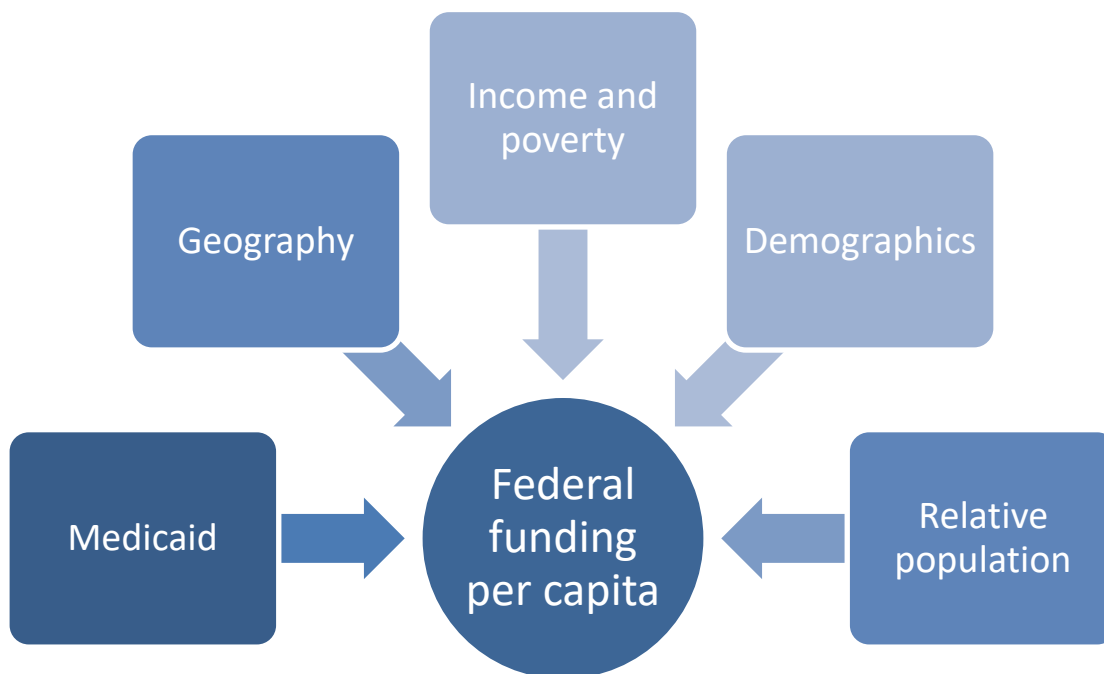
The chart below lists the states that fare the best and worst in this year’s analysis. The **District of Columbia’s** per capita receipt of federal grant funds is about 160% more than the national amount, while **Florida’s** is 36% less.

Federal Grant Funding Per Capita vs. United States, FY 2022



Q. What determines a state's funding per capita?

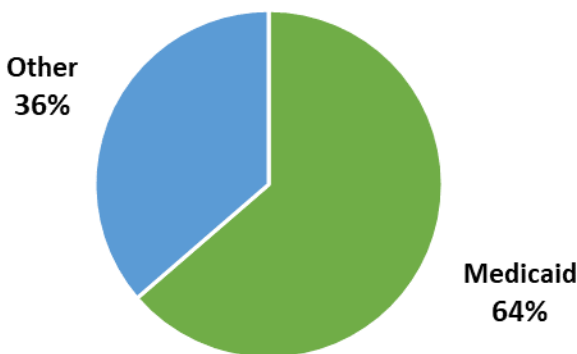
A. Most grant funding is distributed by formula, and most grant formulas incorporate some aspect of population. Accordingly, one might think that a state's share of total grant funding would approximate its share of the nation's population, and states would have similar per capita results. That's not the case, as the chart on the previous page shows. There are five important factors that help to explain the variation among states.



The following sections provide detail on why each factor matters and how it affects funding per capita in specific states.

Medicaid

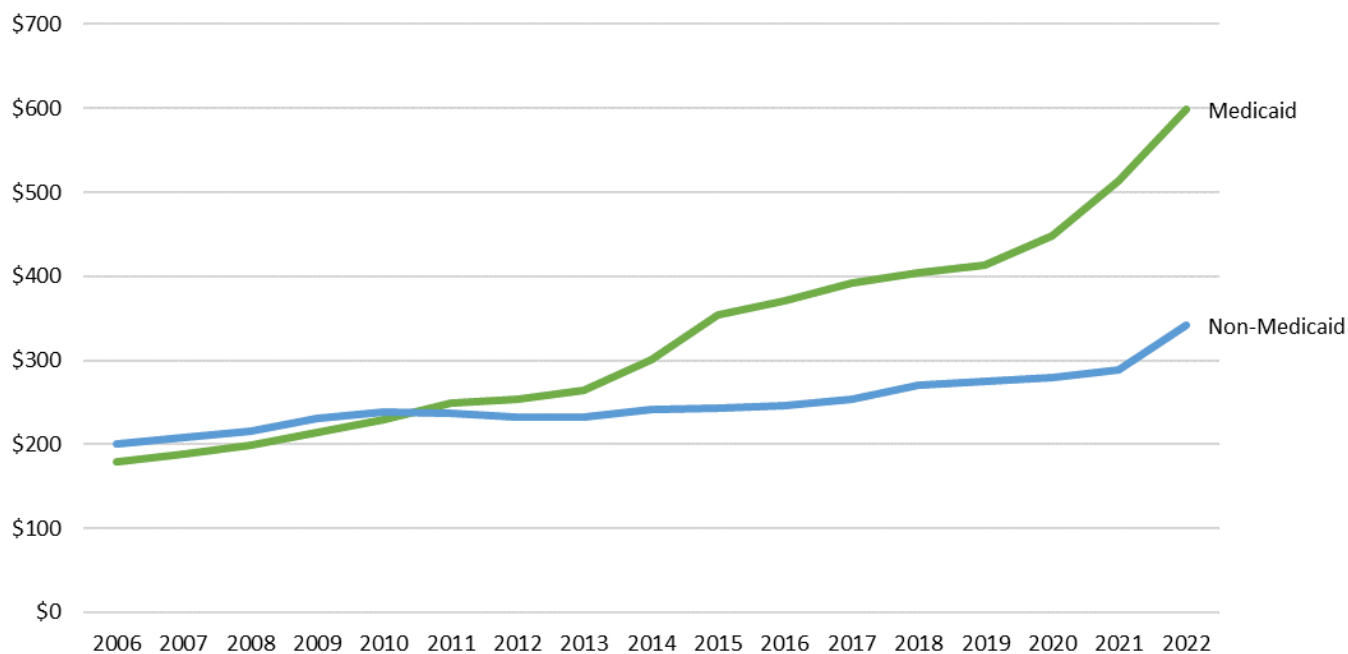
Medicaid accounts for a large (see pie chart) and growing (see below) share of grant funding. Prior to FY 2011, non-Medicaid grants exceeded Medicaid grants; today Medicaid dwarfs non-Medicaid.



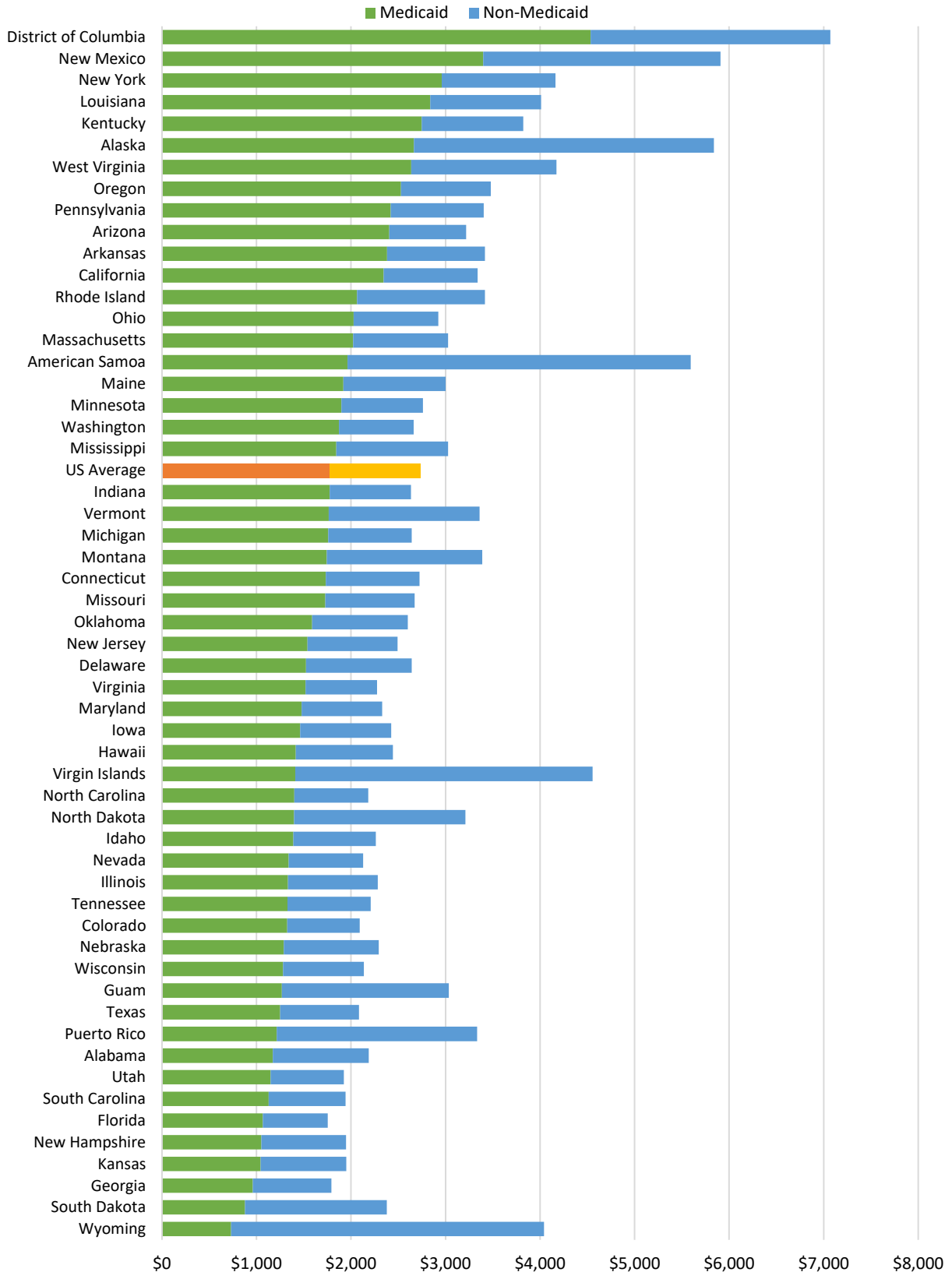
The next page displays Medicaid’s share of total grant funding in each state, which reflects:

1. The size of a state’s program, including what services it covers and whether it expanded under the Affordable Care Act. The states where Medicaid represents the largest share of total grants have adopted the expansion.
2. The federal Medicaid matching rate, known as the FMAP (Federal Medical Assistance Percentage). The chart on page 5 lists state FMAPs for FY 2022, which for states range from a federal share of 78.31% in **Mississippi** to the statutory minimum of 50% in 12 states. The rates listed exclude an additional 6.2 percentage points that was added to each state’s rate in response to the COVID-19 pandemic; however, state Medicaid funding per capita includes the funding associated with this increase.

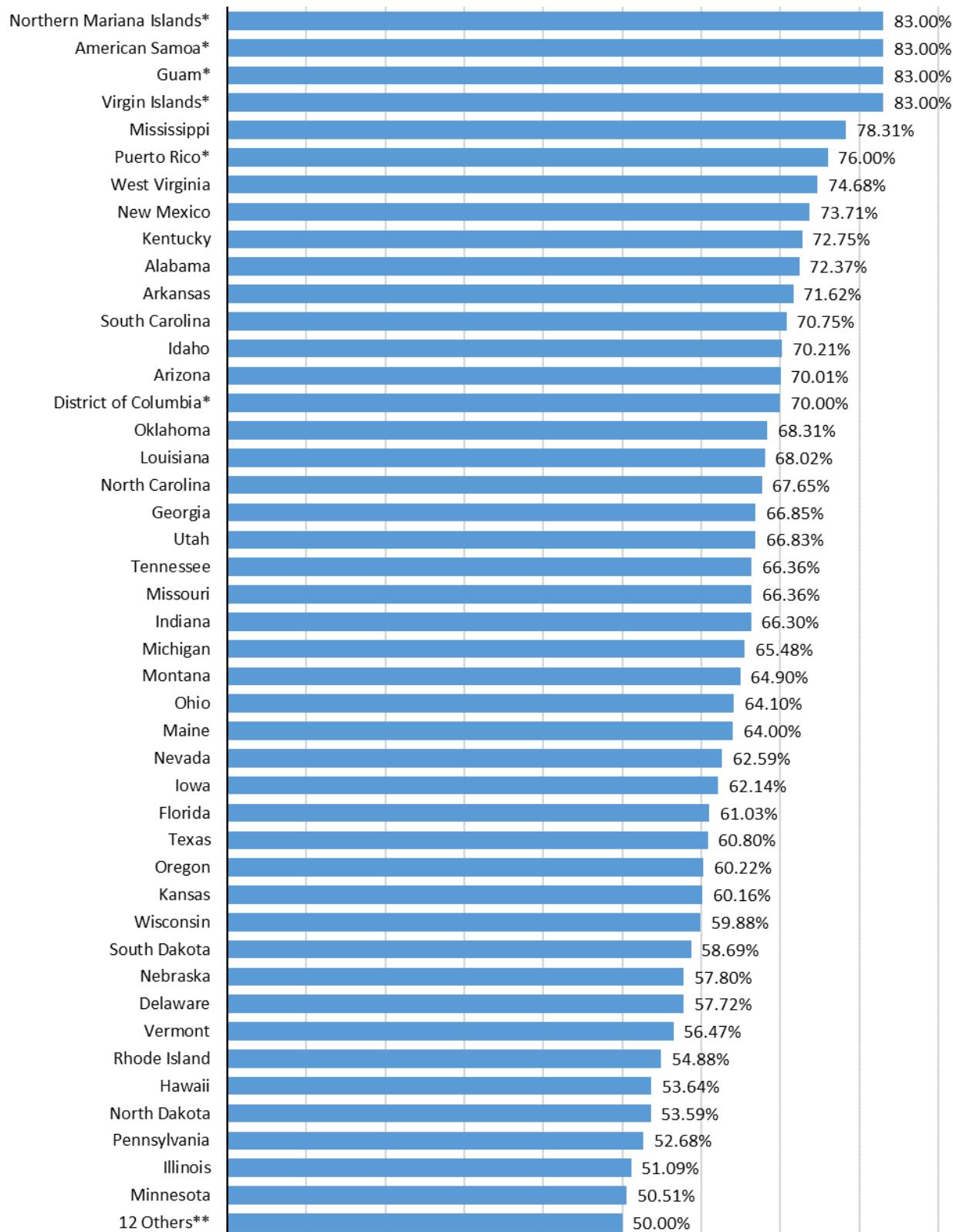
Medicaid vs. Non-Medicaid Federal Grant Funding
(\$ in billions)



Medicaid vs. Non-Medicaid Federal Grant Funding Per Capita, FY 2022



Federal Medicaid Matching Rates (FMAPs), FY 2022



*Set by statute.

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

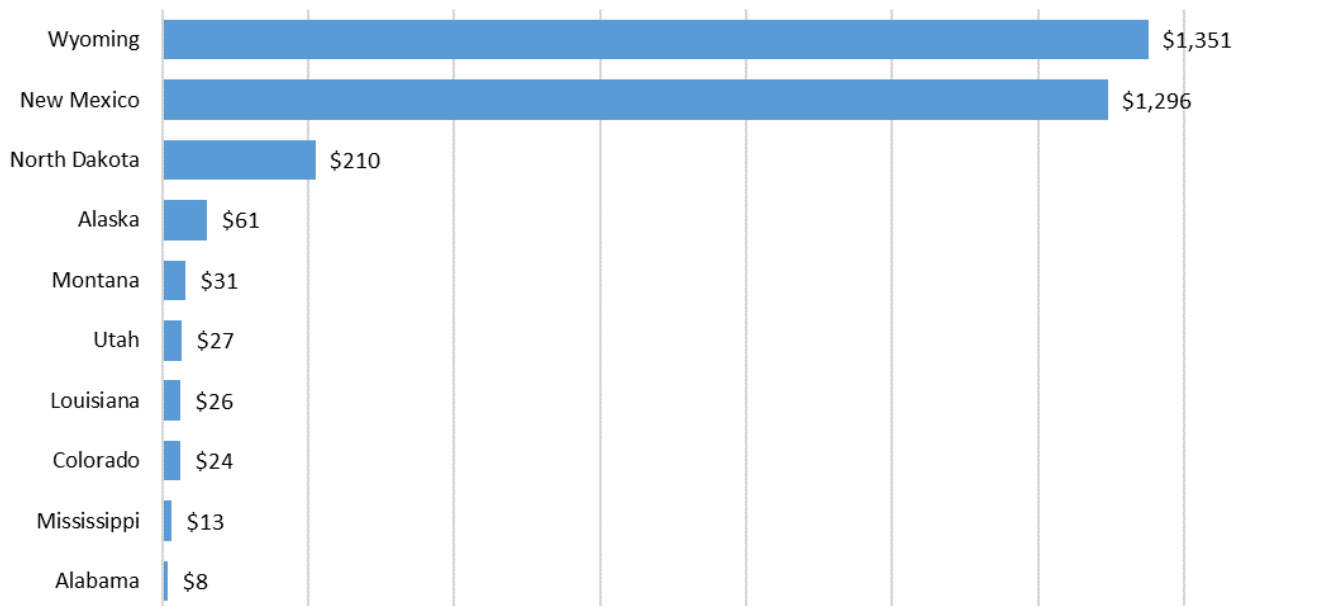
Geography

Some grant funding is based on geographic features. These payments include:

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

For example, the chart below lists the top 10 recipients of Mineral Leasing Grants per capita. Several western states have both abundant natural resources and small populations, boosting their per capita amounts. For example, **Wyoming** and **New Mexico** received more than \$1,000 per capita from mineral leasing payments, and the former is one of four states (including **South Dakota**, **North Dakota**, and **Alaska**) where Medicaid wasn't the largest source of federal funds.

Top 10 Recipients of Mineral Leasing Grants Per Capita, FY 2022

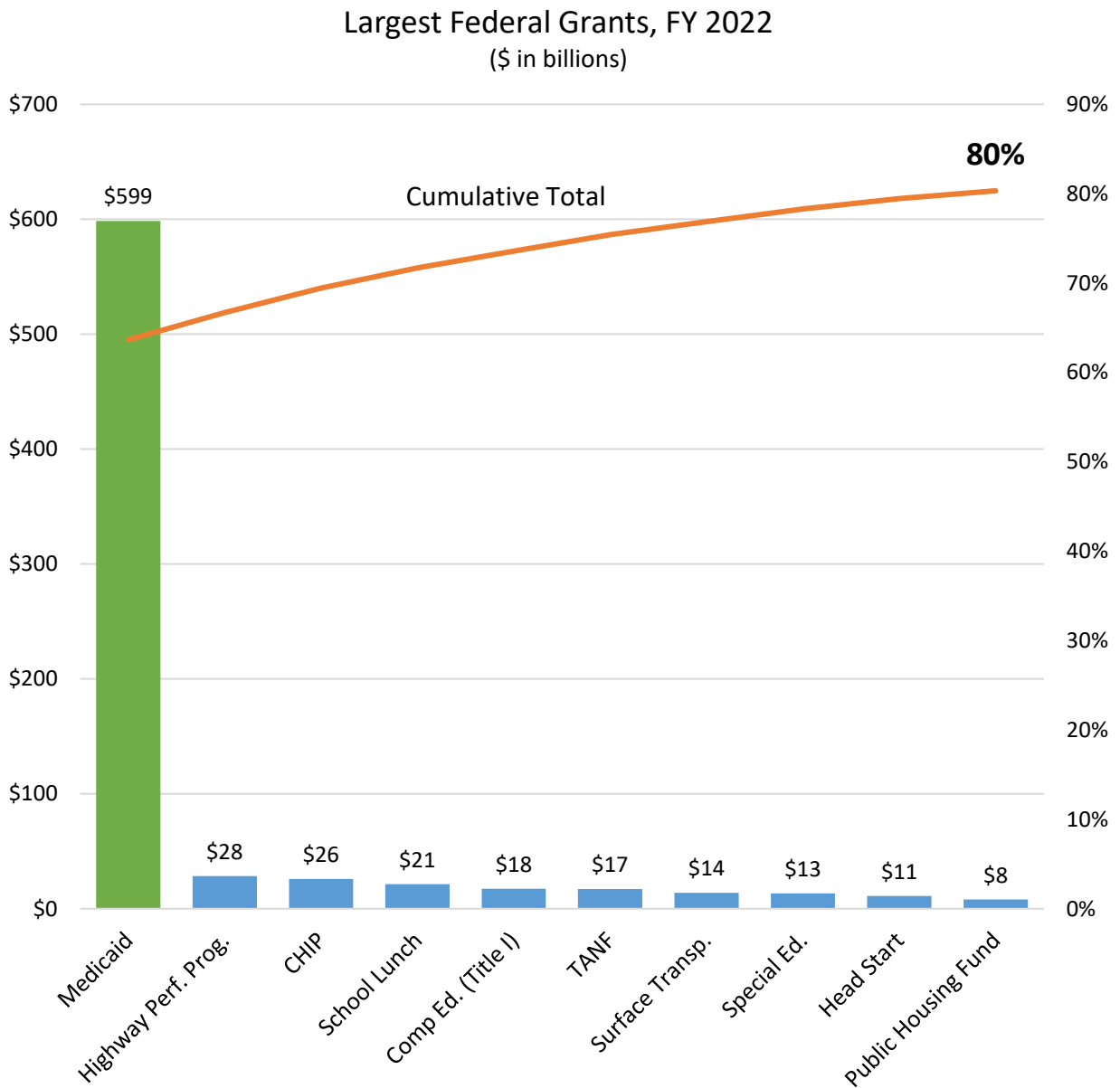


Other geography-related grants include:

- Education-Impact Aid
- Indian Education
- Coastal Zone Management
- Surface Mining Reclamation
- Secure Rural Schools
- Boating Safety
- Highway Performance Program
- Surface Transportation Block Grant
- Urbanized & Non-Urbanized Transit
- Payments in Lieu of Taxes

Income and Poverty

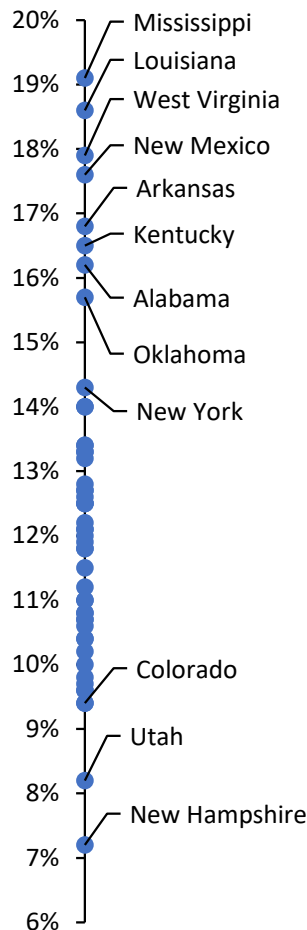
Though some grants are geography-based, most are allocated by formulas that account for a state's income and/or poverty. The chart below shows the total funds provided through the 10 largest grant programs. Together they account for 80% of the funding FFIS tracks. Seven of them are targeted by income or poverty; the exceptions are two transportation programs and special education.



A state's FMAP is based on its per capita personal income, which makes it a good proxy for relative state income. The chart on page 5 lists the FY 2022 FMAPs. The chart below identifies states with the highest and lowest poverty rates using data from 2022. 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 this isn't always the case. An example of a state where income and poverty do not align is **Utah**, with a relatively high FMAP in FY 2022 (66.83), but a low poverty rate (8.2%). Similarly, **Hawaii** has a low poverty rate (10.2%), but its FMAP exceeds the statutory minimum. **New York** has a relatively high poverty rate (14.3%), but its FMAP is the statutory minimum.

Poverty Rate by State, 2022



Note: Excludes Puerto Rico (41.7%)

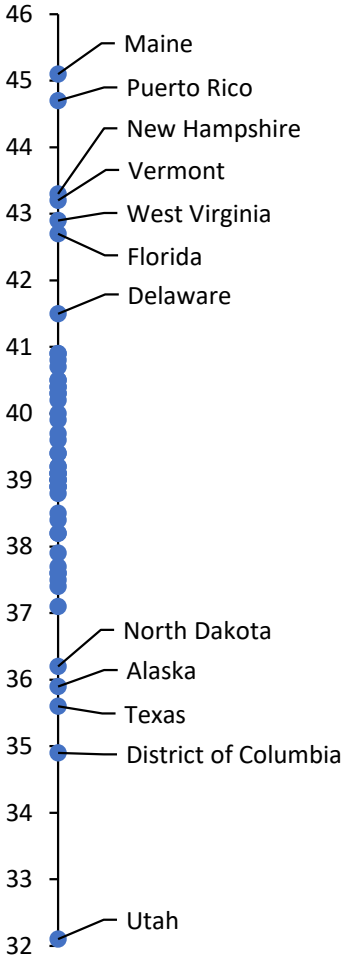
Demographics

Just as grant receipts are affected by Medicaid, geography, income, and poverty, they 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.

Everything else being equal, states with relatively young populations are likely to get more grant funding per capita than other states because there are several large education, health, and human services grants that target children and families. As a point of reference, the chart below identifies the states with the highest (**Maine**) and lowest (**Utah**) median ages.

Median Age by State, 2022

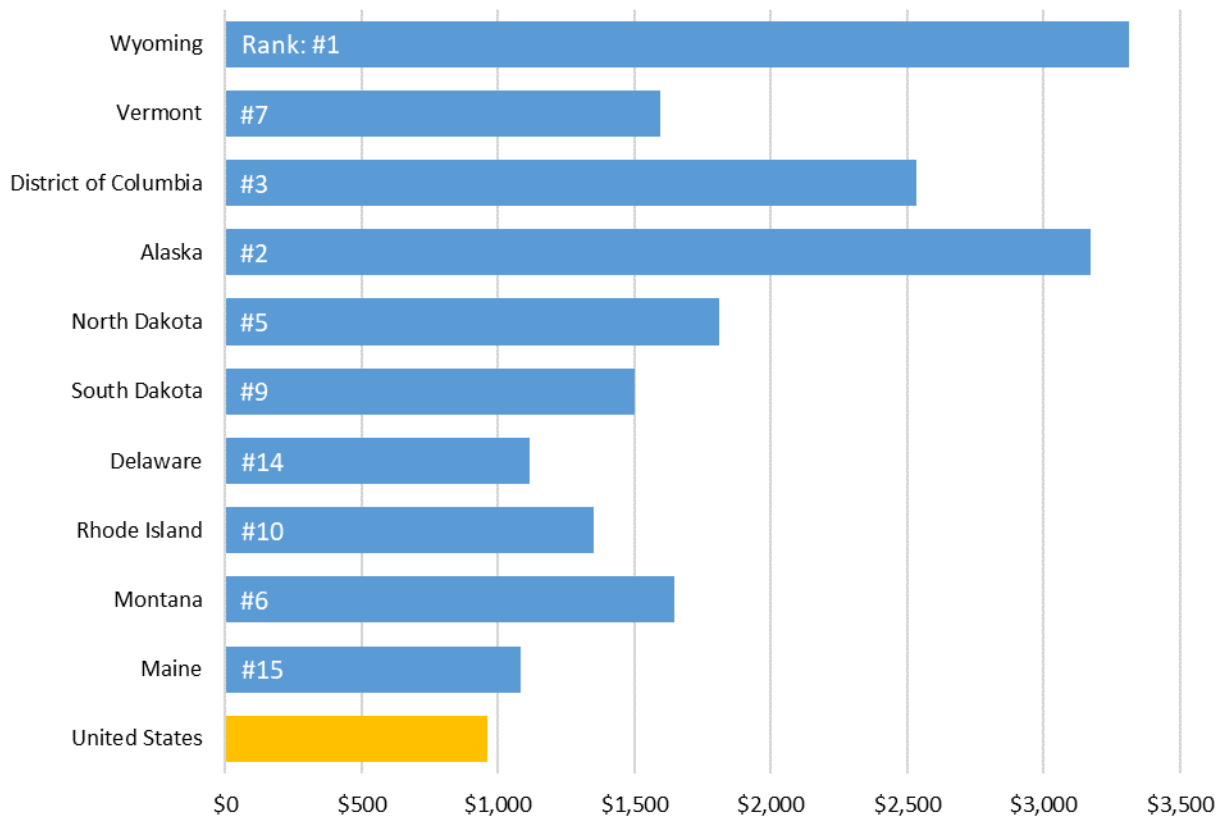


Relative Population

Finally, many grant formulas include “small state minimums,” which stipulate that every state receives a certain amount or share of the funds appropriated. 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 chart below lists the 10 least populous states from smallest to largest. All of them receive above-average amounts of non-Medicaid grants per capita, partly attributable to small-state minimum provisions in many grant formulas.

Non-Medicaid Federal Grant Funding Per Capita and Rank, FY 2022



For more analysis, visit <https://www.ffis.org/PerCapitaFY2022>. There, you can download:

- ✓ State-specific infographics with detailed breakdowns
- ✓ A detailed Excel file for FFIS subscribers that includes state-specific information as summarized below:

Sheet	Description
Summary - Overall	FY 2022 total grant funding, grant funding per capita for Medicaid & non-Medicaid, and per capita state rankings
Summary - by Function	FY 2022 grant funding per capita by budget function
Summary - by Program	FY 2022 grant funding per capita by program, with each program's budget function listed
FY 2022 vs. FY 2021	Change in grant funding per capita from FY 2021 to FY 2022 for Medicaid & non-Medicaid
Demographics	Selected demographics by state, including rankings
Data - Long Format	Dataset formatted for analysis

Notes

Populations for Guam, the U.S. Virgin Islands, American Samoa, and the Northern Mariana Islands are April 1, 2020 counts from the 2020 decennial census. Populations for other states are July 1, 2022 estimates from the Census Bureau Population Estimates Program. Poverty and median age figures are 1-year estimates from the 2022 American Community Survey. Per capita income figures are from the Bureau of Economic Analysis. Medicaid expansion information comes from the Kaiser Family Foundation. All other data are from the FFIS database.

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

Copyright © 2023 FFIS Federal Funds Information for States. All rights reserved.