

**Getting the Population Count Right:  
How Important is it for Grant Programs?  
June 11, 1999**

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**Executive  
Summary**

As the 2000 census nears, a debate continues in Washington over how the official count will be conducted. The Clinton administration favors sampling, while Congress prefers more traditional counting methods. The U.S. Supreme Court ruled recently that for the purposes of reapportioning seats in the House of Representatives, sampling techniques are prohibited. But this doesn't mean sampling can't be used to allocate funds for federal formula grant programs.

How much is at stake in the population debate? What impact would an adjusted population count have on federal grant programs? The answer is contained in a recent report from the General Accounting Office (GAO), Formula Grants: Effects of Adjusted Population Counts on Federal Funding to States (GAO/HEHS-99-69).

The GAO found that using adjusted population counts would reallocate only a small amount (0.33 percent) of the \$138 billion in formula grant funds analyzed. Medicaid accounted for 90 percent of all funds reallocated and funding generally would shift from northeastern and midwestern states to southern and western states. This *Issue Brief* summarizes the findings of the GAO report. It also provides state-by-state estimates for the programs most affected by population measures.

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**GAO's Study**

GAO compared the official 1990 census count with the count resulting from a Post Enumeration Survey (PES). The PES was conducted several months after the 1990 census. Based on it, the Census Bureau estimated that the census resulted in a net undercount of 4 million people.

***Programs Examined***

GAO initially identified 25 large formula grant programs (totaling \$167 billion) for analysis. Of these 25, GAO reports that 22 rely in part on data derived from the decennial census. Medicaid is the largest, accounting for 63 percent of the \$167 billion. Table 1 lists all the programs examined. The three programs that do not use census data are special education, the administrative portion of the nutrition program for women, infants and children (WIC), and low-income home energy assistance (LIHEAP).

GAO selected 15 programs (totaling \$147 billion in obligations) for further analysis. GAO excluded from the original list of 25 programs any program relying on counts of people below the poverty line or any program providing funds directly to local governments. Since poverty counts are not adjusted by the PES, it was impossible to reallocate formula funds based on the PES for these programs. The remaining 15 programs were allocated by original and revised population counts to determine the effects of adjusted population counts on funding outcomes.

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**Findings** For the 15 programs included in the detailed analysis, the adjusted population count reallocated \$449 million or 0.33 percent of allocated funds. Twenty-three states received fewer funds under adjusted population counts and 27 states plus the District of Columbia received more.

California accounted for about 20 percent of the population adjustment and received almost half (\$223 million) of reallocated funds. The four states that border Mexico (Arizona, California, New Mexico and Texas) received nearly 75 percent of reallocated funds. Medicaid was the program most affected by reallocation, accounting for 90 percent of all funds reallocated.

**State-By-State Estimates** To provide states a sense of how much is at stake in the census debate, Table 2 includes FFIS's 50-state estimates of the 22 programs GAO identified as relying on census data in their allocation formulas. It also includes a summary column that totals the funding for the affected programs. While there are many additional programs that use census data, these programs represent the vast majority of federal grant funds.

As Table 2 shows, population-sensitive grant programs total about \$161 billion annually, with Medicaid representing 63 percent of the total. The data included in the table are FFIS estimates for fiscal year 1999. They are comparable to the data included in the GAO report, with the exception of the WIC program, where FFIS combines the food and administrative portions of the program.

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## Summary

It is not yet known what methods will be used to determine the 2000 population count for formula grant purposes. The Secretary of Commerce is charged with releasing the official population count for these programs and agencies must use the official count for allocating funds. Whether that count will be derived from a head count, from sampling, or from some combination of the two is uncertain.

In any case, GAO's report examining the effect of population recounts on formula grant programs is useful to states. It identifies the major grant programs that rely on population data and it provides 50-state estimates of the impact the 1990 population recount (PES) would have had on these grant programs. States wishing to consider this issue further should obtain a copy of the GAO report to examine their state-specific results.

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# Table 1

## Population-Based Formula Grants Included in GAO Study (\$ in billions)

<b><u>Program</u></b>	<b><u>Estimated Obligations</u></b>
<u>Programs included in detailed GAO analysis:</u>	
Medicaid	\$104.0
Highway Planning and Construction	19.7
Foster Care	3.7
Special Education	3.2
Special Supplemental Nutrition Program for Women, Infants and Children (WIC) (Food)	3.0
Social Services Block Grant	2.4
Rehabilitation Services: Basic Support	2.2
Employment & Training - Dislocated Workers	1.4
Prevention and Treatment of Substance Abuse	1.4
Child Care and Development Block Grant	1.0
Low Income Home Energy Assistance	1.0
Vocational Education: Basic Grants	1.0
Special Supplemental Nutrition Program for Women, Infants and Children (WIC) (Administration)	1.0
Adoption Assistance	0.8
Employment Services	0.8
<b>Subtotal</b>	<b>146.9</b>
<u>Programs excluded from detailed GAO analysis:</u>	
Title I Grants to Local Education Agencies	7.5
Federal Mass Transit Grants	3.1
Community Development Block Grant	3.0
HOME Investment Partnerships Program	1.3
Community Development, State Program	1.2
Job Training Partnership Act, Title II-A	1.1
Job Training Partnership Act, Title II-B	0.9
Goals 2000 - State and Local Education	0.6
Maternal and Child Health Services	0.6
Safe and Drug Free Schools and Communities	0.6
<b>Subtotal</b>	<b>19.9</b>
<b>TOTAL</b>	<b>166.8</b>

**Table 2****Population-Sensitive Grant Programs**

(\$ in thousands)

<i>State</i>	<i>Medicaid</i>	<i>Highway Planning and Construction</i>	<i>Title I</i>	<i>Foster Care</i>	<i>WIC</i>	<i>CDBG Entitlement</i>	<i>Mass Transit</i>
Alabama	\$1,646,830	\$393,505	\$127,014	\$13,107	\$64,731	\$25,646	\$15,720
Alaska	270,829	192,978	17,591	11,845	17,302	2,275	2,722
Arizona	1,307,201	322,435	118,538	47,935	78,791	41,712	30,780
Arkansas	1,070,169	277,543	77,404	38,048	42,451	8,670	7,842
California	10,376,545	1,754,696	919,104	932,659	689,608	477,454	413,917
Colorado	887,311	248,820	70,474	27,589	40,375	30,613	33,007
Connecticut	1,418,141	266,498	70,337	82,776	33,465	33,745	40,927
Delaware	214,162	95,045	18,989	10,233	8,229	6,015	5,281
District of Columbia	620,608	90,869	26,546	29,718	9,915	23,375	22,907
Florida	3,698,807	899,548	367,033	111,494	185,843	141,509	127,407
Georgia	2,152,760	699,856	211,520	44,289	111,900	42,841	51,103
Hawaii	321,727	103,958	20,344	14,861	26,591	13,128	20,451
Idaho	353,414	146,469	22,016	8,438	16,262	2,372	4,024
Illinois	3,433,765	691,384	326,657	328,888	138,337	176,351	184,292
Indiana	1,634,615	510,977	115,382	61,883	66,652	44,801	33,564
Iowa	925,019	273,678	51,943	22,116	33,617	16,937	10,898
Kansas	687,721	273,181	55,168	27,926	26,297	13,174	9,708
Kentucky	2,069,781	329,356	128,244	44,971	63,681	22,432	18,795
Louisiana	2,305,891	357,335	191,246	48,170	75,550	45,003	27,498
Maine	720,859	110,596	28,946	36,798	12,537	5,771	3,733
Maryland	1,435,630	305,454	103,077	103,669	48,359	55,030	67,735
Massachusetts	3,166,163	362,295	146,023	108,918	55,013	89,678	99,784
Michigan	3,127,471	652,145	327,488	141,196	111,400	115,311	57,496
Minnesota	1,393,601	315,084	86,609	65,821	49,015	44,969	29,257
Mississippi	1,415,517	263,201	124,800	19,840	50,106	7,210	7,815
Missouri	2,215,418	524,779	128,822	62,464	66,095	53,989	33,353
Montana	280,254	201,017	25,863	8,073	11,887	1,929	3,119
Nebraska	611,588	183,816	31,922	34,938	16,843	8,580	8,756
Nevada	302,262	144,959	23,772	8,607	19,687	13,071	16,210
New Hampshire	354,392	102,798	17,680	15,228	9,402	4,557	4,261
New Jersey	2,939,679	489,909	166,823	49,349	76,364	110,056	152,677
New Mexico	778,266	205,912	66,412	22,237	30,172	7,300	7,598
New York	14,825,188	973,762	735,513	403,713	276,847	359,300	460,026
North Carolina	3,359,747	560,588	146,594	61,212	94,247	27,064	30,127
North Dakota	239,302	144,628	18,544	12,970	10,378	1,870	2,773
Ohio	4,150,002	737,740	299,413	180,111	120,989	135,155	80,395
Oklahoma	981,111	346,719	91,808	27,881	51,397	16,015	12,800
Oregon	1,101,162	270,186	68,185	27,240	48,352	23,020	25,057
Pennsylvania	5,081,011	916,942	333,381	259,324	134,904	206,193	134,328
Puerto Rico	164,835	0	262,430	0	140,921	72,162	40,889
Rhode Island	544,420	120,201	24,891	16,520	11,542	14,511	8,737
South Carolina	1,680,825	330,049	99,337	26,215	58,277	15,620	13,647
South Dakota	271,205	150,825	19,538	2,177	11,692	1,644	2,420
Tennessee	2,629,136	445,313	128,400	59,496	74,811	28,935	24,168
Territories	9,456	0	13,481	0	7,136	0	431
Texas	6,491,652	1,508,656	661,796	86,268	311,226	208,576	142,479
Utah	509,813	165,473	33,036	22,387	30,072	15,793	17,855
Vermont	285,789	98,772	17,425	10,796	9,305	1,040	1,618
Virginia	1,289,990	526,875	117,574	54,541	71,450	44,538	54,345
Virgin Islands	4,359	0	9,167	0	6,104	0	197
Washington	1,832,718	392,835	108,670	15,993	78,941	50,141	71,739
West Virginia	1,036,714	180,891	73,438	22,372	27,767	8,951	6,085
Wisconsin	1,654,035	401,557	125,187	103,266	54,703	44,913	33,988
Wyoming	134,028	153,767	16,848	5,384	6,460	1,103	1,622
Unallocated	0	0	57,577	750	0	0	12,741
<b>TOTAL</b>	<b>\$102,412,894</b>	<b>\$20,215,880</b>	<b>\$7,676,020</b>	<b>\$3,982,700</b>	<b>\$3,924,000</b>	<b>\$2,962,050</b>	<b>\$2,731,103</b>

## Table 2, continued

### Population-Sensitive Grant Programs

(\$ in thousands)

<i>State</i>	<i>Rehabilitation Services</i>	<i>Social Services Block Grant</i>	<i>Substance Abuse HOME</i>	<i>Dislocated Workers</i>	<i>GDBG State Program</i>	<i>Vocational Education</i>	<i>Child Care &amp; Development</i>	
Alabama	\$48,130	\$30,577	\$23,280	\$21,667	\$11,310	\$33,215	\$19,175	\$20,585
Alaska	7,624	4,344	4,353	3,441	6,054	3,146	4,215	2,103
Arizona	37,779	31,686	19,876	27,127	9,383	10,441	18,342	20,529
Arkansas	29,293	17,961	14,038	11,280	10,873	23,464	11,404	12,073
California	222,303	228,114	214,074	216,995	252,751	42,626	109,111	121,446
Colorado	28,520	27,357	18,131	20,297	6,515	10,817	13,400	10,761
Connecticut	16,924	23,428	18,264	16,406	10,137	14,088	8,355	7,192
Delaware	7,624	5,188	4,983	5,554	1,731	1,902	4,215	1,960
District of Columbia	10,798	3,886	7,070	4,953	9,278	0	4,215	1,888
Florida	108,828	103,044	67,195	80,256	37,376	33,237	46,929	51,390
Georgia	66,250	52,617	35,755	40,711	17,327	42,814	29,560	32,685
Hawaii	7,769	8,473	7,706	6,810	9,204	4,855	5,066	3,940
Idaho	11,502	8,508	5,259	5,944	5,142	9,290	6,066	5,263
Illinois	84,191	84,775	76,192	61,138	33,945	37,261	38,934	37,520
Indiana	54,370	41,797	28,353	32,509	9,999	36,123	23,688	18,189
Iowa	26,640	20,408	15,540	12,542	4,604	29,742	11,964	9,248
Kansas	22,254	18,405	12,698	10,996	5,108	20,135	10,326	8,916
Kentucky	43,396	27,793	23,755	19,105	10,072	33,548	17,906	17,830
Louisiana	48,826	31,135	31,743	24,828	25,509	36,406	21,042	25,619
Maine	12,777	8,895	6,796	5,944	4,095	16,203	5,066	3,870
Maryland	33,485	36,294	23,414	29,389	19,792	8,947	14,812	13,201
Massachusetts	43,095	43,593	41,535	33,214	13,468	37,369	17,324	13,674
Michigan	78,843	68,653	61,439	56,510	21,367	43,726	35,641	28,187
Minnesota	38,232	33,332	20,952	20,878	8,483	24,817	16,685	13,110
Mississippi	35,036	19,435	16,775	13,142	14,149	37,004	13,364	16,954
Missouri	50,061	38,348	28,368	24,121	13,857	28,513	20,940	18,448
Montana	8,987	6,290	5,080	5,584	4,879	8,300	4,959	3,156
Nebraska	14,697	11,821	8,089	7,473	1,997	14,737	6,817	5,659
Nevada	9,872	11,471	8,865	9,442	3,910	2,823	5,243	4,741
New Hampshire	8,837	8,315	4,796	5,944	1,583	9,836	5,066	2,478
New Jersey	45,679	57,161	41,849	45,116	36,304	10,768	21,030	18,739
New Mexico	18,276	12,258	9,053	8,262	14,448	15,361	8,079	9,410
New York	120,835	130,129	172,902	104,711	141,470	54,361	51,362	56,936
North Carolina	70,974	52,402	32,633	33,405	14,355	44,799	28,781	28,290
North Dakota	7,624	4,608	3,924	3,817	791	6,166	4,215	2,302
Ohio	101,241	79,952	71,853	65,062	28,150	55,416	42,750	33,633
Oklahoma	35,073	23,621	18,199	16,186	6,881	20,529	15,139	15,151
Oregon	27,231	22,927	18,846	15,115	17,668	15,492	12,410	10,088
Pennsylvania	103,120	86,271	70,571	57,670	36,556	57,355	40,723	32,313
Puerto Rico	61,302	9,874	27,896	19,824	82,314	58,395	18,458	22,867
Rhode Island	8,488	7,084	7,423	5,944	3,852	5,587	5,066	2,601
South Carolina	40,281	26,469	17,140	18,527	8,163	28,997	16,635	17,999
South Dakota	7,624	5,238	3,956	3,530	987	8,051	4,215	3,162
Tennessee	53,324	38,069	27,507	25,625	14,120	29,580	21,457	20,442
Territories	3,856	466	2,060	2,190	2,115	4,845	880	3,821
Texas	167,329	136,877	102,406	122,544	74,819	84,189	80,684	94,329
Utah	20,485	14,312	8,297	13,730	3,229	7,424	11,760	9,767
Vermont	7,624	4,215	3,924	3,774	1,391	8,463	4,215	1,684
Virginia	52,124	47,765	28,964	39,245	13,872	23,014	23,247	19,414
Virgin Islands	1,789	329	1,250	573	874	2,177	568	1,178
Washington	39,756	39,593	28,831	30,769	13,905	15,433	19,625	16,431
West Virginia	21,818	13,067	12,045	8,435	16,082	20,639	8,429	7,618
Wisconsin	46,710	36,924	30,168	24,530	9,945	33,659	20,242	14,810
Wyoming	7,624	3,442	3,924	2,452	1,204	3,367	4,215	1,667
Unallocated	17,283	0	0	79,765	278,113	0	16,641	22,733
<b>TOTAL</b>	<b>\$2,304,411</b>	<b>\$1,909,000</b>	<b>\$1,600,000</b>	<b>\$1,585,000</b>	<b>\$1,405,510</b>	<b>\$1,269,450</b>	<b>\$1,030,650</b>	<b>\$1,000,000</b>

**Table 2, continued**

**Population-Sensitive Grant Programs**

(\$ in thousands)

<i>State</i>	<i>JTPA Title II-A</i>	<i>JTPA Title II-B</i>	<i>Adoption Assistance</i>	<i>Employment Services</i>	<i>Maternal &amp; Child Health</i>	<i>Goals 2000</i>	<i>Safe &amp; Drug Free Schools</i>	<i>Program Totals</i>
Alabama	\$13,332	\$11,932	\$3,538	\$10,823	\$12,487	\$7,342	\$6,790	\$2,560,738
Alaska	3,373	3,035	2,938	8,085	1,119	1,676	2,151	573,199
Arizona	14,833	13,567	12,336	11,167	7,088	7,074	6,948	2,195,568
Arkansas	9,598	8,595	4,720	6,357	7,554	4,472	4,145	1,697,955
California	153,203	141,438	89,024	88,808	42,286	52,697	49,466	17,588,325
Colorado	6,402	5,662	7,943	9,935	7,606	5,377	5,044	1,521,956
Connecticut	8,361	7,432	7,400	8,826	4,833	4,653	4,313	2,106,500
Delaware	2,381	2,134	878	2,077	1,955	1,705	2,151	404,392
District of Columbia	4,410	3,915	3,463	3,581	7,017	1,807	2,151	892,369
Florida	41,605	35,906	41,118	35,942	19,234	21,224	19,870	6,274,794
Georgia	19,309	17,530	9,219	18,903	16,808	12,189	11,399	3,737,346
Hawaii	5,468	4,707	1,727	3,232	2,236	1,763	2,151	596,167
Idaho	4,043	3,694	1,554	6,736	3,303	1,818	2,151	633,270
Illinois	38,888	35,053	36,317	30,923	23,233	19,953	18,594	5,936,591
Indiana	11,791	10,631	14,920	14,569	12,369	8,325	7,723	2,793,229
Iowa	3,584	3,146	13,429	7,130	6,970	3,972	3,699	1,506,828
Kansas	3,769	3,321	11,396	6,471	5,015	3,928	3,648	1,239,560
Kentucky	15,780	13,652	5,480	9,833	12,207	7,081	6,529	2,941,226
Louisiana	20,164	18,225	18,816	10,942	14,957	9,925	9,062	3,397,892
Maine	4,095	3,591	5,768	4,006	3,488	2,038	2,151	1,008,022
Maryland	15,135	13,307	7,675	14,007	12,033	7,145	6,602	2,374,194
Massachusetts	13,941	12,507	18,085	15,948	11,792	9,060	8,470	4,360,950
Michigan	25,413	23,368	64,127	24,344	20,929	18,335	16,910	5,120,298
Minnesota	8,691	7,768	9,823	11,874	9,634	6,777	6,299	2,221,710
Mississippi	12,018	11,463	1,287	6,663	10,795	6,301	5,823	2,108,697
Missouri	15,337	13,520	10,770	13,909	12,981	8,423	7,853	3,390,369
Montana	3,638	3,091	1,314	5,505	2,544	1,930	2,151	599,550
Nebraska	2,381	2,134	3,386	6,616	4,186	2,428	2,258	991,122
Nevada	3,966	3,534	2,567	5,351	1,526	1,972	2,151	606,002
New Hampshire	2,381	2,134	1,147	2,996	1,996	1,691	2,151	569,671
New Jersey	25,983	22,873	13,231	21,607	11,809	11,221	10,458	4,378,686
New Mexico	9,045	8,189	4,713	6,177	4,615	3,546	3,281	1,252,609
New York	87,773	75,690	164,510	48,004	41,546	35,237	32,690	19,352,503
North Carolina	14,997	13,162	9,847	17,780	16,784	10,118	9,522	4,677,429
North Dakota	2,381	2,134	918	5,605	1,964	1,691	2,151	480,759
Ohio	38,241	34,107	131,005	28,145	24,156	18,473	17,113	6,473,102
Oklahoma	7,934	6,900	10,029	8,447	7,775	5,564	5,149	1,730,309
Oregon	12,071	10,688	8,898	9,246	6,325	4,737	4,395	1,759,339
Pennsylvania	38,242	33,103	25,167	30,462	25,420	19,653	18,160	7,740,868
Puerto Rico	53,147	47,285	0	10,717	16,704	11,908	11,000	1,132,928
Rhode Island	2,768	2,404	4,181	2,673	1,724	1,900	2,151	804,670
South Carolina	13,027	11,670	8,437	9,456	11,871	5,926	5,560	2,464,129
South Dakota	2,381	2,134	1,123	5,181	2,410	1,741	2,151	513,384
Tennessee	20,235	17,822	7,950	13,847	12,319	8,204	7,608	3,708,368
Territories	1,791	993	0	18,348	2,755	1,166	2,955	78,744
Texas	78,467	73,028	25,026	50,915	36,908	36,604	34,278	10,609,058
Utah	2,381	2,383	4,079	10,784	6,226	3,178	2,957	915,422
Vermont	2,381	2,134	3,805	2,427	1,724	1,683	2,151	476,341
Virginia	740	12,919	6,710	16,324	12,661	8,582	8,023	2,472,918
Virgin Islands	14,510	457	0	1,465	1,574	500	1,455	48,524
Washington	18,909	17,076	7,454	15,292	9,106	7,979	7,466	2,838,662
West Virginia	9,739	8,613	925	5,930	6,890	3,666	3,360	1,503,473
Wisconsin	8,187	7,268	18,426	13,327	11,640	8,307	7,715	2,709,509
Wyoming	2,381	2,134	201	4,019	1,306	1,641	2,151	360,943
Unallocated	0	15,840	0	18,000	118,609	4,694	6,292	649,037
<b>TOTAL</b>	<b>\$955,000</b>	<b>\$871,000</b>	<b>\$868,800</b>	<b>\$779,735</b>	<b>\$695,000</b>	<b>\$461,000</b>	<b>\$441,000</b>	<b>\$161,080,203</b>