

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7989

To amend the weights used to determine amounts for targeted grants and education finance incentive grants for local educational agencies under title I of the Elementary and Secondary Education Act of 1965.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2026

Mr. THOMPSON of Pennsylvania (for himself and Mr. PANETTA) introduced the following bill; which was referred to the Committee on Education and Workforce

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## A BILL

To amend the weights used to determine amounts for targeted grants and education finance incentive grants for local educational agencies under title I of the Elementary and Secondary Education Act of 1965.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “All Children are Equal  
5 Act” or the “ACE Act”.

6       **SEC. 2. FINDINGS.**

7       Section 1125AA of the Elementary and Secondary  
8 Education Act of 1965 (20 U.S.C. 6336) is amended—

1 (1) by amending the heading to read as follows:

2 **“SEC. 1125AA. INCREASE GRANTS PER FORMULA STUDENT**  
3 **AS THE PERCENTAGE OF ECONOMICALLY**  
4 **DISADVANTAGED CHILDREN IN A LOCAL**  
5 **EDUCATIONAL AGENCY INCREASES.”;**

6 and

7 (2) by amending subsection (a) to read as fol-  
8 lows:

9 “(a) FINDINGS.—Congress makes the following find-  
10 ings:

11 “(1) The current Basic Grant Formula for the  
12 distribution of funds under this part does not ade-  
13 quately target funds for schools with the highest  
14 concentrations of economically disadvantaged stu-  
15 dents.

16 “(2) The current formulas for distributing Tar-  
17 geted and Education Finance Incentive Grants is in-  
18 tended to allocate more funds per formula student to  
19 local educational agencies with higher concentrations  
20 of such students.

21 “(3) These formula use two weighting systems,  
22 one based on the percentage of the aged 5–17 popu-  
23 lation in a local education agency that is eligible to  
24 receive funds under this title (percentage weighting),  
25 and another based on the absolute number of such

1 students (number weighting). Whichever of these  
2 weighting systems results in the highest total  
3 weighted formula student count for a local edu-  
4 cational agency is the weighting system used for  
5 that agency in the final allocation of Targeted and  
6 Education Finance Incentive Grant funds.

7 “(4) Since the amount available to be distrib-  
8 uted through these formulas is fixed by congres-  
9 sional appropriation, any gain in allocation share by  
10 one local educational agency causes a loss to other  
11 local educational agencies.

12 “(5) The number weighting alternative is often  
13 favorable to very large local educational agencies,  
14 even if the agency’s formula student percentage is  
15 low. But because smaller local education agencies  
16 simply do not have enough students to gain from  
17 number weighting, they are adversely affected under  
18 the number weighting alternative.

19 “(6) The Congressional Research Service has  
20 compared the funding allocations of each local edu-  
21 cation agency for school year 2021–2022 under the  
22 current dual weighting system with the funding allo-  
23 cation it would have that year if all local educational  
24 agencies had their student count weighted only by  
25 percentage weighting.

1           “(7) This data shows that the use of number  
2           weighting in these formulas has shifted funding  
3           from smaller to larger local educational agencies not-  
4           withstanding the level of poverty in either. This is  
5           contrary to the intent of Congress, which is to direct  
6           more funding per formula student to local edu-  
7           cational agencies with high concentrations of pov-  
8           erty, as measured by the number of formula stu-  
9           dents as a percentage of the aged 5–17 population  
10          of the local educational agency.

11          “(8) The National Center for Education Statis-  
12          tics confirmed these findings in a statistical analysis  
13          report dated May 2019.

14          “(9) Congress has a responsibility to correct  
15          this unintended inequity by reducing the power of  
16          the number weighting system relative to the percent-  
17          age weighting system so that local educational agen-  
18          cies with high percentages of poverty but low num-  
19          bers of students are not disadvantaged under the  
20          formulas used for grants under this part.”.

21 **SEC. 3. TARGETED GRANTS TO LOCAL EDUCATIONAL**  
22 **AGENCIES.**

23          Section 1125(c)(2)(A) of the Elementary and Sec-  
24          ondary Education Act of 1965 (20 U.S.C. 6335(c)(2)(A))  
25          is amended to read as follows:

1           “(A) IN GENERAL.—For each fiscal year  
2           for which the Secretary uses local educational  
3           agency data, the weighted child count used to  
4           determine a local educational agency’s grant  
5           under this section—

6                   “(i) for each fiscal year through fiscal  
7                   year 2025, is the larger of the two  
8                   amounts determined under subparagraphs  
9                   (B) and (C); and

10                   “(ii) for fiscal year 2026 and each  
11                   succeeding fiscal year, is the amount deter-  
12                   mined under subparagraph (B).”.

13 **SEC. 4. EDUCATION FINANCE INCENTIVE GRANT PROGRAM.**

14           (a) STATES WITH AN EQUITY FACTOR LESS THAN  
15 0.10.—Section 1125A(d)(1)(B)(i) of the Elementary and  
16 Secondary Education Act of 1965 (20 U.S.C.  
17 6337(d)(1)(B)(i)) is amended to read as follows:

18                   “(i) IN GENERAL.—For each fiscal  
19                   year for which the Secretary uses local  
20                   educational agency data, the weighted child  
21                   count used to determine a local educational  
22                   agency’s grant under this section—

23                   “(I) for each fiscal year through  
24                   fiscal year 2025, is the larger of the

1 two amounts determined under  
2 clauses (ii) and (iii); and

3 “(II) for fiscal year 2026 and  
4 each succeeding fiscal year, is the  
5 amount determined under clause  
6 (iii).”.

7 (b) STATES WITH AN EQUITY FACTOR GREATER  
8 THAN OR EQUAL TO 0.10 AND LESS THAN 0.20.—Section  
9 1125A(d)(2)(B)(i) of the Elementary and Secondary Edu-  
10 cation Act of 1965 (20 U.S.C. 6337(d)(2)(B)(i)) is  
11 amended to read as follows:

12 “(i) IN GENERAL.—For each fiscal  
13 year for which the Secretary uses local  
14 educational agency data, the weighted child  
15 count used to determine a local educational  
16 agency’s grant under this section—

17 “(I) for each fiscal year through  
18 fiscal year 2025, is the larger of the  
19 two amounts determined under  
20 clauses (ii) and (iii); and

21 “(II) for fiscal year 2026 and  
22 each succeeding fiscal year, is the  
23 amount determined under clause  
24 (iii).”.

1 (c) STATES WITH AN EQUITY FACTOR GREATER  
2 THAN OR EQUAL TO 0.20.—Section 1125A(d)(3)(B)(i) of  
3 the Elementary and Secondary Education Act of 1965 (20  
4 U.S.C. 6337(d)(3)(B)(i)) is amended to read as follows:

5 “(i) IN GENERAL.—For each fiscal  
6 year for which the Secretary uses local  
7 educational agency data, the weighted child  
8 count used to determine a local educational  
9 agency’s grant under this section—

10 “(I) for each fiscal year through  
11 fiscal year 2025, is the larger of the  
12 two amounts determined under  
13 clauses (ii) and (iii); and

14 “(II) for fiscal year 2026 and  
15 each succeeding fiscal year, is the  
16 amount determined under clause  
17 (iii).”.

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