

agencies, prior to the general amendment of this subchapter by Pub. L. 107-110.

**§ 6336. Adequacy of funding to local educational agencies in fiscal years after fiscal year 2001**

Pursuant to section 6332 of this title, the total amount allocated in any fiscal year after fiscal year 2001 for programs and activities under this part shall not exceed the amount allocated in fiscal year 2001 for such programs and activities unless the amount available for targeted grants to local educational agencies under section 6335 of this title in the applicable fiscal year meets the requirements of section 6332(a) of this title.

(Pub. L. 89-10, title I, § 1125AA, as added Pub. L. 107-110, title I, § 101, Jan. 8, 2002, 115 Stat. 1525; amended Pub. L. 114-95, title I, § 1016, Dec. 10, 2015, 129 Stat. 1878.)

**Editorial Notes**

**PRIOR PROVISIONS**

A prior section 6336, Pub. L. 89-10, title I, § 1125A, as added Pub. L. 103-382, title I, § 101, Oct. 20, 1994, 108 Stat. 3575, related to education finance incentive program, prior to the general amendment of this subchapter by Pub. L. 107-110.

**AMENDMENTS**

2015—Pub. L. 114-95, in section catchline, struck out “of targeted grants” after “Adequacy of funding” and, in text, struck out subsec. (a), which set forth Congressional findings, and struck out subsec. (b) designation and heading before “Pursuant”.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2015 AMENDMENT**

Amendment by Pub. L. 114-95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114-95, set out as a note under section 6301 of this title.

**§ 6337. Education finance incentive grant program**

**(a) Grants**

From funds made available under section 6332(a) of this title the Secretary is authorized to make grants to States, from allotments under subsection (b), to carry out the programs and activities of this part.

**(b) Distribution based upon fiscal effort and equity**

**(1) In general**

**(A) In general**

Except as provided in subparagraph (B), funds made available for any fiscal year to carry out this section shall be allotted to each State based upon the number of children counted under section 6333(c) of this title in such State multiplied by the product of—

- (i) the amount in section 6333(a)(1)(B) of this title for all States other than the Commonwealth of Puerto Rico, except that the amount determined under that subparagraph shall not be less than 34 percent or more than 46 percent of the average per pupil expenditure in the United

States, and the amount in section 6333(a)(4) of this title for the Commonwealth of Puerto Rico, except that the amount in section 6333(a)(4)(A)(ii) of this title shall be 34 percent of the average per pupil expenditure in the United States; multiplied by

- (ii) such State’s effort factor described in paragraph (2); multiplied by

- (iii) 1.30 minus such State’s equity factor described in paragraph (3).

**(B) State minimum**

Notwithstanding any other provision of this section or section 6332 of this title, from the total amount available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

- (i) 0.35 percent of the total amount reserved under section 6332(a) of this title to carry out this section; or
- (ii) the average of—

- (I) 0.35 percent of the total amount available to carry out this section; and
- (II) 150 percent of the national average grant under this section per child described in section 6333(c) of this title, without application of a weighting factor, multiplied by the State’s total number of children described in section 6333(c) of this title, without application of a weighting factor.

**(2) Effort factor**

**(A) In general**

Except as provided in subparagraph (B), the effort factor for a State shall be determined in accordance with the succeeding sentence, except that such factor shall not be less than 0.95 nor greater than 1.05. The effort factor determined under this sentence shall be a fraction the numerator of which is the product of the 3-year average per-pupil expenditure in the State multiplied by the 3-year average per capita income in the United States and the denominator of which is the product of the 3-year average per capita income in such State multiplied by the 3-year average per-pupil expenditure in the United States.

**(B) Commonwealth of Puerto Rico**

The effort factor for the Commonwealth of Puerto Rico shall be equal to the lowest effort factor calculated under subparagraph (A) for any State.

**(3) Equity factor**

**(A) Determination**

**(i) In general**

Except as provided in subparagraph (B), the Secretary shall determine the equity factor under this section for each State in accordance with clause (ii).

**(ii) Computation**

**(I) In general**

For each State, the Secretary shall compute a weighted coefficient of variation for the per-pupil expenditures of local educational agencies in accordance with subclauses (II), (III), and (IV).