

their bill last year, that no State shall receive less than they did the year before.

To me, if this is correct, you would completely ignore then or virtually ignore, the new formula. These poor States could not be brought up anywhere near the level that it seems to me is necessary to give them the quality of education, whether they have poor children or not.

What is your reasoning behind this? It is unfair to those States, even though I must admit Minnesota is slightly above the national average, in their expenditure per child, so it is nothing that I am asking for Minnesota.

Secretary GARDNER. Well, as you can imagine, we have gone over and over this problem. I would like Nolan Estes to comment on it.

Mr. ESTES. Actually, it is somewhat just opposite as you have discussed it. In fiscal year 1968, there will only be 15 States that are on the floor. In effect, there will be 15 States in which the new formula will not be operative as much as it would in the other States.

As it turns out—

Mr. QUIE. Let's see if I understand that. You mean there are 15 States that have a State expenditure per child less than the national average? Is that what you are saying?

Mr. ESTES. No, what I am saying is that based on our allocation or our appropriation for fiscal year 1968, and with the floor provisions in the language, there would be 15 States that would receive only as much as they received in 1967, fiscal year 1967.

Mr. QUIE. So this would be the 15 States with the highest expenditure.

Mr. ESTES. Yes. That is right. This would be the 15 States with the highest expenditure. The States with the lowest expenditure would profit from the use of the national average in fiscal year 1968. This means that in those States where the State average per pupil expenditure is less than the national average, they would get larger increases next year than those States where the State per pupil expenditure is more than the national average. This means that in some of our States, particularly the Southeast, there will be a 30-percent increase in the allocation, because of the use of the new formula.

Mr. QUIE. What percentage would New York receive of her authorization?

Mr. ESTES. We don't have that figure.

Mr. QUIE. Or even entitlement I guess is probably the better way of saying it.

Mr. ESTES. New York would receive roughly—we don't have those figures. 49 to 51 percent.

Mr. QUIE. How could she receive 49 to 51 percent of her entitlement and still receive as much as she did the year before?

Mr. ESTES. We have these figures that we could submit for the record, if you like.

Mr. QUIE. This year, I believe, she is receiving more than the 83 percent, is she not? A slight bit more than 83 percent?

Commissioner HOWE. Not of entitlement.

Mr. QUIE. Not entitlement.

Commissioner HOWE. The average is 83 percent, is it not?