

8,000 or more per square mile, payment under this subparagraph (2) shall be 25% of the amount by which aggregate expenditures for police protection exceed the equivalent of \$6.00 per capita but do not exceed the equivalent of \$36.00 per capita and 50% of the amount by which aggregate expenditures for police protection exceed the equivalent of \$36.00 per capita but do not exceed the equivalent of \$55.00 per capita.

(3) Minimum Grant. The State shall pay to each subdivision the amount, if any, by which the equivalent of [~~\$1.50~~] \$2.50 per capita exceeds the total payments determined under subparagraphs (1) and (2). No subdivision for which the population estimate is less than the population estimated for the first year of this grant shall receive in any year a smaller amount of State aid for police protection than it received in any previous year less 0.09% of the increase of the wealth base between that previous year and the current year, provided it has not reduced the level of expenditure for police protection which entitled it to the amount of that previous year's grant.

(4) INCENTIVE GRANT. IN ADDITION TO THE PAYMENTS MADE UNDER SUBPARAGRAPHS (1), (2), AND (3) OF THIS SUBSECTION, THE STATE SHALL PAY TO EACH SUBDIVISION WITH A POPULATION DENSITY OF LESS THAN 500 PER SQUARE MILE, AN AMOUNT THE EQUIVALENT OF \$1.00 PER CAPITA.

(5) SUPPLEMENTAL GRANT. IN ADDITION TO THE PAYMENTS MADE UNDER SUBPARAGRAPHS (1), (2), (3) AND (4) OF THIS SUBSECTION, THE STATE SHALL PAY TO EACH SUBDIVISION WITH A POPULATION DENSITY OF LESS THAN 8,000 PER SQUARE MILE, AN AMOUNT THE EQUIVALENT OF \$1.25 PER CAPITA. THIS AMOUNT OF SUPPLEMENTAL GRANT SHALL BE RETAINED BY THE SUBDIVISION AND SHALL NOT BE DISTRIBUTED IN PART TO THE QUALIFYING MUNICIPALITIES AS PROVIDED FOR IN SUBSECTION (C). PROVIDED THAT THE GOVERNING BODY OF THE SUBDIVISION MAY IN ITS DISCRETION, ALLOCATE AND DISTRIBUTE PART OF THE AMOUNT OF SUPPLEMENTAL GRANT TO THE QUALIFYING MUNICIPALITIES AS THE GOVERNING BODY OF THE SUBDIVISION DEEMS APPROPRIATE. THE SUBDIVISION MAY USE THE PROCEEDS OF THE SUPPLEMENTAL GRANT FOR EXPENDITURES FOR POLICE PROTECTION THAT ARE OF BENEFIT TO ALL RESIDENTS OF THE SUBDIVISION, BOTH WITHIN OR OUTSIDE OF MUNICIPALITIES.

(c) The payment received by each subdivision under SUBPARAGRAPHS (1), (2), (3) AND (4) OF subsection (b) shall be retained in part and distributed in part to the qualifying municipalities, in the exact proportion which the expenditures for police protection of the subdivision and of each qualifying municipality bear to aggregate expenditures for police protection.