

500 per square mile, and for subdivisions with population density less than 100 per square mile but with 30% or more of total population residing in municipalities, payment under this subparagraph (2) shall not exceed the equivalent of \$3.50 per capita.

(C) For subdivisions with population density 500 or more but less than 900 per square mile, payment under this subparagraph (2) shall not exceed the equivalent of \$7.50 per capita.

(D) For subdivisions with population density 900 or more but less than 1,100 per square mile, payment under paragraph (2) shall not exceed the equivalent of \$8.00 per capita.

(E) For subdivisions with population density 1,100 or more but less than 1,300 per square mile, payment under paragraph (2) shall not exceed the equivalent of \$9.25 per capita.

(F) For subdivisions with population density 1,300 or more but less than 8,000 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 \$45.50 per capita.

(G) For subdivisions with population density 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 \$101.50 per capita.

(3) Minimum Grant. The State shall pay to each subdivision the amount, if any, by which the equivalent of \$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, 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 \$2.00 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 an amount the equivalent of \$2.00 per capita. This amount of supplemental grant shall be retained by the subdivision but the governing body of the subdivision shall allocate and distribute part of the amount of supplemental grant to the qualifying municipalities on a formula basis to be negotiated between the governing body of the subdivision and the governing body of each qualifying municipality within the subdivision.