

## EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4123(b), May 13, 2002, 116 Stat. 324, provided that: “The amendments made by this section [amending this section] take effect on the date of enactment of this Act [May 13, 2002].”

Amendment by sections 4112(b)(4), 4116(b), and 4122(b) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

## EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 101(f) [title VIII, §405(d)(2)(C)] of Pub. L. 105-277 effective Oct. 21, 1998, and amendment by section 101(f) [title VIII, §405(f)(2)(C)] of Pub. L. 105-277 effective July 1, 2000, see section 101(f) [title VIII, §405(g)(1), (2)(B)] of Pub. L. 105-277, set out as a note under section 3502 of Title 5, Government Organization and Employees.

## EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 109(d) of Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

## EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Oct. 1, 1993, see section 13971(a) of Pub. L. 103-66, set out as a note under section 2025 of this title.

## EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

## EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by sections 1729(b), 1731, and 1755 to 1759 of Pub. L. 101-624 effective Nov. 28, 1990, and amendment by section 1754 of Pub. L. 101-624 effective Oct. 1, 1990, see section 1781(a), (b)(1) of Pub. L. 101-624, set out as a note under section 2012 of this title.

## EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-435 to be effective and implemented on Oct. 1, 1988, except that such amendment to become effective and implemented on Oct. 1, 1989, if final order is issued under section 902(b) of Title 2, The Congress, for fiscal year 1989 making reductions and sequestrations specified in the report required under section 901(a)(3)(A) of Title 2, see section 701(a), (c)(2) of Pub. L. 100-435, set out as a note under section 2012 of this title.

## EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

## EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into

account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

## EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96-249, title I, §132(b), May 26, 1980, 94 Stat. 368, provided that: “The provisions of section 17(b)(2) of the Food Stamp Act of 1977 [now the Food and Nutrition Act of 2008, 7 U.S.C. 2026(b)(2)] for the sharing of administrative costs, as added by subsection (a) of this section, shall be effective on the date of enactment of this Act [May 26, 1980].”

## EFFECTIVE DATE OF 1977 AMENDMENT

Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 958, provided that the amendment made by section 1301 is effective Oct. 1, 1977.

## TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c) of this section relating to annual reports on the progress of pilot programs, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 48 of House Document No. 103-7.

STUDY OF USE OF FOOD STAMPS TO PURCHASE  
VITAMINS AND MINERALS

Pub. L. 104-193, title VIII, §855, Aug. 22, 1996, 110 Stat. 2342, directed the Secretary of Agriculture, in consultation with the National Academy of Sciences and the Center for Disease Control and Prevention, to conduct a study on the use of food stamps to purchase vitamins and minerals and to report the results of the study to Committees of Congress not later than Dec. 15, 1998.

DEMONSTRATION PROJECTS FOR VEHICLE EXCLUSION  
LIMIT

Pub. L. 102-237, title IX, §912, Dec. 13, 1991, 105 Stat. 1887, as amended by Pub. L. 110-234, title IV, §4002(b)(1)(B), (2)(NN), May 22, 2008, 122 Stat. 1096, 1098; Pub. L. 110-246, §4(a), title IV, §4002(b)(1)(B), (2)(NN), June 18, 2008, 122 Stat. 1664, 1857, 1859, provided that: “The Secretary of Agriculture shall solicit requests to participate in the demonstration projects required by section 17(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2026(h)) by May 1, 1992. The projects shall commence operations no later than January 1, 1993.”

**§ 2027. Appropriations and allotments****(a) Authorization of allotments; monthly reports of expenditures to Congressional committees; restriction on use of funds; nutrition education improvements**

(1) To carry out this chapter, there are authorized to be appropriated such sums as are necessary for each of fiscal years 2008 through 2018. Not to exceed one-fourth of 1 per centum of the previous year's appropriation is authorized in each such fiscal year to carry out the provisions of section 2026 of this title, subject to paragraph (3).

(2) No funds authorized to be appropriated under this chapter or any other Act of Congress shall be used by any person, firm, corporation, group, or organization at any time, directly or indirectly, to interfere with or impede the implementation of any provision of this chapter or any rule, regulation, or project thereunder, except that this limitation shall not apply to the provision of legal and related assistance in connection with any proceeding or action before any State or Federal agency or court. The President shall ensure that this paragraph is complied with by such order or other means as the President deems appropriate.

(3)(A) Of the amounts made available under the second sentence of paragraph (1), not more than \$2,000,000 in any fiscal year may be used by the Secretary to make 2-year competitive grants that will—

(i) enhance interagency cooperation in nutrition education activities; and

(ii) develop cost effective ways to inform people eligible for supplemental nutrition assistance program benefits about nutrition, resource management, and community nutrition education programs, such as the expanded food and nutrition education program.

(B) The Secretary shall make awards under this paragraph to one or more State cooperative extension services (as defined in section 3103 of this title) who shall administer the grants in coordination with other State or local agencies serving low-income people.

(C) Each project shall include an evaluation component and shall develop an implementation plan for replication in other States.

(D) The Secretary shall report to the appropriate committees of Congress on the results of the projects and shall disseminate the results through the cooperative extension service system and to State human services and health department offices, local supplemental nutrition assistance program offices, and other entities serving low-income households.

**(b) Limitation of value of allotments; reduction of allotments**

In any fiscal year, the Secretary shall limit the value of those allotments issued to an amount not in excess of the appropriation for such fiscal year. Notwithstanding any other provision of this chapter, if in any fiscal year the Secretary finds that the requirements of participating States will exceed the appropriation, the Secretary shall direct State agencies to reduce the value of such allotments to be issued to households certified as eligible to participate in the supplemental nutrition assistance program to the extent necessary to comply with the provisions of this subsection.

**(c) Manner of reducing allotments**

In prescribing the manner in which allotments will be reduced under subsection (b) of this section, the Secretary shall ensure that such reductions reflect, to the maximum extent practicable, the ratio of household income, determined under sections 2014(d) and 2014(e) of this title, to the income standards of eligibility, for households of equal size, determined under section 2014(c) of this title. The Secretary may, in prescribing the manner in which allotments will be reduced, establish (1) special provisions applicable to persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise disabled, and (2) minimum allotments after any reductions are otherwise determined under this section.

**(d) Requisite action by Secretary to reduce allotments; statement to Congressional committees**

Not later than sixty days after the issuance of a report under subsection (a) of this section in which the Secretary expresses the belief that reductions in the value of allotments to be issued

to households certified to participate in the supplemental nutrition assistance program will be necessary, the Secretary shall take the requisite action to reduce allotments in accordance with the requirements of this section. Not later than seven days after the Secretary takes any action to reduce allotments under this section, the Secretary shall furnish the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a statement setting forth (1) the basis of the Secretary's determination, (2) the manner in which the allotments will be reduced, and (3) the action that has been taken by the Secretary to reduce the allotments.

**(e) Disposition of funds collected pursuant to claims**

Funds collected from claims against households or State agencies, including claims collected pursuant to section 2016(f)<sup>1</sup> of this title, subsections (g) and (h) of section 2020 of this title, subsections (b) and (c) of section 2022 of this title, and section 2025(c)(1) of this title, claims resulting from resolution of audit findings, and claims collected from households receiving overissuances, shall be credited to the supplemental nutrition assistance program appropriation account for the fiscal year in which the collection occurs. Funds provided to State agencies under section 2025(c) of this title shall be paid from the appropriation account for the fiscal year in which the funds are provided.

**(f) Transfer of funds**

No funds appropriated to carry out this chapter may be transferred to the Office of the Inspector General, or the Office of the General Counsel, of the Department of Agriculture.

**(g) Ban on recruitment and promotion activities**

**(1) In general**

Except as provided in paragraph (2), no funds authorized to be appropriated under this chapter shall be used by the Secretary for—

(A) recruitment activities designed to persuade an individual to apply for supplemental nutrition assistance program benefits;

(B) television, radio, or billboard advertisements that are designed to promote supplemental nutrition assistance program benefits and enrollment; or

(C) any agreements with foreign governments designed to promote supplemental nutrition assistance program benefits and enrollment.

**(2) Limitation**

Paragraph (1)(B) shall not apply to programmatic activities undertaken with respect to benefits made under section 2014(h) of this title.

**(h) Ban on recruitment by entities that receive funds**

The Secretary shall issue regulations that prohibit entities that receive funds under this chapter to compensate any person for conducting outreach activities relating to participation in,

<sup>1</sup> See References in Text note below.

or for recruiting individuals to apply to receive benefits under, the supplemental nutrition assistance program, if the amount of the compensation would be based on the number of individuals who apply to receive the benefits.

(Pub. L. 88-525, § 18, as added Pub. L. 95-113, title XIII, § 1301, Sept. 29, 1977, 91 Stat. 979; amended Pub. L. 96-58, § 1, Aug. 14, 1979, 93 Stat. 389; Pub. L. 96-249, title I, § 134, title II, § 201, May 26, 1980, 94 Stat. 368, 370; Pub. L. 97-18, § 1, June 30, 1981, 95 Stat. 102; Pub. L. 97-98, title XIII, §§ 1331, 1332, Dec. 22, 1981, 95 Stat. 1291; Pub. L. 97-253, title I, §§ 180(b)(2), 183, Sept. 8, 1982, 96 Stat. 784, 785; Pub. L. 99-198, title XV, §§ 1535(c)(2), 1541, 1542(a), Dec. 23, 1985, 99 Stat. 1585, 1589; Pub. L. 101-624, title XVII, §§ 1760, 1761, Nov. 28, 1990, 104 Stat. 3803, 3804; Pub. L. 104-127, title IV, § 401(e), Apr. 4, 1996, 110 Stat. 1026; Pub. L. 104-193, title VIII, § 853, Aug. 22, 1996, 110 Stat. 2339; Pub. L. 105-362, title I, § 101(b), Nov. 10, 1998, 112 Stat. 3281; Pub. L. 107-171, title IV, §§ 4118(c), 4122(c), May 13, 2002, 116 Stat. 321, 324; Pub. L. 110-234, title IV, §§ 4001(b), 4002(a)(10), 4406(a)(1), title VII, § 7101(b)(3), May 22, 2008, 122 Stat. 1092, 1095, 1140, 1213; Pub. L. 110-246, § 4(a), title IV, §§ 4001(b), 4002(a)(10), 4406(a)(1), title VII, § 7101(b)(3), June 18, 2008, 122 Stat. 1664, 1853, 1856, 1902, 1974; Pub. L. 113-79, title IV, §§ 4018(b), (c), 4024, 4030(j), Feb. 7, 2014, 128 Stat. 797, 809, 814.)

#### REFERENCES IN TEXT

Subsec. (f) of section 2016 of this title, referred to in subsec. (e), was redesignated (e) by Pub. L. 110-246, title IV, § 4115(a)(12), June 18, 2008, 122 Stat. 1866.

#### CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

#### AMENDMENTS

2014—Subsec. (a)(1). Pub. L. 113-79, § 4024, substituted “through 2018” for “through 2012”.

Subsec. (e). Pub. L. 113-79, § 4030(j), substituted “section 2016(f) of this title” for “sections 2016(f) of this title”.

Subsec. (g). Pub. L. 113-79, § 4018(b), added subsec. (g).

Subsec. (h). Pub. L. 113-79, § 4018(c), added subsec. (h).

2008—Subsec. (a)(1). Pub. L. 110-246, § 4406(a)(1), substituted “for each of fiscal years 2008 through 2012” for “for each of the fiscal years 2003 through 2007”.

Subsec. (a)(3)(A)(ii). Pub. L. 110-246, § 4002(a)(10), substituted “supplemental nutrition assistance program benefits” for “food stamps”.

Subsec. (a)(3)(B). Pub. L. 110-246, § 7101(b)(3), substituted “section 3103” for “section 3103(5)”.

Subsec. (a)(3)(D). Pub. L. 110-246, § 4001(b), substituted “supplemental nutrition assistance program” for “food stamp program”.

Subsecs. (b), (d), (e). Pub. L. 110-246, § 4001(b), substituted “supplemental nutrition assistance program” for “food stamp program”.

2002—Subsec. (a)(1). Pub. L. 107-171, § 4122(c), substituted “2003 through 2007” for “1996 through 2002”.

Subsec. (e). Pub. L. 107-171, § 4118(c), substituted “subsections (g) and (h) of section 2020 of this title,” for “2020(g) and (h), and” and inserted “and section 2025(c)(1) of this title,” after “section 2022 of this title,”.

1998—Subsec. (a)(1). Pub. L. 105-362 struck out at end “The Secretary shall, by the fifteenth day of each month, submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the

Senate setting forth the Secretary’s best estimate of the second preceding month’s expenditure, including administrative costs, as well as the cumulative totals for the fiscal year. In each monthly report, the Secretary shall also state whether there is reason to believe that supplemental appropriations will be needed to support the operation of the program through the end of the fiscal year.”

1996—Subsec. (a)(1). Pub. L. 104-193 substituted “1996 through 2002” for “1991 through 1997” in first sentence.

Pub. L. 104-127 substituted “1991 through 1997” for “1991 through 1995” in first sentence.

1990—Subsec. (a)(1). Pub. L. 101-624, §§ 1760(1)(A), 1761(1), substituted “To carry out this chapter, there are authorized to be appropriated such sums as are necessary for each of the fiscal years 1991 through 1995.” for former first two sentences which related to authorizations of appropriation for fiscal years ending September 30, 1978 through September 30, 1990, and inserted “, subject to paragraph (3)”.

Pub. L. 101-624, § 1760(1)(B), substituted “supplemental appropriations will be needed to support the operation of the program through the end of the fiscal year” for “reductions in the value of allotments issued to households certified to participate in the food stamp program will be necessary under subsection (b) of this section”.

Subsec. (a)(3). Pub. L. 101-624, § 1761(2), added par. (3).

Subsec. (b). Pub. L. 101-624, § 1760(2), struck out “amount authorized in subsection (a)(1) of this section” after “exceed the appropriation”.

1985—Subsec. (a)(1). Pub. L. 99-198, § 1541(1), inserted provisions authorizing appropriations for fiscal years ending Sept. 30, 1986, 1987, 1988, 1989, and 1990.

Subsec. (b). Pub. L. 99-198, § 1541(2), substituted “the appropriation amount authorized in subsection (a)(1) of this section,” for “the limitation set herein,”.

Subsec. (e). Pub. L. 99-198, § 1535(c)(2), substituted reference to subsections (b) and (c) of section 2022 of this title for reference to 2022(b) of this title.

Subsec. (f). Pub. L. 99-198, § 1542(a), added subsec. (f).

1982—Subsec. (a)(1). Pub. L. 97-253, § 183, inserted provisions for appropriations for the fiscal years ending on September 30, 1983-1985, inclusive.

Subsec. (e). Pub. L. 97-253, § 180(b)(2), struck out reference to section 2025(g) of this title in first sentence.

1981—Subsec. (a)(1). Pub. L. 97-98, § 1331, struck out “and” after “September 30, 1980;” and inserted “; and not in excess of \$11,300,000,000 for the fiscal year ending September 30, 1982”.

Pub. L. 97-18 substituted “\$11,480,000,000” for “\$9,739,276,000” in appropriation authorization for the fiscal year ending Sept. 30, 1981.

Subsec. (e). Pub. L. 97-98, § 1332, added subsec. (e).

1980—Subsec. (a). Pub. L. 96-249 designated existing provisions as par. (1) and substituted “\$9,491,000,000” for “\$6,188,600,000” and “\$9,739,276,000” for “\$6,235,900,000”, and added par. (2).

1979—Subsec. (a). Pub. L. 96-58, § 1(1), (2), substituted “\$6,778,900,000” for “\$6,158,900,000” in provisions authorizing appropriations for the fiscal year ending Sept. 30, 1979, struck out provisions directing that sums appropriated under this chapter would continue to remain available until expended, and inserted provisions requiring the Secretary to submit monthly reports to Senate and House Committees relating to monthly expenditures and stating whether or not there is reason to believe that reductions in the value of allotments issued to households certified to participate in the food stamp program will be necessary under subsec. (b) of this section.

Subsec. (b). Pub. L. 96-58, § 1(3), substituted “Notwithstanding any other provision of this chapter, if” for “If” at beginning of second sentence.

Subsecs. (c), (d). Pub. L. 96-58, § 1(4), added subsecs. (c) and (d).

#### EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the

date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

Amendment by sections 4001(b), 4002(a)(10), and 4406(a)(1) of Pub. L. 110-246 effective Oct. 1, 2008, see section 4407 of Pub. L. 110-246, set out as a note under section 1161 of Title 2, The Congress.

#### EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by section 4118(c) of Pub. L. 107-171 not applicable with respect to any sanction, appeal, new investment agreement, or other action by the Secretary of Agriculture or a State agency that is based on a payment error rate calculated for any fiscal year before fiscal year 2003, see section 4118(e) of Pub. L. 107-171, set out as a note under section 2022 of this title.

Amendment by section 4122(c) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

#### EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by sections 1760(1)(A) and 1761 of Pub. L. 101-624 effective Oct. 1, 1990, and amendment by section 1760(1)(B), (2) of Pub. L. 101-624 effective Nov. 28, 1990, see section 1781(b)(1), (2) of Pub. L. 101-624, set out as a note under section 2012 of this title.

#### EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99-198, title XV, §1542(b), Dec. 23, 1985, 99 Stat. 1589, provided that: "The amendment made by this section [amending this section] shall become effective on October 1, 1986."

#### EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by section 180(b)(2) of Pub. L. 97-253 effective Oct. 1, 1982, see section 193(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by section 183 of Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

#### EFFECTIVE DATE

Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 958, provided that this section is effective Oct. 1, 1977.

#### AVAILABILITY OF AMOUNTS IF SEQUESTRATION ORDER ISSUED FOR FISCAL YEAR 1989

Amounts available to carry out food stamp program [now supplemental nutrition assistance program] under this section to be reduced if sequestration order is issued under section 902(b) of Title 2, The Congress, see section 701(c)(1) of Pub. L. 100-435, set out as an Effective Date of 1988 Amendment note under section 2012 of this title.

### § 2028. Consolidated block grants for Puerto Rico and American Samoa

#### (a) Payments to governmental entities

##### (1) Definition of governmental entity

In this subsection, the term "governmental entity" means—

- (A) the Commonwealth of Puerto Rico; and
- (B) American Samoa.

#### (2) Block grants

##### (A) Amount of block grants

From the sums appropriated under this chapter, the Secretary shall, subject to this section, pay to governmental entities to pay the expenditures for nutrition assistance programs for needy persons as described in subparagraphs (B) and (C)—

- (i) for fiscal year 2003, \$1,401,000,000; and
- (ii) subject to the availability of appropriations under section 2027(a) of this title, for each fiscal year thereafter, the amount specified in clause (i), as adjusted by the percentage by which the thrifty food plan has been adjusted under section 2012(u)(4) of this title between June 30, 2002, and June 30 of the immediately preceding fiscal year.

##### (B) Payments to Commonwealth of Puerto Rico

###### (i) In general

For fiscal year 2003 and each fiscal year thereafter, the Secretary shall use 99.6 percent of the funds made available under subparagraph (A) for payment to the Commonwealth of Puerto Rico to pay—

- (I) 100 percent of the expenditures by the Commonwealth for the fiscal year for the provision of nutrition assistance included in the plan of the Commonwealth approved under subsection (b); and
- (II) 50 percent of the related administrative expenses.

###### (ii) Exception for expenditures for certain systems

Notwithstanding clause (i), the Commonwealth of Puerto Rico may spend in fiscal year 2002 or 2003 not more than \$6,000,000 of the amount required to be paid to the Commonwealth for fiscal year 2002 under this paragraph (as in effect on the day before May 13, 2002) to pay 100 percent of the costs of—

- (I) upgrading and modernizing the electronic data processing system used to carry out nutrition assistance programs for needy persons;
- (II) implementing systems to simplify the determination of eligibility to receive the nutrition assistance; and
- (III) operating systems to deliver the nutrition assistance through electronic benefit transfers.

##### (C) Payments to American Samoa

For fiscal year 2003 and each fiscal year thereafter, the Secretary shall use 0.4 percent of the funds made available under subparagraph (A) for payment to American Samoa to pay 100 percent of the expenditures by American Samoa for a nutrition assistance program extended under section 1469d(c) of title 48.

##### (D) Carryover of funds

For fiscal year 2002 and each fiscal year thereafter, not more than 2 percent of the