

June 12, 2012

Dear Senator:

The undersigned organizations urge you to vote in favor of an amendment reforming U.S. sugar policy expected to be offered by Sens. Shaheen, Lugar, Kirk, Durbin, Toomey and Coats when the Senate considers S. 3240, the Agriculture Reform, Food, and Jobs Act of 2012. Many Senators have spoken of the substantial reforms to existing farm programs that this bill makes. However, S. 3240 makes absolutely no changes to an outdated, counterproductive sugar policy that is estimated by Iowa State University economists to cost consumers as much as \$3.5 billion a year and to sacrifice 20,000 manufacturing jobs annually.

In fact, several studies highlight the harm the sugar program has on the U.S. economy. Institutions such as the Government Accountability Office and the President's Council of Economic Advisers have highlighted how the sugar program increases consumer costs by billions each year. The Department of Commerce found that, for every sugar job saved by current policy, three good manufacturing jobs are lost.

Unfortunately, the farm bill being brought to the floor for consideration by the full Senate fails to implement commonsense reform for sugar, a commodity that receives the highest level of support in the United States. If left unchanged, S. 3240 would continue a federal sugar policy that artificially inflates sugar prices, costs consumers and eliminates manufacturing jobs.

With the sugar reform amendment, Senators can vote to significantly reduce the harm imposed on our economy by the current sugar policy. The amendment does not leave U.S. producers unprotected. It rolls back some of the most egregious aspects of current sugar subsidies, especially those added in the 2008 farm bill, which have caused shortages and economic dislocation since they were enacted.

The amendment represents true reform of a program that is advertised by growers as "no net cost," but in fact hits every consumer in America in the pocketbook. Artificially high U.S. sugar prices have encouraged food manufacturing jobs to move offshore – harming U.S. competitiveness, increasing our trade deficit and reducing employment. As with virtually every other commodity group, now is the time to reform the sugar program. Thank you for your consideration. Please vote for the amendment offered by Sens. Shaheen, Lugar, Kirk, Durbin, Toomey and Coats.

Sincerely,

Coalition for Sugar Reform  
American Bakers Association  
American Frozen Food Institute  
Americans for Tax Reform  
Club for Growth  
Consumer Federation of America  
Council for Citizens Against Government Waste  
Emergency Committee for American Trade  
Everglades Trust  
Grocery Manufacturers Association  
Independent Bakers Association  
International Dairy Foods Association

National Association of Manufacturers  
National Confectioners Association  
National Consumers League  
National Foreign Trade Council  
National Wildlife Federation  
Natural Resources Defense Council  
Peanut and Tree Nut Processors Association  
Retail Confectioners International  
Snack Food Association  
Sweetener Users Association  
U.S. Chamber of Commerce