COALITION FOR
SUGAR REFORM

TAKE ACTION:

How Members of Congress Can Support U.S. Sugar Policy Reform

The current U.S. sugar program has kept sugar prices far above world price levels, causing American consumers, small businesses and food manufacturers to pay more for sugar than foreign consumers. The program cost taxpayers nearly $300 million in FY 2013, and the Congressional Budget Office forecasts an additional $138 million in taxpayer costs over the next 10 years. **It is a failed policy that must change.**

There are many ways members of Congress can support efforts to reform the U.S. sugar program:

✓ Co-sponsor sugar policy reform legislation

- **Sugar Reform Act of 2015**

  — S. 475: Introduced by Sens. Jeanne Shaheen (D-NH), Mark Kirk (R-IL), Pat Toomey (R-PA), Dick Durbin (D-IL), John McCain (R-AZ) and others on February 12, 2015

  — H.R. 1714: Introduced by Reps. Joe Pitts (R-PA), Danny Davis (D-IL), Bob Goodlatte (R-VA), Jackie Speier (D-CA) and others on March 26, 2015

  — The *Sugar Reform Act* would:

  - **Reduce taxpayer liability for expensive bailouts.** The 2008 Farm Bill raised sugar price supports to a higher level. In 2013, this led to a nearly $300 million bailout of the sugar industry. Reducing these rates would help put prices back in line with historic levels and reduce liability for taxpayers.
  - **Repeal unnecessary trade restrictions.** The 2008 Farm Bill required the U.S. Department of Agriculture (USDA) to set import quotas (also known as tariff-rate quotas) at a World Trade Organization minimum each year, with very limited flexibility to respond to changing market conditions as needed. This bill would repeal these additional restrictions and provide greater flexibility to those implementing the program.
  - **Repeal the Feedstock Flexibility Program.** The 2008 Farm Bill added a program that requires the government, if sugar prices fall below guaranteed levels, to buy surplus sugar and then sell that sugar to ethanol companies at a loss. This bill would save taxpayers from footing the bill for keeping prices high by eliminating this costly program.
  - **Reform domestic supply restrictions to provide more flexibility to USDA.** The USDA sets detailed quotas known as marketing allotments to restrict the amount of sugar domestic processors can sell. The 2008 Farm Bill limited the USDA's flexibility to adjust these allotments as demand changes and set an additional legal requirement that domestic producers are guaranteed at least 85 percent of domestic sugar demand. This bill would eliminate that guarantee and would restore the Secretary of Agriculture's authority to modify or suspend these allotments.

✓ Join the Congressional Sugar Reform Caucus

- Co-chaired by Sens. Jeanne Shaheen (D-NH) and Mark Kirk (R-IL) and Reps. Joe Pitts (R-PA) and Danny Davis (D-IL)
- The Congressional Sugar Reform Caucus was formed to promote bipartisan dialogue and education regarding legislative, regulatory, and trade issues affecting federal sugar programs and policy.
- The Caucus supports:

  — Legislative, regulatory and administrative remedies that will ensure an abundant supply of sugar and save taxpayers and consumers money, while preventing further job losses

  — Domestic and global sugar markets based on efficiency and competition rather than government barriers and subsidies.
- The Caucus opposes:

  — Special-interest sugar policies, such as restrictive trade barriers, domestic supply or marketing controls and diversion programs.

✓ Let your colleagues in the House and Senate know the time for sugar policy reform is now!