

**A RESOLUTION TO BE SUBMITTED BY  
LEGISLATOR RATH**

Re: Demanding an End to Federal Government Sugar Subsidies

WHEREAS, during the Great Depression, the federal government created a sugar subsidy program to bolster the domestic sugar industry; and

WHEREAS, that program continues today, requiring the federal government to purchase excess sugar, which includes beet sugar and cane sugar, and sell it to ethanol producers for pennies a pound; and

WHEREAS, oddly, in 2011, the United States Department of Agriculture allowed farmers to begin planting genetically modified "Roundup-Ready" for pesticides sugar beets in order to stave off a sugar shortage; and

WHEREAS, the impact of the sugar subsidies to the federal budget is tens of millions of dollars per year; and

WHEREAS, due to governmental intervention in the sugar industry, the cost of sugar in the United States is nearly double the cost worldwide; and

WHEREAS, the Coalition for Sugar Reform estimates that higher sugar prices have cost consumers \$14 billion since 2008 in higher food costs; and

WHEREAS, in addition, domestic food manufacturers have relied heavily on other sweeteners, such as high fructose corn syrup, to avoid using artificially expensive sugar; and

WHEREAS, other food manufacturers have decided to relocate to Canada and other countries to save money on ingredient costs; and

WHEREAS, a 2006 Commerce Department study found that for each sugar industry job saved by the sugar program, nearly three food manufacturing jobs were lost; and

WHEREAS, local food companies are now facing the difficult decision of possibly also relocating in order to compete with Canadian food manufacturers; and

WHEREAS, ending sugar subsidies and governmentally created higher sugar prices will help keep food manufacturers in the United States, their workers employed and lower prices for consumers of products which include sugar.

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature hereby opposes the continuation of policies which artificially inflate sugar prices in the United States, including the sugar subsidies; and be it further

RESOLVED, that the Erie County Legislature supports passage and enactment of United States Senate Bill 345 and United States House of Representatives Bill 693; and be it further

RESOLVED, that a certified copy of this resolution be forwarded to the local delegation of the United States Congress.

Fiscal Impact: None.

113TH CONGRESS  
1ST SESSION

# S. 345

To reform the Federal sugar program, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2013

Mrs. SHAIHEEN (for herself, Mr. KIRK, Mr. TOOMEY, Mr. DURBIN, Mr. PORTMAN, Mr. LAUTENBERG, Mr. CORKER, Mrs. FEINSTEIN, Ms. AYOTTE, and Mr. ALEXANDER) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To reform the Federal sugar program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Sugar Reform Act of  
5 2013”.

6 **SEC. 2. SUGAR PROGRAM.**

7 (a) SUGARCANE.—Section 156(a) of the Federal Ag-  
8 riculture Improvement and Reform Act of 1996 (7 U.S.C.  
9 7272(a)) is amended—

1 (1) in paragraph (4), by striking “and” after  
2 the semicolon at the end;

3 (2) in paragraph (5), by striking the period at  
4 the end and inserting “; and”; and

5 (3) by adding at the end the following:

6 “(6) 18 cents per pound for raw cane sugar for  
7 each of the 2013 through 2017 crop years.”.

8 (b) SUGAR BEETS.—Section 156(b)(2) of the Federal  
9 Agriculture Improvement and Reform Act of 1996 (7  
10 U.S.C. 7272(b)(2)) is amended by striking “2012” and  
11 inserting “2017”.

12 (c) EFFECTIVE PERIOD.—Section 156(i) of the Fed-  
13 eral Agriculture Improvement and Reform Act of 1996 (7  
14 U.S.C. 7272(i)) is amended by striking “2012” and in-  
15 serting “2017”.

16 **SEC. 3. FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.**

17 (a) IN GENERAL.—Section 359b of the Agricultural  
18 Adjustment Act of 1938 (7 U.S.C. 1359bb) is amended—

19 (1) in subsection (a)(1)—

20 (A) in the matter before subparagraph (A),  
21 by striking “2012” and inserting “2017”; and

22 (B) in subparagraph (B), by inserting “at  
23 reasonable prices” after “stocks”; and

24 (2) in subsection (b)(1)—

1 (A) in subparagraph (A), by striking “but”  
 2 after the semicolon at the end and inserting  
 3 “and”; and

4 (B) by striking subparagraph (B) and in-  
 5 serting the following:

6 “(B) appropriate to maintain adequate do-  
 7 mestic supplies at reasonable prices, taking into  
 8 account all sources of domestic supply, includ-  
 9 ing imports.”.

10 (b) ESTABLISHMENT OF FLEXIBLE MARKETING AL-  
 11 LOTMENTS.—Section 359c of the Agricultural Adjustment  
 12 Act of 1938 (7 U.S.C. 1359cc) is amended—

13 (1) in subsection (b)—

14 (A) in paragraph (1)—

15 (i) in subparagraph (A), by striking  
 16 “but” after the semicolon at the end and  
 17 inserting “and”; and

18 (ii) by striking subparagraph (B) and  
 19 inserting the following:

20 “(B) appropriate to maintain adequate  
 21 supplies at reasonable prices, taking into ac-  
 22 count all sources of domestic supply, including  
 23 imports.”; and

24 (B) in paragraph (2)(B), by inserting “at  
 25 reasonable prices” after “market”; and

1 (2) in subsection (g)(1)—

2 (A) by striking “ADJUSTMENTS.—” and  
3 all that follows through “Subject to subpara-  
4 graph (B), the” and inserting “ADJUST-  
5 MENTS.—The”; and

6 (B) by striking subparagraph (B).

7 (c) SUSPENSION OR MODIFICATION OF PROVI-  
8 SIONS.—Section 359j of the Agricultural Adjustment Act  
9 of 1938 (7 U.S.C. 1359jj) is amended by adding at the  
10 end the following:

11 “(c) SUSPENSION OR MODIFICATION OF PROVI-  
12 SIONS.—Notwithstanding any other provision of this part,  
13 the Secretary may suspend or modify, in whole or in part,  
14 the application of any provision of this part if the Sec-  
15 retary determines that the action is appropriate, taking  
16 into account—

17 “(1) the interests of consumers, workers in the  
18 food industry, businesses (including small busi-  
19 nesses), and agricultural producers; and

20 “(2) the relative competitiveness of domestically  
21 produced and imported foods containing sugar.”.

22 (d) ADMINISTRATION OF TARIFF RATE QUOTAS.—  
23 Section 359k of the Agricultural Adjustment Act of 1938  
24 (7 U.S.C. 1359kk) is amended to read as follows:

1 **“SEC. 359k. ADMINISTRATION OF TARIFF RATE QUOTAS.**

2       “(a) ESTABLISHMENT.—Notwithstanding any other  
3 provision of law, at the beginning of the quota year, the  
4 Secretary shall establish the tariff-rate quotas for raw  
5 cane sugar and refined sugar at no less than the minimum  
6 level necessary to comply with obligations under inter-  
7 national trade agreements that have been approved by  
8 Congress.

9       “(b) ADJUSTMENT.—

10           “(1) IN GENERAL.—Subject to subsection (a),  
11 the Secretary shall adjust the tariff-rate quotas for  
12 raw cane sugar and refined sugar to provide ade-  
13 quate supplies of sugar at reasonable prices in the  
14 domestic market.

15           “(2) ENDING STOCKS.—Subject to paragraphs  
16 (1) and (3), the Secretary shall establish and adjust  
17 tariff-rate quotas in such a manner that the ratio of  
18 sugar stocks to total sugar use at the end of the  
19 quota year will be approximately 15.5 percent.

20           “(3) MAINTENANCE OF REASONABLE PRICES  
21 AND AVOIDANCE OF FORFEITURES.—

22           “(A) IN GENERAL.—The Secretary may es-  
23 tablish a different target for the ratio of ending  
24 stocks to total use if, in the judgment of the  
25 Secretary, the different target is necessary to  
26 prevent—

1 “(i) unreasonably high prices; or

2 “(ii) forfeitures of sugar pledged as  
3 collateral for a loan under section 156 of  
4 the Federal Agriculture Improvement and  
5 Reform Act of 1996 (7 U.S.C. 7272).

6 “(B) ANNOUNCEMENT.—The Secretary  
7 shall publicly announce any establishment of a  
8 target under this paragraph.

9 “(4) CONSIDERATIONS.—In establishing tariff-  
10 rate quotas under subsection (a) and making adjust-  
11 ments under this subsection, the Secretary shall con-  
12 sider the impact of the quotas on consumers, work-  
13 ers, businesses (including small businesses), and ag-  
14 ricultural producers.

15 “(c) TEMPORARY TRANSFER OF QUOTAS.—

16 “(1) IN GENERAL.—To promote full use of the  
17 tariff-rate quotas for raw cane sugar and refined  
18 sugar, notwithstanding any other provision of law,  
19 the Secretary shall promulgate regulations that pro-  
20 vide that any country that has been allocated a  
21 share of the quotas may temporarily transfer all or  
22 part of the share to any other country that has also  
23 been allocated a share of the quotas.

24 “(2) TRANSFERS VOLUNTARY.—Any transfer  
25 under this subsection shall be valid only on vol-



1 (A) in clause (i), by inserting “and” after  
2 the semicolon at the end;

3 (B) in clause (ii), by striking “; and” at  
4 the end and inserting a period; and

5 (C) by striking clause (iii).

6 (2) Section 359b(c)(2)(C) of the Agricultural  
7 Adjustment Act of 1938 (7 U.S.C. 1359bb(c)(2)(C))  
8 is amended by striking “, except for” and all that  
9 follows through “ of 2002”.

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113TH CONGRESS  
1ST SESSION

# H. R. 693

To reform the Federal sugar program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2013

Mr. PITTS (for himself, Mr. DANNY K. DAVIS of Illinois, Mr. GOODLATTE, Mr. BLUMENAUER, Mr. CHABOT, Mr. BUCSHON, Mr. THOMPSON of Pennsylvania, Mr. MARINO, Mr. SHUSTER, Mr. FLEISCHMANN, Mr. HANNA, Mr. MORAN, Mr. PETRI, Mr. RUSH, Mr. BARLETTA, Mr. MEEHAN, Mr. FITZPATRICK, Ms. SPEIER, Mr. DENT, Mrs. BLACK, Mr. WOMACK, Mr. KELLY, Mr. QUIGLEY, Mrs. BLACKBURN, Mr. LATTA, Mr. MASSIE, Mr. JOHNSON of Ohio, Mr. BRADY of Pennsylvania, Mr. PASCRELL, Mr. PERRY, Ms. SHEA-PORTER, Mr. ROTHFUS, Mr. RENACCI, Mr. GERLACH, Mr. LANCE, Mr. LIPINSKI, and Mr. HARRIS) introduced the following bill; which was referred to the Committee on Agriculture

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## A BILL

To reform the Federal sugar program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Sugar Reform Act of  
5 2013".

1 **SEC. 2. SUGAR PROGRAM.**

2 (a) SUGARCANE.—Section 156(a) of the Federal Ag-  
3 riculture Improvement and Reform Act of 1996 (7 U.S.C.  
4 7272(a)) is amended—

5 (1) in paragraph (4), by striking “and” after  
6 the semicolon at the end;

7 (2) in paragraph (5), by striking the period at  
8 the end and inserting “; and”; and

9 (3) by adding at the end the following:

10 “(6) 18 cents per pound for raw cane sugar for  
11 each of the 2013 through 2017 crop years.”.

12 (b) SUGAR BEETS.—Section 156(b)(2) of the Federal  
13 Agriculture Improvement and Reform Act of 1996 (7  
14 U.S.C. 7272(b)(2)) is amended by striking “2012” and  
15 inserting “2017”.

16 (c) EFFECTIVE PERIOD.—Section 156(i) of the Fed-  
17 eral Agriculture Improvement and Reform Act of 1996 (7  
18 U.S.C. 7272(i)) is amended by striking “2012” and in-  
19 serting “2017”.

20 **SEC. 3. FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.**

21 (a) IN GENERAL.—Section 359b of the Agricultural  
22 Adjustment Act of 1938 (7 U.S.C. 1359bb) is amended—

23 (1) in subsection (a)(1)—

24 (A) in the matter before subparagraph (A),  
25 by striking “2012” and inserting “2017”; and

1 (B) in subparagraph (B), by inserting “at  
2 reasonable prices” after “stocks”; and

3 (2) in subsection (b)(1)—

4 (A) in subparagraph (A), by striking “but”  
5 after the semicolon at the end and inserting  
6 “and”; and

7 (B) by striking subparagraph (B) and in-  
8 serting the following:

9 “(B) appropriate to maintain adequate do-  
10 mestic supplies at reasonable prices, taking into  
11 account all sources of domestic supply, includ-  
12 ing imports.”.

13 (b) ESTABLISHMENT OF FLEXIBLE MARKETING AL-  
14 LOTMENTS.—Section 359c of the Agricultural Adjustment  
15 Act of 1938 (7 U.S.C. 1359cc) is amended—

16 (1) in subsection (b)—

17 (A) in paragraph (1)—

18 (i) in subparagraph (A), by striking  
19 “but” after the semicolon at the end and  
20 inserting “and”; and

21 (ii) by striking subparagraph (B) and  
22 inserting the following:

23 “(B) appropriate to maintain adequate  
24 supplies at reasonable prices, taking into ac-

1 count all sources of domestic supply, including  
2 imports.”; and

3 (B) in paragraph (2)(B), by inserting “at  
4 reasonable prices” after “market”; and  
5 (2) in subsection (g)(1)—

6 (A) by striking “ADJUSTMENTS.—” and  
7 all that follows through “Subject to subpara-  
8 graph (B), the” and inserting “ADJUST-  
9 MENTS.—The”; and

10 (B) by striking subparagraph (B).

11 (c) SUSPENSION OR MODIFICATION OF PROVI-  
12 SIONS.—Section 359j of the Agricultural Adjustment Act  
13 of 1938 (7 U.S.C. 1359jj) is amended by adding at the  
14 end the following:

15 “(c) SUSPENSION OR MODIFICATION OF PROVI-  
16 SIONS.—Notwithstanding any other provision of this part,  
17 the Secretary may suspend or modify, in whole or in part,  
18 the application of any provision of this part if the Sec-  
19 retary determines that the action is appropriate, taking  
20 into account—

21 “(1) the interests of consumers, workers in the  
22 food industry, businesses (including small busi-  
23 nesses), and agricultural producers; and

24 “(2) the relative competitiveness of domestically  
25 produced and imported foods containing sugar.”.

1 (d) ADMINISTRATION OF TARIFF RATE QUOTAS.—  
2 Section 359k of the Agricultural Adjustment Act of 1938  
3 (7 U.S.C. 1359kk) is amended to read as follows:

4 **“SEC. 359k. ADMINISTRATION OF TARIFF RATE QUOTAS.**

5 “(a) ESTABLISHMENT.—Notwithstanding any other  
6 provision of law, at the beginning of the quota year, the  
7 Secretary shall establish the tariff-rate quotas for raw  
8 cane sugar and refined sugar at no less than the minimum  
9 level necessary to comply with obligations under inter-  
10 national trade agreements that have been approved by  
11 Congress.

12 “(b) ADJUSTMENT.—

13 “(1) IN GENERAL.—Subject to subsection (a),  
14 the Secretary shall adjust the tariff-rate quotas for  
15 raw cane sugar and refined sugar to provide ade-  
16 quate supplies of sugar at reasonable prices in the  
17 domestic market.

18 “(2) ENDING STOCKS.—Subject to paragraphs  
19 (1) and (3), the Secretary shall establish and adjust  
20 tariff-rate quotas in such a manner that the ratio of  
21 sugar stocks to total sugar use at the end of the  
22 quota year will be approximately 15.5 percent.

23 “(3) MAINTENANCE OF REASONABLE PRICES  
24 AND AVOIDANCE OF FORFEITURES.—

1           “(A) IN GENERAL.—The Secretary may es-  
2           tablish a different target for the ratio of ending  
3           stocks to total use if, in the judgment of the  
4           Secretary, the different target is necessary to  
5           prevent—

6                     “(i) unreasonably high prices; or

7                     “(ii) forfeitures of sugar pledged as  
8           collateral for a loan under section 156 of  
9           the Federal Agriculture Improvement and  
10          Reform Act of 1996 (7 U.S.C. 7272).

11          “(B) ANNOUNCEMENT.—The Secretary  
12          shall publicly announce any establishment of a  
13          target under this paragraph.

14          “(4) CONSIDERATIONS.—In establishing tariff-  
15          rate quotas under subsection (a) and making adjust-  
16          ments under this subsection, the Secretary shall con-  
17          sider the impact of the quotas on consumers, work-  
18          ers, businesses (including small businesses), and ag-  
19          ricultural producers.

20          “(c) TEMPORARY TRANSFER OF QUOTAS.—

21                     “(1) IN GENERAL.—To promote full use of the  
22          tariff-rate quotas for raw cane sugar and refined  
23          sugar, notwithstanding any other provision of law,  
24          the Secretary shall promulgate regulations that pro-  
25          vide that any country that has been allocated a

1 share of the quotas may temporarily transfer all or  
 2 part of the share to any other country that has also  
 3 been allocated a share of the quotas.

4 “(2) TRANSFERS VOLUNTARY.—Any transfer  
 5 under this subsection shall be valid only on vol-  
 6 untary agreement between the transferor and the  
 7 transferee, consistent with procedures established by  
 8 the Secretary.

9 “(3) TRANSFERS TEMPORARY.—

10 “(A) IN GENERAL.—Any transfer under  
 11 this subsection shall be valid only for the dura-  
 12 tion of the quota year during which the transfer  
 13 is made.

14 “(B) FOLLOWING QUOTA YEAR.—No  
 15 transfer under this subsection shall affect the  
 16 share of the quota allocated to the transferor or  
 17 transferee for the following quota year.”.

18 (e) EFFECTIVE PERIOD.—Section 359l(a) of the Ag-  
 19 ricultural Adjustment Act of 1938 (7 U.S.C. 1359ll(a))  
 20 is amended by striking “2012” and inserting “2017”.

21 **SEC. 4. REPEAL OF FEEDSTOCK FLEXIBILITY PROGRAM**  
 22 **FOR BIOENERGY PRODUCERS.**

23 (a) IN GENERAL.—Section 9010 of the Farm Secu-  
 24 rity and Rural Investment Act of 2002 (7 U.S.C. 8110)  
 25 is repealed.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 359a(3)(B) of the Agricultural Ad-  
3 justment Act of 1938 (7 U.S.C. 1359aa(3)(B)) is  
4 amended—

5 (A) in clause (i), by inserting “and” after  
6 the semicolon at the end;

7 (B) in clause (ii), by striking “; and” at  
8 the end and inserting a period; and

9 (C) by striking clause (iii).

10 (2) Section 359b(c)(2)(C) of the Agricultural  
11 Adjustment Act of 1938 (7 U.S.C. 1359bb(c)(2)(C))  
12 is amended by striking “, except for” and all that  
13 follows through “of 2002”.

○