

SUGAR CAUCUS CO-CHAIRS SUBMIT JOINT TESTIMONY - URGE AGRICULTURE COMMITTEE TO CHANGE SUGAR PROGRAM

WASHINGTON, DC (MAY 17, 2012) – CONGRESSMAN DANNY K. DAVIS AND PITTS (R-PA), ASK THE HOUSE AGRICULTURE COMMITTEE TO CHANGE SUGAR PROGRAM IN THE NEW FARM BILL; CALLS ON AG COMMITTEE TO HOLD PUBLIC HEARINGS

Below is the text of the joint testimony submitted for the record during the General Farm Commodities and Risk Management Subcommittee hearing by Reps. Pitts and Davis...

"We believe that it is important for the Agriculture Committee to know that the current sugar program is responsible for the serious loss of U.S. food manufacturing jobs. Data available from the Department of Commerce indicates that 125,000 jobs have been lost in the sugar-using industry between 1997 and 2010. In our two states of Illinois and Pennsylvania combined, Commerce Department data shows that as many of 25,000 jobs have been lost between 1997 and 2007.

Left unchanged, the current sugar program will continue to hurt American workers by overly restricting the supply of sugar in the U.S. market, thereby excessively driving up the cost of domestic sugar and encouraging the relocation of good American manufacturing jobs to Canada, Mexico, and other foreign countries.

Left unchanged, the current sugar program will continue to hurt American consumers by increasing the price of every product made with sugar. A November 2011 study by researchers at Iowa State University found that comprehensive reform of the federal sugar program would save American consumers up to \$3.5 billion each year. This cost amounts to about \$40 per year for a family of four, which is a significant government cost for those families on a tight budget.

We have witnessed the destructive consequences of sugar policy on employment in our states, and therefore, we now call on the Agriculture Committee to bring about real reform of the federal sugar program. This committee should seize the opportunity to reform American sugar policy as part of the 2012 farm bill. The sugar program can and should be made more flexible, more market-oriented, less costly to consumers and food companies, less damaging employment, and more compatible with efforts by our trade negotiators efforts to open up export markets for U.S. commodities.

Again, we cite the recent Iowa State University research, which show that real reform of the sugar program would generate up to 20,000 jobs per year in food manufacturing and related industries. For those of us in Congress who are truly serious about creating new jobs, there is no better place to start than reforming the sugar program.

We urge this committee to reexamine the sugar program with a view of how it affects all stakeholders and consider holding a Congressional hearing on the matter before producing a farm bill. We believe there is a way to balance the need for a safety net for sugar growers with consumers, sugar industry workers, food companies, export-oriented commodity growers, and others that are impacted by the many negative aspects of this program. If the Agriculture

Committee fails to undertake significant reform of the sugar program, we will be left with no other option than to offer House floor amendments to the farm bill to achieve sugar policy reform."