

June 20, 2012

The Honorable Harry Reid Majority Leader United States Senate S-221, The Capitol Washington, DC 20510 The Honorable Mitch McConnell Minority Leader United States Senate S-230, The Capitol Washington, DC 20510

Dear Majority Leader Reid and Minority Leader McConnell:

On behalf of the more than 200,000 family farmer, rancher and rural resident members of National Farmers Union (NFU), I direct your attention to an amendment to S. 3240, the Agriculture Reform, Food and Jobs Act of 2012. Senate Amendment 2433, offered by Sen. Pat Toomey, R-Pa., would dismantle the sugar program and NFU urges you to oppose this amendment.

The sugar program works extremely well for farmers, processors, consumers and taxpayers, as it operates at no cost to the federal government and keeps prices stable for producers and low for consumers. The sugar industry is also important to our economic health, as it generates about \$20 billion annually and creates 142,000 jobs. Sugar is grown in 18 states and is processed at facilities across the country. This successful industry is able to provide these economic benefits because of our sound sugar policy.

Under the sugar program, the U.S. Department of Agriculture (USDA) can prevent oversupplies and shortages of sugar, which keeps prices in check. Sugar prices for farmers have remained stable over the last 30 years, while the retail price of sugar in the United States remains well below the average for developed countries. The United States is the leading importer of sugar in the world and remains one of the most open sugar markets. None of these efforts come at any cost to taxpayers; in fact, the sugar program has operated at zero cost since 2002 and USDA does not expect any cost through 2022.

The sugar program is a model for how commodity programs should work and it would be a grave error to eliminate it. <u>I strongly urge you to oppose Senate Amendment 2433</u>. If the amendment is brought to a roll call, NFU will include the vote as part of our biennial Congressional scorecard.

Thank you for your work on this critical piece of legislation and I look forward to continued collaboration as the bill moves forward. Thank you for your consideration.

Sincerely

Roger Johnson

President