

March 30, 2011

The Honorable Richard G. Lugar
United States Senate
306 Hart Senate Office Building
Washington, DC 20510

Dear Senator Lugar:

The undersigned organizations commend you for introducing legislation to reform U.S. sugar policy. Your bill promotes jobs, fights consumer price inflation, and reduces both the budget deficit and the level of government interference in private markets.

This legislation is pro-consumer because it reforms policies that have sent sugar prices to record highs, driving up consumer costs for everything from baked goods to frozen vegetables. It is pro-business because U.S. sugar policies have created artificial shortages that hurt food and beverage makers, especially small and mid-sized companies. The bill will also reduce taxpayer exposure by eliminating an unneeded subsidy that requires the government to purchase surplus sugar and sell it at a loss to ethanol plants.

The current sugar program has kept U.S. sugar prices far above world price levels and thereby encouraged, according to the U.S. Department of Commerce, the loss of thousands of jobs in the confectionery industry and other sectors. Your legislation will encourage these jobs to stay in the United States. The bill will also end retrograde policies that prohibit the sale of sugar without government-issued quotas called "allocations," and it will remove new restrictions on imports, introduced in 2008, that have severely hampered trade flows and hurt both this country and our trading partners. These examples of unnecessary government micro-management would end with enactment of the bill you are introducing. All in all, your legislation advances the cause of reform in ways that will benefit America's economy, its trade relations, its fiscal condition and the environment.

We support your efforts to reform sugar policy, and look forward to working with you and other legislators who will introduce similar legislation. Thank you for your support of America's businesses, workers and consumers.

Sincerely,

Coalition for Sugar Reform
American Bakers Association
Competitive Enterprise Institute
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 Foreign Trade Council
Retail Bakers of America
Snack Food Association
Sweetener Users Association
U.S. Chamber of Commerce