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**Sweetener Users, Consumer Groups Urge Senate to Reform Sugar Program
*Groups Ask Whether Sugar Growers Need More Subsidies?***

Washington, D.C. – September 25, 2007 – In a letter to members of the Senate Agriculture Committee, sweetener users, consumer and trade groups today asked whether the nation's sugar growers really need more government subsidies when they are already guaranteed twice the world market price for their crops.

As the Senate gets ready to debate the 2007 farm bill, groups that signed the letter urged lawmakers to reject the House version passed this summer and instead look for ways to enact meaningful reform of the American sugar program. The House bill would make an already bad sugar program even worse by increasing sugar price support loan rates, requiring the government to purchase surplus sugar for ethanol conversion, and further limiting sugar imports in violation of the nation's World Trade Organization (WTO) commitments.

Requiring the government to purchase surplus sugar to make ethanol would give sugar growers an additional taxpayer-funded subsidy of more than \$1 billion over the five year life of the new farm bill. This, in addition to the \$1.3 billion in subsidies the Congressional Budget Office estimates the current sugar program will cost taxpayers over the next ten years.

Raising sugar loan rates would further widen the gap between the domestic and world price of sugar, costing American consumers and taxpayers billions in higher prices and increased subsidies and further accelerating the loss of jobs in the American food and beverage industry. According to the Commerce Department, more than 75,000 have already lost their jobs at American companies that use sugar in their products, and more than 5,000 have lost their jobs in the sugar refining industry. According to the Government Accountability Office (GAO) the sugar program is already costing American consumers \$1.9 billion in higher prices for products made with sugar.

Changes in the tariff rate quota (TRQ) included in the House bill threaten the ability of sugar refiners to utilize their production capacity efficiently and could lead to artificial and unnecessary supply shortages.

Signers of the letter include American Beverage Association, Grocery Manufacturers/Food Products Association, International Dairy Foods Association, National Confectioners Association among other associations, groups and companies that believe sugar policy should support producer incomes without distorting the market.

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