

July 3, 2012

The Honorable Frank Lucas
Chairman
Committee on Agriculture
U.S. House of Representatives
Washington, DC 20515

The Honorable Collin Peterson Ranking Member Committee on Agriculture U.S. House of Representatives Washington, DC 20515

Dear Chairman Lucas and Ranking Member Peterson:

On behalf of the more than 200,000 family farmer, rancher and rural resident members of National Farmers Union, I ask that you oppose any amendment to the farm bill offered during the House Agriculture Committee markup that would dismantle the sugar program.

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 any efforts to weaken this program</u>.

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

National Farmers Union