

112TH CONGRESS
1ST SESSION

S. 25

To phase out the Federal sugar program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 25 (legislative day, JANUARY 5), 2011

Mrs. SHAHEEN (for herself, Mr. KIRK, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To phase out the Federal sugar program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stop Unfair Giveaways
5 and Restrictions Act of 2011” or “SUGAR Act of 2011”.

6 **SEC. 2. SUGAR PROGRAM.**

7 (a) IN GENERAL.—Section 156 of the Federal Agri-
8 culture Improvement and Reform Act of 1996 (7 U.S.C.
9 7272) is amended—

1 (1) in subsection (d), by striking paragraph (1)
2 and inserting the following:

3 “(1) LOANS.—The Secretary shall carry out
4 this section through the use of recourse loans.”;

5 (2) by redesignating subsection (i) as subsection
6 (j);

7 (3) by inserting after subsection (h) the fol-
8 lowing:

9 “(i) PHASED REDUCTION OF LOAN RATE.—For each
10 of the 2012, 2013, and 2014 crops of sugar beets and
11 sugarcane, the Secretary shall lower the loan rate for each
12 succeeding crop in a manner that progressively and uni-
13 formly lowers the loan rate for sugar beets and sugarcane
14 to \$0 for the 2015 crop.”; and

15 (4) in subsection (j) (as redesignated), by strik-
16 ing “2012” and inserting “2014”.

17 (b) PROSPECTIVE REPEAL.—Effective beginning
18 with the 2015 crop of sugar beets and sugarcane, section
19 156 of the Federal Agriculture Improvement and Reform
20 Act of 1996 (7 U.S.C. 7272) is repealed.

21 **SEC. 3. ELIMINATION OF SUGAR PRICE SUPPORT AND PRO-**
22 **DUCTION ADJUSTMENT PROGRAMS.**

23 (a) IN GENERAL.—Notwithstanding any other provi-
24 sion of law—

1 (1) a processor of any of the 2015 or subse-
 2 quent crops of sugarcane or sugar beets shall not be
 3 eligible for a loan under any provision of law with
 4 respect to the crop; and

5 (2) the Secretary of Agriculture may not make
 6 price support available, whether in the form of a
 7 loan, payment, purchase, or other operation, for any
 8 of the 2015 and subsequent crops of sugar beets and
 9 sugarcane by using the funds of the Commodity
 10 Credit Corporation or other funds available to the
 11 Secretary.

12 (b) TERMINATION OF MARKETING QUOTAS AND AL-
 13 LOTMENTS.—

14 (1) IN GENERAL.—Part VII of subtitle B of
 15 title III of the Agricultural Adjustment Act of 1938
 16 (7 U.S.C. 1359aa et seq.) is repealed.

17 (2) CONFORMING AMENDMENT.—Section
 18 344(f)(2) of the Agricultural Adjustment Act of
 19 1938 (7 U.S.C. 1344(f)(2)) is amended by striking
 20 “sugar cane for sugar, sugar beets for sugar,”.

21 (c) GENERAL POWERS.—

22 (1) SECTION 32 ACTIVITIES.—Section 32 of the
 23 Act of August 24, 1935 (7 U.S.C. 612c), is amended
 24 in the second sentence of the first paragraph—

1 (A) in paragraph (1), by inserting “(other
2 than sugar beets and sugarcane)” after “com-
3 modities”; and

4 (B) in paragraph (3), by inserting “(other
5 than sugar beets and sugarcane)” after “com-
6 modity”.

7 (2) POWERS OF COMMODITY CREDIT CORPORA-
8 TION.—Section 5(a) of the Commodity Credit Cor-
9 poration Charter Act (15 U.S.C. 714c(a)) is amend-
10 ed by inserting “, sugar beets, and sugarcane” after
11 “tobacco”.

12 (3) PRICE SUPPORT FOR NONBASIC AGRICUL-
13 TURAL COMMODITIES.—Section 201(a) of the Agri-
14 cultural Act of 1949 (7 U.S.C. 1446(a)) is amended
15 by striking “milk, sugar beets, and sugarcane” and
16 inserting “, and milk”.

17 (4) COMMODITY CREDIT CORPORATION STOR-
18 AGE PAYMENTS.—Section 167 of the Federal Agri-
19 culture Improvement and Reform Act of 1996 (7
20 U.S.C. 7287) is repealed.

21 (5) SUSPENSION AND REPEAL OF PERMANENT
22 PRICE SUPPORT AUTHORITY.—Section 171(a)(1) of
23 the Federal Agriculture Improvement and Reform
24 Act of 1996 (7 U.S.C. 7301(a)(1)) is amended—

25 (A) by striking subparagraph (E); and

1 (B) by redesignating subparagraphs (F)
2 through (I) as subparagraphs (E) through (H),
3 respectively.

4 (6) STORAGE FACILITY LOANS.—Section
5 1402(c) of the Farm Security and Rural Investment
6 Act of 2002 (7 U.S.C. 7971) is repealed.

7 (7) FEEDSTOCK FLEXIBILITY PROGRAM FOR
8 BIOENERGY PRODUCERS.—Effective beginning with
9 the 2013 crop of sugar beets and sugarcane, section
10 9010 of the Farm Security and Rural Investment
11 Act of 2002 (7 U.S.C. 8110) is repealed.

12 (d) TRANSITION PROVISIONS.—This section and the
13 amendments made by this section shall not affect the li-
14 ability of any person under any provision of law as in ef-
15 fect before the application of this section and the amend-
16 ments made by this section.

17 **SEC. 4. TARIFF-RATE QUOTAS.**

18 (a) ESTABLISHMENT.—Except as provided in sub-
19 section (c) and notwithstanding any other provision of law,
20 not later than October 1, 2011, the Secretary of Agri-
21 culture shall develop and implement a program to increase
22 the tariff-rate quotas for raw cane sugar and refined sug-
23 ars for a quota year in a manner that ensures—

24 (1) a robust and competitive sugar processing
25 industry in the United States; and

1 (2) an adequate supply of sugar at reasonable
2 prices in the United States.

3 (b) FACTORS.—In determining the tariff-rate quotas
4 necessary to satisfy the requirements of subsection (a), the
5 Secretary shall consider the following:

6 (1) The quantity and quality of sugar that will
7 be subject to human consumption in the United
8 States during the quota year.

9 (2) The quantity and quality of sugar that will
10 be available from domestic processing of sugarcane,
11 sugar beets, and in-process beet sugar.

12 (3) The quantity of sugar that would provide
13 for reasonable carryover stocks.

14 (4) The quantity of sugar that will be available
15 from carryover stocks for human consumption in the
16 United States during the quota year.

17 (5) Consistency with the obligations of the
18 United States under international agreements.

19 (c) EXEMPTION.—Subsection (a) shall not include
20 specialty sugar.

21 (d) DEFINITIONS.—In this section, the terms “quota
22 year” and “human consumption” have the meaning such
23 terms had under section 359k of the Agricultural Adjust-
24 ment Act of 1938 (7 U.S.C. 1359kk) (as in effect on the
25 day before the date of the enactment of this Act).

1 **SEC. 5. APPLICATION.**

2 Except as otherwise provided in this Act, this Act and
3 the amendments made by this Act shall apply beginning
4 with the 2012 crop of sugar beets and sugarcane.

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