

113TH CONGRESS  
1ST SESSION

# H. R. 693

To reform the Federal sugar program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2013

Mr. PITTS (for himself, Mr. DANNY K. DAVIS of Illinois, Mr. GOODLATTE, Mr. BLUMENAUER, Mr. CHABOT, Mr. BUCSHON, Mr. THOMPSON of Pennsylvania, Mr. MARINO, Mr. SHUSTER, Mr. FLEISCHMANN, Mr. HANNA, Mr. MORAN, Mr. PETRI, Mr. RUSH, Mr. BARLETTA, Mr. MEEHAN, Mr. FITZPATRICK, Ms. SPEIER, Mr. DENT, Mrs. BLACK, Mr. WOMACK, Mr. KELLY, Mr. QUIGLEY, Mrs. BLACKBURN, Mr. LATTA, Mr. MASSIE, Mr. JOHNSON of Ohio, Mr. BRADY of Pennsylvania, Mr. PASCRELL, Mr. PERRY, Ms. SHEA-PORTER, Mr. ROTHFUS, Mr. RENACCI, Mr. GERLACH, Mr. LANCE, Mr. LIPINSKI, and Mr. HARRIS) introduced the following bill; which was referred to the Committee on Agriculture

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## A BILL

To reform 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 “Sugar Reform Act of  
5 2013”.

1 **SEC. 2. SUGAR PROGRAM.**

2 (a) SUGARCANE.—Section 156(a) of the Federal Ag-  
3 riculture Improvement and Reform Act of 1996 (7 U.S.C.  
4 7272(a)) is amended—

5 (1) in paragraph (4), by striking “and” after  
6 the semicolon at the end;

7 (2) in paragraph (5), by striking the period at  
8 the end and inserting “; and”; and

9 (3) by adding at the end the following:

10 “(6) 18 cents per pound for raw cane sugar for  
11 each of the 2013 through 2017 crop years.”.

12 (b) SUGAR BEETS.—Section 156(b)(2) of the Federal  
13 Agriculture Improvement and Reform Act of 1996 (7  
14 U.S.C. 7272(b)(2)) is amended by striking “2012” and  
15 inserting “2017”.

16 (c) EFFECTIVE PERIOD.—Section 156(i) of the Fed-  
17 eral Agriculture Improvement and Reform Act of 1996 (7  
18 U.S.C. 7272(i)) is amended by striking “2012” and in-  
19 serting “2017”.

20 **SEC. 3. FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.**

21 (a) IN GENERAL.—Section 359b of the Agricultural  
22 Adjustment Act of 1938 (7 U.S.C. 1359bb) is amended—

23 (1) in subsection (a)(1)—

24 (A) in the matter before subparagraph (A),  
25 by striking “2012” and inserting “2017”; and

1 (B) in subparagraph (B), by inserting “at  
2 reasonable prices” after “stocks”; and

3 (2) in subsection (b)(1)—

4 (A) in subparagraph (A), by striking “but”  
5 after the semicolon at the end and inserting  
6 “and”; and

7 (B) by striking subparagraph (B) and in-  
8 serting the following:

9 “(B) appropriate to maintain adequate do-  
10 mestic supplies at reasonable prices, taking into  
11 account all sources of domestic supply, includ-  
12 ing imports.”.

13 (b) ESTABLISHMENT OF FLEXIBLE MARKETING AL-  
14 LOTMENTS.—Section 359c of the Agricultural Adjustment  
15 Act of 1938 (7 U.S.C. 1359cc) is amended—

16 (1) in subsection (b)—

17 (A) in paragraph (1)—

18 (i) in subparagraph (A), by striking  
19 “but” after the semicolon at the end and  
20 inserting “and”; and

21 (ii) by striking subparagraph (B) and  
22 inserting the following:

23 “(B) appropriate to maintain adequate  
24 supplies at reasonable prices, taking into ac-

1 count all sources of domestic supply, including  
2 imports.”; and

3 (B) in paragraph (2)(B), by inserting “at  
4 reasonable prices” after “market”; and  
5 (2) in subsection (g)(1)—

6 (A) by striking “ADJUSTMENTS.—” and  
7 all that follows through “Subject to subpara-  
8 graph (B), the” and inserting “ADJUST-  
9 MENTS.—The”; and

10 (B) by striking subparagraph (B).

11 (c) SUSPENSION OR MODIFICATION OF PROVI-  
12 SIONS.—Section 359j of the Agricultural Adjustment Act  
13 of 1938 (7 U.S.C. 1359jj) is amended by adding at the  
14 end the following:

15 “(c) SUSPENSION OR MODIFICATION OF PROVI-  
16 SIONS.—Notwithstanding any other provision of this part,  
17 the Secretary may suspend or modify, in whole or in part,  
18 the application of any provision of this part if the Sec-  
19 retary determines that the action is appropriate, taking  
20 into account—

21 “(1) the interests of consumers, workers in the  
22 food industry, businesses (including small busi-  
23 nesses), and agricultural producers; and

24 “(2) the relative competitiveness of domestically  
25 produced and imported foods containing sugar.”.

1 (d) ADMINISTRATION OF TARIFF RATE QUOTAS.—  
2 Section 359k of the Agricultural Adjustment Act of 1938  
3 (7 U.S.C. 1359kk) is amended to read as follows:

4 **“SEC. 359k. ADMINISTRATION OF TARIFF RATE QUOTAS.**

5 “(a) ESTABLISHMENT.—Notwithstanding any other  
6 provision of law, at the beginning of the quota year, the  
7 Secretary shall establish the tariff-rate quotas for raw  
8 cane sugar and refined sugar at no less than the minimum  
9 level necessary to comply with obligations under inter-  
10 national trade agreements that have been approved by  
11 Congress.

12 “(b) ADJUSTMENT.—

13 “(1) IN GENERAL.—Subject to subsection (a),  
14 the Secretary shall adjust the tariff-rate quotas for  
15 raw cane sugar and refined sugar to provide ade-  
16 quate supplies of sugar at reasonable prices in the  
17 domestic market.

18 “(2) ENDING STOCKS.—Subject to paragraphs  
19 (1) and (3), the Secretary shall establish and adjust  
20 tariff-rate quotas in such a manner that the ratio of  
21 sugar stocks to total sugar use at the end of the  
22 quota year will be approximately 15.5 percent.

23 “(3) MAINTENANCE OF REASONABLE PRICES  
24 AND AVOIDANCE OF FORFEITURES.—

1           “(A) IN GENERAL.—The Secretary may es-  
2           tablish a different target for the ratio of ending  
3           stocks to total use if, in the judgment of the  
4           Secretary, the different target is necessary to  
5           prevent—

6                     “(i) unreasonably high prices; or

7                     “(ii) forfeitures of sugar pledged as  
8           collateral for a loan under section 156 of  
9           the Federal Agriculture Improvement and  
10          Reform Act of 1996 (7 U.S.C. 7272).

11           “(B) ANNOUNCEMENT.—The Secretary  
12          shall publicly announce any establishment of a  
13          target under this paragraph.

14           “(4) CONSIDERATIONS.—In establishing tariff-  
15          rate quotas under subsection (a) and making adjust-  
16          ments under this subsection, the Secretary shall con-  
17          sider the impact of the quotas on consumers, work-  
18          ers, businesses (including small businesses), and ag-  
19          ricultural producers.

20           “(c) TEMPORARY TRANSFER OF QUOTAS.—

21                     “(1) IN GENERAL.—To promote full use of the  
22          tariff-rate quotas for raw cane sugar and refined  
23          sugar, notwithstanding any other provision of law,  
24          the Secretary shall promulgate regulations that pro-  
25          vide that any country that has been allocated a

1 share of the quotas may temporarily transfer all or  
2 part of the share to any other country that has also  
3 been allocated a share of the quotas.

4 “(2) TRANSFERS VOLUNTARY.—Any transfer  
5 under this subsection shall be valid only on vol-  
6 untary agreement between the transferor and the  
7 transferee, consistent with procedures established by  
8 the Secretary.

9 “(3) TRANSFERS TEMPORARY.—

10 “(A) IN GENERAL.—Any transfer under  
11 this subsection shall be valid only for the dura-  
12 tion of the quota year during which the transfer  
13 is made.

14 “(B) FOLLOWING QUOTA YEAR.—No  
15 transfer under this subsection shall affect the  
16 share of the quota allocated to the transferor or  
17 transferee for the following quota year.”.

18 (e) EFFECTIVE PERIOD.—Section 359l(a) of the Ag-  
19 ricultural Adjustment Act of 1938 (7 U.S.C. 1359ll(a))  
20 is amended by striking “2012” and inserting “2017”.

21 **SEC. 4. REPEAL OF FEEDSTOCK FLEXIBILITY PROGRAM**  
22 **FOR BIOENERGY PRODUCERS.**

23 (a) IN GENERAL.—Section 9010 of the Farm Secu-  
24 rity and Rural Investment Act of 2002 (7 U.S.C. 8110)  
25 is repealed.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 359a(3)(B) of the Agricultural Ad-  
3 justment Act of 1938 (7 U.S.C. 1359aa(3)(B)) is  
4 amended—

5 (A) in clause (i), by inserting “and” after  
6 the semicolon at the end;

7 (B) in clause (ii), by striking “; and” at  
8 the end and inserting a period; and

9 (C) by striking clause (iii).

10 (2) Section 359b(c)(2)(C) of the Agricultural  
11 Adjustment Act of 1938 (7 U.S.C. 1359bb(c)(2)(C))  
12 is amended by striking “, except for” and all that  
13 follows through “of 2002”.

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