

S 25 IS

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

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**A BILL**

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the 'Stop Unfair Giveaways and Restrictions Act of 2011' or 'SUGAR Act of 2011'.

**SEC. 2. SUGAR PROGRAM.**

(a) In General- Section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) is amended--

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

'(1) LOANS- The Secretary shall carry out this section through the use of recourse loans.';

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

(3) by inserting after subsection (h) the following:

'(i) Phased Reduction of Loan Rate- For each of the 2012, 2013, and 2014 crops of sugar beets and sugarcane, the Secretary shall lower the loan rate for each succeeding crop in a manner that progressively and uniformly lowers the loan rate for sugar beets and sugarcane to \$0 for the 2015 crop.'; and

(4) in subsection (j) (as redesignated), by striking '2012' and inserting '2014'.

(b) Prospective Repeal- Effective beginning with the 2015 crop of sugar beets and sugarcane, section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) is repealed.

## **SEC. 3. ELIMINATION OF SUGAR PRICE SUPPORT AND PRODUCTION ADJUSTMENT PROGRAMS.**

- (a) In General- Notwithstanding any other provision of law--
  - (1) a processor of any of the 2015 or subsequent crops of sugarcane or sugar beets shall not be eligible for a loan under any provision of law with respect to the crop; and
  - (2) the Secretary of Agriculture may not make price support available, whether in the form of a loan, payment, purchase, or other operation, for any of the 2015 and subsequent crops of sugar beets and sugarcane by using the funds of the Commodity Credit Corporation or other funds available to the Secretary.
- (b) Termination of Marketing Quotas and Allotments-
  - (1) IN GENERAL- Part VII of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359aa et seq.) is repealed.
  - (2) CONFORMING AMENDMENT- Section 344(f)(2) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1344(f)(2)) is amended by striking `sugar cane for sugar, sugar beets for sugar,'.
- (c) General Powers-
  - (1) SECTION 32 ACTIVITIES- Section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), is amended in the second sentence of the first paragraph--
    - (A) in paragraph (1), by inserting `(other than sugar beets and sugarcane)' after `commodities'; and
    - (B) in paragraph (3), by inserting `(other than sugar beets and sugarcane)' after `commodity'.
  - (2) POWERS OF COMMODITY CREDIT CORPORATION- Section 5(a) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(a)) is amended by inserting `, sugar beets, and sugarcane' after `tobacco'.
  - (3) PRICE SUPPORT FOR NONBASIC AGRICULTURAL COMMODITIES- Section 201(a) of the Agricultural Act of 1949 (7 U.S.C. 1446(a)) is amended by striking `milk, sugar beets, and sugarcane' and inserting `, and milk'.
  - (4) COMMODITY CREDIT CORPORATION STORAGE PAYMENTS- Section 167 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7287) is repealed.
  - (5) SUSPENSION AND REPEAL OF PERMANENT PRICE SUPPORT AUTHORITY- Section 171(a)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7301(a)(1)) is amended--
    - (A) by striking subparagraph (E); and
    - (B) by redesignating subparagraphs (F) through (I) as subparagraphs (E) through (H), respectively.
  - (6) STORAGE FACILITY LOANS- Section 1402(c) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7971) is repealed.
  - (7) FEEDSTOCK FLEXIBILITY PROGRAM FOR BIOENERGY PRODUCERS- Effective beginning with the 2013 crop of sugar beets and sugarcane, section 9010 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8110) is repealed.

(d) Transition Provisions- This section and the amendments made by this section shall not affect the liability of any person under any provision of law as in effect before the application of this section and the amendments made by this section.

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

(a) Establishment- Except as provided in subsection (c) and notwithstanding any other provision of law, not later than October 1, 2011, the Secretary of Agriculture shall develop and implement a program to increase the tariff-rate quotas for raw cane sugar and refined sugars for a quota year in a manner that ensures--

- (1) a robust and competitive sugar processing industry in the United States; and
- (2) an adequate supply of sugar at reasonable prices in the United States.

(b) Factors- In determining the tariff-rate quotas necessary to satisfy the requirements of subsection (a), the Secretary shall consider the following:

- (1) The quantity and quality of sugar that will be subject to human consumption in the United States during the quota year.
- (2) The quantity and quality of sugar that will be available from domestic processing of sugarcane, sugar beets, and in-process beet sugar.
- (3) The quantity of sugar that would provide for reasonable carryover stocks.
- (4) The quantity of sugar that will be available from carryover stocks for human consumption in the United States during the quota year.
- (5) Consistency with the obligations of the United States under international agreements.

(c) Exemption- Subsection (a) shall not include specialty sugar.

(d) Definitions- In this section, the terms 'quota year' and 'human consumption' have the meaning such terms had under section 359k of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359kk) (as in effect on the day before the date of the enactment of this Act).

## **SEC. 5. APPLICATION.**

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

*END*