

113TH CONGRESS  
1ST SESSION

# S. 345

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

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2013

Mrs. SHAHEEN (for herself, Mr. KIRK, Mr. TOOMEY, Mr. DURBIN, Mr. PORTMAN, Mr. LAUTENBERG, Mr. CORKER, Mrs. FEINSTEIN, Ms. AYOTTE, and Mr. ALEXANDER) 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 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”.

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

7 (a) SUGARCANE.—Section 156(a) of the Federal Ag-  
8 riculture Improvement and Reform Act of 1996 (7 U.S.C.  
9 7272(a)) is amended—

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

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

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

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

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

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

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

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

19                 (1) in subsection (a)(1)—

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

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

24                 (2) in subsection (b)(1)—

1 (A) in subparagraph (A), by striking “but”  
2 after the semicolon at the end and inserting  
3 “and”; and

4 (B) by striking subparagraph (B) and in-  
5 serting the following:

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

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

13 (1) in subsection (b)—

14 (A) in paragraph (1)—

15 (i) in subparagraph (A), by striking  
16 “but” after the semicolon at the end and  
17 inserting “and”; and

18 (ii) by striking subparagraph (B) and  
19 inserting the following:

20 “(B) appropriate to maintain adequate  
21 supplies at reasonable prices, taking into ac-  
22 count all sources of domestic supply, including  
23 imports.”; and

24 (B) in paragraph (2)(B), by inserting “at  
25 reasonable prices” after “market”; and

1 (2) in subsection (g)(1)—

2 (A) by striking “ADJUSTMENTS.—” and  
3 all that follows through “Subject to subpara-  
4 graph (B), the” and inserting “ADJUST-  
5 MENTS.—The”; and

6 (B) by striking subparagraph (B).

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

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

17 “(1) the interests of consumers, workers in the  
18 food industry, businesses (including small busi-  
19 nesses), and agricultural producers; and

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

22 (d) ADMINISTRATION OF TARIFF RATE QUOTAS.—  
23 Section 359k of the Agricultural Adjustment Act of 1938  
24 (7 U.S.C. 1359kk) is amended to read as follows:

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

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

9       “(b) ADJUSTMENT.—

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

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

20           “(3) MAINTENANCE OF REASONABLE PRICES  
21 AND AVOIDANCE OF FORFEITURES.—

22           “(A) IN GENERAL.—The Secretary may es-  
23 tablish a different target for the ratio of ending  
24 stocks to total use if, in the judgment of the  
25 Secretary, the different target is necessary to  
26 prevent—

1 “(i) unreasonably high prices; or

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

6 “(B) ANNOUNCEMENT.—The Secretary  
7 shall publicly announce any establishment of a  
8 target under this paragraph.

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

15 “(c) TEMPORARY TRANSFER OF QUOTAS.—

16 “(1) IN GENERAL.—To promote full use of the  
17 tariff-rate quotas for raw cane sugar and refined  
18 sugar, notwithstanding any other provision of law,  
19 the Secretary shall promulgate regulations that pro-  
20 vide that any country that has been allocated a  
21 share of the quotas may temporarily transfer all or  
22 part of the share to any other country that has also  
23 been allocated a share of the quotas.

24 “(2) TRANSFERS VOLUNTARY.—Any transfer  
25 under this subsection shall be valid only on vol-

1        untary agreement between the transferor and the  
2        transferee, consistent with procedures established by  
3        the Secretary.

4            “(3) TRANSFERS TEMPORARY.—

5                    “(A) IN GENERAL.—Any transfer under  
6                    this subsection shall be valid only for the dura-  
7                    tion of the quota year during which the transfer  
8                    is made.

9                    “(B) FOLLOWING QUOTA YEAR.—No  
10                    transfer under this subsection shall affect the  
11                    share of the quota allocated to the transferor or  
12                    transferee for the following quota year.”.

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

16        **SEC. 4. REPEAL OF FEEDSTOCK FLEXIBILITY PROGRAM**  
17                    **FOR BIOENERGY PRODUCERS.**

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

21        (b) CONFORMING AMENDMENTS.—

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

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

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

5           (C) by striking clause (iii).

6           (2) Section 359b(e)(2)(C) of the Agricultural  
7           Adjustment Act of 1938 (7 U.S.C. 1359bb(e)(2)(C))  
8           is amended by striking “, except for” and all that  
9           follows through “ of 2002”.

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