

Aric Newhouse

Senior Vice President  
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May 17, 2018

U.S. House of Representatives  
Washington, DC 20515

Dear Representative:

The National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing manufacturers in every industrial sector and in all 50 states, urges you to support amendment 32 that reforms the U.S. Department of Agriculture's sugar program to H.R. 2, the Agriculture and Nutrition Act of 2018, offered by Reps. Virginia Foxx (R-NC), Danny Davis (D-IL), Bill Shuster (R-PA), Earl Blumenauer (D-OR), Steve Chabot (R-OH), Jackie Speier (D-CA), Lou Barletta (R-PA), Ron Kind (D-WI), Scott Perry (R-PA) and Andy Biggs (R-AZ).

Through price supports and trade restrictions to reduce supply, the U.S. sugar program creates an artificially high domestic price for sugar and harms U.S. food and beverage manufacturers' global competitiveness. A 2006 report by the U.S. Department of Commerce found that three manufacturing jobs are lost for every sugar job saved under the program. A 2011 report by Iowa State University economists noted that the sugar program costs consumers as much as \$3.5 billion annually and sacrifices 20,000 manufacturing jobs. In 2015, according to the U.S. Department of Agriculture, the cost of refined sugar in the United States was more than double the world market price.

Sensible reforms in the amendment would preserve high-paying manufacturing jobs and reduce government-imposed costs on manufacturers. The Foxx/Davis amendment would eliminate some aspects of current sugar subsidies, especially those added in the 2008 farm bill. It does not repeal the sugar program. However, it would repeal higher price support levels, alleviate trade restrictions that limit the supply of sugar to domestic users and eliminate a requirement that the government buy surplus sugar and sell it at a loss.

The NAM's Key Vote Advisory Committee has indicated that votes on amendment 32 to H.R. 2, including procedural motions, may be considered for designation as Key Manufacturing Votes in the 115th Congress. Thank you for your consideration.

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Sincerely,



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