



Consumer Federation of America



September 3, 2013

Dear Representative:

As representatives of leading consumer advocacy organizations, we are concerned about the impact of the federal sugar program on American consumers and workers. We write to urge you to support any efforts to reform the program this year.

Our groups have been vocal in our opposition to agricultural subsidies that artificially manipulate supply and demand and result in higher prices for consumers. One of the most troubling examples of costly, market-distorting subsidies is the sugar program – the only subsidy program in the House-passed farm bill to be made permanent without a single reform.

The sugar program uses taxpayer dollars to subsidize a profitable sector of the food industry – sugar producers – while at the same time driving consumer prices up by restricting competitive imports.

Recent studies show that the annual cost of the sugar program to consumers is up to \$3.5 billion, paid in the form of higher grocery bills, including for staples like bread, peanut butter and frozen vegetables. Due to the nature of these costs and the fact that lower-income consumers spend a higher percentage of their income on food, the sugar program effectively creates a regressive and hidden tax. When working families are doing all they can to make ends meet and put food on the table, this is a tax they can ill afford.

Only Congress can fix the sugar program. We strongly urge you to stand up for America's consumers and take any opportunity – as part of the farm bill process or otherwise – to reform the sugar program this year.

Sincerely,

Consumer Action
Consumer Federation of America
National Consumers League