

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

September 27, 2022

The Honorable Tom Vilsack  
Secretary of Agriculture  
U.S. Department of Agriculture  
1400 Independence Avenue, S.W.  
Washington, D.C. 20250

The Honorable Gina M. Raimondo  
Secretary of Commerce  
U.S. Department of Commerce  
1401 Constitution Ave., NW  
Washington, DC 20230

Dear Secretary Vilsack and Secretary Raimondo:

We write to you as co-chairs of the Congressional Sugar Caucus.

As you know, family farmers and sugar processors are found across more than two dozen states, support more than 151,000 jobs, and generate more than \$23 billion per year in economic activity. On behalf of those American growers, processors, and refiners of sugarbeets and sugar cane, we are writing to express our opposition to any increase in the tariff-rate quotas (TRQs) for sugar or additional access provided to Mexico for the 2021-22 marketing year. Any additional increases for the upcoming 2022-23 marketing year should wait until April of 2023, once more is known about the current sugarbeet and sugar cane crops.

We appreciate the objective and insightful analysis of the current sugar market as reported in the U.S. Department of Agriculture (USDA) World Agricultural Supply and Demand Estimates (WASDE). The August WASDE projects the current stocks-to-use ratio at 14.4 percent. That suggests we will have more than 1.8 million tons of sugar stocks on hand leading into the fall sugarcane and sugarbeet harvest season. USDA has determined that a stocks-to-use ratio of at least 13.5 percent is adequate to supply the U.S. market. Thus, the U.S. sugar market is adequately supplied by USDA's own measure.

USDA took several actions this year to ensure adequate supply of sugar in the U.S. market.

- In April of 2022, USDA provided an additional 222,172 tons of sugar imports from our WTO trading partners.
- Also in April, USDA provided Mexico with an additional 170,000 tons of sugar access to our markets.
- In July of 2022, USDA increased the amount of sugar that Mexico could send to the U.S. market by 135,000 tons and then provided to our other trading partners an additional 100,000 tons of sugar access.

The actions taken in July coincided roughly with the request the Administration received from the Congressional Candy Caucus to raise import access from Mexico and from our WTO trading partners. Given that USDA has already undertaken both of those actions and that we now have ample current sugar stocks relative to use, there is no need for additional actions at this time.

We also note that the countervailing duty and antidumping statutes require suspension agreements to remedy material injury caused by foreign government subsidies and by dumping, respectively. The suspension agreements on sugar from Mexico have been carefully negotiated by the U.S. Department of Commerce with the Government of Mexico and Mexican Exporters to achieve this objective in accordance with U.S. law and the agreement. The suspension agreements prevent unfair trade practices from causing ongoing injury to American

sugar producers or increased cost to the American taxpayer. The suspension agreements permit adjustments in the quantity of exports from Mexico when USDA concludes that, based on its administration of the sugar program, there are additional U.S. needs.

The Congressional Candy Caucus claims that current U.S. prices relative to world prices imply market supplies are not meeting demands. That is simply not the case. Current market prices are reflecting global supply chain issues and continuing market impacts from Russia's war in Ukraine resulting in higher costs for agricultural inputs such as fertilizer. Transportation costs are running at historically high levels for all sectors of the economy, including agriculture, and are pushing up prices for all goods. Farmers are currently grappling with the crippling prices of fuel, fertilizer, transportation, and labor. But, unlike multinational candy companies, farmers are price takers and, hence, are struggling with thin margins.

Thank you for your attention to these issues and considering how the administration of the sugar program and the Suspension Agreements with Mexico will impact American sugarbeet and sugarcane family farmers.

Sincerely,

Congressional Sugar Caucus Co-Chairs



Garret Graves  
Member of Congress



Dan Kildee  
Member of Congress



Mike Simpson  
Member of Congress