May 10, 2018

The Honorable Mike Conaway
Chair
Committee on Agriculture
U.S. House of Representatives
Washington, DC 20515

The Honorable Collin Peterson
Ranking Member
Committee on Agriculture
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Conaway and Ranking Member Peterson:

As the leading lender to the farmer-owned cooperatives that process sugar in the United States I am writing to ask for your continued support for existing U.S. sugar policy as part of this year’s Farm Bill. CoBank strongly supports the current sugar policy that has worked so well for Rural America and encourages the House of Representatives to continue the program without change.

U.S. sugar policy gives banks certainty when lending money to the nation’s sugar industry. The program has a proven track record of success, and has brought stability and prosperity to many rural communities. Weakening this policy would negatively impact our customers’ ability to repay loans. This could jeopardize the 142,000 U.S. jobs that sugar helps support and could send economic shockwaves through sugar-producing towns in 22 states.

Quite simply, the sugar program works. It is designed to run at no-cost to the taxpayer and it effectively stabilizes an efficient sugar industry against unfairly subsidized foreign sugar. The world market in sugar remains terribly distorted and therefore the reasons for maintaining a reasonable sugar policy in the United States are as true today as they were 30 years ago. The fact the program runs at no cost makes it a smart, effective, minimalistic -- yet essential -- part of U.S. agriculture policy.

Sincerely,

Tom Halverson
President and Chief Executive Officer