



NEWS from U.S. Senator Bob Dole

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SEVEN FARM BILL CONFEREES URGE CARTER TO IMPLEMENT SUGAR PROGRAM WITHOUT DELAY

WASHINGTON, D.C. -- Seven of the eight Senate Conferees to the House-Senate farm bill Conference today urged President Carter to "implement the congressional sugar price support program without delay as the Agriculture Act of 1977 requires." In a letter initiated by Senator Bob Dole, the conferees, who are all members of the Senate Agriculture Committee, said the Administration "does not, in our judgement, have the legal authority to delay implementation of the sugar price support program..." Recent press reports have indicated that the Administration is considering delaying implementation.

Senate and House conferees met in July and August to compromise differences between House and Senate versions of the Food and Agriculture Act of 1977. President Carter signed the bill into law on September 29.

Following is the text of the letter sent to Carter by Senators Dole, Milton Young, Carl T. Curtis, James O. Eastland, George McGovern, James B. Allen and Hubert H. Humphre,

According to an article which appeared in the Washington Star on September 20, 1977, "Agriculture Secretary Bob Bergland says the government may avoid the use of a congressionally mandated sugar support program which would require an increase in tariffs on imported sugar."

The Conference Report of S.275, the Food and Agriculture Act of 1977, and the Joint Explanatory Statement of the Committee of the Conference clearly require the immediate implementation of Sec. 902, the sugar price support program. The Administration does not, in our judgement, have the legal authority to delay implementation of the sugar price support program mandated in the Food and Agriculture Act of 1977.

As the Statement of the Managers makes clear, the Conferees intend that the Department of Agriculture implement the sugar price support program "as soon as possible -- even before the Act is signed into law." In addition, the Conferees do not expect "that any outlay of CCC funds will be required or that there will be any acquisition of products of sugar cane

or sugar beets." Rather, the Conferees "expect that the Executive branch will utilize existing authority of law to implement immediately upon the bill becoming law an import fee, or duty, which -- when added to the current import duty -- will enable raw sugar to sell in the domestic market at not less than the effective support price."

Secretary Bergland also said, according to the Star article, that it would take the Administration "until January 1 or longer to draft regulations putting the congressional sugar program into effect." Six months ago, in March, 1977, the International Trade Commission reported that domestic sugar producers were being seriously injured by increased sugar imports. The administration did not dispute the Commission's findings, but nevertheless rejected the ITC's recommendation that an annual import quota be established. Instead, the Administration attempted to establish a sugar payments program. The Justice Department, however, ruled that the sugar payments program was not authorized by current statutes.

The Administration's failure to provide timely assistance to sugar producers led the Congress to enact a sugar price support program and to mandate its immediate implementation. During August, the Administration should have been taking steps under existing authority to assure the prompt and smooth implementation of the congressionally mandated sugar support program. With your signing, the Food and Agriculture Act of 1977, Sec. 902 is law, and the conferees intend that you immediately announce import fees and duties to maintain the market price for sugar at no less than 52.5 percent of parity. If necessary to maintain the market price at the established support level, you are required to use the additional import management authority available to you under Section 22 of the Agriculture Act of 1933.

The Food and Agriculture Act of 1977 does not give the Administration the discretion to delay implementation of the congressional sugar program pending an international sugar agreement. Nor can the Administration's revised sugar payments program announced on September 15, 1977 serve as a substitute for the congressional price support program for sugar. The USDA revised sugar payments program will not prevent the United States from being used as a dumping ground for imported sugar, but the congressionally mandated sugar price support program requires the immediate implementation of an import management program to reduce sugar imports. By restricting the flow of surplus foreign sugar coming into the U.S., Congress' sugar price support program will help provide added momentum to reach an international sugar agreement.

We know you do not wish to place the Administration in the Position of, in effect, exercising an item veto -- a prerogative which the Executive branch does not possess. We request that the Administration implement the congressional sugar price support program without delay as the Agriculture Act of 1977 requires.