get the kind of help they need. We give them a safety net. We say go get illegals.

Mr. ROHRABACHER. If the gentleman will yield once again, the irony of this is that so many of these countries that are sending their people here, many of the people coming here are their educated people and they need them in their own country. Many of the people who come here from other countries are indeed people who believe in our democratic system and are the cream of the crop. And, as such, what we have done is take away the ability of that other country to have progress in their country while at the same time undermining the United States, the people of the United States of America and their standard of living.

We are going to keep having shortages in energy, as the gentleman said, in transportation, health care, and especially education. We are going to continue to see the standard of living of ordinary Americans just stagnate unless we get control of this illegal immigration. And if we do not stand true to our principles of keeping English the official language, it will create total chaos and division in our population.

I congratulate the gentleman for his leadership he is providing and let us work together on this.

Mr. TANCREDO. I thank the gentleman very much for coming down here. I hope we will do this again and that I will be able to convince the gentleman that even a million a year illegally is too much.

U.S. SUGAR SUBSIDY POLICY

The SPEAKER pro tempore (Mr. OTTER). Under the Speaker's announced policy of January 3, 2001, the gentleman from Illinois (Mr. DAVIS) is recognized for 60 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I must say that I noted with tremendous interest the discussion which just took place, and, of course, I think there is always the likelihood and the possibility that countries get larger and larger and opportunities become greater and that those opportunities should be shared by and used by as many people as we can possibly make them available to.

Mr. Speaker, earlier today I participated in a press conference called by the gentleman from Florida (Mr. MILLER) and the gentleman from California (Mr. GEORGE MILLER). They called this press conference to announce their introduction of legislation to change our sugar policy and to phase out some of those huge subsidies that we are providing for the control of the sugar industry to small groups of people and small business concerns; that is small in numbers but certainly large in terms of influence and large in terms of their control of the industry.

Also at that press conference was the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Ohio (Mr. CHABOT). The whole question of our sugar policy is rocking the country in many places because of the fact it is having a tremendously negative impact upon the ability of people to continue to grow and develop in their local communities. Every country and every government that is of a sugar-producing nation has intervened to protect their domestic industry from fluctuating world market prices. Such intervention has been necessary, it is argued, because both sugar cane and sugar beats must be processed soon after harvest using costly processing machinery. When farmers significantly reduce production because of low prices, a cane or beat processing plant typically shuts down, usually never to reopen. This close link between production and capital-intensive processing makes price stability important to industry survival.

The United States has a long history of protection and support for its sugar industry. The Sugar Acts of 1934, 1937, and 1948 required the United States Department of Agriculture to eliminate domestic consumption and to divide this market for sugar by assigning quotas to U.S. growers and foreign countries, authorized payments to growers when needed as an incentive to limit production, and levied excise taxes on sugar processed and refined in the United States.

This type of sugar program expired in 1974, following a 7-year period of markets relatively open to foreign sugar imports, mandatory price support only in 1977 and 1978, and discretionary support in 1979. Congress included mandatory price support for sugar in the Agriculture and Food Act of 1981 and the Food Security Act of 1985. Subsequently, the 1990 Farm Program, the 1993 Budget Reconciliation, and the 1996 Farm Program laws extended sugar program authority through the 2002 crop year.

Even with price protection available to producers, the United States historically has not produced enough sugar to satisfy domestic demand and, thus, continues to be a net sugar importer. Historically, domestic sugar growers and foreign suppliers share the United States market in a roughly 55 to 45 split. This, though, has not been the case in recent years. In fiscal year 2000, domestic production filled 88 percent of U.S. sugar demand for food and beverage use. Imports covered 12 percent. A high fructose corn syrup displaced sugar in the United States during the early 1980s and as domestic sugar production increased in the late 1980s.

The USDA restricts the amount of foreign sugar allowed to enter the United States to ensure that market prices do not fall below the effective support levels. The intent in maintaining prices at or above these levels is to make sure that the USDA does not acquire sugar due to a loan forfeiture. A loan forfeiture, turning over sugar pledged as loan collateral, occurs if a processor concludes that market prices at the same time of a desired sale are lower than the effective sugar price support level implied by the loan rate.

Now, I mention all of this background to mention the fact that there has been reason for the development of our policy. But then as times change, so is there a need for policy change, and so, Mr. Speaker, I approach the subject of sugar subsidies from a little different angle, something slightly different than just looking at what it is that we do for the producers.

In my district today, tonight, more than 600 jobs are at risk, in part because of the sugar subsidy. So my view this evening is the view of the community, the point of view of the working man or woman. We live in a society of plenty and, still, 20 percent of our children live in poverty. In areas where we measure near poverty, such as California, the rate rises to 45 percent. Similar numbers characterize my district in the State of Illinois. Over the past 35 years, our national production of goods and services has more than doubled, yet the inflation-adjusted income of most poor Americans is lower today than it was in 1968.

A recent CBO report revealed that after-tax income of the poorest 20 percent of U.S. households fell between 1979 and 1997, while the income of the wealthiest 1 percent of U.S. households grew a staggering 157 percent.

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More egregious, wage and equality, that is, the relative drop in pay for the lowest-paid workers is again on the rise. This is accompanied by an actual loss of jobs in our economy last month of 19,000; and an increase in the number of laid off workers as a share of the workforce. Manufacturing continues to bear the brunt with employment down 124,000 in May and job loss this year averaging 94,000 per month.

Most folks know that some of these recent setbacks are at least in part due to the current economic downturn we are experiencing. But especially in manufacturing, we have been experiencing a long-term so-called structured downturn for two generations. Jobs With Justice counted three-quarters of a million jobs lost as a result of NAFTA sucking jobs out of the United States; 37,000 of those jobs were lost in Illinois. Total job loss in Illinois was much worse. Between 1970 and 1984, the city of Chicago lost a total of 233,873 jobs in the manufacturing sector and another 39,660 in wholesaling as a result of plant closings and layoffs. These job losses hit especially hard at women, African Americans, Latinos, members of other minority groups.

In addition to jobs lost, occupations which dislocated workers had high concentrations of women. This pattern of job loss and dislocation can be traced all the way back to the end of the Second World War; and of course although I mention Chicago, it is not limited to Chicago and Illinois. Between 1947 and 1963, Detroit, for example, lost 14,000 manufacturing jobs. No wonder the

Midwest came to be called the Rust Belt. In fact, though the rust has impacted all of America, globalization has accelerated the process of deindustrialization, but that does not mean that we must resign ourselves to those consequences. On the contrary, what it means is that we need a policy, a trade policy, an economic policy, a foreign policy, which serves the interest of every American, every working man, every working woman. Every man and every woman.

Anyone who claims that globalization is just about free trade, about letting the market work, is not telling the whole story. If NAFTA were only about free trade, the treaty would have been a page or two long, and simply declare all taxes and barriers to free trade are hereby repealed.

Instead, the treaty is a thousand pages of dense legal type and has hundreds of additional pages of highly technical appendices. All that legalese is there to protect specific interests and specific institutions. What is not protected is the jobs of ordinary Americans. What is not protected is the environment. What is not protected is the health and safety of the American consumer.

Mr. Speaker, there is a role for the public sector, and there is a role for the private sector. Of course I am here today to advocate for the removal of an obstacle to economic growth, a relic of agricultural needs and times that have come and gone. While there have been efforts to do this in the past, I trust that this year we will be more successful. But it must be part of a broader concern, a broader policy of protecting the jobs of ordinary Americans; and it must be part of a policy that demands corporate responsibility, performance standards, public disclosure, fairness and equity in return for the nourishing environment our corporations enjoy.

Mr. Speaker, the Bible teaches that we sometimes ought to consider what profits a man who loses his soul. I guess I would probably phrase that differently and maybe would ask the question, What profits a Nation which abandons its people?

I believe that is exactly what we have done. That is exactly what we continue to do as long as we have an archaic sugar policy that does not allow jobs and economic development to take place in neighborhoods and communities throughout the country that are in need of fairness and fair opportunity to expand, to grow, as opposed to retrenching and going out of business.

Mr. Speaker, our sugar policy is a very important issue that has the potential to cost our respective districts many jobs. So now the question becomes and the question is: Should the Federal policy seek to ship overseas the jobs of hardworking American citizens in order to bestow huge subsidies on a relatively small group of individuals and businesses, many of whom are already wealthy? I would think not, and I would venture that the vast majority of Americans would agree with me.

That is precisely what is occurring because of the sugar price support program, a program which has thrown onto the unemployment rolls thousands of my constituents, other residents of the city that I come from, and other people all over the country who rely upon the candy and food industries for livelihood.

The sugar price support program is in crisis. Approximately 65,000 Americans are employed in the candy industry nationwide. However, according to the Chicago Tribune, since the 1990s, 4,000 of those jobs have been lost and have left the city of Chicago alone. Just recently we got word that one of our plants, Brach's Candy Company, with 1,600 jobs was going to move out of the city, out of the county, out of the State, out of the Nation, into Argentina. They are going to move because they say that they pay twice as much for sugar as do their overseas competitors.

Communities like those around the Brach's plant are in many instances already devastated, have already experienced high levels of unemployment, have already had to dig their way out as we have seen change in trends. So I would point out, Mr. Speaker, that these job losses are in addition to those in the cane refining industry. Since the sugar price support program was enacted in 1981, 12 of 22 cane sugar refiners, including one in Chicago, have gone out of business, in all likelihood never to return. As many as 4,000 high-paying union jobs were lost when these refineries shut down.

Unlike most other agricultural programs, the sugar program has not since its inception in the 1980s been reformed to reflect change in market conditions. The program is still aimed at keeping sugar prices high by limiting imports and making loans to growers. Operating under the price protection of this program, domestic sugar producers taking advantage of both technological advances and good weather have increased their production dramatically, so much so that production reached such high levels last year that the Federal Government, our government, my government, your government, bought 132,000 tons of sugar off the domestic market at a cost of $54 million. There are some who would call this a sweetheart, I guess you cannot get much sweeter than sugar, deal. In fact, when you include the cost incurred by the government from sugar loan forfeitures, the cost to the United States taxpayer for the sugar program was $465 million last year, and the United States Government is now having to pay additional millions of dollars to store some 800,000 tons of sugar. So there you have it.

All of our constituents pay for the sugar program in either their taxes and in the prices of the products they purchase at the grocery store. And then, of course, some of us pay by losing their jobs. The jobs being lost in the candy industry are not moving to another city, county, or State, but to other countries such as Mexico or Argentina where sugar can be purchased at world prices.

All of the way back to my days when I served on the Chicago City Council, I have seen the gradual decline and loss of jobs in the candy industry, and specifically in urban Chicago.

Therefore, I am certain that we must find a solution to prevent the further loss of jobs throughout urban America, and I would encourage my colleagues to find me and find such a solution. I believe that such a solution has been proposed today. Therefore, I would urge support for the Miller-Miller legislation which was introduced earlier this day.

I am also pleased to note that my colleague from the city of Chicago, from the First Congressional District, the oldest, as a matter of fact, African American congressional district currently standing in the United States of America, for example, it was that area after the period of Reconstruction was over and all African Americans had been put out of the Congress, and we went through a period where there was no black representation in Congress for about 30 years, finally from the First Congressional District of Chicago came Oscar DePriest; and following in the footsteps of Oscar DePriest and the footsteps of the late Mayor Harold Washington, I am pleased that my colleague, the gentleman from Illinois (Mr. RUSH), has come to join us and participate in this discussion.

Mr. RUSH. Mr. Speaker, I thank the gentleman who has been my friend and my colleague, my compatriot, my comrade, in the many, many struggles that we both have been involved in throughout our adult lives.

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My friend, the gentleman from Illinois (Mr. DAVIS), who represents the great Seventh Congressional District in the city of Chicago in the State of Illinois is beyond comparison as a gallant and valiant fighter for the interests of not only the citizens of the Seventh Congressional District but for the interests of all American people, particularly those who are working and struggling day by day to make their lives better. It is upon this occasion that I commend him once again for his extraordinary leadership on this particular issue of the Federal subsidies of the sugar industry here that we are discussing this afternoon.

The gentleman from Illinois has laid out the problem. I would like to just share in his analysis, in his views. I would like to share his description of this Federal sugar subsidy program, which is unlike many, many other Federal crop subsidies. This Federal sugar subsidy program disproportionately impacts American citizens and American businesses. The sugar program negatively impacts American consumers, particularly and especially the poor. When you strip it apart, when you cut it down to the essence of this program, we find that this Federal sugar subsidy program is really a tax on food items that contain sugar. That is all that it is. It is a tax, a tax on the food items that contain sugar.

The General Accounting Office estimates that the total cost to consumers and users of sugar is $1.8 billion annually. A tax for those who use sugar of $1.8 billion year after year. Even more detrimental, the sugar tax is regressive. That is, that it places the greatest burden on those who are least able to pay, those who are on fixed incomes, those who are struggling to provide food on their tables on a day-to-day basis, those who are least able to pay in this society are forced to pay $1.8 billion each and every year to sugar producers.

If U.S. consumers like those who are in my district, the first district of Illinois, and those who are in the district of the gentleman from Illinois (Mr. DAVIS), the Seventh District of Illinois and others throughout America, if consumers had been given access to world-price sugar, say, in 1999, a five-pound bag of sugar that cost $2.17 would have only cost $1.38. We paid almost twice the cost for a five-pound bag of sugar in 1999 as we should have paid.

I look around and I think about how many parents, mothers and fathers, those who are working class, those who are striving on a day-to-day basis to try to make ends meet, how many of us would have loved to pay almost half the cost of sugar and thereby saving our little money to go toward school supplies and school clothing and maybe even just a night out with the family at the movies but could not afford to do that simply because of these exorbitant prices that we have been forced to pay for the cost of a five-pound bag of sugar.

The sugar program unfairly disadvantages American businesses. We know that the United States has a long history of internationally known candy makers. We are the capital of candy makers throughout the world. Chicago, the district and the city that both the gentleman from Illinois (Mr. DAVIS) and I represent is the capital for candy makers. All across this country, whether it is in Pennsylvania with Hershey's or Brach's; Kraft or M&M/Mars in Chicago; Nabisco in the great city of Holland, Michigan; or Nestle's in California, the United States candy industry brings millions of dollars in tax revenues to communities throughout this country. As many as 293,000 workers in 20 States depend on these same businesses for their livelihood. People work for these candy manufacturers. Families are fed, clothed and housed because of their salaries that are generated from working for these candy manufacturers. Children are sent to school, to college based on their parents' ability to provide dollars and assistance to them. Our livelihood depends on these candy manufacturers.

And what are we doing? The Federal subsidy program for sugar is placing U.S. candy manufacturers at a competitive disadvantage by raising the cost of sugar in this country. We are driving candy manufacturers out of our country. Many of them are being forced to consider moving, as the gentleman from Illinois said earlier, not from Illinois to Indiana, not from Pennsylvania to Ohio, but from this country to other countries, including Mexico.

They are forced out of our Nation because of our Federal subsidy program for sugar. Almost 300,000 people, 293,000 to be exact, are going to lose their jobs unless we find a remedy, unless we correct this injustice, this problem that we are confronted with as it relates to Federal subsidies for sugar producers. If we want to keep the candy industry in this country and keep it healthy and give it the protection that it needs so that it can keep our citizens working and our families healthy and stable and viable, then we can do nothing less than do away with the current Federal sugar subsidy program.

We can do no less than bring this Federal sugar subsidy program to a screeching halt. We can do no less than give these workers who are employed by candy manufacturers the kind of protection that they need, give them the kind of support that they need, give them the kind of policies at the Federal level that would help them to continue to work at jobs that help them take care of their families, in jobs that will help them provide food and clothing and shelter for their families. We can do no less than to give them the kind of support that we need to give them so that they will be able to maintain their families in a way so that their children will grow up to be healthy and productive American citizens.

I want to thank again my friend the gentleman from Illinois (Mr. DAVIS) and the sponsors of the bill, the gentleman from Florida (Mr. MILLER) and the gentleman from California (Mr. GEORGE MILLER). I want to thank all of them for looking out for the little guy, for bringing this issue to the floor, to the well of the House, to inform the American people that what we are doing with this Federal sugar subsidy program, it is almost criminal. It is a tax, a regressive tax, on those who are least able to pay it. It does not make sense, it is backwards, it is exploitive, it is discriminatory, it is regressive, and we have got to stop it and we have got to stop it right now. I again thank the gentleman from Illinois (Mr. DAVIS) for his extraordinary leadership on this particular issue.

Mr. DAVIS of Illinois. I thank the gentleman from Illinois (Mr. RUSH) and I certainly want to thank him for his very passionate and eloquent description of the problem. I had not really thought in terms of further taxation, but when he makes the point that this becomes additional taxation as we purchase beverages, as we purchase candy, and, more importantly, as we purchase ordinary food which contains sugar, that is another way of looking at the issue. I certainly agree with him that it has to stop.

We are also pleased that we have been joined by the dean of the Democratic delegation from the State of Illinois, one of the real experts on aviation in this country but one who understands not only aviation but urban issues and urban problems all over America, the gentleman from Illinois (Mr. LIPINSKI). We are so delighted that he has joined us, and we thank him so much for coming.

Mr. LIPINSKI. I appreciate very much the gentleman taking this special order tonight. It is another demonstration of his outstanding leadership here in the Congress of the United States. I am certainly happy to see that the gentleman from Illinois (Mr. RUSH) has also joined the gentleman here tonight, another excellent leader in the Congress from the State of Illinois.

Mr. Speaker, I rise today to express my strong support for ending the sugar subsidy program. A program which some claim costs absolutely nothing is actually costing the government millions and consumers billions of dollars. This program triggers unemployment in the sugar refining industry and is not how a farm program should work.

In the 1996 farm bill, we committed ourselves to phasing out price supports for every commodity except sugar and peanuts. It is time to level the playing field and expose the sugar program for the sham that it is. The sugar support program is supposedly designed to operate at no direct cost to the Federal Government. The Department of Agriculture provides a loan to sugar growers. The growers use sugar as collateral.

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When the loan comes due, if the processor can make a profit, repay the loan and sell the sugar on the open market, that is what he does. However, if raw sugar prices fall below a predetermined price, the growers simply default on the loan and forfeit the sugar they put up for collateral, a practice which is becoming increasingly more common.

Clearly, this is a cost to the taxpayers and a waste of taxpayers' dollars.

In fact, according to the USDA, last year the government bought more than 1 million tons of sugar for $435 million and it now pays $1.4 million monthly to store the sugar. In addition, the government gave some of the sugar back to the same industry that forfeited it in the first place in exchange for the processors getting the farmers to destroy some of their growing crops. As a result of the sugar program, domestic prices for raw sugar are typically twice world market prices and sometimes more.

Currently, sugar costs 9 cents a pound on the world market but the government sets the domestic price for raw sugar at 18 cents a pound and 22.9 cents for refined sugar beets. According to the General Accounting Office, this price difference means that consumers are paying $1.9 billion more than they need to for sugar and sugar products. Yet, maybe most importantly, hundreds of jobs have been lost in the refining industry in just the past few years due to the unwise sugar subsidy. Since the mid-1980s, 12 of the nation's 22 cane sugar refineries have gone out of business, including one in Chicago. Just last year, a large Brach's candy factory on the West Side of my hometown Chicago was forced to shut down due to inflated sugar prices.

What is particularly infuriating about this situation is that these refinery jobs are good-paying jobs located in inner cities and areas where other employment opportunities are scarce.

For example, the confectioners who used to use domestic sugar are instead having to send those jobs to Canada or Mexico, where they can purchase affordable sugar, costing American working men and women their jobs. It is the families who work in these sugar refineries that are being closed down who are suffering the most.

The Committee on Agriculture is writing a new farm bill, and we cannot afford to have the sugar lobby write the sugar policy. Until the sugar subsidy program is phased out, consumers will pay more for products containing sugar. Taxpayers will continue to pay more to buy surplus sugar. Workers in the candy industry, in the cane refining industry, will continue to lose their jobs. The sugar program will continue to benefit a few without solving the problems of family farmers. We must insist on real reform in the sugar program and end the regulations that are costing Americans money and American jobs.

Once again, I want to thank the gentleman from Illinois (Mr. DAVIS) for holding this special order tonight. This is a very important area of concern for the Congress of the United States. I am sure that with his leadership we will be able to do something about it in this coming agriculture bill that we will be working on very shortly. I thank the gentleman once again for giving me the time tonight.

Mr. DAVIS of Illinois. Madam Speaker, I thank the gentleman from Illinois (Mr. LIPINSKI) very much for his comments. Again, I want to thank the gentleman for coming over. I think he has put his finger right on the issue when he talks about consumers have to pay unnecessarily. I understand that one has to pay for everything that they get but I do not understand when one has to pay more just so a small industry can continue to benefit to the detriment of others. So I thank the gentleman for raising the issue.

Mr. LIPINSKI. Madam Speaker, will the gentleman yield?

Mr. DAVIS of Illinois. I yield to the gentleman from Illinois.

Mr. LIPINSKI. Madam Speaker, what I was going to say is that I can understand somewhat subsidizing an industry that is creating jobs here in the United States of America. I think that that sometimes is good public policy. But to me here we have a law, a program, which is costing the American citizens more money not only out of their pocket directly but in taxes; as I said earlier, even more importantly, costing us jobs in this country. It has to be an absolute minute minority of American citizens that benefit out of this program at the expense of all the other American citizens, and really something should be done about this. As I say, as far as public policy, if an industry is going to be subsidized in this country in some way, shape or form, then they should be creating economic development; they should be creating jobs.

Mr. DAVIS of Illinois. Madam Speaker, I thank the gentleman for pointing out that we are going to be rewriting the farm bill. I think this is an excellent opportunity to correct what we should have done a number of years ago, and so I thank the gentleman again for coming over and for being a part.

I am about to summarize this, Madam Speaker, but I have remarks about the Brief History of the Sugar Program that I would include in the RECORD at this point.

BACKGROUND AND ANALYSIS

BRIEF HISTORY OF THE SUGAR PROGRAM

Governments of every sugar producing nation intervene to protect their domestic industry from fluctuating world market prices. Such intervention is necessary, it is argued, because both sugar cane and sugar beets must be processed soon after harvest using costly processing machinery. When farmers significantly reduce production because of low prices, a cane or beet processing plant typically shuts down, usually never to reopen. This close link between production and capital intensive processing makes price stability important to industry survival.

The United States has a long history of protection and support for its sugar industry. The Sugar Acts of 1934, 1937, and 1948 required the U.S. Department of Agriculture (USDA) to estimate domestic consumption and to divide this market for sugar by assigning quotas to U.S. growers and foreign countries, authorized payments to growers when needed as an incentive to limit production, and levied excise taxes on sugar processed and refined in the United States. This type of sugar program expired in 1974. Following a 7-year period of markets relatively open to foreign sugar imports, mandatory price support only in 1977 and 1978, and discretionary support in 1979, Congress included mandatory price support for sugar in the Agriculture and Food Act of 1981 and the Food Security Act of 1985. Subsequently, 1990 farm program, 1993 budget reconciliation, and 1996 farm program laws extended sugar program authority through the 2002 crop year. Even with price protection available to producers, the United States historically has not produce enough sugar to satisfy domestic demand and thus continues to be a net sugar importer.

Historically, domestic sugar growers and foreign suppliers shared the U.S. sugar market in a roughly 55/45 percent split. This, though, has not been the case in recent years. In FY2000, domestic production filled 88 percent of U.S. sugar demand for food and beverage use; imports covered 12 percent. As high fructose corn syrup (HFCS) displaced sugar in the United States during the early 1980s, and as domestic sugar production increased in the late 1980s.

The loan rate for raw cane sugar is statutorily set. The loan rate for refined beet sugar historically was set in relation to raw sugar under a prescribed formula; however, this rate now is fixed for 7 years at the 1995 level. Loan support for beet sugar is set higher than for raw sugar, largely reflecting its availability as a product ready for immediate industrial food and beverage use or for human consumption (unlike raw cane sugar). By contrast, raw cane sugar must go through a second stage of processing at a cane refinery to be converted into white refined sugar that is equivalent to refined beet sugar in end use.

Loan Rates and Forfeiture Levels. The FY2001 loan rates are set at 18 cents/lb. for raw cane sugar, and 22.9 cents/lb. for refined beet sugar. These loan rates, though, do not serve as the price floor for sugar. In practice, USDA's aim is to support the raw cane sugar price (depending upon the region) at not less than 19.1 to 20.7 cents/lb. (i.e., the price support level in a region plus an amount that coves a processor's cost of shipping raw cane sugar to a cane refinery plus the interest paid on any price support loan taken out less a forfeiture penalty applicable under certain circumstances). Similarly, USDA seeks to support the refined beet sugar price at not less than 23.2 to 26.2 cents/lb. (i.e., the regional loan rate plus specified marketing costs plus the interest paid on a price support loan less the forfeiture penalty), depending on the region. These ''loan forfeiture,'' or higher ''effective'' price support, levels are met by limiting the amount of foreign raw sugar imports allowed into the United States for refining and sale for domestic food and beverage consumption.

Import Quota. USDA restricts the amount of foreign sugar allowed to enter the United States to ensure that market prices do not fall below the ''effective'' support levels. The intent in maintaining prices at or above these levels is to make sure that USDA does not acquire sugar due to a loan forfeiture. A loan forfeiture (turning over sugar pledged as loan collateral) occurs if a processor concludes that domestic market prices at the time of a desired sale are lower than the ''effective'' sugar price support level implied by the loan rate. Foreign suppliers absorbed the entire adjustment and saw their share of the U.S. market decline.

1996 FARM ACT: SUGAR PROGRAM

To support U.S. sugar market prices, the USDA extends short-term loans to processors and limits imports of foreign sugar. The 1996 farm bill provisions, though, change the nature of the ''loan'' available to processors. The form of price support is now determined largely by the domestic demand/supply situation and USDA's subsequent decision on what the fiscal year level of sugar imports will be. As a result, these parameters together with market developments have injected more-than-usual price uncertainty into the U.S. sugar market.

General Overview

The sugar program continues to differ from the grains, rice, and cotton programs in that USDA makes no income transfers or payments to beet and cane growers. In contrast, the program is structured to indirectly support the incomes of domestic growers and sugar processors by limiting the amount of foreign sugar allowed to enter into the domestic market using an import quota—a policy mechanism that lies outside the scope of the program's statutory authority. Accordingly, USDA decisions on the size of the import quota affect market prices, and are made carefully to ensure that growers and processors do realize the benefits of price support they expect to receive as laid out in program authority.

Price Support. USDA historically has extended price support loans to processors of sugarcane and sugar beets rather than directly to the farmers who harvest these crops. Growers receive USDA-set minimum payment levels for deliveries made to processors who actually take out such loans during the marketing year—a legal requirement. Other growers negotiate contracts that detail delivery prices and other terms with those processors that do not take out loans.

In summarizing or closing out or closing up, let me just say this: I am not opposed to helping farmers. As a matter of fact, we have farm programs for wheat, corn, cotton and many other crops. These programs give direct assistance to farmers and allow market prices to be set by supply and demand. Farmers receive help but not at the expense of workers and consumers, but the sugar program is different. The sugar program helps producers by hurting other people. That is not right. There are other ways to help sugar farmers. The sugar program keeps our market prices higher than world prices. Domestic sugar prices are about 21 cents a pound compared to world prices of about 9 cents a pound. Now the price gap is costing jobs. Brach's Confectioners, Incorporated, will close its candy factory on Chicago's West Side, putting 1,100 people out of work in the next 3 years. Other facilities have closed, too, including a Nabisco plant last year. In fact, there were 13,000 workers in Chicago's candy industry 5 years ago but now only 10,000. One reason for the decline, increasing imports of hard candy made with world priced sugar. These nonchocolate candy imports have risen steadily from less than 12 percent of the U.S. market in 1997 to 17 percent in 1999. This candy is cheaper because it is made with sugar that costs 9 cents a pound instead of 21 cents a pound. Our quota system for sugar, along with the high price supports, is costing industrial jobs because imports are displacing United States products.

The quotas may be helping large sugar corporations in Southern Florida but they are hurting American workers in Chicago who do not have quotas to protect them. It is time to change this dysfunctional sugar program. We can help producers without hurting workers and other farmers.

The new farm bill must reform sugar subsidies. We must support the Miller-Miller legislation and we must make sure that as we reauthorize legislation to govern farm, farmers and farm products in our country, that we reform the sugar program and make it fair.

STUDIES SHOW THAT EARLY TREATMENT FOR HIV/AIDS CAN PROLONG HEALTH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, I wish to congratulate the over 50 influential public and private sector leaders from business, from media, from entertainment, from sports, education, as well as the faith-based community as they come together this weekend for the XAIDS Act NOW Partnership Council. In fact, on Monday, June 11, the council will convene in my Congressional district in South Florida to mobilize efforts in their fight against the HIV/AIDS virus. This is an epidemic that is plaguing our communities and they are going to combine their expertise, their resources and experiences to see how we can combat this terrible plague.

Studies show that early treatment can prolong health and persons who know that they have HIV are far more likely to avoid risky behavior, to get treatment and to protect their partners. As a result, the council's message is very simple: Get tested, get treated and be safe. This will be promoted by teams that will focus on testing and primary care, the Internet, leadership councils, influential speakers, youth, outreach support and multimedia support groups.

The partnerships have increased awareness on HIV and AIDS and they have encouraged people to get tested, to help prevent new infections among at-risk individuals. Their innovative approaches have helped to combat complacency in our community. We cannot afford to be complacent any longer. So I ask my congressional colleagues to commend the partners of XAIDS Act NOW for their leadership and their commitment to fighting the HIV AIDS epidemic.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. UNDERWOOD (at the request of Mr. GEPHARDT) for today and June 7 on account of official business.

Ms. WATERS (at the request of Mr. GEPHARDT) for June 5, 6, and 7 on account of business in the district.

Ms. SOLIS (at the request of Mr. GEPHARDT) for June 5 and the balance of the week on account of business in the district.

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for June 5 and 6 on account of unforseen circumstances.

Mr. FERGUSON (at the request of Mr. ARMEY) for today and the balance of the week on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BLUMENAUER) to revise and extend their remarks and include extraneous material:)

Mr. SHOWS, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mrs. DAVIS of California, for 5 minutes, today.

Mr. PRICE of North Carolina, for 5 minutes, today.

Mr. WATT of North Carolina, for 5 minutes, today.

Mr. SKELTON, for 5 minutes, today.

The following Members (at the request of Mr. MORAN of Kansas) to revise and extend their remarks and include extraneous material):

Mr. MORAN of Kansas, for 5 minutes, June 13.

Mr. HAYES, for 5 minutes, June 13.

Mr. HORN, for 5 minutes, June 14.

Mr. WELDON of Pennsylvania, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. GEORGE MILLER of California, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes, today.

ADJOURNMENT

Ms. ROS-LEHTINEN. Madam Speaker, pursuant to House Resolution 157, I move that the House do now adjourn in memory of the late Hon. JOHN JOSEPH MOAKLEY.

The motion was agreed to; accordingly (at 6 o'clock and 43 minutes p.m.), pursuant to House Resolution 157, the House adjourned until tomorrow, Thursday, June 7, 2001, at 10 a.m. in memory of the late Hon. JOHN JOSEPH MOAKLEY of Massachusetts.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2312. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Change in Disease Status of France, Ireland, and The Netherlands Because of Foot-and-Mouth Disease [Docket No. 01–031–1] received May 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2313. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clethodim; Pesticide Tolerance [OPP–301133; FRL–6783–5] (RIN: 2070–AB78) received June 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2314. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Prohexadione Calcium; Pesticide Tolerance [OPP–301128; FRL–6781–5] (RIN: 2070–AB78) received June 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.