



NEWS RELEASE

United States Department of Agriculture • Office of Communications • 1400 Independence Avenue, SW
Washington, DC 20250-1300 • Voice: (202) 720-4623 • Email: oc.news@usda.gov • Web: http://www.usda.gov

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Alisa Harrison (202) 720-4623

Jillene Johnson (202) 720-9733

USDA ANNOUNCES 2002-CROP SUGAR LOAN RATES

WASHINGTON, Sept. 27, 2002 – The U.S. Department of Agriculture’s Commodity Credit Corporation (CCC) today announced the loan rates for 2002 crop sugar as part of USDA’s ongoing implementation of the 2002 Farm Bill. The CCC will offer nonrecourse loans to sugar beet and sugarcane processors as required by the 2002 Farm Bill. The national loan rates for 2002 crop raw cane sugar will be 18 cents per pound and for refined beet sugar, 22.90 cents per pound, unchanged from last year. These national loan rates are adjusted for location, reflecting freight differentials.

Loan Rates for Refined Beet Sugar

The refined beet sugar processing regions and applicable 2002-crop (FY 2003) loan rates are:

Region	Cents per pound of refined beet sugar
• Michigan and Ohio	23.69
• Minnesota and the eastern half of North Dakota	22.84
• Northeastern quarter of Colorado, Nebraska and the southeastern quarter of Wyoming	23.86
• Montana, northwestern quarter of Wyoming and the western half of North Dakota	22.87
• Idaho, Oregon and Washington	22.19
• California	23.56

Loan Rates for Cane Sugar

The FY 2003 raw cane sugar loan rates are:

State	Cents per pound of cane sugar, raw value
• Florida	17.73
• Hawaii	17.33
• Louisiana	18.44
• Texas	18.11
• Puerto Rico	18.33

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The loan rate is 18 cents per pound for any raw cane sugar processed in Hawaii and Puerto Rico but it's pledged as collateral while stored on the U.S. mainland.

Sugar beet and sugarcane processors who receive CCC loans in FY 2003 are required to make minimum payments for all sugar beets and sugarcane received from growers. Processors failing to meet the required minimum grower payment will be ineligible for loans during the subsequent crop year. Sugar beet grower minimum payments are the amount specified in the grower/processor contract. Sugarcane producers must pay at least the following payment levels, on the average, to their growers. A grower's payment level can be adjusted according to the quality adjustment method in the grower/processor contract.

State	Minimum Payment
• Florida	\$25.00 per net ton
• Hawaii	\$23.39 per net ton
• Louisiana	\$23.98 per gross ton
• Texas	\$21.99 per gross ton
• Puerto Rico	\$14.94 per gross ton

For more information on this program, please contact you local USDA Service Center.

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