

2026 USDA EXPLANATORY NOTES – OFFICE OF THE CHIEF ECONOMIST

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PREFACE

This publication summarizes the fiscal year (FY) 2026 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2026 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2023 and 2024, Full-Year Continuing Resolution levels for 2025, and the President’s Budget request for 2026. Amounts for 2025 estimated levels include: non-enacted amounts such as Full-Time Equivalent levels, fleet levels, information technology investment levels, recovery levels, transfers in and out, balances available end of year, and obligation levels.

Throughout this publication, the “2018 Farm Bill” is used to refer to the Agriculture Improvement Act of 2018. Most programs funded by the 2018 Farm Bill are funded through 2025, as extended by the American Relief Act, 2025 (P.L. 118-158, Division D). Amounts shown in 2025 and 2026 for most Farm Bill programs reflect those confirmed in the baseline.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2023, 2024, 2025 and 2026.

In tables throughout this document, amounts equal to zero (0) are displayed as dashes (-). Amounts less than 0.5 and greater than zero are rounded and shown as a zero (0). This display treatment is used to prevent the masking of non-zero amounts that do not round up to one (1).

AGENCY-WIDE**PURPOSE STATEMENT**

The Office of the Chief Economist (OCE) was created by the Secretary of Agriculture under the authority of the Department of Agriculture Reorganization Act of 1994, Public Law 103-354. OCE advises the Secretary of Agriculture on the economic situation in agricultural markets and the economic implications of policies and programs affecting American agriculture and rural communities. OCE is the voice of USDA for agricultural market intelligence and economic analysis and aims to inform public and private decision makers by providing unbiased and rapid-response information and data-driven analyses of current and emerging issues impacting agriculture and rural America.

The mission of OCE is to be the gold standard for agricultural market intelligence and economic analysis, while facilitating a regulatory environment that supports agriculture.

OCE’s work contributes to the backbone of policies that support farmers and ranchers and enhance the competitiveness of American agriculture. OCE provides economic expertise and up-to-date assessments of market and policy developments that could affect U.S. agricultural markets and farm sector prosperity. In addition, OCE is responsible for several statutory requirements:

- coordinating USDA’s situation and outlook material and chairing the Interagency Commodity Estimates Committees in the release of the monthly market sensitive World Agricultural Supply and Demand Estimates (WASDE) report;
- serving as a focal point for ad hoc or supportive economic analysis for the Office of the Secretary on emerging issues impacting the agricultural sector;
- coordinating USDA activities related to H-2A workers and other agricultural labor issues under the Immigration and Nationality Act;
- reviewing risk assessments and cost-benefit analyses for significant proposed USDA regulations;
- supporting development of agricultural policies and coordinating activities within USDA related to pesticides, the development and use of pest management tools, and ag biotechnology as well as coordinating with the Environmental Protection Agency, the authority primarily responsible for pesticide regulations, the Food and Drug

Administration, and other Federal and state agencies to ensure that actions taken to address risks to pesticides do so with minimal impact to farmers and ranchers who need pest control tools to feed, fuel, and clothe the nation;

- supporting the Office of the Secretary and coordinating energy-related activities within USDA;
- developing technical guidelines for quantifying the environmental and conservation benefits of US agricultural production to facilitate the participation of farmers, ranchers, and forest landowners in emerging environmental services markets;
- coordinating policy analysis, long range planning, research, and response strategies related to extreme weather events (droughts, fires, hurricanes, etc.).

OCE also houses USDA's Biotechnology Coordinator who coordinates USDA activities in the areas of biotechnology and sustainable development, which benefit farmers and ranchers by supporting new products and promoting productivity growth as a key component of creating sustainable food systems.

The OCE Headquarters is in Washington, D.C. As of September 30, 2024, there were 58 permanent full-time employees.

AVAILABLE FUNDS AND FTEs

Table OCE-1. Available Funds and FTEs (thousands of dollars, FTEs)

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs
Salaries and Expenses:								
Discretionary Appropriations.....	\$27,881	65	\$30,500	58	\$30,500	58	\$19,825	38
Mandatory Appropriations	-	-	100	-	-	-	-	-
Total Adjusted Appropriation	27,881	65	30,600	58	30,500	58	19,825	38
Balance Available, SOY	368	-	148	-	134	-	-	-
Total Available	28,249	65	30,748	58	30,634	58	19,825	38
Lapsing Balances	-231	-	-257	-	-	-	-	-
Balance Available, EOY	-148	-	-134	-	-	-	-	-
Total Obligations.....	27,870	65	30,357	58	30,634	58	19,825	38
Other USDA:								
Annual Outlook Forum	266	-	270	-	268	-	274	-
NASA/USGCRP	433	-	433	-	-	-	-	-
Environmental Markets	700	-	700	-	700	-	700	-
Climate Hubs Coordinator	282	-	303	-	269	-	282	-
Payment for Staff Details	39	-	101	-	38	-	-	-
WASDE Support.....	313	-	375	-	271	-	305	-
Fertilizer Review.....	19	-	-	-	-	-	-	-
Kynetic Data	-	-	65	-	130	-	-	-
Future Leaders Program Support ..	48	-	48	-	-	-	-	-
Total, Obligations, Other USDA ..	2,100	-	2,295	-	1,676	-	1,561	38
Total Obligations, OCE	30,349	65	32,652	58	32,310	58	21,386	38
Other Federal Funds:								
EPA, GHG Support	355	-	355	-	-	-	-	-
Total, Other Federal.....	355	-	355	-	-	-	-	-
Total Available, OCE	30,704	65	33,043	58	32,310	58	21,386	38

* This table assumes a reduced 2026 FTE baseline due to 2025 voluntary staff separations and administrative cost efficiencies.

PERMANENT POSITIONS BY GRADE AND FTEs**Table OCE-2. Permanent Positions by Grade and FTEs**

Item	2023 Actual			2024 Actual			2025 Estimated			2026 Estimated		
	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total	HQ	Field	Total
SES	6	-	6	6	-	6	6	-	6	5	-	5
SL.....	2	-	2	2	-	2	2	-	2	-	-	-
GS-15.....	28	-	28	26	-	26	26	-	26	16	-	16
GS-14.....	17	-	17	13	-	13	13	-	13	11	-	11
GS-13.....	4	-	4	3	-	3	3	-	3	3	-	3
GS-12.....	4	-	4	4	-	4	4	-	4	1	-	1
GS-11.....	2	-	2	2	-	2	2	-	2	2	-	2
GS-9.....	1	-	1	1	-	1	1	-	1	-	-	-
GS-7.....	1	-	1	1	-	1	1	-	1	-	-	-
Total Permanent	65	-	65	58	-	58	58	-	58	38	-	38
Total Perm. FT												
EOY	65	-	65	58	-	58	58	-	58	38	-	38
FTE*	65	-	65	58	-	58	58	-	58	38	-	38

* This table assumes a reduced 2026 FTE baseline due to 2025 voluntary staff separations and administrative cost efficiencies.

SHARED FUNDING PROJECTS**Table OCE-3. Shared Funding Projects (thousands of dollars)**

Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Working Capital Fund:				
Administrative Services:				
AskUSDA	\$2	\$4	\$4	\$4
General Counsel Legal Compliance	-	-	2	21
Materials Management Service Center	17	20	19	20
Mail and Reproduction Management Division.....	66	45	35	35
Integrated Procurement Systems	13	12	11	11
Personnel and Document Security Program	3	3	4	4
Procurement Operations Division.....	31	42	65	82
Human Resources Enterprise Management Systems ..	1	2	5	5
Subtotal.....	133	128	145	182
Communications:				
Creative Media & Broadcast Center.....	154	6	36	22
Finance and Management:				
National Finance Center	17	19	19	19
Financial Management Systems	32	34	32	32
Internal Control Support Services	-	13	11	11
Subtotal.....	49	66	62	62
Information Technology:				
Client Experience Center	345	345	360	386
Department Administration Information Technology				
Office	265	193	205	205
Digital Infrastructure Services Center.....	60	61	48	48
Enterprise Cybersecurity Services.....	18	31	39	39
Enterprise Data and Analytics Services	166	230	236	238
Enterprise Network Services	33	43	37	38
Subtotal.....	887	903	925	954
Office of the Executive Secretariat	92	96	85	32
Total, Working Capital Fund	1,315	1,199	1,253	1,252
Department-Wide Shared Cost Programs:				
Agency Partnership Outreach	\$4	\$5	\$5	\$5
Diversity, Equity, Inclusion and Accessibility	1	2	-	-
Employee Experience.....	2	2	2	2
Medical Services	17	18	23	23
NCR Interpreting	5	7	8	8

Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Office of Customer Experience.....	2	2	2	2
Physical Security.....	3	3	4	4
Security Detail.....	3	3	5	5
Security Operations Program.....	4	5	5	5
Talent Group	2	2	2	2
TARGET Center	1	1	1	1
Total, Department-Wide Reimbursable Programs	44	50	57	57
Agency Total	1,359	1,249	1,310	1,309

*This table is based on a preliminary 2026 estimate, which will be adjusted at a later date to reflect the Department's updated posture and footprint.

**In alignment with the current Administration's priorities, the 2025 amounts reflect expenses incurred prior to January 20, 2025.

ACCOUNT 1: OFFICE OF THE CHIEF ECONOMIST**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored):

Office of the Chief Economist

For necessary expenses of the Office of the Chief Economist, \$19,825,000, of which \$10,000,000 shall be for grants or cooperative agreements for policy research under 7 U.S.C. 3155.

LEAD-OFF TABULAR STATEMENT**Table OCE-4. Lead-Off Tabular Statement (In dollars)**

Item	Amount
Enacted, 2025	\$30,500,000
Change in Appropriation	- 10,675,000
Budget Estimate, 2026	<u>19,825,000</u>

PROJECT STATEMENTS**Table OCE-51. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)**

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.	Chg Key
Discretionary Appropriations:											
Office of Chief Economist....	\$27,381	64	\$30,000	57	\$30,000	57	\$19,825	38	-\$10,175	-19	(1)
Food Loss & Waste Liaison .	500	1	500	1	500	1	-	-	-500	-1	(2)
Subtotal.....	27,881	65	30,500	58	30,500	58	19,825	38	-10,675	-20	
Mandatory Appropriations:											
Multiple Crop and Pesticide Use Survey	-	-	100	-	-	-	-	-	-	-	
Total Adjusted Approp	27,881	65	30,600	58	30,500	58	19,825	38	-10,675	-20	
Add back:											
Transfers In and Out,											
Rescissions	300	-	-	-	-	-	-	-	-	-	
Total Appropriation	28,181	65	30,600	58	30,500	58	19,825	38	-10,675	-20	
Transfers Out:											
Working Capital Funds	-300	-	-	-	-	-	-	-	-	-	
Bal. Available, SOY	368	-	148	-	134	-	-	-	-134	-	
Total Available.....	28,249	65	30,748	58	30,634	58	19,825	38	-10,809	-20	
Lapsing Balances	-231	-	-257	-	-	-	-	-	-	-	
Bal. Available, EOY.....	-148	-	-134	-	-	-	-	-	-	-	
Total Obligations.....	27,870	65	30,357	58	30,634	58	19,825	38	-10,809	-20	

Table OCE-6. Project Statement on Basis of Obligations (thousands of dollars, FTEs)

Item	2023 Actual	FTEs	2024 Actual	FTEs	2025 Estimated	FTEs	2026 Estimated	FTEs	Inc. or Dec.	FTE Inc. or Dec.
Discretionary Obligations:										
Office of Chief Economist..	\$27,150	64	\$29,634	57	\$30,000	57	\$19,825	38	-\$10,175	-19
Food Loss & Waste										
Liaison.....	500	1	500	1	*	1	-	-	-500	-1
Subtotal Disc										
Obligations	27,650	65	30,134	58	30,000	58	19,825	38	-10,675	-20
Mandatory Obligations:										
Multiple Crop and										
Pesticide Use Survey	220	-	223	-	134	-	-	-	-134	-
Total Obligations.....	27,870	65	30,357	58	30,134*	58	19,825	38	-10,809	-20
Add back:										
Lapsing Balances	231	-	257	-	-	-	-	-	-	-
Balances Available, EOY:										
Multiple Crop and										
Pesticide Use Survey	148	-	134	-	-	-	-	-	-	-
Total Bal. Available, EOY	148	-	134	-	-	-	-	-	-	-
Total Available.....	28,249	65	30,748	58	30,134*	58	19,825	38	-10,809	-20
Less:										
Total Transfers Out.....	300	-	-	-	-	-	-	-	-	-
Bal. Available, SOY	-368	-	-148	-	-134	-	-	-	134	-
Total Appropriation	28,181	65	30,600	58	30,000*	58	19,825	38	-10,675	-20

*Obligations cannot be determined at this time.

JUSTIFICATION OF CHANGES**Office of the Chief Economist**

Base funds will allow OCE to continue providing economic expertise, analysis, and coordination on a wide range of Departmental activities and initiatives, as well as advising the Secretary of Agriculture on the economic implications of Department policies, programs, and proposed legislation through data-driven analyses of current and emerging issues impacting agriculture and rural America.

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

- (1) A decrease of \$10,675,000 and 20 FTEs to the Office of the Chief Economist (\$30,500,000 and 58 FTEs available in 2025).

The funding change is requested for the following items:

- A) A decrease of \$10,175,000 and 19 FTEs for the Immediate Office, Office of Risk Assessment and Cost Benefit Analysis, Office of Pest Management Policy, and the Office of Energy and Environmental Policy. In pursuit of streamlining workforce efforts, facilities, and other government efficiencies, the Office of the Chief Economist will reduce staff from 57 to 38. OCE will prevent commodity market disruptions and protect funding for production of USDA's World Agricultural Supply and Demand Estimates report and data (a USDA Secretary priority). At this level, OCE will continue to meet its minimum statutory requirements and provide critical information and guidance in the areas of market analysis, agricultural and trade policy, pesticides and pest management issues, energy and environmental policy, and support for the deregulatory agenda. OCE will further leverage resources across USDA's mission areas to meet obligations.
- B) A decrease of \$500,000 and 1 FTE for Food Loss and Waste Liaison (\$500,000 available in 2025). This change will align funding with Administration priorities and an overall reduction in Food Loss and Waste activities across the Department.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs

Table OCE-8. Geographic Breakdown of Obligations and FTEs for the Office of the Chief Economist (thousands of dollars, FTEs)

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
District of Columbia.....	\$27,650	65	\$30,243	58	\$30,500	58	\$19,825	38
Lapsing Balances	231	-	257	-	-	-	-	-
Total, Available.....	27,881	65	30,500	58	30,500	295	19,825	38

Table OCE-9. Geographic Breakdown of Obligations and FTEs for the Office of the Chief Economist (thousands of dollars, FTEs)

State/Territory/Country	2023		2024		2025		2026	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
District of Columbia.....	\$220	-	\$223	-	\$134	-	-	-
Bal. Available EOY.....	148	-	134	-	-	-	-	-
Total, Available.....	348	-	357	-	134	-	-	-

CLASSIFICATION BY OBJECTS**Table OCE-9. Classification by Objects (thousands of dollars)**

Item No.	Item	2023 Actual	2024 Actual	2025 Estimated	2026 Estimated
Personnel Compensation:					
	Washington D.C.	\$9,753	\$9,182	\$9,258	\$6,117
11	Total personnel compensation.....	9,753	9,182	9,258	6,117
12	Personal benefits.....	3,623	3,284	3,319	2,279
	Total, personnel comp. and benefits.....	13,376	12,666	12,577	8,396
Other Objects:					
21.0	Travel and transportation of persons	293	270	200	200
23.3	Communications, utilities, and misc. charges	73	78	45	45
24.0	Printing and reproduction.....	16	15	20	20
25	Other contractual services	1,854	2,331	2,070	1,010
25.1	Advisory and assistance services.....	2,170	2,810	2,500	1,750
25.2	Other services from non-Federal sources.....	9,792	11,997	12,738	8,084
25.5	Research and development contracts	140	171	200	200
26.0	Supplies and materials	156	117	120	100
31.0	Equipment.....	-	102	30	20
	Total, Other Objects	14,494	17,891	17,923	11,429
99.9	Total, new obligations.....	27,870	30,357	30,500	19,825
DHS Building Security Payments (included in 25.3)					
		\$12	\$13	\$12	\$13
Information Technology Investments:					
Major Investment 1					
Mission Area Standard Non-Major Investment Totals					
	Mission Area Standard Investment Totals	\$169	\$268	\$317	\$437
	Mission Area WCF Transfer Totals.....	1,089	654	669	-
	Total Non-Major Investment	1,258	922	986	437
	Total IT Investments	1,258	922	986	437
Position Data:					
	Average Salary (dollars), ES Position	\$204,000	\$208,000	\$213,616	\$215,888
	Average Salary (dollars), GS Position.....	\$154,500	\$156,000	\$159,000	\$159,000
	Average Grade, GS Position	14.7	14.7	14.7	14.7

STATUS OF PROGRAMS

The Office of the Chief Economist (OCE) is the focal point for the U.S. Department of Agriculture's economic and policy-related research and analysis. OCE aims to inform public and private decision-makers by providing unbiased information and data-driven analyses of current and emerging issues impacting agriculture. OCE provides economic expertise and coordination on a wide range of Departmental activities and initiatives.

Current Activities

OCE's Immediate Office (IO) provides economic expertise, analyses and supports the Secretary on major issues affecting agriculture and rural America. The IO's analyses inform the development of agricultural policies and crop insurance options; impacts of trade initiatives and disputes; developments in agricultural commodity markets and challenges facing the sector such as economic impacts related to plant and animal diseases. It is a focal point for the Nation's agricultural economic intelligence, and each year publishes USDA's long-term agricultural projections (the USDA Baseline) which provides a Departmental consensus ten-year outlook for the agricultural sector. The Immediate Office also coordinates the Department's analysis of issues and activities involving agricultural labor.

OCE's World Agricultural Outlook Board's (WAOB) provides timely, reliable and objective economic forecasts for farmers and other stakeholders in food and agricultural product markets. Key WAOB activities are coordinating the development and release of the monthly *World Agricultural Supply and Demand Estimates* (WASDE) report, a Principal Federal Economic Indicator that has global impact and is USDA's flagship report on agricultural commodity market conditions for strategic commodities in the U.S. and worldwide. This data and information increase market transparency, informs trillions of dollars in commodity market transactions annually, and are the anchor for other Departmental and private sector forecasts and budgeting. The WAOB also coordinates and reviews all outlook and situation material developed within USDA to ensure that USDA "speaks with one voice" regarding commodity market conditions and outlook; performs economic analyses of global commodity markets; and monitors markets and agricultural weather.

OCE's Office of Risk Assessment and Cost-Benefit Analysis (ORACBA) reviews and clears USDA risk assessments and cost-benefit analyses, supporting significant Departmental rules to ensure they are based on objective, appropriate, and sound economic and risk analyses. ORACBA also provides economic expertise in developing USDA deregulatory and necessary regulatory actions. OCE also assists agencies in complying with Executive Orders and OMB guidance on regulatory analysis.

The Office of Energy and Environmental Policy (OEEP) is a focal point for the Department on the issues of energy policy, environmental markets, and global change to enhance competitiveness and adaptability of U.S. farmers, ranchers and producers. OEEP provides technical and analytic support to the Office of the Secretary on energy policy; supports interagency efforts to promote products that use U.S. biomass feedstocks; and works with other federal agencies to implement and update the Renewable Fuel Standard. OCE quantifies the environmental and conservation benefits of US agricultural production and ensures that these benefits are recognized and pushes back on unfair treatment; and works with farm groups and commodity organizations to develop new markets for U.S. commodities based on environmental and conservation performance. OEEP coordinates activities with other Federal agencies and represents USDA in international negotiations and discussions to ensure farmers' and ranchers' needs are met. These activities enhance the competitiveness of U.S. agricultural markets and position the people we serve to be energy independent and meet future challenges and opportunities.

OCE's Office of Pest Management Policy (OPMP) directly supports farmers and ranchers by working to maintain their access to pest management tools they need to produce safe, abundant, and affordable food in the U.S. OPMP leads the development and coordination of Departmental policy on pest management and pesticides, provides Departmental coordination on agricultural biotechnology, and

ensures coordination of interagency activities with the Environmental Protection Agency (EPA) and other Federal and state agencies. OPMP collects information on individual growers' pest management practices to ensure regulatory outcomes are based on realistic assumptions and assessments and proposes alternate mitigation approaches that minimize the impact of EPA's efforts on growers.

Selected Examples of Recent Progress

Immediate Office of the Chief Economist (IO)

In 2024, the Immediate Office provided economic and policy analysis that supported farmers and ranchers:

Agricultural Policy Support and Monitoring of Agricultural Markets

- Provided rapid response economic insights and analysis of various changes in agricultural markets and economic conditions, as well as policy proposals and regulatory actions to inform Administration officials about impacts on the agricultural and rural sectors. This enabled USDA to quickly provide support and greater regulatory certainty to the agricultural and rural sectors. This included analysis of the drivers of food price inflation; effects of animal disease outbreaks such as Highly Pathogenic Avian Influenza on poultry, dairy, and egg prices; impacts of transportation disruptions such as port strikes; the market-driven supply of fats and oils for the production of biofuels to inform EPA decision making related to the Renewable Fuel Standard; and supply chain impacts of other market disruptors.
- Provided economic context and analysis of weather impacts, disasters, and potential disasters for USDA leadership and Congress, including impacts from droughts and hurricanes. OCE also served on USDA's Multi-Agency Coordination group (ongoing). These efforts ensured that USDA decision-makers had timely, accurate economic information for decision-making during disaster response and the potential provision of financial assistance.
- Led research and fostered high-priority research conducted by others, increasing the knowledge base to inform the design and ensure impactful outcomes of future policy decisions (ongoing). This includes analysis on Farm Bill proposals, emerging biofuel markets; developing capabilities to model trade policy and impacts of retaliatory tariffs; relationships between crop insurance, farm loans, and financial stress; impacts of state-level animal welfare measures such as California's Proposition 12; and impacts of state-level locomotive regulations (California).

Trade Policy Support

- Represented USDA in numerous interagency settings on multilateral and bilateral trade issues, including World Trade Organization and bilateral trade negotiations and dispute settlement in the WTO or under bilateral trade agreements, providing economic analysis and guidance for several recent agricultural cases. Examples include the USMCA Canada Dairy disputes, the USMCA Mexico biotech corn dispute, and the WTO Spanish Olives dispute.
- OCE has also provided policy information and analysis in the U.S. Government responses to countervailing duty (CVD) investigations of U.S. agricultural products (e.g., Colombia's current CVD investigation of U.S. milk powder) and studies of the impacts of other trade actions taken against U.S. exports, such as retaliatory tariffs and non-tariff measures.
- Led timely and accurate reporting of U.S. domestic support for agriculture to the World Trade Organization, which is required to demonstrate U.S. compliance with WTO commitments. OCE developed and briefed Congress on the annual U.S. domestic support notification to the WTO and also provided analysis of new programs to the Foreign Agricultural Service and the Office of the U.S. Trade Representative. OCE also supports the biannual U.S. subsidies notification to the WTO Subsidies, Countervailing Measures Committee, and other U.S. Government engagements in the WTO and its Committees (e.g., Trade Policy Reviews).
- Ensured American agricultural interests and needs were appropriately represented in international discussions. Represented the U.S. government in agricultural committee meetings of the Organization for Economic Co-operation and Development (OECD) and the OECD Agricultural

Ministerial meetings and provided the U.S. perspective and direction on policy discussions and research papers concerning agriculture, trade, and the environment.

Crop Insurance

- As Chairman of the Board of Directors of the Federal Crop Insurance Corporation (FCIC), the Chief Economist presided over quarterly public board meetings during 2024 and 2025 (ongoing). The FCIC meets four times a year and on an ad-hoc basis, as needed. In 2024, the FCIC Board of Directors approved several products to improve risk management safety nets for farmers.
- Provided economic analysis and proposals that enhance crop insurance as a risk mitigation tool for America's farmers, in a manner that respects taxpayer support to advance an efficient and effective safety net for agricultural producers and the country's food supply. This is accomplished through close coordination and cooperation with RMA and cooperative research.

Agricultural Labor Activities

- Ensured USDA interests were represented in Department of Labor rules impacting the H-2A program. Provided analysis of legislative and regulatory actions that would affect agricultural labor.

Analytical Assistance to Congress, the Executive Office of the President, and Other Federal Agencies

- Conducted and spurred research to increase our readiness to provide analytical expertise for policy support for Congress and others, including Farm Bill debates and ex-post analysis of policy impacts.
- OCE regularly offers technical assistance to Congress on a variety of topics. It also provided regular technical assistance to the Council of Economic Advisers, the National Economic Council, and the National Security Agency on economic events of concern. OCE identified and developed new agricultural/rural sector models and data sources to support analytical needs across USDA.

Domestic and Global Food Security

- Actively monitored domestic and global agricultural commodity markets to provide the Secretary with timely economic analysis related to U.S. agricultural market disruptions and to flag emerging signs of market stress, using data-driven methods. The Chief Economist represented USDA in many interagency meetings, including ongoing supply chain disruptions and the impacts of U.S. and world market prices on food, fertilizer supplies, and other agricultural inputs.

World Agricultural Outlook Board (WAOB)

The World Agricultural Outlook Board provided key market intelligence, data and weather monitoring to support producers and agricultural commodity markets:

Agricultural Supply and Demand Monitoring and Reporting

- Published the monthly World Agricultural Supply and Demand (WASDE) report on time, providing USDA's official world and U.S. supply and utilization estimates and forecasts for grains, oilseeds, and cotton, and official estimates and forecasts for U.S. sugar, red meat, poultry, eggs, and milk. The WASDE report is downloaded between 1.5 million and 2 million times yearly. After each WASDE release, the accompanying Secretary Briefing presentations are posted on the OCE website for public use, ensuring all interested parties have access to the information.
- Serving as USDA's focal point for market intelligence, WAOB cleared all USDA/Economic Research Service Commodity Outlook reports for public release on schedule following the monthly WASDE releases.
- Represented the United States on FAO's Agricultural Market Information System information group, including information sharing and monthly participation in commodity outlook sessions

intended to support food market transparency and encourage coordination of policy action in response to market uncertainty.

USDA Baseline Projections

- Managed the development of the USDA interagency 10-year baseline economic projections and cleared the estimates for publication and release. The projections are a departmental consensus on a long-run representative scenario for the agricultural sector for the next decade and identify major forces and uncertainties affecting future agricultural markets; prospects for long-term global economic growth, agricultural production, consumption, and trade; and U.S. exports of major farm commodities and future price movements. The long-term agriculture projections, in addition to historic data, can better inform decisions related to agricultural policy and business. Projections of key market indicators can help decision makers evaluate the effect of various courses of action. USDA uses the data to develop long-term budget outlay projections for the Office of Management and Budget.

USDA Agricultural Outlook Forum

- Led all aspects of the annual Agricultural Outlook Forum (AOF), “Meeting Tomorrow’s Challenges, Today.” The Forum is a unique annual event where key stakeholders in the U.S. and worldwide discuss current and emerging topics and trends in the sector. It facilitates information sharing among stakeholders and generates transparency that supports well-functioning open markets. The 2025 AOF was USDA’s 101st Forum, with nearly 1,600 in-person and over 4,500 virtual attendees, making it one of the most widely attended AOFs ever. Attendees represented all facets of the food and agriculture system, including farmers, trade associations, bankers, food companies, USDA employees, academic researchers, and journalists. The two-day program included a keynote address by the USDA Secretary highlighting the new Administration’s priorities and efforts to address critical challenges currently facing farmers and the agriculture sector; an outlook by the Chief Economist on the state of the U.S. agricultural economy; and 30 sessions on issues affecting rural America and agriculture, including a food price and farm income outlook, U.S. trade and the global marketplace, new frontiers in agriculture, managing risk and ensuring sustainability, the rural economy, and commodity outlooks.

Agricultural Weather Monitoring and Analysis

- WAOB meteorologists collaborated closely with WAOB economists and analysts from the Foreign Agricultural Service, Economic Research Service, and other partner agencies to provide essential crop-specific analyses of weather impacts in support of the monthly WASDE reports. Accurate weather information is a critical input to the process of generating the monthly WASDE report by enhancing the accuracy and credibility of global crop production forecasts, which helps in identifying export market opportunities for U.S. agricultural commodities and supports competitive global pricing.
- The WAOB also collaborated with the National Weather Service to prepare and publish 52 Weekly Weather and Crop Bulletins, issue 260 Daily U.S. Agricultural Weather Highlights. These reports provide detailed and timely information on weather developments that can affect agricultural production in the U.S. and worldwide, which helps farmers and firms along the value chain understand and manage weather-related production risks that can lead to market volatility.
- Provided authorship for, or contributed to, 52 weekly U.S. Drought Monitors. Since the passage of the 2008 Farm Bill, the *U.S. Drought Monitor (USDM)* weekly depictions have triggered more than \$13 billion in direct assistance to U.S. livestock producers via the USDA-administered Livestock Forage Disaster Program. The *USDM* is also the primary trigger (since 2012) for USDA secretarial drought disaster declarations and has been used for a portion of the payments to U.S. producers applying for assistance through the Emergency Relief Program and the new Emergency Commodity Assistance Program.
- Leveraging 7 U.S. Code § 3155 (Agricultural and Food Policy Centers), partnered with the National Drought Mitigation Center to improve drought services to the American public and provide support

for other OCE mandates, including Farm Bill priorities and obtaining metrics to determine the economic impacts of drought.

- Provided timely information for decisionmakers on drought; and served as an expert source to numerous news outlets on the impacts of extreme weather events on agriculture.

The Office of Risk Assessment and Cost-Benefit Analysis (ORACBA)

The Office of Risk Assessment and Cost-Benefit Analysis ensured regulations were based on sound science, protecting the ag industry and consumers:

Risk Analysis Leadership and Consultation

- Reviewed major regulations proposed by USDA to ensure they are based on rigorous scientific and economic analysis.
- Provided advice and support early in the regulatory process to USDA agencies (such as U.S. Forest Service, AMS, and FNS) to help streamline departmental regulatory reviews.
- With OCE's Immediate Office, provided substantial assistance on the regulatory impact analyses for several priority AMS rulemakings.
- Reviewed USDA rules almost all rules and guidance documents developed by other agencies and sent to USDA for review, ensuring they were robust for external review and met the regulatory requirements for rulemaking.
- Conducted early reviews of EPA's hazard analyses of chemicals, providing feedback on issues that ultimately reduce excessive regulatory burdens on farmers. The resulting toxicity values established in the hazard analyses often become the basis for future risk assessments at the national and state level, that could have major implications to agriculture due to potential restrictions on pesticide use, fertilizer use, other inputs to production, and the ability to sell agricultural products both domestically and abroad.
- Participated in the technical and policy working groups of the Interagency Risk Assessment Consortium to enhance communication and coordination among USDA and other federal agencies regarding food safety and other risk assessment responsibilities.
- Participated in the EPA-USDA-FDA Interagency Working Group examining PFAS contamination and kept USDA apprised of new developments in EPA regulations and other actions that may negatively impact farmers, ranchers and producers (ongoing).

Risk Assessment Outreach and Training

Sponsored science, policy, risk seminars and training opportunities on a range of topics to bolster USDA agency capabilities. This effort supports the deregulatory agenda by ensuring analysts have information needed to prepare solid and defensible rulemaking analyses. Recent symposiums include judicial review of benefit-cost analysis; what we eat in America (dietary survey, data, and tools); pest establishment and detection and implications for pest risk; and other topics of joint interest across USDA agencies. The seminars also aim to keep risk assessment stakeholders informed of changing policies abroad, such as changes to European regulations after the UK left the EU post-Brexit.

The Office of Energy and Environmental Policy (OEEP)

In 2024, the Office of Energy and Environmental Policy created new economic opportunities for farmers, ranchers, and foresters:

- Shaped the development of new "40B" tax credits to help the agricultural sector so that blenders qualify for a higher tax credit, and spearheaded the inclusion of specific features of the "40B" tax credit to incentivize blenders to account for the productivity and value farmers bring to the production of domestic energy. This is important for farmers and leads to enhanced competitiveness of American agricultural markets that also contributes to U.S. energy independence.

- Developed concepts and plans to encourage the production of low carbon biomass feedstocks for sustainable aviation fuel (SAF) production. This work led to the establishment of a pilot program, which the Department of Treasury used to reward low-carbon farming practices. OEEP also contributed technical content to interagency working groups examining opportunities for woody biomass and renewable natural gas to qualify for new tax credits.
- Building on the 40B tax credits, OEEP began preparing a new regulation on low carbon biofuel feedstocks using authorities under Section 2709 of the 2008 Farm Bill to establish guidelines for the quantification, reporting, and verification needed so the production of domestic agricultural commodities used as biofuel feedstocks qualify for SAF tax incentives. Setting guidelines will create new opportunities to incentivize biofuel feedstock crops grown with low carbon practices and facilitate the participation of farmers in emerging environmental services markets. Issued a request for information and held numerous stakeholder meetings, commissioned analysis, and prepared the Rule Workplan for the Office of Management and Budget.
- Provided expertise on biofuels to external stakeholders. OEEP defended farmers' interests and ensured domestic biofuels are being considered fairly and reviewed technical proposals under international biofuel carbon accounting systems. OEEP provided strategic analysis to the Federal Aviation Administration. Coordinated USDA's review of EPA's Triennial Report on the environmental impacts of biofuels (scheduled to be published in 2025) to ensure USDA's interests are appropriately reflected.
- OEEP co-led with the National Institute of Food and Agriculture (NIFA) the development of a report to build resilience in the domestic biomass supply chain. OEEP also co-led with OMB a report, Measuring the Bioeconomy: Recommended Revisions to the NAICS and NAPCS, that describes changes to business classification codes to better track bioeconomic activity. Published a "bioindicators" report spanning 2019-2021 in collaboration with Syracuse University. The report highlights trends in biofuels, biobased chemicals, biobased products, forestry products, and establishes consistent data on biofuel trends in order to better serve the industry.
- OEEP authored a USDA report to Congress which described opportunities and barriers for agriculture and forestry sector participation in U.S. voluntary carbon markets. Partnered with the Agricultural Marketing Service to advance a program, established by Congress, to reduce barriers to landowner participation in voluntary carbon markets. USDA issued a report to Congress which described how the agriculture and forestry sectors affect U.S. carbon markets.
- To facilitate development of new markets for farmers, OEEP published a report which provides farmers, ranchers, and forest landowners with the methods and tools needed to assess the low-carbon benefits of farming operations. The 2024 report updates methods in the original 2014 report to increase their accuracy and provides new techniques that allow users to better quantify the low-carbon benefits of additional management practices.
- Served as the USDA technical point of contact for the FDA review and approval of a petition for 3-NOP, a feed additive for ruminants that has been demonstrated to reduce methane emissions. OEEP provided technical assistance to NRCS, which involved updating the feed management practice standard to ensure the integration of 3-NOP into NRCS and restructuring guidance for field staff regarding payments for 3-NOP.

The Office of Pest Management Policy (OPMP)

The Office of Pest Management Policy promoted grower interest in pesticide regulatory and oversight activities of Federal agencies. For example, in 2024:

Pesticide Risk Assessment and Regulatory Analysis

- Submitted comments and information on all of the Environmental Protection Agency's (EPA) significant pesticide regulatory actions with agricultural applications, to assist EPA in making informed decisions for pesticides critical to agriculture and reduce the cost to growers. OPMP's contributions have made risk assessments more reflective of real-world conditions and changed outcomes to reduce mitigation and regulatory burdens.

- Also represented grower interests in other ways – for example. OPMP also actively participated in the Pesticide Program Dialogue Committee (a Federal Advisory Committee), and subgroups of that committee, that formally advises EPA’s pesticide program.

Agricultural Biotechnology

- During 2024, the Biotechnology Coordinator supported biotechnology and new application technology efforts within USDA and the federal government.
- Led and reinvigorated ongoing USDA Biotechnology Coordinating Group meetings, resulting in coordination of biotechnology policy across the Department and harmonized messaging.
- Continued to lead USDA’s response to FDA animal biotech guidance. These efforts ensured FDA’s continued formal recognition of USDA’s animal health, food safety, and labeling roles; a commitment to timely and routine information sharing for USDA awareness of FDA actions; and an agreement on appropriate language to convey the safety of animal biotechnology products.

Federal Leadership in Pesticides and Integrated Pest Management (IPM)

- Promoted IPM strategies by leading a group of Federal partners who work in Integrated Pest Management (currently the Federal IPM Coordinating Committee (FIPMCC). Maintained IPM and FIPMCC webpages that house the National Roadmap for IPM.
- Worked closely with Regional IPM Centers to prioritize Pest Management Strategic Plans for specialty crops.

Federal Leadership in Pesticides and the Endangered Species Act (ESA)

- Represented grower interests in conversations with EPA, the National Marine Fisheries Service, and the Fish and Wildlife Service (FWS) as part of the FIFRA-Endangered Species Act (ESA) Interagency Working Group. Ensured the needs of farmers and ranchers were accurately represented, heard, and reflected in strategies developed by EPA to address the need for pesticide regulatory decisions to comply with the Endangered Species Act.
- Provided early feedback and comments on EPA’s strategies to comply with ESA, including their draft Insecticide Strategy, emphasizing the need to design practical and clear/simple strategies for growers in the interest of ease of compliance while still protecting endangered species.
- To represent grower and rancher interests, OPMP actively intervened to provide comments on the 2024 FWS proposed listing of the monarch butterfly under ESA. OPMP’s actions resulted in a revised final strategy published in 2025 that reflects farmer and rancher interests and needs.

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AGENCY-WIDE PERFORMANCE

Introduction

The Office of the Chief Economist (OCE) is the focal point for economic and policy-related research and analysis for the U.S. Department of Agriculture. OCE aims to inform public and private decision makers by providing unbiased information and data-driven analyses of current and emerging issues impacting agriculture.

Alignment to USDA Strategic Plan

OCE activities contribute to the success of USDA's overall mission to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues using sound public policy, the best available science, and effective management, to the benefit of all Americans. USDA is currently developing the 2026-2030 Strategic Plan and will report alignment in the 2027 Explanatory Notes.

SUMMARY OF PERFORMANCE

USDA is currently developing the 2026-2030 Strategic Plan, including new KPIs. A more detailed report of the performance plan can be found at <https://www.usda.gov/our-agency/about-usda/performance>.