

## 2026 USDA EXPLANATORY NOTES - ECONOMIC RESEARCH SERVICE

### *Table of Contents*

|  |    |
|--|----|
| Preface .....                                      | 3  |
| Agency-Wide.....                                   | 3  |
| Purpose Statement.....                             | 3  |
| Available Funds and FTEs .....                     | 4  |
| Permanent Positions by Grade and FTEs.....         | 4  |
| Shared Funding Projects .....                      | 4  |
| Account 1: Salaries and Expenses .....             | 7  |
| Appropriations Language.....                       | 7  |
| Lead-Off Tabular Statement .....                   | 7  |
| Project Statements.....                            | 7  |
| Justification of Changes .....                     | 8  |
| Geographic Breakdown of Obligations and FTEs ..... | 9  |
| Classification by Objects.....                     | 10 |
| Status of Programs.....                            | 11 |
| Agency-Wide Performance .....                      | 15 |
| Summary of Performance .....                       | 16 |

This page was intentionally left blank.

**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 Economic Research Service (ERS) was established in 1961 from components of the former Bureau of Agricultural Economics principally under the authority of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 -1627). The mission of ERS is to inform and enhance public and private decision making by anticipating emerging issues and conducting sound, peer-reviewed economic research on policy-relevant issues related to agriculture, food, natural resources, and rural America. ERS is also the primary source of statistical indicators that, among other things, gauge the health of the farm sector (including farm income estimates and projections), assess the current and expected performance of the agricultural sector (including trade), and provide measures of food security in the U.S. and abroad. The Agency's intramural research is conducted by a highly trained staff of economists and social scientists through an integrated program of research, market outlook, analysis, and data development. Key clientele includes White House and USDA policy officials, program administrators/managers, the U.S. Congress, other Federal agencies, State and local government officials, and organizations including farm and industry groups interested in public policy issues.

ERS develops its research program in coordination with other USDA research agencies, USDA program agencies, and other external collaborators. Activities to support this mission involve research and development of economic and statistical indicators on a broad range of topics, including but not limited to global agricultural market conditions, trade restrictions, agribusiness concentration, farm business and household income, farm program participation and risk management, farm and retail food prices, foodborne illnesses, food labeling, local and organic products and markets, nutrition, food assistance programs, drought preparedness, conservation, technology adoption, and rural prosperity. Research results and economic indicators on such important agricultural, food, natural resource, and rural issues are fully disseminated to public and private decision makers through reports and articles; special staff analyses, briefings, and presentations; databases; and individual contact.

ERS has headquarters offices in Washington, D.C., and Kansas City, MO. As of September 30, 2024, ERS had 312 employees, 289 permanent full-time employees and 23 temporary full-time or part-time employees including, 93 employees reporting to the headquarters offices and 219 in the field.

**AVAILABLE FUNDS AND FTEs****Table ERS-1. Available Funds and FTEs (thousands of dollars, FTEs)**

| Item                             | 2023     |      | 2024     |      | 2025      |      | 2026      |      |
|----------------------------------|----------|------|----------|------|-----------|------|-----------|------|
|                                  | Actual   | FTEs | Actual   | FTEs | Estimated | FTEs | Estimated | FTEs |
| Salaries and Expenses:           |          |      |          |      |           |      |           |      |
| Discretionary Appropriations     | \$92,612 | 310  | \$90,612 | 312  | \$90,612  | 329  | \$80,000  | 244  |
| Total Discretionary              |          |      |          |      |           |      |           |      |
| Appropriations .....             | 92,612   | 310  | 90,612   | 312  | 90,612    | 329  | 80,000    | 244  |
| Total Adjusted                   |          |      |          |      |           |      |           |      |
| Appropriation.....               | 92,612   | 310  | 90,612   | 312  | 90,612    | 329  | 80,000    | 244  |
| Balance Available, SOY .....     | 500      | -    | -        | -    | -         | -    | -         | -    |
| Total Available .....            | 93,112   | 310  | 90,612   | 312  | 90,612    | 329  | 80,000    | 244  |
| Total Obligations, ERS           | 93,112   | 310  | 90,612   | 312  | 90,612    | 329  | 80,000    | 244  |
| Total, Agriculture Available.... | 93,112   | 310  | 90,612   | 312  | 90,612    | 329  | 80,000    | 244  |
| Total Available, ERS .....       | 93,112   | 310  | 90,612   | 312  | 90,612    | 329  | 80,000    | 244  |

\*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 ERS-2. Permanent Positions by Grade and FTEs**

| Item                 | 2023 |       |       | 2024 |       |       | 2025 |       |       | 2026 |       |       |
|----------------------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|
|                      | HQ   | Field | Total | HQ   | Field | Total | HQ   | Field | Total | HQ   | Field | Total |
| SES .....            | 3    | 3     | 6     | 5    | 2     | 7     | 6    | 1     | 7     | 6    | 1     | 7     |
| GS-15.....           | 15   | 53    | 68    | 41   | 32    | 73    | 41   | 38    | 79    | 25   | 17    | 42    |
| GS-14.....           | 10   | 42    | 52    | 23   | 44    | 67    | 23   | 44    | 67    | 23   | 46    | 69    |
| GS-13.....           | 1    | 89    | 90    | 19   | 84    | 103   | 24   | 86    | 110   | 13   | 77    | 91    |
| GS-12.....           | 1    | 48    | 49    | 4    | 35    | 39    | 8    | 35    | 43    | 2    | 12    | 14    |
| GS-11.....           | 1    | 15    | 16    | 1    | 14    | 15    | 1    | 14    | 15    | 2    | 16    | 18    |
| GS-9 .....           |      | 4     | 4     |      | 6     | 6     |      | 6     | 6     |      | 2     | 2     |
| Total Permanent...   | 31   | 254   | 285   | 93   | 219   | 312   | 103  | 226   | 329   | 71   | 174   | 244   |
| Unfilled, EOY .....  | -    | -     | 25    | -    | 17    | 17    | -    | -     | -     | -    | -     | -     |
| Total Perm. FT EOY.. | 31   | 254   | 310   | 93   | 236   | 329   | 103  | 226   | 329   | 71   | 174   | 244   |
| FTE.....             | 31   | 254   | 310   | 32   | 297   | 329   | 32   | 297   | 329   | 36   | 293   | 244   |

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

\* Total FTEs are all inclusive of workforce categories including temporary positions.

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

| Item                                       | 2023<br>Actual | 2024<br>Actual | 2025<br>Estimated | 2026<br>Estimated |
|--|----------------|----------------|-------------------|-------------------|
| <b>Working Capital Fund:</b>               |                |                |                   |                   |
| Administrative Services:                   |                |                |                   |                   |
| AskUSDA.....                               | \$12           | \$24           | \$24              | \$24              |
| General Counsel Legal Compliance.....      | -              | -              | 34                | 419               |
| Material Management Service.....           | 13             | 14             | 12                | 12                |
| Mail and Reproduction Services .....       | 72             | 60             | 43                | 43                |
| Integrated Procurement Systems.....        | 37             | 30             | 26                | 26                |
| Personal and Document Security Program.... | 15             | 18             | 19                | 19                |
| HR Enterprise Management Systems .....     | 9              | 7              | 25                | 24                |
| Subtotal .....                             | 158            | 153            | 183               | 567               |
| Communications:                            |                |                |                   |                   |
| Creative Media & Broadcast Center .....    | 122            | 91             | 108               | 115               |
| Finance and Management:                    |                |                |                   |                   |
| National Finance Center.....               | 82             | 92             | 83                | 83                |
| Internal Control Support Services .....    | -              | 2              | 2                 | 2                 |
| Financial Shared Services .....            | 98             | 98             | 93                | 89                |
| Subtotal .....                             | 180            | 192            | 178               | 174               |
| Information Technology:                    |                |                |                   |                   |

| Item   | 2023<br>Actual | 2024<br>Actual | 2025<br>Estimated | 2026<br>Estimated |
|--|----------------|----------------|-------------------|-------------------|
| Client Experience Center .....                       | 2,147          | 1,861          | 1,793             | 1,916             |
| Department Administration IT Office .....            | 93             | 109            | -                 | -                 |
| Digital Infrastructure Services Center .....         | 1,940          | 1,327          | 1,191             | 1,191             |
| Enterprise Cybersecurity Services .....              | 95             | 179            | 179               | 179               |
| Enterprise Data and Analytics Services .....         | 150            | 185            | 189               | 187               |
| Enterprise Network Services .....                    | 816            | 1,165          | 1,182             | 830               |
| Subtotal .....                                       | 5,241          | 4,826          | 4,534             | 4,303             |
| Office of the Executive Secretariat .....            | 9              | 10             | 14                | 18                |
| Total, Working Capital Fund .....                    | 5,710          | 5,272          | 5,017             | 5,177             |
| <b>Department-Wide Shared Cost Programs:</b>         |                |                |                   |                   |
| Agency Partnership Outreach .....                    | 23             | 23             | 25                | 25                |
| Diversity, Equity, Inclusion and Accessibility ..... | 6              | 8              | 2                 | -                 |
| Employee Experience .....                            | 11             | 12             | 9                 | 9                 |
| Medical Services .....                               | 21             | 17             | 30                | 30                |
| National Capital Region Interpreting Services .....  | 7              | 7              | 10                | 10                |
| Office of Customer Experience .....                  | 10             | 9              | 10                | 10                |
| Physical Security .....                              | 14             | 15             | 19                | 19                |
| Security Detail .....                                | 16             | 17             | 26                | 26                |
| Security Operations Program .....                    | 22             | 23             | 24                | 24                |
| Talent Group .....                                   | 11             | 10             | 11                | 11                |
| TARGET Center .....                                  | 5              | 5              | 5                 | 5                 |
| Total, Department-Wide Reimbursable Programs .....   | 146            | 146            | 171               | 169               |
| <b>E-Gov:</b>  |                |                |                   |                   |
| E-Rulemaking .....                                   | 2              | 2              | 3                 | 2                 |
| Geospatial Line of Business .....                    | 13             | 13             | 13                | 13                |
| Human Resources Line of Business .....               | 1              | 1              | 1                 | 1                 |
| Total, E-Gov .....                                   | 16             | 16             | 17                | 16                |
| Agency Total .....                                   | 5,872          | 5,434          | 5,205             | 5,362             |

This table assumes a reduced 2026 FTE baseline due to 2025 voluntary staff separations and administrative cost efficiencies.  
In alignment with the current Administration's priorities, the 2025 amounts reflect expenses incurred prior to January 20, 2025.

This page was intentionally left blank.

**ACCOUNT 1: SALARIES AND EXPENSES****APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored):

**Salaries and Expenses**

For necessary expenses of the Economic Research Service, \$80,000,000.

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

| Item                          | Amount       |
|-------------------------------|--------------|
| Enacted, 2025 .....           | \$90,612,000 |
| Change in Appropriation ..... | -10,612,000  |
| Budget Estimate, 2026.....    | 80,000,000   |

**PROJECT STATEMENTS****Table ERS-5. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)**

| Item                       | 2023<br>Actual | FTEs | 2024<br>Actual | FTEs | 2025<br>Estimated | FTEs | 2026<br>Estimated | FTEs | Inc. or<br>Dec. | FTE<br>Inc.<br>or<br>Chg<br>Dec. Key |
|----------------------------|----------------|------|----------------|------|-------------------|------|-------------------|------|-----------------|--------------------------------------|
| Discretionary Approp:      |                |      |                |      |                   |      |                   |      |                 |                                      |
| Agricultural Research .... | \$92,612       | 310  | \$90,612       | 312  | \$90,612          | 329  | \$80,000          | 244  | -\$10,612       | -85 (1)                              |
| Total Appropriation .....  | 92,612         | 310  | 90,612         | 312  | 90,612            | 329  | 80,000            | 244  | -10,612         | -85                                  |
| Bal. Available, SOY.....   | 500            | -    | -              | -    | -                 | -    | -                 | -    | -               | -                                    |
| Total Available .....      | 93,112         | 310  | 90,612         | 312  | 90,612            | 329  | 80,000            | 244  | -10,612         | -85                                  |
| Total Obligations .....    | 93,112         | 310  | 90,612         | 312  | 90,612            | 329  | 80,000            | 244  | -10,612         | -85                                  |

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

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

| Item                            | 2023<br>Actual | FTEs | 2024<br>Actual | FTEs | 2025<br>Estimated | FTEs | 2026<br>Estimated | FTEs | Inc. or<br>Dec. | FTE<br>Inc.<br>or<br>Dec. |
|---------------------------------|----------------|------|----------------|------|-------------------|------|-------------------|------|-----------------|---------------------------|
| Discretionary Obligations:      |                |      |                |      |                   |      |                   |      |                 |                           |
| Agricultural Research .....     | \$92,612       | 310  | \$90,612       | 312  | \$90,612          | 329  | \$80,000          | 244  | -\$10,612       | -85                       |
| Subtotal Disc Obligations ..... | 92,612         | 310  | 90,612         | 312  | 90,612            | 329  | 80,000            | 244  | -10,612         | -85                       |
| Mandatory Obligations:          |                |      |                |      |                   |      |                   |      |                 |                           |
| Farm Bill .....                 | 500            | -    | -              | -    | -                 | -    | -                 | -    | -               | -                         |
| Subtotal Mand Obligations ....  | 500            | -    | -              | -    | -                 | -    | -                 | -    | -               | -                         |
| Total Obligations .....         | 93,112         | 310  | 90,612         | 312  | 90,612            | 329  | 80,000            | 244  | -10,612         | -85                       |
| Total Available .....           | 93,112         | 310  | 90,612         | 312  | 90,612            | 329  | 80,000            | 244  | -10,612         | -85                       |
| Bal. Available, SOY.....        | -500           | -    | -              | -    | -                 | -    | -                 | -    | -               | -                         |
| Total Appropriation .....       | 92,612         | 310  | 90,612         | 312  | 90,612            | 329  | 80,000            | 244  | -10,612         | -85                       |

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

**JUSTIFICATION OF CHANGES****Economic Analysis and Research**

Funding is requested for ERS' core programs of research, analysis, market outlook, and data development. Proposals for ERS budget priorities include research that: (1) builds on unique or confidential data sources or investments at the Federal level; (2) provides coordination for a national perspective or framework; (3) requires sustained investment and expert teams; (4) directly serves the U.S. Government's or USDA's long-term national goals; and (5) addresses questions with short-run payoff or that have immediate policy implications. ERS also seeks to cover the breadth of USDA programs (except forestry) and requests funding to ensure sustained expertise and to support the department through analysis of farming, commodity markets and trade, conservation, productivity growth, rural prosperity, food safety, food markets, and nutrition. ERS' strength in data linking, and in developing, modeling, and monitoring outcome measures, including program performance and agricultural productivity growth, will contribute substantively to advance USDA's priority goals.

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

- 1) A decrease of \$10,612,000 and no FTEs for salaries and expenses (\$80,000,000 and 244 FTEs available in 2025).

The funding change is requested for the following items:

- A. A decrease of \$7,612,000 for pay and employee costs and 244 FTEs available in 2025.

In pursuit of streamlining workforce efforts, facilities, and other government efficiencies, the Economic Research Service has reduced staff from 329 to 244. The agency will reduce or sunset research on lower priority items, including research that does not directly benefit the taxpayer, like international food assistance, developing country markets, international productivity, and food loss and waste monitoring and research. ERS will not initiate new climate research. Communication activities, such as reports, charts, webinars, and data products will be streamlined to minimize information overload and promote only the most important findings. ERS will also use funding for any staff relocation actions that may be required.

- B. A decrease of \$1,000,000 for Congressionally Directed Reports.

In pursuit of streamlining workforce efforts, facilities, and other government efficiencies, ERS will reduce staff working on white papers for Congressionally Directed reports, while continuing to meet statutory deadlines. ERS is regularly required to conduct reports at the request of Congress or other external stakeholders to meet urgent needs. Being timely, relevant, and data driven is a core value of ERS' mission and ERS will work diligently to continue meeting its deadlines and providing accurate data with fewer resources. The following are examples of reports requested; Rural Tract Codes (Senate and Explanatory Notes); Nutrition Security Metrics (Senate and Explanatory Notes); Agritourism (House Report 117-392); Continuous Living Cover (House Report 117-82); Carbon Sequestration (House Report 117-82) and Incentives for Voluntary Carbon Sequestration (Senate Report 117-34); and Land Access Report (House Report 117-82).

- C. A decrease of \$2,000,000 for data acquisitions related to food markets and prices.

In pursuit of streamlining workforce efforts, facilities, and other government efficiencies, ERS will reduce the acquisition of primary data on food markets and choices, as well as the prices American consumers pay for food. ERS has a robust Consumer Food Data System that provides a comprehensive, integrated set of data that delivers relevant, accurate, and credible evidence to inform USDA, Congress, and the public about the food sector, from farmgate to fork, about key national issues such as diet quality, food security, food prices and more.



However, ERS is able to produce a robust set of data products, statistics, analysis, and reports using a combination of survey data, proprietary data, and data acquired through interagency agreements on these topics. To limit spending taxpayer dollars on duplicative activities, ERS will reduce its investment in the CFDS by \$2,000,000 and promote its use of interagency agreements to acquire data related to food markets and prices.

#### **GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs**

**Table ERS-7. Geographic Breakdown of Obligations and FTEs (thousands of dollars, FTEs)**

| State/Territory/Country    | 2023   |      | 2024     |      | 2025      |      | 2026      |      |
|----------------------------|--------|------|----------|------|-----------|------|-----------|------|
|                            | Actual | FTEs | Actual   | FTEs | Estimated | FTEs | Estimated | FTEs |
| California .....           | \$480  | -    | -        | -    | -         | -    | -         | -    |
| Colorado .....             | 4      | -    | -        | -    | -         | -    | -         | -    |
| District of Columbia ..... | 26,034 | 79   | \$27,183 | 93   | \$27,183  | 104  | \$24,000  | 70   |
| Florida .....              | 62     | -    | -        | -    | -         | -    | -         | -    |
| Georgia .....              | 30     | -    | -        | -    | -         | -    | -         | -    |
| Illinois .....             | 15     | -    | -        | -    | -         | -    | -         | -    |
| Indiana .....              | 80     | -    | -        | -    | -         | -    | -         | -    |
| Iowa .....                 | 80     | -    | -        | -    | -         | -    | -         | -    |
| Kentucky .....             | 73     | -    | -        | -    | -         | -    | -         | -    |
| Maryland .....             | 30     | -    | -        | -    | -         | -    | -         | -    |
| Massachusetts .....        | 3,172  | -    | -        | -    | -         | -    | -         | -    |
| Michigan .....             | 439    | -    | -        | -    | -         | -    | -         | -    |
| Missouri .....             | 60,443 | 231  | 63,429   | 219  | 63,429    | 225  | 56,000    | 174  |
| Nebraska .....             | 90     | -    | -        | -    | -         | -    | -         | -    |
| Nevada .....               | -      | -    | -        | -    | -         | -    | -         | -    |
| New Mexico .....           | 121    | -    | -        | -    | -         | -    | -         | -    |
| New York .....             | 1,036  | -    | -        | -    | -         | -    | -         | -    |
| North Carolina .....       | 77     | -    | -        | -    | -         | -    | -         | -    |
| Ohio .....                 | 40     | -    | -        | -    | -         | -    | -         | -    |
| Oklahoma .....             | 20     | -    | -        | -    | -         | -    | -         | -    |
| Pennsylvania .....         | 96     | -    | -        | -    | -         | -    | -         | -    |
| Utah .....                 | 35     | -    | -        | -    | -         | -    | -         | -    |
| Virginia .....             | 105    | -    | -        | -    | -         | -    | -         | -    |
| West Virginia .....        | 50     | -    | -        | -    | -         | -    | -         | -    |
| Obligations .....          | 92,612 | 310  | 90,612   | 312  | 90,612    | 329  | 80,000    | 244  |

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

**CLASSIFICATION BY OBJECTS****Table ERS-8. Classification by Objects (thousands of dollars)**

| Item No.  | Item   | 2023 Actual | 2024 Actual | 2025 Estimated | 2026 Estimated |
|---|--|-------------|-------------|----------------|----------------|
| <b>Personnel Compensation:</b>                                |  |             |             |                |                |
|   | Washington D.C. ....                               | \$10,649    | \$11,488    | \$12,788       | \$9,649        |
|   | Personnel Compensation, Field.....                 | 25,848      | 21,512      | 25,848         | 20,340         |
| 11  | Total personnel compensation .....                 | 36,497      | 33,000      | 38,636         | 29,989         |
| 12  | Personal benefits.....                             | 12,952      | 13,985      | 15,913         | 14,667         |
| 13.0  | Benefits for former personnel.....                 | 15          | 15          | 6              | 6              |
|   | Total, personnel comp. and benefits.....           | 49,464      | 47,000      | 54,555         | 44,662         |
| <b>Other Objects:</b>   |  |             |             |                |                |
| 21.0  | Travel and transportation of persons.....          | 1,000       | 1,000       | 1,000          | 1,000          |
| 23.1  | Rental payments to GSA .....                       | 1,000       | 1,000       | 1,000          | 1,000          |
| 23.3  | Communications, utilities, and misc. charges ..... | 600         | 1,000       | 1,000          | 1,000          |
| 24.0  | Printing and reproduction .....                    | 75          | 75          | 57             | 338            |
| 25.1  | Advisory and assistance services .....             | 8,000       | -           | -              | -              |
| 25.2  | Other services from non-Federal sources.....       | 3,000       | 3,000       | 3,000          | 1,000          |
| 25.3  | Other goods and services from Federal sources ..   | 13,508      | 14,000      | 14,000         | 14,000         |
| 25.4  | Operation and maintenance of facilities .....      | 600         | -           | -              | -              |
| 25.5  | Research and development contracts .....           | 12,060      | 21,000      | 14,000         | 14,000         |
| 25.7  | Operation and maintenance of equipment .....       | 2,780       | -           | -              | -              |
| 26.0  | Supplies and materials.....                        | 660         | 2,537       | 2,000          | 3,000          |
| 31.0  | Equipment.....                                     | 350         | -           | -              | -              |
| 41.0  | Grants, subsidies, and contributions .....         | 15          | 0           | 0              | 0              |
|   | Total, Other Objects.....                          | 43,648      | 43,612      | 36,057         | 35,338         |
| 99.9  | Total, new obligations .....                       | 93,112      | 90,612      | 90,612         | 80,000         |
| <b>DHS Building Security Payments</b> (included in 25.3)..... |  |             |             |                |                |
|   |  | \$521       | \$582       | \$585          | \$595          |
| <b>Information Technology Investments:</b>                    |  |             |             |                |                |
| Major Investment 1  |  |             |             |                |                |
| Related Mission Area PPA #1                                   |  |             |             |                |                |
| 25  | Outside Services (Consulting) .....                | \$1,000     | \$1,000     | \$1,000        | \$1,000        |
|   | Total Major Investment 1 .....                     | 1,000       | 1,000       | 1,000          | 1,000          |
|   | Total Non-Major Investment .....                   | 0           | 0           | 0              | 0              |
|   | Total IT Investments .....                         | 1,000       | 1,000       | 1,000          | 1,000          |
| <b>Cybersecurity</b>  |  |             |             |                |                |
|   | Identify .....                                     | 15          | 58          | 59             | 59             |
|   | Recover .....                                      | 0           | 0           | 0              | 0              |
|   | Total Cybersecurity .....                          | 40          | 83          | 84             | 84             |
| <b>Position Data:</b>   |  |             |             |                |                |
|   | Average Salary (dollars), ES Position .....        | \$200,695   | \$206,716   | \$217,465      | \$221,814      |
|   | Average Salary (dollars), GS Position.....         | \$124,820   | \$128,565   | \$135,250      | \$137,955      |
|   | Average Grade, GS Position .....                   | 13.5        | 13.6        | 13.7           | 13.7           |

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

**STATUS OF PROGRAMS**

The Economic Research Service (ERS) anticipates trends and emerging issues in agriculture, food, the environment, and rural America and conducts high-quality, objective economic research to inform and enhance public and private decision making. ERS shapes its research program and products to serve those who routinely make or influence public policy and program decisions. ERS research provides context for and informs the decisions that affect the agricultural sector, which in turn benefits everyone with efficient stewardship of our agricultural resources and the economic prosperity of the sector. As a Federal Statistical Agency, ERS provides timely, objective data on the well-being of America's farmers, consumers, natural resources, and rural communities.

**Enhance farm sector and household well-being and rural prosperity**Current Activities:

ERS conducts research that strengthens the understanding of American farms, the agricultural sector, and rural communities. This includes analysis of commodity markets, the competitiveness of U.S. farms at home and abroad, and the health of the rural economy. ERS research and analysis provides insights into market conditions facing U.S. agriculture, potential avenues for innovation and market expansion, and the effects of farm policies. The agency conducts research on the effects of new agricultural technologies and practices on farm business and sector performance as well as their implications for the changing size and organization of U.S. farms. ERS produces USDA's estimates of farm business and farm household income and identifies and analyzes market structure and technological developments that affect farm efficiency and profitability.

ERS research and analysis also provides insights into how the agricultural sector is evolving in both the short and long term. ERS's ongoing Commodity Outlook and Cost of Production programs address the impacts of market factors impacting supply, demand, prices, and costs and returns of agricultural commodities.

- The Commodity Outlook program produces monthly outlook reports and research results for 25 commodities, including most of the major U.S. crop, livestock, dairy, and poultry commodities.
- Cost of Production analysts produce annual estimates for 12 major crops, livestock, and dairy commodities and conduct research on the factors impacting commodity costs and returns.
- This foundational work enables ERS to provide quick analysis for USDA leadership and Congress, and statistical data and analysis to inform decision makers in the public and private sectors.

Analysis of the major factors driving the outlook for agricultural commodity markets plays a central role in supporting USDA's World Agriculture Supply and Demand Estimates (WASDE), which serves as the benchmark for information on major global commodities. Each year ERS also coordinates the USDA's Baseline projections for U.S. and world agriculture for the coming decade. The 202 long-term projections were presented at the 2024 USDA Agricultural Outlook Forum and helped shape planning for the federal budget. *Baseline Projections* have long supported Farm Service Agency's estimation of budget costs for farm program commodities. In addition to its importance for USDA's policymakers, the annual *Baseline Projections* report and related data products are essential references for public and private decision makers.

ERS's rural research explores how investments in businesses, communities, and people affect the capacity of rural economies to prosper in a changing global marketplace. The agency analyzes how employment opportunities, Federal policies, demographic trends, and public investment in infrastructure and technology enhance economic opportunity and quality of life for rural Americans.

Recent Progress:

*Farm income and wealth statistics measure the financial performance of the U.S. farm sector.* ERS provides authoritative information on the financial health of the farm sector, including the performance of farm businesses and well-being of farm households. Published three times a year, these core statistical indicators provide guidance to policy makers, lenders, commodity organizations, farmers, and others interested in the financial status of the farm economy. ERS's farm income statistics also inform the computation of agriculture's contribution to the U.S. economy in the Bureau of Economic Analysis statistics for Gross Domestic Product.

*Between 1948 and 2021, total farm output grew by 1.46 percent annually.* Since the 1960s, the USDA has been monitoring the U.S. farm sector's productivity. Over time, the composition of inputs to agriculture has changed, shifting from labor and land use to more use of intermediate inputs and durable capital assets. During the period, input quality changes in labor, capital (including land), and intermediate inputs contributed positively to annual output growth. While total inputs in agriculture declined annually, total factor productivity, a measure of the efficiency of inputs, grew at nearly 1.5 percent per year, singlehandedly driving farm output growth over the seven-decade period. In 2021, total farm output was about 2.9 times its 1948 level.

*Between 2020 and 2023, population growth occurred in rural America as a whole and was concentrated among younger and older age groups.* ERS provides up-to-date information on rural economic and demographic trends in an annual series, Rural America at a Glance. The latest report indicates that working age populations in rural counties are shrinking, resulting in greater concentration in younger and older age groups. The findings were communicated via a public webinar and in briefings to senior USDA policy makers.

**Expand trade and market access for American agriculture**Current Activities:

ERS conducts research on the economic performance and competitiveness of U.S. agriculture in international markets. U.S. producers rely on export markets to sell agricultural and food products, sustain and grow revenues, and contribute to employment, particularly in rural communities. This research program examines emerging patterns of agricultural trade and the associated economic drivers including income and population growth, and domestic and trade policies, and provides information on the principal underlying factors affecting U.S. and global agricultural trade.

ERS conducts research on the state of global food security, including factors affecting food production and the ability to import food, in Africa, Asia, Latin America and the Caribbean, and the Commonwealth of Independent States. A demand driven framework is used to assess food demand across global regions and countries, ERS informs decision makers in the United States and throughout the world with its annual assessment of international food security.

Recent Progress:

*U.S. agricultural exports to Southeast Asia increased from \$9.4 to \$14.2 billion from 2012 to 2022, and the U.S. share of Southeast Asia's agricultural imports was steady at just over 11 percent.* Southeast Asia has potential for growth as an agricultural export market, with its growing population of middle-class consumers, especially for exporters such as the United States. Leading U.S. exports to Southeast Asia are soybean products, wheat, cotton, skim milk powder, and distillers' grains. China and Brazil, two of the top competitors, were the only exporters that gained market share over the period. China surpassed the United States to become the largest foreign supplier of agricultural goods to Southeast Asia, but few of China's products compete directly with U.S. products. However, Brazil's soybean products, cotton, poultry, and beef compete with U.S. products. Currently, the primary U.S. competitors for major agricultural commodities exported to Southeast Asia are Brazil, Australia, New Zealand, the European Union, China, India, Canada, and Argentina.

**Improve the Nation's nutrition and reducing food prices**Current Activities:

ERS conducts research on the economic forces influencing consumer food choices and the effect of these choices on nutrition and health outcomes. To understand these relationships, ERS examines the interactions between factors such as food prices, grocery store accessibility, food labeling, household income, and household composition. Market and industry level factors examined include product offerings by firms, changes in store types and store formats, firm and consumer reactions to food safety incidences, and the role of government programs and the food system as a whole in the macro-economy.

ERS analyzes USDA's food and nutrition assistance programs, often coordinating research priorities with USDA's Food and Nutrition Service. These programs receive substantial Federal funding and affect the daily lives of millions of America's children. Long-term research themes include food security outcomes, dietary and nutritional outcomes, food program targeting and delivery, and measurement of program participation.

ERS food safety research focuses on enhancing methodologies for valuing societal benefits associated with reducing food safety risks, understanding consumer and producer responses to food safety incidents, assessing industry incentives to enhance food safety through new technologies and supply chain linkages, and evaluating regulatory options and change. ERS research also investigates the safety of food imports and the efficacy of international food safety policies and practices.

Recent Progress:

The USDA, Economic Research Service (ERS) Food Price Outlook (FPO) provides data on food prices and forecasts annual food price changes up to 18 months in the future. On a monthly basis, USDA, ERS forecasts the annual percentage change in food prices for the current year and, beginning in July each year, for the following year. These forecasts are primarily based on the U.S. Department of Labor, Bureau of Labor Statistics (BLS) Consumer Price Index (CPI) and Producer Price Index (PPI) data. USDA, ERS typically releases its monthly update on the 25th of the month. Food insecurity prevalence was 25.3 percent for the military population and 10.1 percent in the demographically equivalent civilian adult population in 2018 and 2020. Food security is vital to maintaining military readiness. This study compares the food insecurity rates of active-duty U.S. military with the civilian adult populations. A more severe form of food insecurity, very low food security, was estimated to be 10.5 percent of the military population in 2018 and 2020, compared with 3.6 percent of the comparable civilian adult population during this period. The findings demonstrate that the military population is at elevated risk for food insecurity and that food insecurity measures can be used to reliably construct measures of active-duty service members' food insecurity for monitoring and research purposes.

This page was intentionally left blank.

**AGENCY-WIDE PERFORMANCE****Introduction**

The Economic Research Service (ERS) was established April 3, 1961, within the Department of Agriculture to anticipate trends and emerging issues in agriculture, food, the environment, and rural America and to conduct high-quality, objective economic research to inform and enhance public and private decision making. ERS shapes its research program and products to serve those who routinely make or influence public policy and program decisions. Key clientele includes White House and USDA policy officials; the U.S. Congress; program administrators/managers; other Federal agencies; State and local government officials; and organizations, including farm and industry groups. ERS research provides context for and informs the decisions that affect the agricultural sector, which in turn benefits everyone with efficient stewardship of our agricultural resources and the economic prosperity of the sector.

The purpose of the Summary of Performance section is to provide an update on Performance and Evidence and Evaluation efforts, facilitating compliance with the Government Performance Results Modernization Act (GPRMA) and the Evidence Act of 2018, as well as departmental Key Performance Indicators (KPI). The Office of Budget and Program Analysis (OBPA) leads the Department in performance, evaluation, evidence, and risk management and chairs the Performance, Evaluation, Evidence Committee (PEEC) and the Enterprise Risk Management (ERM) committee. Each USDA Mission Area is represented on these committees.

The Research, Education, and Economics (REE) mission area and the Office of the Chief Scientist are jointly represented through the OCS' Strategic Planning, Program Evaluation, and Enterprise Risk Officer, whose team functions as the coordinating members on USDA's PEEC and ERM committees.

The Research, Education, and Economics (REE) mission area of the U. S. Department of Agriculture has Federal leadership responsibility for advancing scientific knowledge related to agriculture through research, extension, and education. The mission area office is led by the Under Secretary for the Research, Education, and Economics (REE) and Chief Scientist for USDA, whose responsibilities include oversight of the four agencies that comprise OCS/REE, the Agricultural Research Service (ARS), National Institute for Food and Agriculture (NIFA), Economic Research Service (ERS), and National Agricultural Statistics Service (NASS.) The National Agricultural Library, National Arboretum, and the Office of the Chief Scientist also fall under this mission area.

The mission of the Office of the Chief Scientist (OCS) is to provide strategic coordination of the science that informs the Department's and the Federal government's decisions, policies, and regulations that impact all aspects of U.S. food and agriculture, related landscapes, and communities.

Therefore, REE performance, evaluation, evidence and risk management efforts are coordinated and led by the Office of the Chief Scientist on behalf of the Mission Area. The OCS Strategic Planning, Program Evaluation, and Enterprise Risk Officer leads the Mission Area by chairing two committees: the OCS/REE Performance, Evaluation and Evidence Committee (OCS/REE-PEEC) and the OCS/REE Enterprise Risk Management (ERM) Committee. The two Mission Area committees are comprised of REE agency leaders in performance, evaluation, evidence and risk management, as well as the Mission Area's functional and operational leads as necessary.

**Alignment to USDA Strategic Plan**

ERS 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>.