

# ECONOMIC RESEARCH SERVICE

The Economic Research Service (ERS) is a principal federal statistical and social science research agency within the U.S. Department of Agriculture (USDA). Its mission is to anticipate trends and emerging issues in agriculture, food, the environment, and rural America and to conduct high-quality, objective research to inform and enhance public and private decision making. ERS is ranked [#3 in the world](#) for institutions conducting economic research in the field of agricultural economics (out of 2,512 institutions), a position maintained for most of the past 15 years. The origins of ERS date back to 1905; in 1961, USDA created ERS with responsibility to conduct economic research and policy analysis that informs program and policy decisions throughout the USDA. The ERS intramural research program consistently provides USDA program agencies and the public with timely, high-quality, respected, and objective analytical findings that allow them to evaluate, assess, and improve their service to the American public.

\*\*The following is based on publicly available information and select information from our questionnaire.

## STRENGTH OF ERS'S SUPPORT†

**Autonomy: Mixed.** No current threats but lacks enabling legislation and agency-specific professional autonomy protections in statute. Generally has good professional autonomy within USDA. The agency has broad contract, grant, and cooperative agreement authorities, helping with spending flexibility.

**Budget/Staffing: Challenging.** ERS has lost 27% in purchasing power since FY 2009, which—together with no multiyear funding—makes it challenging for ERS to continue [its impressive innovation record](#) in order to produce relevant and timely data. Staffing is commensurate with the agency's budget and current programs.

**Parent agency: Good.** USDA generally provides satisfactory shared services that ERS needs and, with the exception of the 2018–2021 period, has requested budget increases that would help the agency maintain purchasing power and ability to produce relevant and timely data. The USDA Office of the Chief Information Officer (CIO) supports much of ERS's IT operations. The arrangement generally works well, with occasional delays or hurdles.

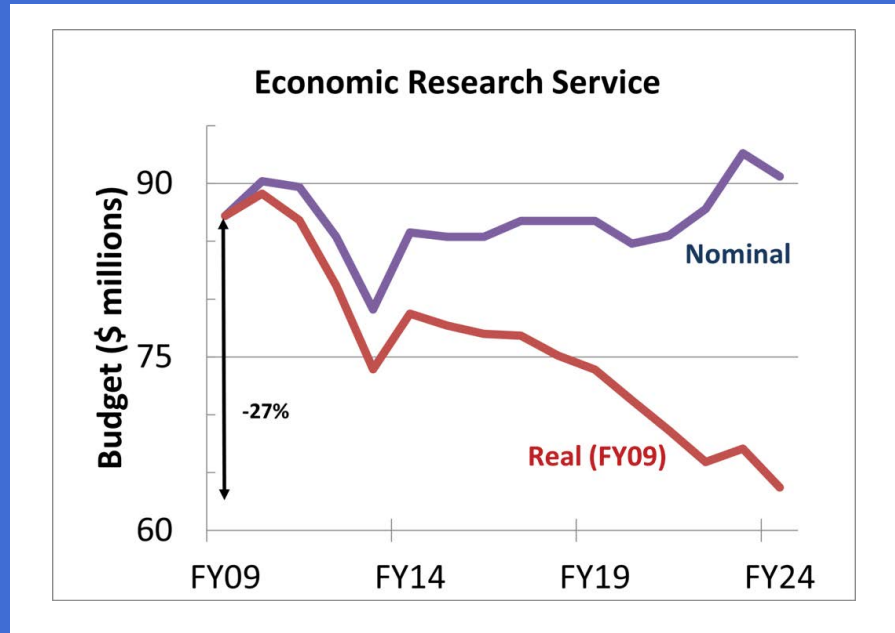
† See Supporting Materials F for an explanation of the support ratings.

## AGENCY FAST FACTS

**Budget inputs and FY24 level**

1. Appropriations line item: \$90.6M.

**Funding history, inflation adjusted**



**Appointment of head & layers down in USDA org chart**

ERS is one of eight principal federal statistical agencies for which the head is a career senior executive service appointee.

**Two:** The ERS administrator reports to the Under Secretary of Research, Education, and Economics, who reports to the Secretary of Agriculture.

**Other**

- ➔ Approximately two-thirds of ERS staff are economists and other social sciences (e.g., demography, sociology), almost all with advanced degrees (i.e., Masters and PhDs).
- ➔ ERS occasionally administers its own surveys. The agency co-funds the Agricultural Resource Management Survey (ARMS) annually with USDA's National Agricultural Statistical Service (NASS). ERS routinely obtains administrative data from other USDA and federal agencies, acquires access to record-level data when needed, and procures proprietary data from various sources.
- ➔ Media inquiries to ERS have risen dramatically over the last two fiscal years and continue to grow.

<p><b>Recent successes</b></p>	<ul style="list-style-type: none"> <li>→ ERS has largely rebuilt its economic staffing levels to pre-relocation levels. (See Box 4a in the report for a brief summary of the relocation.)</li> <li>→ ERS has returned to and exceeded its pre-relocation annual number of reports. Its FY23 reports, which numbered 78, included two new products in FY23: the <u>Poverty Area Measures</u> and the <u>Area and Road Ruggedness Scales</u>.</li> <li>→ ERS has also restored the daily release of its popular Charts of Note, which highlights current and past research, accompanied by the development and release of Charts of Note apps for iOS and Android phones.</li> <li>→ ERS maintained its <u>#3 ranking in the world for institutions in the field of agricultural economic research</u> (out of 2,500+ institutions).</li> <li>→ ERS has a large number of annual website views with steady growth from 6.3 million views in FY 2019 to 10.2 million views in FY 2023.</li> <li>→ ERS partnered with the Robert Wood Johnson Foundation to fund projects that look at improving equitable access to healthy food.</li> <li>→ ERS consistently delivered improvements to its coverage, data quality, and timeliness. This delivery culture and agility allowed the agency, for example, <u>at the onset of the Covid-19 pandemic to produce new weekly retail food statistics and to deliver unique analyses and data to policymakers regarding infant formula shortages. ERS also delivered timely data on food inflation for both food at home and food away from home.</u></li> </ul>
<p><b>Agency strengths</b></p>	<ul style="list-style-type: none"> <li>→ ERS currently has strong parent agency support and engagement, as demonstrated through inclusion in department leadership meetings and in department- or administration-wide policy initiatives and regular praise of ERS for its work. Other than FY 2018–FY 2021, USDA has also requested budget increases for ERS that would allow it to maintain programs and to innovate.</li> <li>→ ERS regularly engages data users through hosting of conferences—five in the last three years—and webinars—16 in FY 2023. ERS also participates in the NASS Public Data Users Meeting twice a year. The agency uses feedback from data users to improve its programs and inform its research agenda.</li> <li>→ ERS collaborates extensively within USDA and across the federal system and maintains approximately 200 cooperative agreements with universities and other partners at any given time. The cooperative agreements allow the agency to augment its in-house expertise, often when there are special requests for studies in appropriations or Farm Bill requirements. For example, following a study collaboration with the University of Missouri, ERS recently released a report on increasing the value of animal manure with emerging technologies. Another example involved collaboration with the University of Tennessee and the University of Montana on a study highlighting the impact of climate change on the livestock forage disaster program.</li> <li>→ ERS actively meets with officials throughout USDA to demonstrate transparency and relevance and to build trust and maintain professional autonomy.</li> <li>→ ERS annually documents its <u>plans and accomplishments</u>.</li> </ul>

<p><b>Agency threats/ vulnerabilities</b></p>	<ul style="list-style-type: none"> <li>➔ ERS lacks enabling legislation and statutory protection for professional autonomy.</li> <li>➔ The former administration attempted to eliminate and weaken the agency through hasty relocation, resulting in 70% staff loss, which has largely been made up.</li> <li>➔ ERS uses data from other agencies in its work. When those data are discontinued, it affects ERS's ability to continue some of its research and data products that rely on those data. For example, ERS's <a href="#">Eating and Health Module</a> to the BLS Time Use Survey has been suspended. As described on its program page, "Knowing more about eating patterns, grocery shopping, and meal preparation ... can inform the design of food and nutrition assistance policies and programs."</li> </ul>
<p><b>Agency challenges</b></p>	<ul style="list-style-type: none"> <li>➔ ERS has lost 27% in purchasing power since FY 2009, leaving the agency challenged to continue longer-term products that are widely relied upon address emerging issues as part of its charge to produce relevant and timely statistics.</li> <li>➔ One-year budget cycle restrictions hinder ERS's ability to innovate and its long-term survey planning. Survey redesign or ramp-up can take years. This situation is aggravated by continuing resolutions and government shutdowns.</li> <li>➔ ERS continues to have only some authority on decisions regarding IT infrastructure and server access, in coordination with the USDA CIO.</li> <li>➔ Limited resources impede ERS's ability to maintain its culture of innovation and systematically address the rapidly changing environment for data sources and meeting the requirements in laws such as the Federal Information Technology Acquisition Reform Act and the Evidence Act. At 20% of ERS's annual budget, purchasing data will continue to be a challenge to meet growing data acquisition costs. This dynamic landscape requires new resources and staff with an ERS-led effort because of the subject matter expertise necessary to be effective and efficient.</li> </ul>
<p><b>Agency opportunities</b></p>	<ul style="list-style-type: none"> <li>➔ With additional funding, ERS could pursue such initiatives as those proposed in the <a href="#">FY 2024</a> and <a href="#">FY 2025</a> President's budget requests, including a "survey of local irrigation decisions and their impact on drought resistance"; a new annual conservation data series related to greenhouse gas emissions from agriculture; the soils component of the Natural Capital and Environmental-Economic Statistics; and "white papers and ad hoc analyses requests from congress."</li> <li>➔ Additional resources would allow ERS to navigate the dynamic data environment to build on its successful culture of innovation.</li> </ul>
<p><b>Agency-specific recommendations</b></p>	<p>In addition to the all-agency recommendations in the body of the report, we recommend that:</p> <ul style="list-style-type: none"> <li>➔ Congress authorize a portion of ERS's budget to be used across fiscal years in order to provide much-needed flexibility to adequately plan for multiyear projects, including survey redesigns and ramp-ups.</li> <li>➔ USDA strengthen its commitment to ERS through increased agility and support for IT and hiring services.</li> </ul>