

# USDA ERS Update

National Association of Agricultural  
Economics Administrators (NAAEA)

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# ERS celebrates 50<sup>th</sup> anniversary

- ERS founded on April 3, 1961 by USDA Secretary Orville Freeman
- Recommend “Founding Fathers” video of Willard Cochrane, John Schnittker and Kitty Smith discussing early days and ERS accomplishments:

<http://www.ers.usda.gov/AboutERS/ERSHistory/50thAnniversary/Videos>

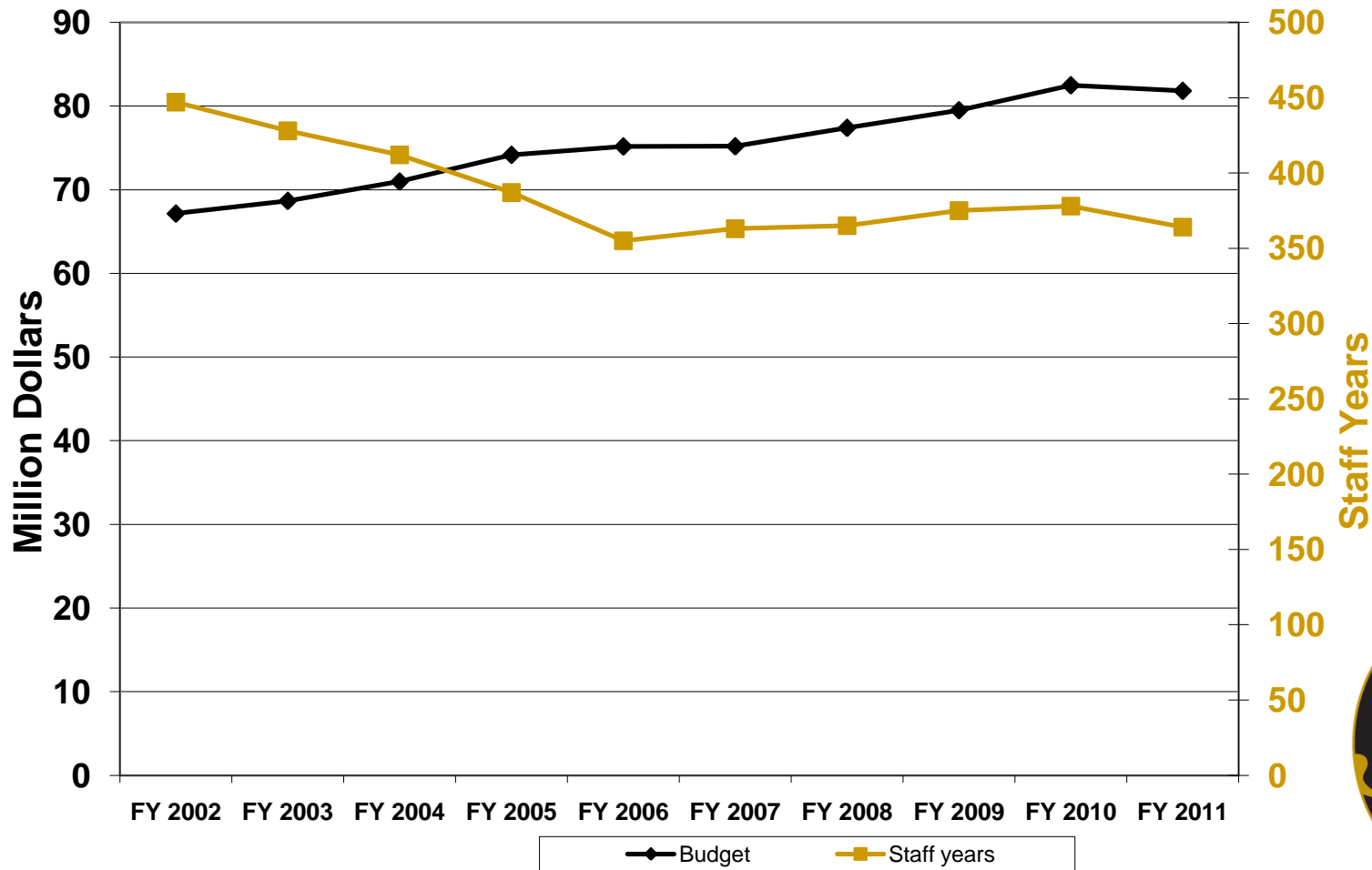


# Topics

- Budget
  - Recent trends and components
- Agency priorities
  - Farm bill related research
  - Data and model investments
  - Investments in staff and data
- Looking forward
  - Next Administrator
  - FY 12 budget

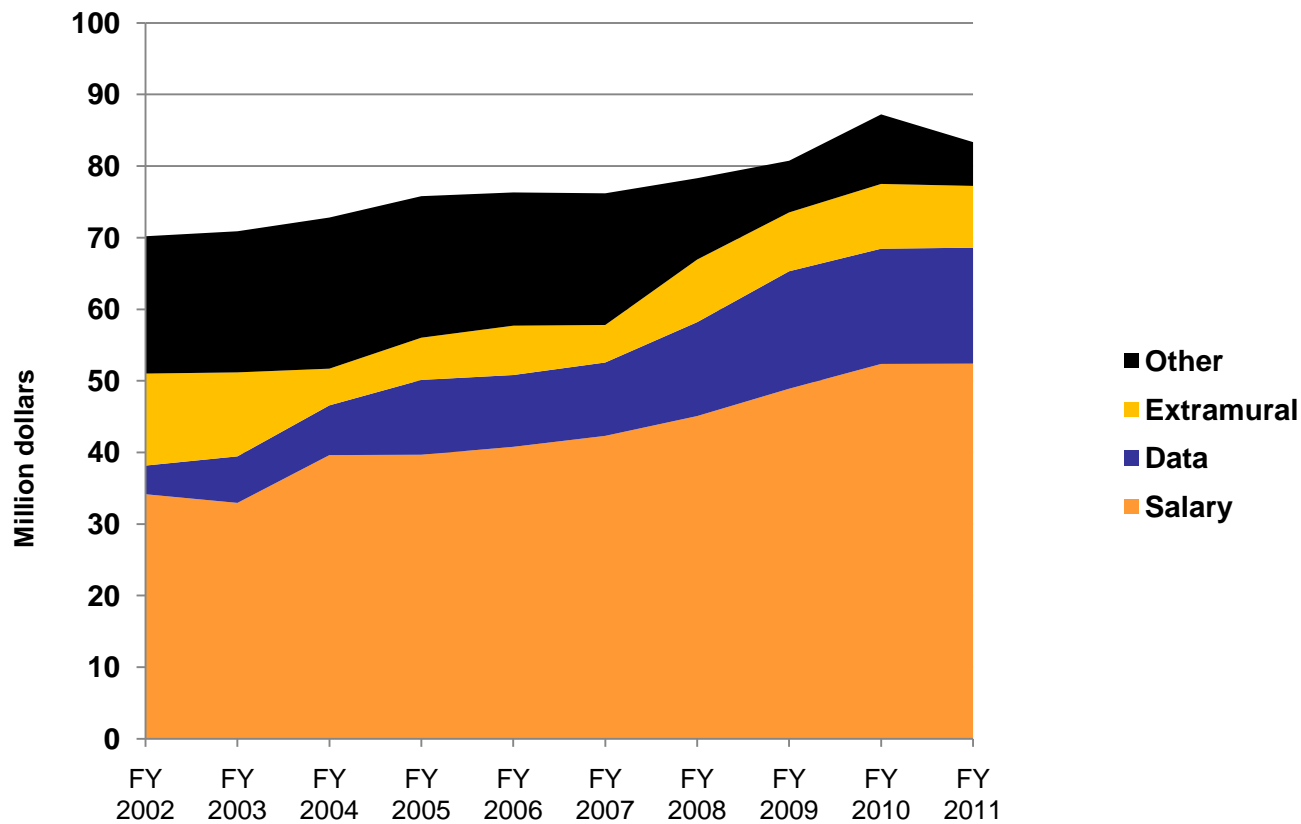


# Budget & staff stability in recent years



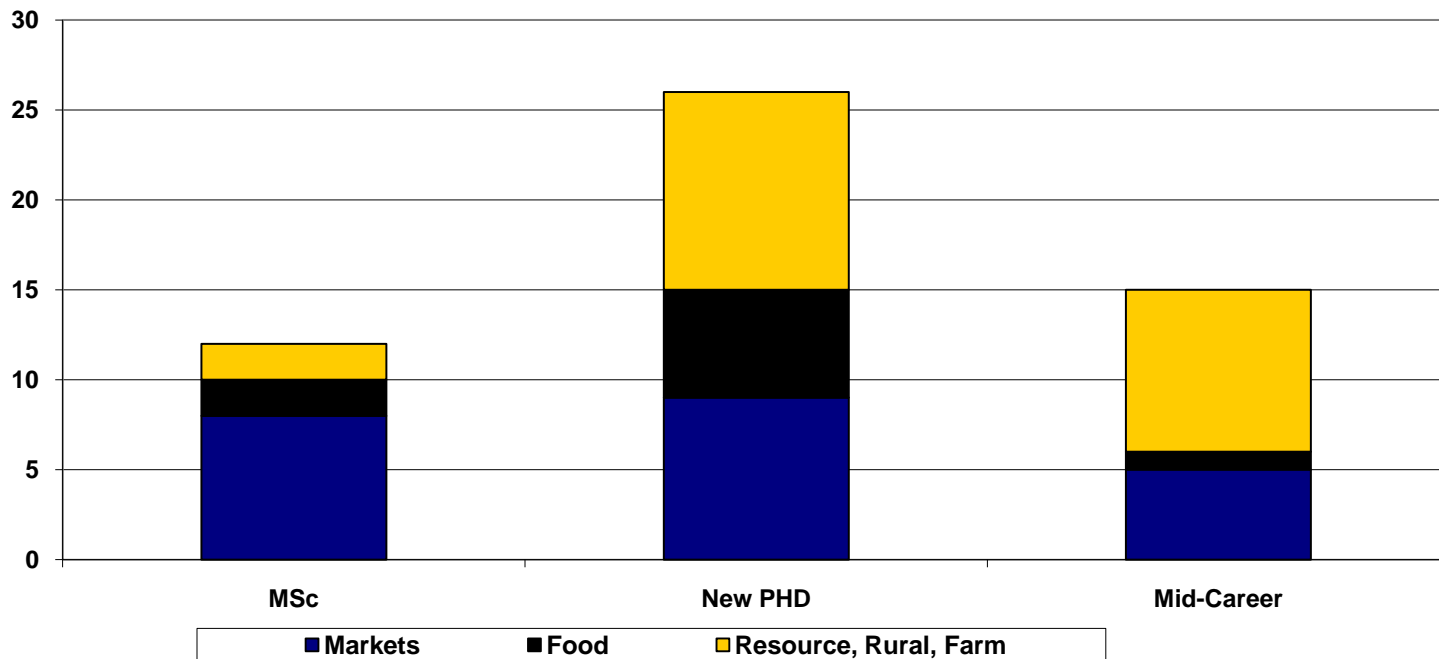
# Major spending categories

## Appropriations & reimbursable funds



# Investing in the future with new research staff

Hiring: October 1, 2008 to present



# Research priorities (farm bill)

- Farm commodity policy
  - Distribution of USDA program payments
  - Assessing Duplication in the U.S. Farm Safety Net
  - Redesigning ACRE: Alternative Aggregate Revenue Triggers
  - Risk Protection Overlap and Complementarity of ACRE and Crop Revenue Insurance
  - Alternative dairy policy: risk management and margin insurance



# Research priorities (farm bill)

- Conservation policy
  - Rising Commodity Prices and the Conservation Reserve Program
  - *Grassland to Cropland Conversion in the Northern Plains: The Role of Crop Insurance, Commodity, and Disaster Programs*
  - Options for Improving Conservation Programs: Evidence from Economics Experiments
  - Economics of conservation compliance



# Research priorities (farm bill)

- Rural development policy
  - Impacts of Regional Approaches to Rural Development
  - Rural Prosperity and Wealth Creation
  - Energy and rural communities
- Nutrition policy
  - *SNAP UP: What's Driving the Rapid Rise in the Number of Americans Getting Food Assistance?*



# Selected other research priorities

- Energy policy
- Food price levels and volatility
- Global agricultural productivity
- Water quality and agriculture
  - Nitrogen management
  - Chesapeake Bay TMDL
- Role of USDA's food assistance programs in promoting food security and better nutrition for low income populations



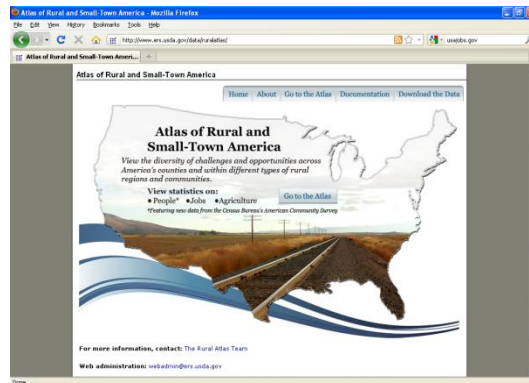
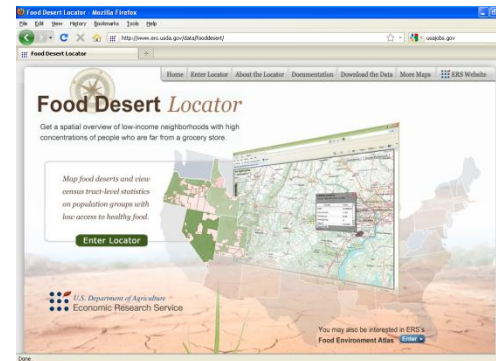
# Research investments

- Enhance commodity and conservation models
  - Convert baseline model to SAS-based platform (FAPSIM)
  - Enhance commodity policy and energy market components (PEATSIM)
  - New components for biofuels (FARM, REAP)
  - Long term capability for CGE model with environmental indicators (FARM)



# New GIS based mapping tools

- Explore indicators
- Data provided for research



# Extramural & data expenditures represent major investments

- Support and complement intramural research program
- Extramural competitive funding has evolved over time
  - FANRP
  - Environmental services (2010)
  - Behavioral
  - Invasive species



# Extramural & data expenditures represent major investments (cont)

- Agricultural Resource Management Survey (ARMS) for farm business and household  
([www.ers.usda.gov/Briefing/ARMS](http://www.ers.usda.gov/Briefing/ARMS))
  - Foundation of farm income estimates and research program
  - Resource for academic research
- Rural enterprise and rural community surveys



# Extramural & data expenditures represent major investments (cont)

- Consumer data

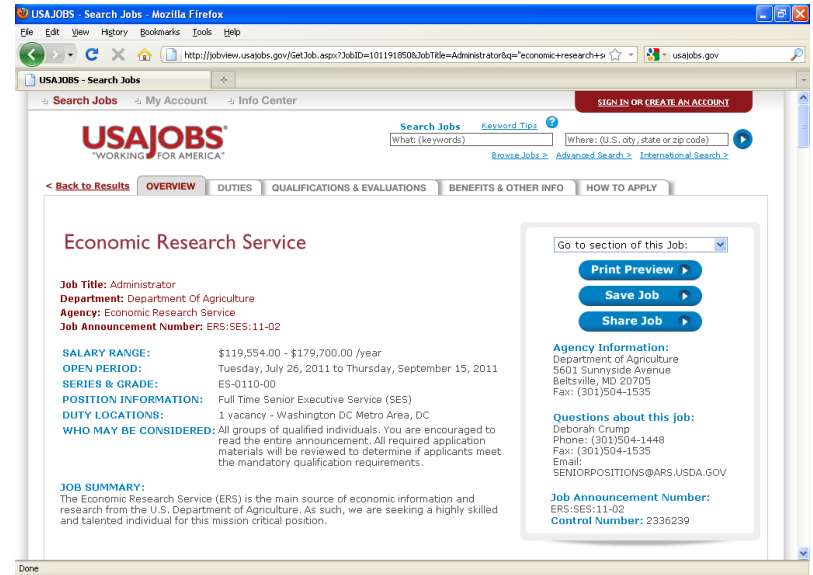
[http://www.ers.usda.gov/Briefing/DietQuality/recommended\\_data.htm](http://www.ers.usda.gov/Briefing/DietQuality/recommended_data.htm)

- Quarterly Food-at-Home Price Database (QFAHPD) supports research on economic determinants of food consumption
- Flexible Consumer Behavior Survey (FCBS)— Modules added to N-HANES support research on diet-health connections
- The National Household Food Acquisition and Purchase Survey (FoodAPS). A nationally representative survey of household food purchases and acquisitions.



# Next Administrator

- Acting Administrators since May
- Job announcement closes September 15<sup>th</sup>. Posted on USAJOBS website
- Search firm: JDG Associates, Ltd.



# Future budgets

- FY 2011 enacted: \$81.8 million
- FY 2012
  - President's budget: \$85.97 million including initiatives for behavioral economics and data investments
  - House appropriation bill: \$69.5 million
  - Senate agriculture appropriation committee: \$77.7 million

