



SEPTEMBER 2025

HARVESTING THE FUTURE:

ECONOMIC PROSPECTS OF THE UNITED STATES DEPARTMENT OF AGRICULTURE'S (USDA) FORT COLLINS MOVE

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ABOUT THE AUTHORS



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Dr. Caitlin McKennie is an experienced economist and demographer that comes to the Common Sense Institute (CSI) with more than eight years of experience working as a public servant for the State of Colorado. Her previous roles as an economist within the state government span across multiple agencies including: the State Demography Office (SDO) at the Department of Local Affairs (DOLA); the Colorado Workforce Development Council (CWDC) at the Department of Labor and Employment (CDLE); the Colorado Department of Higher Education (CDHE); the Office of State Planning and Budgeting (OSPB) at Governor Polis's Office; and the Department of Natural Resources (DNR). Caitlin is motivated by data analysis and empirical modeling as a tool for informed decision-making. She brings extensive experience in public policy and econometrics to this role at CSI in a manner that is outcome-focused and equity-driven. She holds an M.A. in applied economics from the University of Colorado, Denver, an M.S. in mineral and energy economics from the Colorado School of Mines, and a PhD in economics from the University of Stirling, Scotland.

Cooper Pollard – Common Sense Institute Intern

Pollard is a research intern at the Common Sense Institute. He is in his fourth year studying political science and economics at Carleton College. He enjoys the intersection of data and policy creation.

ABOUT COMMON SENSE INSTITUTE

Common Sense Institute is a non-partisan research organization dedicated to the protection and promotion of Colorado's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Coloradans. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so Coloradans are educated and informed on issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the economy and individual opportunity.

TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit of academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take positions.

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INTRODUCTION

Colorado's agriculture stands as a vital pillar of the state's successes and way of life. Spanning nearly half of Colorado's land area and supporting nearly 200,000 jobs, agriculture drives significant economic activity and spreads billions of dollars throughout the state. Ranking among the top producers of numerous crops and livestock products, and navigating the domestic and foreign markets, Colorado's farmers have stood tall, growing the sector and its various commodities significantly over time. Now, with a recent federal memorandum, Colorado's agriculture sector is positioned for even greater growth in the coming years.

On July 24th of this year, U.S. Secretary of Agriculture Brooke Rollins announced the U.S. Department of Agriculture (USDA) would relocate up to 2,600 personnel and operations to five new hubs, including one in Fort Collins, Colorado.ⁱ This decision is expected to bring economic and community benefits to the region. As part of a broader federal strategy to decentralize agencies and bring them closer to the agricultural communities they serve, this move positions Fort Collins as a growing hub for agricultural science, research, and innovation. The arrival of USDA staff and resources is projected to stimulate job creation, bolster local businesses, and enhance collaboration with Colorado State University (CSU), which ranks 23rd out of 157 for agricultural sciences in the United States, and other regional stakeholders.^{ii iii}

This report explores the overall outlook for Colorado's agricultural sector as well as the estimated economic impacts of the USDA relocation, highlighting both direct and indirect effects on employment, job growth, gross domestic product (GDP), output from businesses, and income.

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KEY FINDINGS

CSI evaluated multiple scenarios to assess the economic impact of relocating USDA employees to the Fort Collins area. By the end of 2026, the relocation is projected to boost business-related economic output by approximately:

- **\$270 million** assuming 500 movers;
- **\$537 million** assuming 1,000 movers;
- **\$805 million** assuming 1,500 movers;
- **\$1.1 billion** assuming 2,000 movers; and
- **\$1.4 billion** assuming 2,600 movers.

In terms of GDP growth, CSI's projections indicate a notable increase in regional economic activity tied to the USDA relocation. Estimated GDP gains by the end of 2026 include:

- **\$164 million** assuming 500 movers;
- **\$328 million** assuming 1,000 movers;
- **\$500 million** assuming 1,500 movers;
- **\$660 million** assuming 2,000 movers; and
- **\$854 million** assuming 2,600 movers.

CSI's findings also project significant job growth in the year following the USDA relocation. Estimated increases in employment include:

- **1,228 assuming** 500 movers;
- **2,456 assuming** 1,000 movers;
- **3,684 assuming** 1,500 movers;
- **4,911 assuming** 2,000 movers; and
- **6,386 assuming** 2,600 movers.

THE BACKBONE OF THE PLAINS: AN OVERVIEW OF COLORADO'S AGRICULTURAL LANDSCAPE

Colorado's agriculture industry has long been a cornerstone of the state's economy. From the fertile plains to the high-altitude valleys of the Rockies, Colorado's diverse geography supports a wide and prosperous sector, including crop production, cattle rearing, and aquaculture. Colorado is home to more than 36,000 farming operations. In fact, of Colorado's 66.3 million acres of land, almost half (30.2 million acres) were designated as farmland in the 2022 Census of Agriculture, allowing Colorado to be a distinguished competitor in a diverse array of commodities nationwide.^{iv}

In 2024, Colorado ranked among the top 10 states in the production of 14 different crop varieties, including proso millet, where it led the nation, and in seven major livestock categories. Additionally, a 2024 report from the Common Sense Institute identified Colorado as the nation's leading processor of lamb and sheep. Agriculture plays a vital role in the state's economy, contributing not only through direct channels such as employment and production, but also through indirect impacts like tax revenue and value-added activities.^v

Colorado's agriculture industry, a vital backbone of the state's economy and identity, drives significant economic output, fuels successful export markets, and sustains 195,000 jobs. It also produces top-tier crops and livestock, cementing Colorado's role as a national leader in agricultural production, and producing about **\$47 billion in economic output**.^{vi vii}

From the fertile plains to the high-altitude valleys of the Rockies, Colorado's diverse geography supports a wide and prosperous sector, including crop production, cattle rearing, and aquaculture.

BRINGING POLICY TO THE HEARTLAND: WHY THE USDA IS MOVING OUT WEST

In July 2025, the White House unveiled plans to relocate up to 2,600 USDA employees — roughly **56%** of the agency's Washington, D.C.-based workforce — to five newly established regional hubs. The move aims to streamline operations by reducing bureaucratic layers and positioning the department closer to the communities it serves. The new regional offices and their current federal locality rates include:

- Fort Collins, Colorado (30.5%);
- Raleigh, North Carolina (22.2%);
- Kansas City, Missouri (19.0%);
- Indianapolis, Indiana (18.2%); and
- Salt Lake City, Utah (17.1%).^{viii}

As part of this strategic decentralization effort, the USDA also plans to consolidate its nine regional U.S. Forest Service offices, primarily transitioning their operations into a single centralized location in Fort Collins.^{ix}

The College of Agricultural Sciences at CSU in Fort Collins has expressed strong support for the USDA relocation, arguing the move will bring additional experts and resources to the region. The USDA's increased presence is expected to enhance collaboration in key areas such as agriculture, food safety, and natural resource management, while also creating valuable opportunities for students and local industries.^x

A COMMUNITY TRANSFORMED: TRACKING THE ECONOMIC IMPACT OF USDA'S FORT COLLINS MIGRATION

Methodology

To assess the more immediate economic impacts of USDA relocators new to Fort Collins, CSI employed Regional Economic Models, Inc. (REMI) modeling to estimate the direct and indirect economic benefits associated with the incoming workforce. REMI is a dynamic, input-output economic simulation tool widely used by government agencies, research institutions, and policy organizations to estimate the effects of policy changes, population shifts, and economic development initiatives.

CSI's modeling assumed a one-time increase in federal civilian government employment in 2026, reflecting the anticipated arrival of USDA personnel in Fort Collins. To evaluate a range of possible economic outcomes, CSI developed multiple workforce population scenarios based on varying levels of relocation.

The modeling began with a conservative estimate of **500 new federal employees** — a number that would represent approximately one-fifth of the total 2,600 USDA workers expected to be relocated across all five regional hubs. From there, CSI modeled incremental increases of **1,000, 1,500, 2,000, and ultimately 2,600 employees, the latter representing a scenario in which 100% of the USDA relocators would live and work in Fort Collins.**

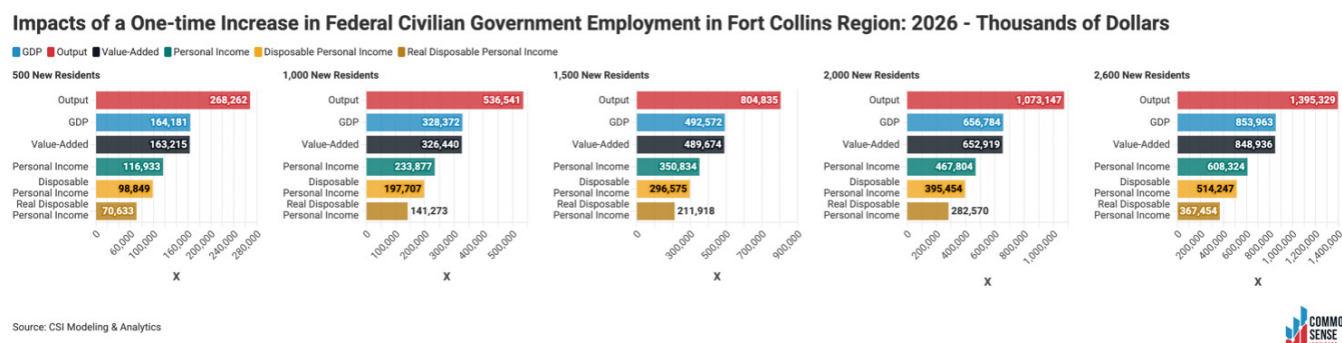
This tiered approach allows for a flexible understanding of the economic impact under different settlement assumptions.

Results

The results of CSI's estimated economic benefits are presented in Figure 1 and Table 1. Figure 1 illustrates the projected economic impacts in terms of monetary values, while Table 1 provides a detailed breakdown of the modeled scenarios and their corresponding outcomes. By the close of 2026, the USDA relocation efforts are expected to:

- Increase economic output from businesses by roughly:
 - > **\$270 million** assuming 500 movers;
 - > **\$537 million** assuming 1,000 movers;
 - > **\$805 million** assuming 1,500 movers;
 - > **\$1.1 billion** assuming 2,000 movers; and
 - > **\$1.4 billion** assuming 2,600 movers.
- In terms of bolstered GDP, CSI's projections show an increase of approximately:
 - > **\$164 million** assuming 500 movers;
 - > **\$328 million** assuming 1,000 movers;
 - > **\$500 million** assuming 1,500 movers;
 - > **\$660 million** assuming 2,000 movers; and
 - > **\$854 million** assuming 2,600 movers.

FIGURE 1.



Row 2, columns 2-5 of Table 1 present projected increases in total employment levels under each relocation scenario. In every case, the number of new jobs is more than double the number of USDA movers, underscoring the significant economic impact of bringing the federal agricultural workforce to the Fort Collins region. Findings suggest that in the upcoming year, job growth could increase by:

- **1,228** assuming 500 movers;
- **2,456** assuming 1,000 movers;
- **3,684** assuming 1,500 movers;
- **4,911** assuming 2,000 movers; and
- **6,386** assuming 2,600 movers.

Row 3 of Table 1 highlights estimated gains in private non-farm employment. These findings point to a broader economic ripple effect, suggesting that the relocation initiative stimulates job growth well beyond the agricultural sector, enhancing overall workforce development across diverse industries.

TABLE 1.

Impacts of a One-time Increase in Federal Civilian Government Employment in the Fort Collins Region: 2026					
Category & Units	500 New Residents	1,000 New Residents	1,500 New Residents	2,000 New Residents	2,600 New Residents
Total Employment (Jobs)	1,228	2,456	3,684	4,911	6,386
Private Non-Farm Employment (Jobs)	687	1,373	2,060	2,746	3,571
Gross Domestic Product (Thousands of Dollars)	\$164,181	\$328,372	\$492,572	\$656,784	\$853,963
Output (Thousands of Dollars)	\$268,262	\$536,541	\$804,835	\$1,073,147	\$1,395,329
Value-Added (Thousands of Dollars)	\$163,215	\$326,440	\$489,674	\$652,919	\$848,936
Personal Income (Thousands of Dollars)	\$116,933	\$233,877	\$350,834	\$467,804	\$608,324
Disposable Personal Income (Thousands of Dollars)	\$98,849	\$197,707	\$296,575	\$395,454	\$514,247
Real Disposable Personal Income (Thousands of Dollars)	\$70,633	\$141,273	\$211,918	\$282,570	\$367,454

THE BOTTOM LINE

The relocation of USDA employees to Fort Collins represents a transformative opportunity for both the local and statewide economy. Based on CSI projections, this federal investment is expected to generate up to **\$1.4 billion in economic output**, contribute **\$854 million to Colorado's GDP**, and create more than **6,300 new jobs**, depending on the number of relocated personnel. These impacts extend far beyond direct federal employment, stimulating growth across private industries and reinforcing the interconnectedness of public and private sector activity.

This relocation effort also highlights the central role of agriculture in Colorado's economy. As a top 10 national producer in 14 crop categories, including the leading producer of proso millet, and a leader in livestock and processing, Colorado's agricultural base is both deep and diverse. The infusion of USDA personnel into Fort Collins will further strengthen the state's agricultural infrastructure, enhance access to federal resources and research to CSU students and the community, and ensure that policy and programmatic decisions remain closely aligned with the needs of producers on the ground.

In sum, the USDA's regional expansion into Fort Collins not only delivers significant economic benefits, but also reinforces Colorado's status as a national leader in agriculture, positioning the state for sustained economic vitality and agricultural innovation in the years ahead.

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