

# Congress Considers Banishing Most Federal Agency HQs From Nation's Capital

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A group of bipartisan lawmakers is looking to force federal agencies out of Washington, D.C., with a new bill in Congress (<https://www.bisnow.com/tags/congress>).



The Strategic Withdrawal of Agencies for Meaningful Placement Act, or SWAMP Act, seeks to decentralize government operations and directs federal agencies to solicit bids from municipalities to relocate around the country.

“Too often, federal bureaucrats craft policies in a vacuum, disconnected from the realities facing Americans across the country,” Rep. Ashley Hinson, an Iowa Republican who introduced the legislation, said in a statement to *Bisnow*.

President Donald Trump (<https://www.bisnow.com/tags/donald-trump>) has set out to dramatically shrink the federal bureaucracy with billionaire Elon Musk (<https://www.bisnow.com/tags/elon-musk>)’s efforts at the Department of Government Efficiency (<https://www.bisnow.com/tags/department-of-government-efficiency>). The plans the pair have made would not only impact Washington, where the federal government leases some 35M SF, but would reverberate across the country’s office market.

“Our founding fathers never envisioned so much power being centralized within a few mile radius, and I believe President Trump is the perfect person to shake things up and give power back to the people,” Hinson said.

Rep. Jared Golden, a Maine Democrat, has also signed on to the bill in the House. Sen. Joni Ernst, another Iowa Republican, has introduced the bill in the Senate.

The legislation would also prohibit federal agencies from starting any major office renovations or executing new leases in D.C. and the surrounding counties of Arlington, Fairfax, Loudoun and Prince William, Virginia.

The Executive Office of the President, the Central Intelligence Agency, the Departments of State, Defense and Energy, and other agencies in the national security space would be exempt from the relocation requirement.

Hinson’s office said the bill was a commonsense strategy to cut costs by shedding underutilized and aging office space while putting federal workers closer to the communities they serve and where office rents could be less expensive.

“There is no valid reason why the Department of Agriculture should operate from D.C. when it could be situated in an agricultural state like Iowa,” a spokesperson for Hinson said in a statement. “Federal bureaucrats who have never stepped foot on a farm should not be making decisions that tie the hands of those who feed and fuel the world.”

While federal agencies generally have their headquarters in Washington, less than 20% (<https://www.opm.gov/policy-data-oversight/data-analysis-documentation/federal-employment-reports/reports-publications/federal-civilian-employment/>) of the federal workforce operates in the region, and the offices typically host employees who work with elected officials on policymaking.

For example, the Federal Aviation Administration (<https://www.bisnow.com/tags/federal-aviation-administration>) has its headquarters in D.C., but the office for many of its employees is the control towers that rise at each of the country's airports.

The same trends are present across government, from the Department of Agriculture to the Department of Energy (<https://www.bisnow.com/tags/department-of-energy>), said Jenny Mattingley, vice president for government affairs at the Partnership for Public Service, a nonpartisan group that advocates for federal workers and good governance.





Placing policy-focused employees farther from Washington would make collaboration more difficult, Mattingley said, adding that she fears it would lead to a loss of expertise as policymakers faced with relocation leave their roles rather than their homes.

The offices for Ernst and Golden didn't respond to multiple requests for comment. But the push in Congress is largely aligned with the efforts of Musk and DOGE, which has torn through the government's books (<https://www.bisnow.com/national/news/multifamily/housing-providers-advocates-anxiously-watch-as-doge-slashes-grant-funding-127887>) since Trump took office, looking for cost savings and programs to cut. By early February, Musk said DOGE had terminated 22 government leases (<https://www.bisnow.com/washington-dc/news/office/gsa-terminates-22-leases-estimates-446m-in-savings-127850>), generating \$44.6M in savings for taxpayers.

“Whether it's relocations, reorganizations or workforce changes, when they are done quickly and without a broad understanding, that's when we're worried about negative impacts. There's a lot of talk about efficiency when it should be about effectiveness,” Mattingley said.

The full impact of DOGE's cost-cutting measures isn't yet clear, but Mattingley said efforts to move agencies out of Washington wouldn't lead to the type of changes that the Republican leadership is seeking.

“There's so much that can be done to reform government. Randomly relocating agencies doesn't make those reforms happen,” she said.

The impacts of the efforts at DOGE aren't contained to Washington. The General Services Administration, which oversees the government's leasing strategy, has nearly 5M SF of office space in New York and Northern New Jersey, 4M SF in Kansas City, Missouri, and 3M SF in Philadelphia.

Over half of the federal government's roughly 150M SF worth of leases nationwide are set to expire (<https://www.bisnow.com/national/news/office/52-of-federal-government-office-leases-can-be-terminated-by-end-of-trumps-term-127140>) before the end of the Trump administration.

The GSA (<https://www.bisnow.com/tags/the-gsa>) has termination rights covering 13M SF of office space this year, according to Trepp. But Musk, who has shown a willingness at his own companies to stop paying rent (<https://www.bisnow.com/national/news/office/twitter-failed-to-pay-rent-after-musk-takeover-sf-landlord-alleges-117009>) and instead fight in court, could try to push the Trump administration to abandon more space.

“Acting Administrator [Stephen] Ehikian's vision for GSA includes reducing our deferred maintenance liabilities, supporting the return to office of federal employees, and taking advantage of a stronger private/government partnership in managing the workforce of the future,” a GSA spokesperson said in a statement.

“GSA is reviewing all options to optimize our footprint and building utilization.”

The House's version of the SWAMP Act was introduced Jan. 1, and its Senate companion is with the Homeland Security and Governmental Affairs Committee.

Hinson said the bill would help boost local economies around the country while putting federal agencies closer to the groups they serve.

“This is about restoring public service to its true purpose — serving all Americans, not just a D.C.-centric bureaucracy that continues to issue out-of-touch mandates hurting working families, small businesses, and farmers across the country,” she said.

*Contact Matt Wasielewski at [matthew.wasielewski@bisnow.com](mailto:matthew.wasielewski@bisnow.com)  
(mailto:matthew.wasielewski@bisnow.com)*

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