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Written Testimony for U.S. House of Representatives, Committee on Appropriations
Subcommittee on Legislative Branch

Government Accountability Office: Increasing GAO's Return on Investment

Chairman Valado, Ranking Member Espaillat, and Members of the Subcommittee:

Thank you for the opportunity to submit written testimony about the Government Accountability Office's appropriations. I am a senior fellow at the Foundation for American Innovation, an organization focused on developing technology, talent, and future to create a better, freer, and more abundant future. I am writing to respectfully recommend several reporting requirements for the Subcommittee to include in the report accompanying the FY2026 funding bill to increase GAO's return on investment for American taxpayers.

Each year, GAO helps Congress and the executive branch achieve cost savings and valuable government reforms that benefit American taxpayers. Since 2002, GAO's work has achieved \$1.5 trillion in financial benefits.¹ The Comptroller General estimates that GAO's annual return on investment has been \$123 to \$1 over the past six years.²

While GAO's value to Congress is unquestioned, lawmakers should consider opportunities to increase GAO's return-on-investment and reverse the following trends. Over the past three years, GAO's ROI has averaged \$78 to \$1, which is 37 percent below GAO's six-year average.³ In FY2024, GAO reported that its 4-year implementation rate for recommendations was 70 percent, or well below GAO's target of 80 percent and below its preceding five year average of 76 percent.⁴ Over the past four fiscal years, Congress has directed GAO to issue reports and take actions aimed to increase its return on investment, including requiring quarterly reporting on improper payments since FY2023,⁵ annual

¹ U.S. Government Accountability Office, *Performance and Accountability Report: Fiscal Year 2024*, GAO-25-900570 (November 2024), <https://www.gao.gov/assets/880/873251.pdf>.

² Ibid.

³ Ibid. Author calculations.

⁴ Ibid. Author calculations.

⁵ U.S. House of Representatives, *Legislative Branch Appropriations Bill, 2023*, H. Rep. 117-389, 117th Cong., 2nd sess. (2022).

estimates of cost savings associated with unimplemented recommendations,⁶ and cost savings associated with “open matters for Congressional consideration.”⁷ Last year, the subcommittee took the additional valuable step of requiring GAO to begin a pilot project establishing time frames “in which a recommendation should be able to be fully implemented,” and to brief the committee on the pilot.⁸ Each of these actions should spur GAO to identify additional opportunities for federal agencies and Congress to achieve cost savings and increase efficiency. For example, in 2024, GAO reported that implementing the more than 5,400 open recommendations at the time could yield between \$106 and \$208 billion in savings.⁹ In addition, GAO reported that action by Congress to implement its “open matters for Congressional consideration” could yield additional financial benefits, totalling well more than \$100 billion in savings.¹⁰

In the FY2026 report accompanying the Legislative Branch appropriations act, I respectfully request that you include the following reporting requirements to further increase GAO’s return-on-investment for taxpayers:

First, the Subcommittee should direct the Congressional Budget Office to issue a report estimating potential cost savings that could be achieved by implementing GAO’s open recommendations for federal agencies and GAO’s open matters for Congressional consideration. As mentioned above, Congress has already directed GAO to make annual estimates of potential cost savings associated with its unimplemented recommendations. To improve transparency about government waste, the subcommittee should direct the Congressional Budget Office to issue an annual report estimating potential budgetary effects associated with unimplemented GAO recommendations. According to former CBO Director Keith Hall, such a CBO report would offer a “useful measure of preventable waste

⁶ 168 Cong. Rec. S7819, S9210 (daily ed. Dec. 20, 2022) (explanatory statement submitted by Sen. Leahy, Chair of the Senate Committee on Appropriations, regarding H.R. 2617, *Consolidated Appropriations Act, 2023*). H.R. 2617 was enacted as *Pub. L. No. 117-328*, 136 Stat. 4459 (2022).

⁷ *Pub. L. No. 117-263*, § 7211, 136 Stat. 2395, 3668 (2022).

⁸ Committee on Appropriations, *Legislative Branch Appropriations Bill, 2025*, H.R. 118-XXX, 118th Cong., 2d sess. (2024), <https://docs.house.gov/meetings/AP/AP00/20240613/117435/HMKP-118-AP00-20240613-SD004.pdf>.

⁹ U.S. Government Accountability Office, *Open GAO Recommendations: Financial Benefits Could Be Between \$106 Billion and \$208 Billion* (July 2024), <https://www.gao.gov/products/gao-24-107146>.

¹⁰ U.S. Government Accountability Office, *Recommendations for Congress: Action Can Produce Billions of Dollars in Financial and Other Benefits*, GAO-24-107261 (June 2024), <https://www.gao.gov/products/gao-24-107261#:~:text=Action%20by%20Congress%20to%20address,nation%20to%20address%20future%20challenges..>

and fraud that would help Congress put pressure on agencies to act” and “help make agencies more accountable in how they spend taxpayers’ dollars.”¹¹

Second, the Committee should direct GAO to conduct retrospective regulatory reviews to identify potential rules, regulations, and policy guidance that could be streamlined.

GAO has statutory responsibilities related to reviewing and monitoring federal regulations, including through the Congressional Review Act to maintain a public database of proposed rules.¹² For example, in 2024, Congress enacted the GAO Database Modernization Act, which requires federal agencies to notify GAO of rules that are “being revoked, suspended, replaced, amended, or otherwise made ineffective.”¹³ Congress should direct GAO, potentially through its Science, Technology Assessment, and Analytics (STAA) team, to use technology to conduct retrospective regulatory review. The state of Ohio has used artificial intelligence and human oversight to streamline the state’s code of regulations, eliminating nearly five million words, or one-third of the text.¹⁴ A similar effort at the federal level, led by the nonpartisan GAO, could identify significant efficiencies that could be achieved by streamlining regulations. Requiring GAO to do this work would be an important step toward rebuilding Congressional regulatory oversight capacity.¹⁵

Third, the Subcommittee should reiterate its requirements of the GAO to continue its quarterly reporting on improper payments, annual estimates of potential cost savings associated with unimplemented recommendations, and the pilot project to establish time frames for the enactment of recommendations to federal agencies.

In 2010, Congress passed a law requiring GAO to issue annual reports examining duplication across government programs. Over the past 14 years, this work has resulted in more than

¹¹ Dan Lips, “The Best Way for DOGE to Cut Government Waste,” *City Journal*, February 20, 2025, <https://www.city-journal.org/article/doge-elon-musk-government-spending-gao-cbo>.

¹² U.S. Government Accountability Office, “Congressional Review Act,” accessed March 24, 2025, <https://www.gao.gov/legal/congressional-review-act>.

¹³ *Public Law 118-97*, 138 Stat. 1573 (2024), <https://www.congress.gov/118/plaws/publ97/PLAW-118publ97.pdf>.

¹⁴ Jon Husted, “AI Can Be a Force for Deregulation: Washington Can Follow Ohio’s Lead and Use Technology to Remove Outdated, Conflicting, and Redundant Rules from the Federal Code,” *Wall Street Journal*, March 23, 2025, https://www.wsj.com/opinion/ai-can-be-a-force-for-deregulation-technology-government-ohio-federal-365ed0d4?mod=opinion_lead_pos8.

¹⁵ Satya Thallam and Dan Lips, *Empowering Regulatory Oversight: How Congress Can Hold the Administrative State Accountable*, Foundation for American Innovation (June 2023), <https://cdn.sanity.io/files/d8lrla4f/staging/6731d2e4c7fb69af52edc2c6b179b67ef50ae86e.pdf>.

\$667 billion dollars in savings.¹⁶ Similarly, the reporting requirements established by Congress and the Subcommittee over the past three years have the potential to spur similar savings over time as GAO increases its return on investment. To that end, the Subcommittee should reiterate its recent reporting requirements aimed at increasing the implementation of open GAO recommendations and focusing GAO’s work on overseeing federal improper payments.

Fourth, the Subcommittee should direct GAO to issue a report providing recommendations for opportunities to change its funding model. Given the constraints on the federal and legislative branch budget, Congress should consider opportunities to substantially increase funding for GAO, given its track record of achieving substantial cost savings, without reducing resources for other entities in the legislative branch. For example, GAO’s funding model could be modified to include some savings from federal agencies achieved by implementing the watchdog agency’s recommendation. Another model could involve proportionally funding GAO’s budget across all appropriations subcommittees, in addition to the Legislative Branch subcommittee, since GAO’s work relates to and provides value for departments and agencies across the government and all Congressional authorizing and appropriations committees.¹⁷

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As Comptroller General Gene Dodaro’s 15-year term comes to an end, the future of GAO is in the hands of President Trump and the Congress. The next Comptroller General must be given a mandate to correct the nation’s “unsustainable fiscal path”¹⁸ by leveraging oversight to identify and achieve cost savings for the American people. The United States cannot afford to have 30 percent of GAO’s recommendations ignored and for hundreds of billions of cost-savings measures to be delayed. The Subcommittee can do its part to provide that mandate by continuing its leadership in directing GAO to take these actions to increase its return on investment.

¹⁶ U.S. Government Accountability Office, *Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits*, GAO-24-106915 (March 2024), <https://www.gao.gov/assets/gao-24-106915.pdf>.

¹⁷ Demand Progress Education Fund, *A New Funding Model for GAO*, October 2021, https://s3.amazonaws.com/demandprogress/reports/A_new_funding_model_for_GAO_-_October_2021.pdf.

¹⁸ U.S. Government Accountability Office, *The Nation’s Fiscal Health: Strategy Needed as Debt Levels Accelerate*, GAO-25-107714, March 2025, <https://www.gao.gov/assets/gao-25-107714.pdf>.