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Written Testimony for U.S. House of Representatives, Committee on Appropriations
Subcommittee on the Legislative Branch
Government Accountability Office:
Increasing GAO's Return on Investment and Achieving Fiscal Savings

Chairman Valadao, 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 that champions the technology, talent, and ideas essential to American prosperity, security, and flourishing. I am writing to respectfully recommend several reporting requirements for the Subcommittee to include in the report accompanying the FY2027 funding bill to increase GAO's return on investment (ROI) and achieve fiscal savings for American taxpayers.

For more than a century, GAO has served Congress and the American people by conducting oversight of federal expenditures.¹ In 2026, the United States faces historic fiscal challenges—the budget deficit is projected to total \$1.9 trillion this year and increase to \$3.1 trillion by 2036.² As a nonpartisan watchdog, GAO is positioned to provide information to Congress to help lawmakers address these mounting fiscal challenges. GAO routinely provides substantial financial benefits for American taxpayers, with an ROI of \$116 for every dollar

¹ Dan Lips and Soren Dayton, "Reforming GAO for the Twenty-First Century: Achieving Fiscal Savings and Increasing Government Efficiency," Foundation for American Innovation (2026), <https://www.thefai.org/posts/reforming-gao-for-the-twenty-first-century-achieving-fiscal-savings-and-increasing-government>.

² Congressional Budget Office, *The Budget and Economic Outlook: 2026 to 2036* (2026), <https://www.cbo.gov/system/files/2026-02/61882-Outlook-2026.pdf>.

appropriated to GAO over the past 10 years.³ However, that ROI has been lower over the past five years (averaging just \$79 in taxpayer savings for every dollar spent).

Since 2019, Congress has passed bipartisan laws and mandated certain reporting requirements aimed to increase GAO's ROI.⁴ Specifically, the Appropriations Committees have also established several requirements with the potential to substantially increase GAO's ROI, including quarterly reporting on improper payments,⁵ annual cost estimates of potential fiscal savings that could be achieved by implementing open recommendations for federal agencies,⁶ and the establishment of a pilot project to establish "time frames" in which recommendations should be fully implemented.⁷

In the report accompanying the FY2026 legislative branch funding bill, I respectfully recommend the Subcommittee include the following:

First, the Subcommittee should direct the Congressional Budget Office to annually review GAO's ROI analysis, as well as the potential budgetary effects associated with GAO's unimplemented recommendations and open matters for Congressional consideration. According to former CBO Director Keith Hall, an annual CBO report would offer a "useful measure of preventable waste and fraud that would help Congress put pressure on agencies to act" and "help make agencies more accountable in how they spend taxpayers' dollars."⁸ An independent CBO review of GAO's ROI estimate would ensure transparency and

³ U.S. Government Accountability Office, GAO-26-900644, *Performance and Accountability Report Fiscal Year 2025* (2026), <https://www.gao.gov/assets/890/884058.pdf>.

⁴ See Dan Lips and Soren Dayton, "Reforming GAO for the Twenty-First Century: Achieving Fiscal Savings and Increasing Government Efficiency."

⁵ 2023 Legislative Branch Appropriations Bill, H.R. Rep. 117-389, 117th Cong., 2nd sess. (2022).

⁶ Senate Committee on Appropriations, Division I – Legislative Branch Appropriations Act, 2023: Explanatory Statement, 117th Cong. (2022), <https://www.appropriations.senate.gov/imo/media/doc/Division%20I%20-%20Leg%20Statement%20FY23.pdf>

⁷ Committee on Appropriations, Legislative Branch Appropriations Bill, H.R. 118-XXX, 118th Cong., 2nd sess. (2024), <https://docs.house.gov/meetings/AP/AP00/20240613/117435/HMKP-118-AP00-20240613-SD004.pdf>

⁸ 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>.

increase confidence in Congress's understanding of the value that GAO provides to the nation. In addition, establishing estimates of the budgetary effects of unimplemented GAO recommendations for federal agencies and matters for congressional consideration would provide a roadmap for reforms to reduce the deficit. I recommend the following report language:

The Committee directs the Congressional Budget Office, in consultation with the Government Accountability Office, to annually review GAO's reported financial benefit methodology and to publish estimates of potential budgetary effects associated with implementing significant open GAO recommendations or matters for congressional consideration.

Second, the Committee should direct the Comptroller General to identify congressional mandates for work that, if eliminated, would allow GAO to focus on more impactful audits that have the potential to yield significant financial benefits for the nation.

GAO reports that it received 113 mandates in laws, resolutions, and conference or committee reports in FY2025.⁹ Overall, 95 percent of its work was mandated or requested by Congress.¹⁰

While GAO works on behalf of Congress, the Committee could instruct the Comptroller General to recommend certain mandates that could be eliminated to allow GAO to conduct other high-impact audits. Such recommendations could prompt an updated version of the GAO Mandates Revision Act of 2016, which streamlined mandates at the time.¹¹ I recommend the following report language:

The Committee directs GAO to submit, within 180 days, a report identifying statutory reporting requirements or congressional mandates that could be modified or repealed to

⁹ *Performance and Accountability Report Fiscal Year 2025.*

¹⁰ *Ibid.*

¹¹ GAO Mandates Revision Act of 2016, Pub. L. 114-301 130 Stat. 1514 (2016).

allow GAO to redirect resources toward work with higher potential financial or programmatic impact.

Third, the Committee should direct the Comptroller General to provide annual recommendations for rescissions. Congress should require the comptroller general to provide annual deficit-reduction and rescissions recommendations to both Congress and the White House. This would provide the Comptroller General with a politically insulated mandate to provide actionable recommendations for the executive and legislative branches to address the nation’s pressing fiscal challenges. I recommend the following report language:

The Committee directs the Comptroller General to submit annually a report identifying potential rescissions to Congress and the President to achieve fiscal savings.

Fourth, the Committee should direct the establishment of collaborative partnerships between GAO and state government agencies to promote best practices to prevent misspending, fraud, and abuse in state-administered federal programs. Roughly \$1 trillion, or about one-third of state government spending, comes from the federal government.¹² Major federally funded, state-administered programs have been found to be highly vulnerable to fraud—for example, the unemployment insurance program is reported to have lost more than \$100 billion during the pandemic. I recommend the following report language:

The Committee directs GAO to establish an initiative to collaborate with interested state governments to identify best practices and strategies to prevent fraud, waste, and abuse

¹² Bill Kramer, “State Budgets in the Shadow of Federal Uncertainty,” Multistate, February 28, 2025, <https://www.multistate.us/>.

in federally-funded programs and to report to Congress on lessons learned and opportunities for improving program integrity across federal-state partnerships.

Fifth, the Committee should direct GAO to establish a pilot project to evaluate Congressional intent and program results in certain reports. The Committee should require GAO to review its history and consider the approach of comprehensive or results audits during the tenure of Comptroller General Staats to focus evaluations on a review of whether a federal program achieved what Congress intended. This would involve complementing a program evaluation with a review of the congressional record, including member statements, legislative hearings, and committee reports. This would ensure that program evaluations are more relevant for Congress:

The Committee directs GAO to develop and implement a pilot project to evaluate the feasibility and utility of including, where appropriate, in selected reports an assessment of whether a federal law, program, or activity has achieved the results intended by Congress. As part of the pilot, GAO shall, to the extent practicable, identify the purposes and objectives of the law, program, or activity—based on statutory language and relevant legislative materials, including committee reports and the Congressional Record—and compare those objectives with available evidence regarding program outcomes.

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The current Comptroller General vacancy and the upcoming transition to a new head of GAO provides Congress with an opportunity to reconsider and refocus its watchdog agency's mission to better meet the nation's needs in the twenty-first century. Including reporting requirements in the report accompanying the FY2027 funding bill aimed to increase GAO's ROI would be an

important step to direct GAO's current acting leadership and the next Comptroller General to achieve more value for Congress and American taxpayers.