



CHAIR JODEY ARRINGTON

HOUSE BUDGET COMMITTEE

President Trump Launches *Government Modernization Effort Through DOGE*

WASHINGTON, D.C. – Earlier this week, President Trump [signed](#) an executive order officially establishing the Department of Government Efficiency (DOGE) to **modernize and streamline the federal government**. It is anticipated that key technologies like artificial intelligence (AI) will help maximize government productivity while reducing government spending. However, in order to use these revolutionary technologies to ensure sound fiscal governance, much research needs to be done on how to best apply AI.

In order to give Congress a better understanding of the benefits of AI the House Budget Committee commissioned the first-ever Congressional Budget Office (CBO) [report](#) on AI. In a new era of Republican leadership, AI and DOGE will be critical to understanding the implications of technology's impact on the federal government, which is now larger than ever.

WHAT THE CBO REPORT ENTAILED

CBO on AI and the economy:

- “AI could **transform society** in the same way that technological advances like the steam engine and electrification did in the distant past.”
- “Evidence shows that generative AI can serve, at least to some degree, as a complement to low-skilled workers within a given occupation. By contrast, research on earlier forms of AI has found that the **technology boosted the wages** of some skilled workers.”

CBO on the federal budget:



- *“**Federal revenues could rise**, for example, if the Internal Revenue Service (IRS) was able to use AI to bolster its auditing capability and taxpayers’ compliance with the federal tax code.”*
- *“Through its use by the federal government, AI could affect both revenues and spending by **increasing the efficiency of the government in collecting tax revenues** and in distributing those revenues through transfer payments. AI also could enable improvements in the goods and services provided by the government.”*
- *“In particular, successful use of AI to **reduce fraud** could result in **fewer improper payments** in the largest mandatory spending programs: Medicare, Medicaid, and Social Security.”*
- *“Outlays for AI could take the place of other federal spending. For statistical analysis, for example, AI could replace software that the government has been using and would continue to rely on if AI was not available.”*

THE EFFECTS OF DOGE

Implemented via [executive order](#) on his first day in office, President Trump outlined the scope and intent of the DOGE throughout the next 18 months.

President Trump has charged the DOGE with modernizing Federal government technology and software to maximize governmental efficiency and productivity.

While we may not know the breadth of the impact that AI will have, CBO's report represents an important step forward to understanding how AI will affect how the government may operate.

The House Budget Committee has previously held a [roundtable](#) with Andrew McAfee, a principal research scientist at the MIT Sloan School of Management, and Jason Payne, Chief Technology Officer for Microsoft Federal, to discuss the implications of AI on the economy and government.



House Budget Committee Republicans look forward to the work of DOGE in eliminating the millions of waste, fraud, and abuse throughout the federal government.

MORE FROM THE HOUSE BUDGET COMMITTEE

Read Chairman Arrington's statement on President Trump's Department of Government Efficiency (DOGE) [HERE](#).

Read more about Senator Joni Ernst's proposed cost-saving options for the federal government [HERE](#).

