



June 5, 2025

The Honorable James Comer  
Chairman  
Committee on Oversight & Government Reform  
U.S. House of Representatives

Dear Chairman Comer,

The U.S. Chamber of Commerce commends your leadership in convening today's hearing entitled "The Federal Government in the Age of Artificial Intelligence<sup>1</sup>." As AI and digital technologies reshape every facet of American life, it is imperative that the federal government not only keep pace—but lead—in modernizing its digital infrastructure to meet the demands of a 21st-century society.

Modernization of federal IT systems is not a luxury—it is a necessity. Consider this: in 2001, only 30% of Americans e-filed their taxes. By 2022, that number had soared to over 97%<sup>2</sup> This dramatic shift underscores the transformative power of digital government services when properly supported and implemented.

Last year, the Chamber released a report, *Maximizing Cost Savings: Unleashing the Value of Federal IT Modernization*. The report concluded federal IT spending is not just a line item—it is a strategic investment. It enables agencies to modernize infrastructure, enhance citizen services, bolster national security, and drive innovation. Among its findings, the report highlights that "[a]rtificial intelligence could unleash a productivity windfall for the U.S. government, worth up to \$532 billion annually by 2028<sup>3</sup>."

Yet, despite this enormous potential, underinvestment in federal IT continues to hinder progress. Without robust funding and regulatory certainty, our nation risks missing out on the cost savings and service improvements that modernization can deliver.

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<sup>1</sup> United States, Congress, House, Committee on Oversight and Accountability. *The Federal Government in the Age of Artificial Intelligence*. 5 June 2025, <https://oversight.house.gov/hearing/the-federal-government-in-the-age-of-artificial-intelligence/>.

<sup>2</sup> eFile.com. *IRS efile Tax Return and Refund Statistics for All Tax Years*. eFile.com, <https://www.efile.com/efile-tax-return-direct-deposit-statistics/>. Accessed 30 May 2025.

<sup>3</sup> U.S. Chamber of Commerce. *Federal IT Modernization is a Strategic Investment, New U.S. Chamber Report Reveals*. 15 Apr. 2024, <https://www.uschamber.com/technology/federal-it-modernization-is-a-strategic-investment-new-u-s-chamber-report-reveals>. Accessed 30 May 2025.

An even greater concern is the growing patchwork of state-level AI regulations. These fragmented policies threaten to stifle innovation, increase costs for the federal government, and deter the development of critical AI tools. To address this, we strongly support a 10-year moratorium on state AI regulations. A consistent national framework will reduce compliance burdens, lower the cost of federal IT modernization, and ensure that the U.S. remains a global leader in AI development.

Finally, we applaud efforts within the “One Big Beautiful Bill Act<sup>4</sup>” to secure essential funding for the Department of Commerce. These investments are crucial to equipping federal agencies with the tools they need to serve the American people effectively in a rapidly evolving digital economy.

We urge Congress to act to modernize and provide a consistent federal framework. Doing so will provide great benefits for taxpayers, government efficiency, and national competitiveness.

Sincerely,

A handwritten signature in black ink that reads "Michael Richards". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Michael Richards  
Executive Director  
Chamber Technology Engagement Center  
U.S. Chamber of Commerce

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<sup>4</sup> United States, Congress, House. *H.R.1 - One Big Beautiful Bill Act*. 119th Congress, 1st session, introduced by Rep. Jodey C. Arrington, 20 May 2025. Congress.gov, <https://www.congress.gov/bill/119th-congress/house-bill/1/text>. Accessed 30 May 2025