

## **BOOM OR BUST?**

# FEDS' 2025 AI MANDATE

Al isn't coming – it's here. While the private sector races ahead, many Federal agencies remain stuck in pilot mode. MeriTalk gathered insights from 10 Federal Chief Al Officers (CAIOs) to uncover where agencies stand, what's holding them back, and why radical action is needed.



85% of CAIOs predict AI will transform

their agencies by 2030,

100%

say they lack the funding or resources to meet their goals.

While Federal AI use cases **doubled** in the past year<sup>1</sup>,

most agencies' 2025 priorities remain focused on **earlystage efforts** like AI governance and risk management instead of scaling AI applications for real mission impact.

but



I think standing up the way that people look at technology as a whole has to change."

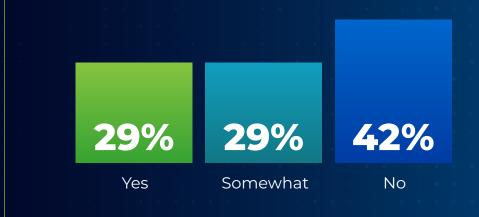
–Federal CAIO

#### THE URGENCY IS REAL – BUT LEADERSHIP IS LIMITED



**88%** of participating CAIOs report juggling multiple roles, yet **100%** say the position demands full-time dedication

## Do CAIOs have the authority to advocate for meaningful change?



### Additional roadblocks:

Lack of internal AI expertise **(83%)** Data quality and accessibility issues **(67%)** Integration with legacy systems **(50%)** —

#### **RADICAL CHANGE IS NEEDED – NOW**



#### Empower Al Leadership.

CAIOs can't drive change without authority and resources.



#### Fund Al Infrastructure.

No modernization, no AI – compute, cloud, and flexible procurement must be top priorities.



#### Invest in Al Talent.

Al won't deliver without skilled personnel to implement and scale it.



#### Move Beyond Pilots.

Agencies must shift from experimentation to full-scale mission integration – before it's too late.

### WHAT'S NEXT?

# The new administration is making AI a national priority – will agencies make the leap?

Download the full report for key insights and next steps. meritalk.com/study/tech-tonic-2025-federal-caio-outlook/

<sup>&</sup>lt;sup>1</sup>meritalk.com/articles/feds-double-ai-use-cases-in-2024-to-1700