



2026 Government Legal Department Report

As staffing and workloads remain a challenge,
AI adoption surges



Thomson Reuters
Institute

Executive summary

For the legal departments within government agencies, AI technology adoption has reached an inflection point in 2026.

Amid rising workloads, flat staffing levels, and increasingly complex legal issues, agencies increasingly are turning to advanced technology to expand their overall capacity, especially in areas in which additional staffing is not feasible.

In the latest iteration of Thomson Reuters Institute's *Government Legal Department Report*, we show that AI uptake has accelerated dramatically over the past two years, from 1% of surveyed legal professionals saying they were using AI in 2024 to now 28% saying they are currently using AI. And as AI implementation has begun to ease operational pressures, hesitancy over the new technology is declining.

However, governance frameworks have not kept pace with adoption. And data shows that agencies that establish clear AI use policies and identify practical ways for AI to improve internal efficiencies will be better positioned to meet the demands of their workloads while avoiding unnecessary risk.



2026 as a turning point in AI adoption

28% of agencies are already using AI

28% have an optimistic attitude toward AI

39% have an AI use policy in place

Source: Thomson Reuters 2026

Methodology

The data in this report was collected through an online quantitative survey that explored themes of organizational challenges, priorities, and technology adoption trends. The survey was conducted between March 26 and April 14, 2026, by Thomson Reuters' Market Research and Competitive Insights team. A total of 200 surveys were completed by legal professionals within government law organizations and legal departments, including public defender's offices, prosecutors and district attorneys' offices, attorney generals' offices, municipal attorney's offices, and attorney staff at boards and other governing bodies.

The responses were separated into two general categories: respondents from federal and state agencies and respondents from county and city agencies.

Key findings

- **Softening sense of success** — Agencies continue to define their success through reputational and people-focused measures. While 83% of professionals surveyed say they still feel successful overall, that confidence has softened. Today, just 26% of respondents feel very successful (down from 35% in 2025).
- **Workloads continue to rise for legal professionals** — 70% of respondents report an increase in overall workload over the past two years, and 67% report rising workload complexity.
- **AI uptake is accelerating sharply** — AI use has increased to 28% in this year's survey, compared to 6% in 2025 and 1% in 2024. The reasons agencies are the most motivated to adopt technology is time savings, cost savings, and reasonable pricing.
- **AI adoption involves some growing pains** — More than one-third of respondents now cite AI adoption as a major challenge (up from 19% in 2025). Yet 72% of respondents say their agencies have not yet implemented changes to prepare for AI or other new technologies.
- **Staffing shortages persist, but headcounts remain stable** — Consistent with prior years, 77% of respondents say their agencies have experienced staffing shortages over the past two years. Despite a rising workload, attorney staffing levels have stayed the same for 38% of agencies over the past two years, and 63% of respondents say they expect no change in their agencies over the next 12 months.
- **Broad implementation of legal research and case management tools** — While almost all respondents report using a legal research tool, adoption of case management tools have expanded significantly, with 74% either currently using or planning to adopt a case management tool within the next year.

Recommended actions

- **Treat AI as a response to staffing and workload pressures** — More than 1-in-3 of respondents note a lack of internal efficiency as a major challenge within their agency, but 47% of respondents report that they have not yet determined how to address this. Adopting AI tools can help reduce administrative burden and improve internal efficiency.
- **Consider case management as a practical starting point** — Case management tools, already adopted by 65% of agencies, represent a practical starting point to increase internal efficiency and expand staff capacity. They also can help manage operational pressures by retaining institutional knowledge across staff transitions and creating efficiencies.
- **Build AI governance frameworks now** — A sizable majority of respondents say their agencies do not have an AI use policy in place. Agencies are advised to develop a governance framework to evaluate new tools while ensuring confidentiality and outlining acceptable use.

Successes and challenges

What does success look like for government legal agencies?

A large majority (83%) of survey respondents say that they have been successful or very successful over the past year. However, this confidence has softened slightly from a 2025 combined success rate of 90%.

Further, 17% respondents from county and city agencies say they are now more likely to feel neutral (neither successful nor unsuccessful), compared to 2025 when just 4% said they felt that way.

FIGURE 1:
Success definition

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Department reputation	89%	89%	93%	90%	89%	91%	85%	90%	96%	95%
Work/life balance	81%	81%	81%	85%	84%	80%	85%	77%	82%	86%
Employee satisfaction	79%	79%	85%	85%	80%	84%	85%	78%	86%	86%
Internal agency/client satisfaction ratings	75%	75%	82%	62%	76%	81%	62%	71%	84%	62%
Staying within your budget	52%	52%	50%	53%	47%	42%	43%	60%	65%	62%
Case win percentage	33%	33%	36%	40%	36%	37%	42%	29%	33%	38%
Department growth	31%	31%	27%	32%	34%	25%	28%	25%	29%	36%

Source: Thomson Reuters 2026

When asked how departments or agencies *define success*, three-quarters of respondents say their agencies define success by reputational and people-focused measures, rather than on budget, case win percentages, or departmental growth trends.

FIGURE 2:

Most important success metric

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Internal agency/client satisfaction ratings	 39%	39%	42%	26%	43%	43%	27%	33%	40%	25%
Department reputation	 31%	31%	35%	44%	29%	31%	37%	36%	44%	51%
Work/life balance	 10%	10%	4%	10%	10%	3%	15%	11%	6%	5%
Case win percentage	 9%	9%	12%	7%	7%	15%	7%	11%	6%	8%
Employee satisfaction	 6%	6%	4%	10%	7%	6%	11%	4%	0%	8%
Staying within your budget	 3%	3%	1%	2%	2%	0%	3%	4%	4%	1%
Department growth	 2%	2%	1%	1%	2%	1%	0%	1%	0%	1%

Source: Thomson Reuters 2026

In clarifying the most important success metric, there is a split between respondents from federal and state agencies and those from county and city agencies. On the federal and state side, internal agency and client satisfaction ratings continue to be the most important with 43% citing these as most important, the same as in 2025.

FIGURE 3:

Change in technology investment in past two years

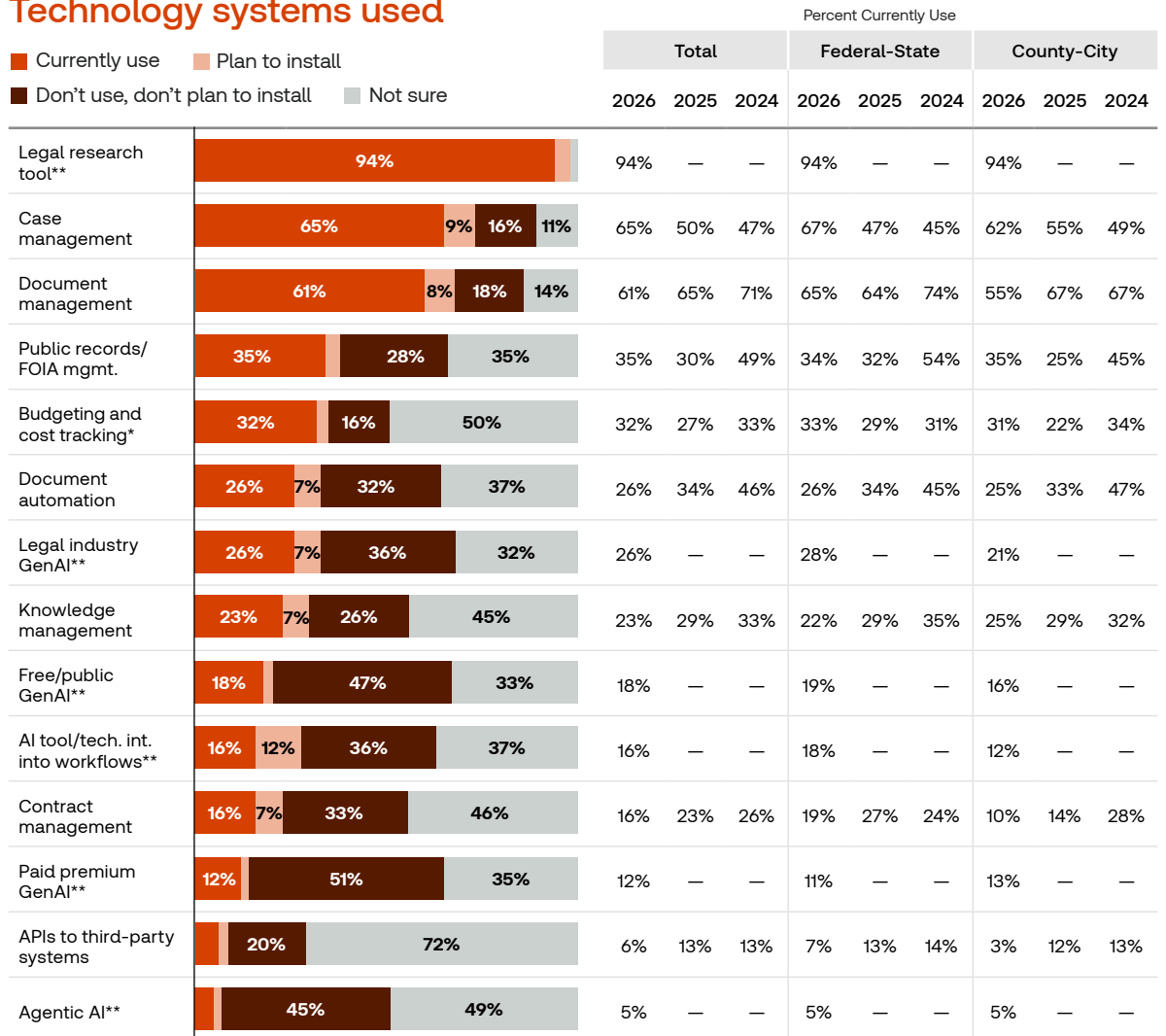
		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Increased significantly (>5%)	 13%	13%	10%	9%	10%	9%	8%	18%	12%	9%
Increased (1-5%)	 35%	35%	32%	36%	37%	29%	35%	30%	37%	37%
Stayed the same	 39%	39%	37%	38%	37%	36%	36%	42%	37%	39%
Decreased (1-5%)	 3%	3%	8%	6%	2%	8%	4%	4%	8%	8%
Decreased significantly (>5%)	 2%	2%	4%	1%	2%	5%	0%	3%	2%	1%
Not sure	 9%	9%	9%	11%	12%	12%	16%	4%	4%	5%

Source: Thomson Reuters 2026

Perspectives are mixed on technology investment changes over the past two years, with roughly half of respondents reporting an increase or significant increase in technology investment in their agencies, and 39% reporting that investment has remained stable. Unsurprisingly, budgets and cost remain the largest barrier to adopting new technology across all agencies, with 72% of all respondents citing this.

FIGURE 4:

Technology systems used



*Minor wording change from previous years. **New in 2026.

Source: Thomson Reuters 2026

Legal research tools are nearly ubiquitous in use across 94% of agencies. And case management systems are seeing a steady increase, with almost two-thirds of respondents citing their use and plans to use, compared to half of respondents who said this in 2025. Respondents from federal and state agencies especially cited widespread use or planned use of case management systems.

FIGURE 5:

What are the challenges facing government legal departments?

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Too few resources or budget	57%	57%	50%	45%	55%	53%	50%	58%	45%	41%
Attracting and retaining top talent	48%	48%	52%	59%	50%	53%	62%	43%	51%	55%
Recruiting new talent	46%	46%	49%	52%	46%	55%	53%	44%	37%	51%
Too much admin. task time	37%	37%	39%	47%	39%	35%	54%	32%	45%	41%
Adoption of AI and AI technologies	36%	36%	19%	—	39%	18%	—	30%	22%	—
The loss of inst. knowledge/retiring	35%	35%	46%	55%	35%	51%	58%	34%	37%	53%
Managing mental health issues	33%	33%	33%	31%	28%	36%	28%	39%	25%	34%
Lack of internal efficiency	31%	31%	31%	33%	27%	28%	32%	38%	37%	33%
Employee satisfaction	28%	28%	36%	39%	31%	38%	43%	23%	31%	36%
Increasing tech. complexity	26%	26%	24%	27%	27%	23%	34%	23%	25%	21%
Keeping up...new, emerging issues	25%	25%	26%	37%	20%	23%	36%	34%	31%	38%
Increasing pace legal/reg. change	25%	25%	21%	17%	23%	19%	19%	27%	25%	16%
Cost control and expense growth	22%	22%	17%	14%	20%	10%	9%	23%	29%	18%
Adoption & imp. of other technology	21%	21%	31%	35%	19%	29%	38%	23%	33%	33%
Demonstrating department value	17%	17%	17%	17%	11%	15%	12%	25%	22%	21%
Reducing outside legal costs	15%	15%	8%	12%	12%	4%	8%	19%	16%	16%
Persuading staff to return to office	10%	10%	9%	8%	11%	12%	11%	8%	4%	5%
Low salaries/wages	2%	2%	—	—	2%	—	—	1%	—	—
Political issues	1%	1%	—	—	2%	—	—	1%	—	—
Conducting meetings virtually		—	—	6%	—	—	9%	—	—	3%
Wide variety of new legal issues		—	—	22%	—	—	19%	—	—	25%
Staying apprised of changes to law		—	—	37%	—	—	35%	—	—	38%
Tech. or practical aspects of remote		—	—	11%	—	—	14%	—	—	8%
Other	4%	4%	4%	1%	3%	5%	3%	4%	2%	—

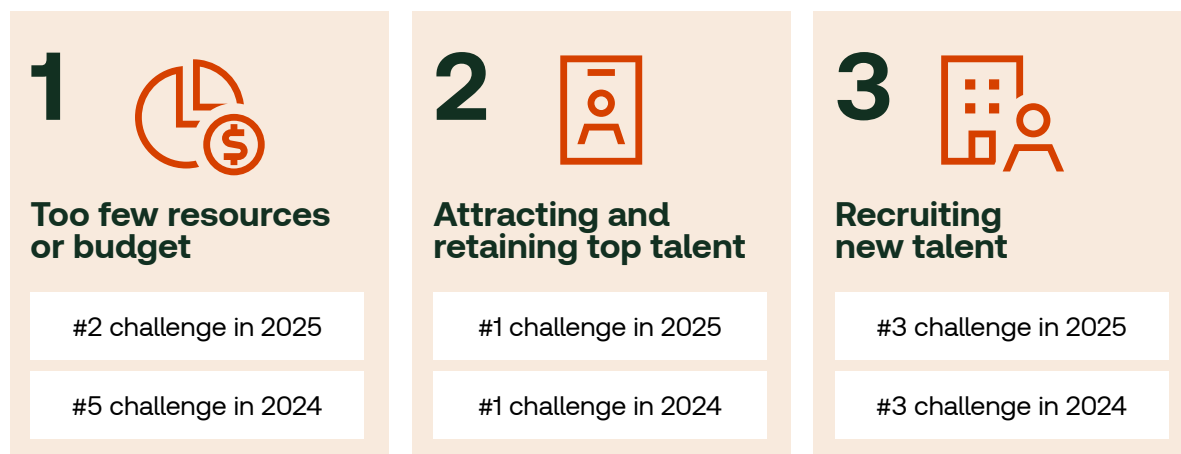
* New significant difference in 2026.

Source: Thomson Reuters 2026

Interestingly, respondents cite “too few resources or budget” as a top-rated concern for the first time in 2026.

FIGURE 6:

Top concerns overall



Source: Thomson Reuters 2026

An increasing portion of respondents from county and city agencies are more likely to cite too few resources or budget as a major challenge (58% in 2026, compared to 45% in 2025) than those from federal and state agencies.

Not surprisingly, more federal and state agency respondents say AI adoption is a major challenge (39% in 2026, compared to 18% in 2025).

And respondents from agencies at all levels appear to be less concerned about the loss of institutional knowledge or retirements as a major challenge, but this could be because a large wave of retirements may have already happened.

FIGURE 7:
Anticipated major issues

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Turnover/retention/ hiring/staffing	28%	28%	21%	40%	29%	23%	36%	25%	16%	43%
Budget cuts	23%	23%	23%	16%	24%	19%	16%	22%	29%	16%
Case load mgmt/ burnout	19%	19%	16%	21%	21%	12%	22%	14%	24%	20%
AI implementation concerns	16%	16%	4%	7%	14%	3%	7%	18%	6%	7%
Lack of funding/ resources	9%	9%	13%	17%	11%	11%	15%	6%	16%	18%
Leadership creating challenges/priority	8%	8%	9%	9%	9%	11%	7%	6%	6%	12%
Pace of regulatory/ law changes/novel	8%	8%	14%	21%	7%	15%	24%	9%	12%	17%
Retirement/ succession	8%	8%	7%	9%	7%	7%	9%	9%	6%	9%
Tech. challenges/ imp. new systems	7%	7%	6%	9%	7%	5%	12%	5%	8%	7%
Unstable political climate/government	6%	6%	12%	3%	7%	14%	3%	5%	8%	3%

Source: Thomson Reuters 2026

When asked about what they see as major issues in the future, more than one-quarter of respondents say they expect staffing, staff turnover, and retention and hiring to be a major challenge over the next 12 months, although there is less expressed concern year-over-year. Other anticipated major issues, such as budget cuts and burnout, are still cited as anticipated concerns, while concerns over AI implementation is an anticipated major issue that is new to the top 4 this year.

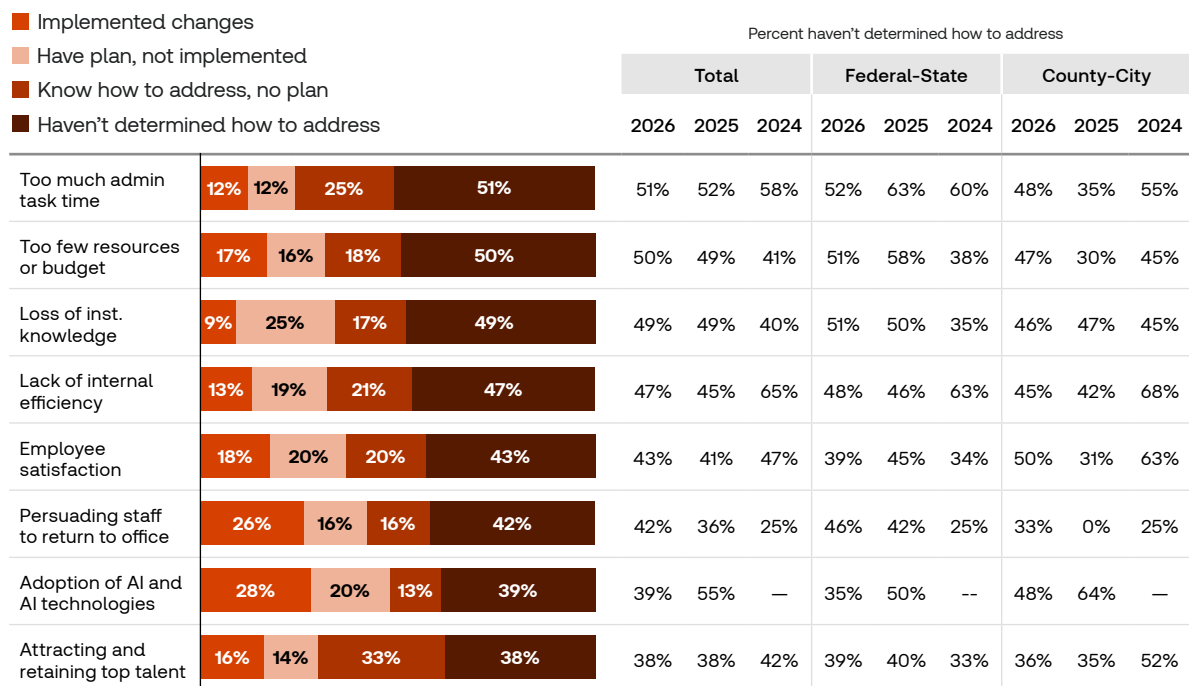
FIGURE 8:
Anticipated major issues –year by year comparison

2026 Survey Results	2025 Survey Results	2024 Survey Results
1. Turnover/retention/ hiring/staffing	1. Budget Cuts	1. Turnover/retention/ hiring/staffing
2. Budget cuts	2. Turnover/retention/ hiring/staffing	2. (Tied) Case load management/ burnout and pace of regulatory law change/novel
3. Case load management/ burnout	3. Case load management/ burnout	3. Lack of funding resources
4. AI implementation concerns	4. Pace of regulatory law change/novel	4. Budget cuts

Source: Thomson Reuters 2026

FIGURE 9:

How well addressing challenges



Source: Thomson Reuters 2026

Respondents also share mixed sentiments on how prepared their agencies are to address the challenges they face now and in the future. Between one-quarter and one-half of respondents say their agencies have not yet determined how to address each issue they face. However, respondents say they have a higher level of confidence in addressing AI adoption and staffing challenges.

FIGURE 10:

Top 4 anticipated major challenges over the next 12 months

Challenges	% have determined how to address, at varying stages of implementation	
	(federal and state)	(county and city)
1. Turnover/retention/hiring/ staffing	61% Attracting/retaining top talent 70% Recruiting new talent	64% Attracting/retaining top talent 62% Recruiting new talent
2. Budget cuts	49% Too few resources or budget	53% Too few resources or budget
3. Case load management/burnout	48% Too much admin task time 57% Managing mental health issues	52% Too much admin task time 70% Managing mental health issues
4. AI and AI technology adoption	65% Adoption of AI and AI technologies	52% Adoption of AI and AI technologies

Source: Thomson Reuters 2026

Workload and staffing

Workloads in government legal departments

When employees are able to stay on top of their workloads without consistently spending more than 40 hours per week at work, their satisfaction with their job and with their work/life balance increases.

Consistent with the past three years, this year respondents continue to see an expansion of their overall workload as well as the complexity and variety of issues they face, without any matching increase in non-staff resources.

FIGURE 11:
Change in work attributes in past two years

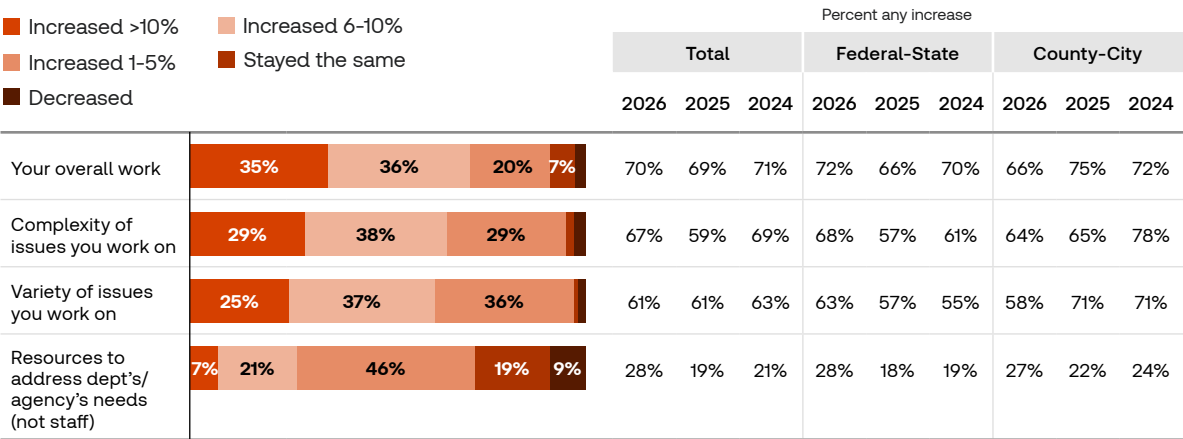
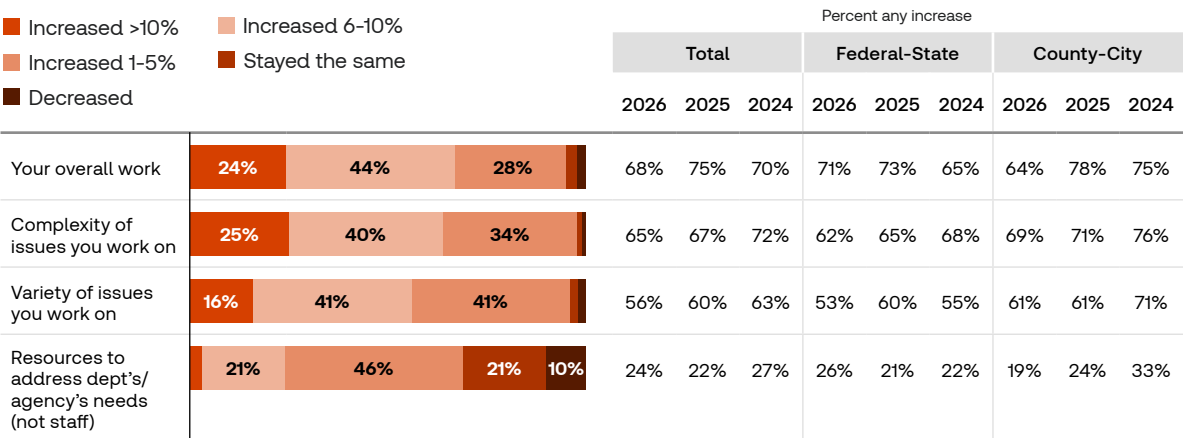


FIGURE 12:
Anticipated change in work attributes in next two years



The majority of respondents say novel issues account for less than 20% of all legal issues that their agencies deal with on a weekly basis.

FIGURE 13:

Percentage of novel issues dealt with weekly

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
0%-9%	42%	42%	41%	39%	41%	42%	36%	43%	39%	42%
10%-19%	28%	28%	28%	34%	28%	27%	35%	29%	29%	33%
20%-29%	14%	14%	17%	16%	15%	14%	14%	10%	22%	18%
30%-39%	5%	5%	6%	4%	6%	8%	7%	3%	2%	1%
40%-49%	3%	3%	2%	1%	3%	1%	1%	1%	4%	1%
50% or more	10%	10%	6%	5%	7%	7%	7%	14%	4%	4%
Average		16.1	14.2	14.0	15.4	14.2	15.0	17.3	14.1	13.0
Median		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

Source: Thomson Reuters 2026

Issue complexity diverges across agencies as more than one-third of all respondents say that more than half of their legal research issues are complex, while those from federal and state agencies are more likely (41%) to consider half of their legal research issues to be complex, compared to those from county and city agencies (26%).

FIGURE 14:

Percentage of complex legal research issues

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
0%-9%	15%	15%	11%	21%	10%	10%	22%	23%	12%	21%
10%-19%	19%	19%	21%	14%	21%	21%	14%	16%	22%	14%
20%-29%	21%	21%	20%	13%	20%	20%	15%	22%	20%	11%
30%-39%	6%	6%	7%	7%	6%	4%	5%	5%	14%	8%
40%-49%	5%	5%	4%	3%	3%	5%	3%	8%	2%	3%
50% or more	35%	35%	37%	43%	41%	39%	42%	26%	31%	43%
Average		35.9	36.7	37.8	39.7	38.6	39.0	29.9	33.1	36.6
Median		25.0	25.0	30.0	25.0	25.0	27.5	25.0	25.0	34.0

Source: Thomson Reuters 2026

As agencies manage growing caseload pressure without matching increases in non-staff resources, they continue to see technology as a mechanism to increase efficiency and save time and money.

FIGURE 15:
Hours spent per week
researching novel areas

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
2 hours or less	45%	45%	38%	32%	45%	33%	30%	44%	47%	34%
3-5 hours	32%	32%	41%	36%	35%	42%	36%	26%	39%	36%
6-10 hours	13%	13%	15%	21%	11%	18%	19%	17%	8%	22%
More than 10 hours	11%	11%	6%	11%	10%	6%	15%	13%	6%	8%
Average		5.1	4.7	5.9	4.9	5.1	6.4	5.5	4.0	5.5
Median		3.0	4.0	4.0	3.0	5.0	4.0	3.0	3.0	4.0

Source: Thomson Reuters 2026

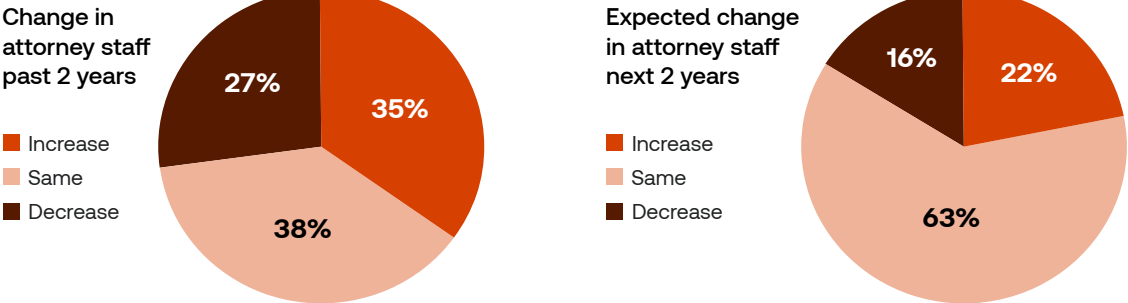
While agency respondents say they spend an average of about 5 hours per week researching unfamiliar or novel areas of the law, more of those from federal and state agencies have shifted toward spending 2 hours or less per week over the past three years, with 45% saying that now, compared to 30% in 2024.

Staffing in government legal departments

Staffing continues to be an area of great concern for government legal department professionals, especially around retention and staffing levels. More than three-quarters of them say their agencies have experienced staffing shortages over the past two years, and 63% say they anticipate continued shortages over the next 12 months.

Worse yet, these staffing shortages are coming in the midst of increasing workload strain, making it necessary for legal professionals to maximize their efficiency to better handle to workflow.

FIGURE 16:
Staffing



Source: Thomson Reuters 2026

Attorney staffing levels have stayed the same for 38% of agencies over the past two years, even as workload volume and complexity have increased, according to respondents.

Staffing stability was slightly more common among those respondents from county and city agencies, with almost half of them saying staffing stayed the same over the past two years, compared to about one-third of respondents from federal and state agencies saying that. However, this stability must be viewed alongside workload demands. County and city agencies continue to manage a higher weekly volume of individual legal matters — 39% say they handle between 21 and 50 matters per week, compared to 25% of federal and state agencies who work at that level.

FIGURE 17:
Change in attorney staff in the past two years

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Increased significantly (11% or more)	8%	8%	8%	8%	7%	7%	8%	9%	10%	8%
Increased slightly (1-10%)	28%	28%	27%	31%	28%	27%	35%	26%	25%	28%
Stayed the same	38%	38%	45%	32%	32%	40%	23%	48%	53%	41%
Decreased slightly (1-10%)	16%	16%	16%	19%	19%	20%	23%	10%	8%	16%
Decreased significantly (11% or more)	12%	12%	5%	9%	15%	5%	11%	6%	4%	8%
Increase (net)		35%	35%	39%	35%	34%	43%	35%	35%	36%
Decrease (net)		27%	21%	29%	33%	25%	34%	17%	12%	24%

Source: Thomson Reuters 2026

About one-third of federal and state agency respondents, by contrast, were more likely to report attorney staffing net decreases compared to their county and city colleagues — and most significant decreases of staff reductions (more than 10% staff reduction) were concentrated at the federal and state agency level.

Yet despite these reductions, respondents from federal and state agencies are more likely to report having enough time to thoroughly research new or complex issues.

FIGURE 18:
Expected change in attorney
staff in the next 12 months

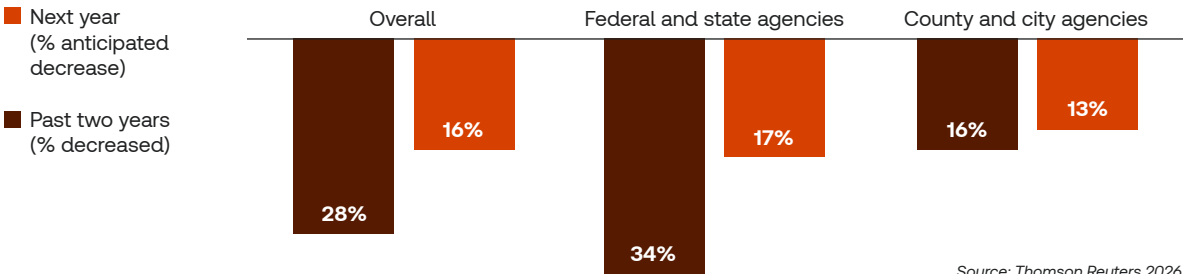
		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Increased significantly (11% or more)	3%	3%	2%	1%	3%	2%	3%	3%	2%	0%
Increased slightly (1-10%)	19%	19%	17%	33%	20%	14%	36%	17%	22%	29%
Stayed the same	63%	63%	57%	51%	60%	54%	46%	68%	63%	55%
Decreased slightly (1-10%)	13%	13%	18%	13%	14%	21%	14%	10%	12%	13%
Decreased significantly (11% or more)	3%	3%	7%	2%	3%	9%	1%	3%	2%	3%
Increase (net)		22%	19%	34%	23%	16%	39%	19%	24%	29%
Decrease (net)		16%	25%	15%	17%	30%	15%	13%	14%	16%

Source: Thomson Reuters 2026

Across all agency levels, 63% of respondents say they expect attorney staffing levels to stay the same over the next year. Among agencies that do anticipate change, staffing increases are more likely than decreases. The share of agencies expecting a staffing decrease has also improved year-over-year, dropping to 1-in-6 from 1-in-4.

This trend is especially notable at the federal and state level. In 2025, 1-in-3 respondents from federal and state agencies said their agency had experienced a staffing decrease. In 2026, that number fell to 1-in-6.

FIGURE 19:
Staffing decreasing



Source: Thomson Reuters 2026

While agency staffing is largely expected to remain stable, workload volume and complexity continue to impact staff. Because government legal departments have little ability to lessen their workload volume or complexity, the risk of employee burnout and staff turnover remains high, especially as staff levels remain stable or decrease.

That’s why adoption of advanced technology is increasingly seen as an opportunity for agencies to increase efficiency. Trends around technology adoption across agencies this year were indicative of a sea change within government legal departments.

Technology

Technology is not seen as a replacement for staff, of course, but rather as a way to empower existing staff to manage their increasing workloads more efficiently and effectively. However, there are perceived barriers to increased technology adoption that may hinder many government legal agencies from fully gaining the benefits of more efficient work.

FIGURE 20:

Barriers to adopting new technology

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Budget/cost	 72%	72%	81%	76%	72%	79%	74%	71%	84%	78%
Tech. not designed for Gov't agencies	 53%	53%	53%	50%	56%	52%	50%	47%	55%	50%
Security concerns	 50%	50%	45%	33%	56%	47%	43%	40%	41%	22%
Approval/bureaucracy	 50%	50%	57%	53%	51%	58%	64%	47%	57%	42%
Difficulty changing processes	 36%	36%	35%	38%	33%	35%	34%	40%	35%	42%
Time to learn	 34%	34%	27%	26%	29%	20%	19%	40%	41%	33%
Emp. resistance to change	 31%	31%	29%	27%	28%	19%	27%	34%	47%	28%
AI policy**	 19%	19%	—	—	19%	—	—	18%	—	—
Technology not developed enough	 17%	17%	15%	15%	15%	15%	14%	21%	16%	16%
Other	 3%	3%	1%	3%	2%	2%	3%	5%	0%	4%
Not sure	 5%	5%	5%	4%	5%	5%	7%	4%	4%	1%

**New in 2026.

Source: Thomson Reuters 2026

Nearly three-quarters of respondents describe budgets or the cost of technology as the largest barrier to further tech adoption. Yet, the yearly trends of these barriers have shown these barriers are moving downward. Beyond cost, some of the traditional worries about increased technology use remain. For example, security concerns are becoming a more prominent barrier overall, with similarly high levels of concern (above 70%) across all agencies.

Employee resistance to change around new technologies is still a challenge, but respondents from county and city agencies are more likely (with 34% saying this) than their federal and state counterparts (28%) to cite this as a barrier, even though the portion of county and city respondents saying this has dropped considerably from last year.

Interestingly almost 1-in-5 respondents say a lack of an AI policy has become a barrier to adopting new technology.

FIGURE 21:

Motivation to adopt new technology

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
More efficient/ save time	 60%	60%	53%	57%	59%	52%	50%	60%	57%	64%
Save money/ cost efficient	 60%	60%	45%	47%	63%	44%	45%	53%	45%	50%
Low cost/ reasonable price	 54%	54%	57%	52%	50%	52%	43%	61%	67%	61%
Easier to use than current process	 44%	44%	41%	47%	42%	35%	36%	45%	51%	58%
If integrated with existing sys/tools	 42%	42%	34%	—	35%	30%	—	52%	41%	—
If the product meets our needs	 41%	41%	39%	41%	39%	39%	35%	43%	37%	46%
If it was mandated	 28%	28%	41%	37%	28%	43%	47%	27%	35%	28%
If something triggered the need	 22%	22%	30%	31%	19%	31%	43%	26%	27%	18%
Reduce access to non-approved AI*	 12%	12%	—	—	15%	—	—	8%	—	—
Requests from partner agencies	 8%	8%	9%	10%	7%	7%	14%	8%	12%	7%
Requests from the public	 6%	6%	4%	7%	2%	4%	4%	13%	4%	9%
Other	 3%	3%	2%	1%	2%	2%	1%	4%	2%	1%
Not sure	 6%	6%	5%	3%	6%	5%	5%	6%	4%	1%

**New in 2026/new significant difference in 2026.

Source: Thomson Reuters 2026

As major motivators for new tech adoption, respondents cite saving time and saving money, with federal and state agency respondents (63%) in particular pushing cost savings compared to last year.

FIGURE 22:

Technology compared to other government agencies

		Total	Federal-State	County-City
		2026	2026	2026
Better than private sector	 5%	5%	4%	6%
At par with private sector	 30%	30%	25%	36%
Below private sector	 40%	40%	46%	30%
Far below private sector	 19%	19%	17%	22%
Not sure	 7%	7%	8%	5%

Source: Thomson Reuters 2026

While almost 6-in-10 respondents rate the technology in their government agency below or far below that of the private sector, that feeling was less pronounced among those at county and city agencies.

FIGURE 23:
Change in technology investment in past two years

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Increased significantly (>5%)	13%	13%	10%	9%	10%	9%	8%	18%	12%	9%
Increased slightly (1-5%)	35%	35%	32%	36%	37%	29%	35%	30%	37%	37%
Stayed the same	39%	39%	37%	38%	37%	36%	36%	42%	37%	39%
Decreased (1-5%)	3%	3%	8%	6%	2%	8%	4%	4%	8%	8%
Decreased significantly (>5%)	2%	2%	4%	1%	2%	5%	0%	3%	2%	1%
Not sure	9%	9%	9%	11%	12%	12%	16%	4%	4%	5%

Source: Thomson Reuters 2026

More advanced iterations of AI, such as agentic AI tools, introduce a new layer of complexity for government legal departments. Not surprisingly, uptake on agentic AI is slow, with just 7% of respondents saying their agencies either use or are planning to use agentic AI in their workflows.

Unlike traditional generative AI tools, which primarily summarize, draft, or answer questions, agentic tools are designed to complete multi-step tasks toward a defined goal. This makes governance, pricing transparency, and vendor evaluation increasingly important, especially for those agencies already concerned about cost, security, and confidentiality.

The AI inflection point

A major acceleration of AI adoption occurred between 2025 and 2026 among government legal departments, increasing more than four-fold in a single year as 28% respondents now say their agencies are already using AI tools. A correlated data point is the collapse of government legal departments that have no plans to use AI technology, dropping to 23% of respondents saying this now, from 71% just two years ago.

Federal and state agencies are more likely to be using AI, with 33% of those respondents saying this, compared to 19% of those from county and city agencies. Conversely, county and city agencies are more likely to have no plans to use AI with 36% of those county and city agency respondents saying this, compared to 14% of those from federal and state agencies.

FIGURE 24:
Usage of AI

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
We are already using	28%	28%	6%	1%	33%	5%	0%	19%	8%	3%
We are planning to use	12%	12%	3%	3%	13%	4%	1%	9%	2%	5%
Considering whether or not	19%	19%	25%	25%	22%	25%	26%	14%	25%	24%
Have no plans to use	23%	23%	45%	71%	14%	42%	73%	36%	49%	68%
Not sure	20%	20%	21%	—	19%	23%	—	21%	16%	—

Source: Thomson Reuters 2026

FIGURE 25:
Attitude towards AI

		Total			Federal-State			County-City		
		2026	2025	2024	2026	2025	2024	2026	2025	2024
Optimistic	28%	28%	18%	15%	29%	19%	11%	25%	16%	20%
Neutral	37%	37%	45%	47%	39%	47%	49%	34%	41%	46%
Pessimistic	27%	27%	29%	29%	22%	25%	34%	34%	37%	24%
Apocalyptic	9%	9%	7%	9%	10%	8%	7%	8%	6%	11%

Source: Thomson Reuters 2026

Although more than one-third of respondents say they view AI adoption as an operational challenge (see Figure 5, page 7); when asked how prepared they feel to manage this challenge, about one-third of respondents at federal and state level agencies and almost half of those at county and city agencies say their agency has no plan in place to manage this challenge.

FIGURE 26:
Criteria for AI evaluation

		Total	Federal-State	County-City
		2026	2026	2026
Confidential data exposure		79%	81%	75%
AI hallucinations or reliability		73%	76%	69%
Data used to train AI models		38%	37%	39%
Subpoena or discovery risk		36%	32%	42%
Integration or access control risk		35%	34%	36%
Trusted partner/ Vendor		34%	33%	35%
Data retention uncertainty		33%	30%	36%
Data residency concerns		32%	32%	31%
Other		4%	4%	4%
Don't know/ no answer		6%	6%	6%

Source: Thomson Reuters 2026

As government legal departments evaluate the AI tools they are using, their top concerns are confidential data exposure (with 79% of respondents citing this) and AI hallucinations or reliability (73%). And nearly two-thirds of respondents say their agencies either have an AI use policy in place or are developing one.

What can government agencies do?

There are several actions that government legal departments can do to better leverage AI to improve their effectiveness and their value to their agencies, especially around AI governance, staffing strategies, and use of case management software.

Improving AI governance

Nearly two-thirds of respondents say their agencies either have an AI use policy in place or are developing one, with a much higher adoption rate among federal and state agencies. The 20% of respondents who say their agency does not have a policy are inviting risk that staff are using AI without guardrails.

Government agencies need to enact effective AI governance frameworks, which should include clear guidance on acceptable use; requirements for protecting confidential and sensitive data; processes for verifying outputs; documentation standards; training for end-users; and procedures for evaluating new tools.

Leveraging AI as a staffing strategy

As the demands on government legal professionals rise and as legal issues change at a faster pace, agency leaders must meet the demands thrust upon them. As many agencies also find their path to hiring additional staff stymied by cost and budgets, AI technology can offer them a tool to help them manage this situation.

Exploring AI technology as a partner or resource for employees can help organizations realize greater efficiency, cost savings, and less time spent by legal professionals on more mundane administrative tasks.

As our survey showed, talent recruitment, attraction, and retention remain major challenges for government legal departments, and these issues are anticipated to remain a major challenge over the next 12 months. Utilized properly, AI technologies can support government legal professionals as a partner in managing their workload, reducing employee burnout reduction and improving well-being.

Further, our research shows that among students and early-career professionals, willingness to accept a job offer decreases when an organization does not provide access to fiduciary-grade AI tools and is especially pronounced among those professionals with higher AI fluency.

Using case management software

Fortunately, case management software implementation has increased significantly over the last year so that now almost two-thirds of agencies use it, compared to just half a year ago.

Indeed, case management software has become the most widely adopted technology system after legal research tools. As demands continue to rise, case management software continues to empower legal professionals, allowing them to juggle larger volumes of cases and centralize information in one location — a great benefit as more agency staff transitions. The roughly one-quarter of government legal agencies that do not currently use or plan to use case management software risk falling behind their peers.

Managing the future

Government legal departments continue to work under conditions outside their control, such as rising caseload volumes, increasingly complex issues, and flat staffing levels. This year's edition of the Thomson Reuters Institute's *Government Legal Department Report* shows that more departments, government agencies, and their professionals are increasingly turning to technology to expand capacity, especially in those spots in which additional staffing may not be feasible.

As the use of AI tools within government legal departments and agencies has risen sharply over the last two years, the share of agencies with no plans to use AI has fallen significantly. Yet oversight and governance of this increased AI adoption have not fully kept pace. Those agencies that lack AI use policies risk exposing confidential data, relying on unverified outputs, or allowing inconsistent use across their legal teams.

Agencies that lack AI use policies risk exposing confidential data, relying on unverified outputs, or allowing inconsistent use across their legal teams.

Today, the path forward is practical. Government legal departments and agencies do not have the option to reduce their workload, of course, but they do have options for how they manage it. Agencies should strengthen foundational AI tools such as legal research and case management systems, develop AI governance frameworks around adoption of more advanced tools, and evaluate AI as a partner in improving internal efficiencies.

While technology will not replace legal government professionals, greater use can be an enormous benefit, protecting staff from burnout, preserving institutional knowledge, and maintaining high-quality service amid growing outside pressure.

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