

Solutions for government agencies' top IT priorities

With rising caseloads and shrinking budgets, agencies need to streamline processes with flexible, configurable solutions

HYLAND™

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CIO priorities for 2026

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Introduction

Government is at an inflection point

State and local leaders face rising caseloads, shrinking budgets, retiring expertise, digital-first citizen expectations and decades of legacy technical debt. The National Association of State Chief Information Officers (NASCIO) ranked AI as the top priority for state CIOs in 2026, a first in its 20-year history,[1] and federal agencies must now publish AI strategies and procurement policies.[2]

But agencies can't trust AI when the content behind a determination — a benefits decision, a permit approval, a records request — is fragmented or disconnected from the workflows where decisions happen. Automation fails on bad data, intelligence fails without explainability, and compliance now demands auditability and human oversight at scale.

Intelligent content solutions for government

Hyland's intelligent content solutions turn fragmented agency records into governed, actionable intelligence, helping CIOs:

- Automate document-heavy processes — eligibility determinations, benefits intake, public records, permitting, court proceedings — with governed, human-supervised automation.
- Turn fragmented content into explainable intelligence, with every answer permissioned and traceable to a source record.
- Modernize on a platform that federates content across the systems agencies already own — governed, agentic AI without a rip-and-replace project.



AI, generative AI, agentic AI and machine learning

Priority: 1 of 10

Governance, policies, use cases, security, privacy, workforce skills, data quality, ethical use, overall adoption



Why AI tops the list

For the first time in 20 years of NASCIO tracking, AI ranks first — not for chatbots or pilots, but to scale capacity against rising caseloads, shrinking staff and statutory deadlines that don't move. Eligibility determinations, records responses and permit approvals all involve manual review, data entry, validation and routing — all of which are ideal candidates for intelligent automation.

But success requires governance first:

- **Content you can trust:** Classified, locatable and reliably accessible across agency systems.
- **Compliance authorization:** OMB M-25-21 and M-25-22 set minimum requirements for risk management, monitoring, auditability and vendor accountability[2].
- **Explainability:** Every decision is traceable to its source record and defensible to oversight.
- **Human oversight:** Confidence-based routing sends uncertain cases to human review.

Why Hyland

Hyland enables agentic AI on a governed, compliance-authorized foundation.
Automated eligibility capabilities handle high-volume benefits determinations — Medicaid, housing, SNAP — routing exceptions to caseworkers by confidence score. Content federation connects document understanding and AI agents to content in place across Hyland, self-hosted and third-party repositories, so agencies govern intelligence without migration, while a knowledge-graph context layer keeps every answer traceable to its source record.

Case study: Horry County reduces tax return processing burden

Horry County, South Carolina receives more than 90,000 personal property tax returns annually, with a staff of six spending nearly six months processing them. Using robotic process automation (RPA) with conditional business rules, **the county processed 30,000 returns**, a third of its annual volume, in its first year without human interaction, routing to auditors only when rules flagged errors or fraud.

Cybersecurity and risk management

Priority: 2 of 10

Governance, budget and resource requirements, security frameworks, data protection, training and awareness, insider threats, third-party risk, whole-of-state cybersecurity

Cybersecurity remains critical

Cybersecurity and risk management rank second among state CIO priorities in 2026. Breaches expose citizen data, erode public trust and carry real costs. Across dozens of legacy systems and hybrid cloud environments, risk grows exponentially, and fragmented content with inconsistent access controls makes compliance harder. Federal acquisition guidance — OMB M-25-21 and M-25-22 — now requires AI contracts to include vendor accountability, data rights protections and exit provisions.[2]



Why Hyland

Hyland protects sensitive information through centralized content governance, encryption, granular access controls, retention policies, audit trails and secure document sharing — safeguarding government data across its lifecycle. Hyland's records management capabilities are certified to DoD 5015.02 and 5015.03 and operate in classified and unclassified infrastructures, with continuous monitoring, rapid incident response and digital forensics.

Budget, cost control and fiscal management

Priority: 3 of 10

Managing budget reduction, federal funding, strategies for savings, reducing or avoiding costs, dealing with inadequate funding and budget constraints

Why budget is now a top-three priority

For the first time, budget and cost control moved into the top three. Half of state CIO organizations saw FY26 budgets increase, but 18% were cut and 32% held flat. Of those seeking supplemental funds, 48% received modernization funding, while 22% requested it and received nothing.[3] Disconnected systems with overlapping capabilities compound infrastructure, licensing and integration costs.

Why Hyland

Hyland helps state and local agencies do more with less by digitizing manual, paper-based processes and eliminating legacy systems. Automation reduces labor costs, accelerates cycle times and improves visibility into records tied to funding, grants and audits, supporting cost savings and fiscal accountability.

Modernization

Priority: 4 of 10

Enhancing, renovating, replacing legacy platforms and applications, business process improvement, governance

The modernization imperative

Agencies rely on core IT systems to process citizen records, benefits determinations, permitting history and court proceedings at scale. But many legacy systems are inflexible, incompatible with emerging technologies, vulnerable to attack and costly to maintain — and budget and workforce constraints rule out rip-and-replace programs.

Why Hyland

For decades, Hyland has helped customers replace aging systems and extend the ROI of existing ones.

Content federation is the key. It extends governance and intelligence across content in place — Hyland, self-hosted repositories, SharePoint, Box, OpenText, Laserfiche. For example, agencies can add automated eligibility determination without replacing case management and deploy federated search and AI-assisted redaction over legacy records systems without migrating them. This aligns with federal AI acquisition policy on lock-in protections, data rights and exit provisions.

Digital government and digital services

Priority: 5 of 10

Framework for digital services, portal, accessibility, identity management, crowd sourcing, privacy, security, cross-agency collaboration, cost/benefit analysis

Digital expectations are now normal

Constituents expect civic experiences as simple as the private sector's, but many agencies still rely on manual delivery: Citizens wait in lines, print forms, mail documents and call for status while staff rekey data. Over the next two to three years, 80% of state and local leaders expect demand for digital services to rise, and half report that 50% or less of transactions are initiated and completed online.[4]

Why Hyland

Hyland's citizen self-service capabilities let constituents submit forms, upload and track documents, check status, make payments and receive notifications from any device — integrated with agency ERP, case management and permitting systems so staff can focus on complex casework.

Accessibility

Priority: 6 of 10

Ensuring state services, policies, websites, communications, publications and tools are accessible; ensuring accessibility is considered in the state procurement process; compliance with DOJ rules

Accessibility is now legally non-negotiable

Accessibility jumped from 10th to sixth among state CIO priorities in 2026. In April 2024, the Department of Justice issued a final rule under Title II of the Americans with Disabilities Act requiring state and local governments to make web content and mobile apps accessible. DOJ extended the compliance dates by one year in April 2026: entities serving 50,000 or more residents must comply by April 26, 2027, and smaller entities and special district governments by April 26, 2028, with lawsuits and federal enforcement for noncompliance. The rule aligns with WCAG 2.1.[5]

States are not yet ready: 52% report DOJ rule implementation in progress and another 34% have a plan still under development, while 54% say their CIO organization has no funding for accessibility services.

Why Hyland

Hyland's enterprise content management solution treats accessibility as a core design principle, not a retrofit. Our solutions enable agencies to deliver WCAG 2.1 A/AA and WCAG 2.2 A/AA, ADA-compliant experiences to their constituents with keyboard and navigation support, screen reader support, visual accessibility, forms and document flows, and mobile accessibility.

Identity and access management

Priority: 7 of 10

Supporting citizen digital services, workforce access, access control, authentication, credentialing, digital standards

Identity management as the foundation of trust

As services digitize, IT leaders must give the right people access to the right information at the right time. But most agencies run fragmented identity systems: DMVs issue citizen credentials, workforce directories manage employee access, providers like Okta and Ping Federate operate in some departments, and many systems still rely on passwords with weak multifactor identification options.

Why Hyland

Hyland solutions use standard protocols like OAuth2 and OpenID Connect for authentication and federation to existing providers — internal Active Directory or hosted services like Okta and Ping Federate. Document- and case-level permissions keep access contextual, and AI agents inherit them, so every automated answer respects human access rights.

Data management and analytics

Priority: 8 of 10

Data governance, data architecture, strategy, business intelligence, predictive analytics, big data, roles and responsibilities

The intelligence problem

Government data volumes keep growing alongside compliance obligations, yet the information agencies gather holds largely untapped potential. Fragmented, poorly classified data breaks analytics; inconsistent quality breaks decisions; and unenforced retention breaks compliance. Two-thirds of states (66%) still rate their data management governance maturity as in the beginning stages, and just 4% call it very mature — even as gen AI increases the pressure to invest in data quality, data literacy and data sharing.

Why Hyland

Robust records management and governance can close that gap. Agencies that partner with us establish a centralized information hub that connects data across systems and teams, and enforces governance for compliance, security and proper records management. Hyland also partners with industry leaders like Amazon and Microsoft. These strategic partnerships ensure that critical information buried in documents can be seamlessly fed into government systems and accessed when and where it's needed.

Consolidation and optimization

Priority: 9 of 10

Centralizing, consolidating services, operations, resources, infrastructure, data centers, communications and marketing "enterprise" thinking

The consolidation challenge

Government IT infrastructure is fragmented: every department runs its own systems, every agency its own data center or cloud footprint, every division its own identity, workflow and repository tools — producing redundancy, cost and governance gaps. Coordinated rip-and-replace projects are risky and expensive, and doing nothing perpetuates waste.

Why Hyland

Content federation enables consolidation without rip-and-replace. By connecting governance and intelligence across existing repositories — Hyland, self-hosted, SharePoint, Box, OpenText, Laserfiche — agencies consolidate at the governance layer rather than the data layer, retiring duplicate systems gradually. Hyland solutions also integrate with Workday, SAP, PeopleSoft and Salesforce, so agencies consolidate without replacing the core applications they run.

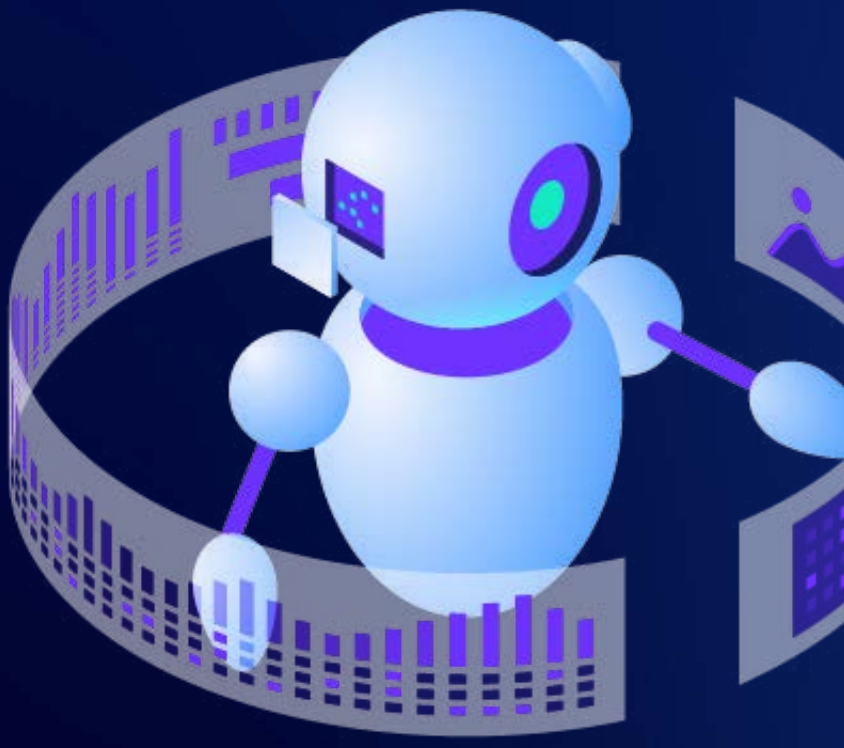
Cloud services

Priority: 10 of 10

Cloud strategy, selection of service and deployment models, scalable and elastic services, governance, service management, security, privacy, procurement

Cloud adoption is accelerating

Agencies have championed "cloud first" and "cloud smart" strategies for years, and with exponentially more content to oversee, they need something more secure, reliable and scalable than on-premises systems. Eighty-six percent of states now have an established cloud strategy such as cloud first or cloud smart, and 94% have migrated email and calendars, but only 42% have implemented mainframe-as-a-service, leaving core legacy workloads on premises. The question is no longer whether to move but how to do it responsibly.



Why Hyland

Hyland's cloud-based content services store information securely, with near-99.99% uptime and backup redundancy for disaster recovery, lower operational costs and the compliance-authorized foundation needed for governed, auditable AI. For agencies not ready for full migration, content federation offers a middle ground: run Hyland solutions on-premises while connecting to cloud-native intelligence, governance and analytics.

Conclusion

The 2026 CIO priorities reflect an inflection point. AI is now an operational necessity, budget pressure demands efficiency gains only modernization can deliver, tightening compliance puts governance at the center of procurement, and citizen expectations keep rising faster than the resources to meet them.

Since 1991, Hyland has helped agencies streamline their processes with flexible, configurable solutions and a team of government experts. Our approach rests on three commitments:

- Automate at scale with governed, human-supervised automation.
- Turn fragmented content into governed intelligence built on auditability and explainability.
- Modernize without rip-and-replace, federating content across the systems agencies already own on a compliance-authorized cloud.



Explore Hyland's government solutions

Sources

1 NASCIO, State CIO Top Ten Policy and Technology Priorities for 2026, December 2025. Priority rankings and category descriptions throughout this e-book are drawn from this report.

2 U.S. Office of Management and Budget, M-25-21, Accelerating Federal Use of AI through Innovation, Governance, and Public Trust; and M-25-22, Driving Efficient Acquisition of Artificial Intelligence in Government; April 3, 2025.

3 NASCIO, The 2025 State CIO Survey: Leading Change Through Uncertain Times, September 2025.

4 NASCIO, The 2023 State CIO Survey, 2023.

5 U.S. Department of Justice, Nondiscrimination on the Basis of Disability; Accessibility of Web Information and Services of State and Local Government Entities, final rule, April 2024; compliance dates extended by interim final rule, April 2026.



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