

Start at Zero AI Navigator TM

Three Quadrants Every State & Local Government Leader Needs Before Investing in AI

31 AI tools independently validated for state and local government.

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*This report is vendor-neutral. No vendor paid to be included.
No vendor influenced placement.*

Why This Report Exists

The government AI market is exploding. In 2026, AI has overtaken cybersecurity as the number one technology priority for state CIOs for the first time in over a decade. Cities, counties, and state agencies are moving from pilot programs to production deployments. The "pilot purgatory" era is ending.

But here's the problem: most state and local government leaders are making AI investment decisions based on vendor marketing, not independent analysis. Many reports include tools designed for federal defense agencies or enterprise companies—not for county CIOs, city managers, or state agency directors.

This report is different. Every tool included has been independently validated for state and local government relevance using two authoritative sources: the 2026 GovTech 100—the definitive annual index of companies selling to state and local government—and the GovAI Coalition, a network of 2,000+ public servants from 700+ local, county, and state governments collaborating on responsible AI procurement.

Our Validation Methodology

Tools were selected based on: (1) inclusion on the 2026 GovTech 100, (2) documented city, county, or state government deployments verified through the GovAI Coalition's vendor registry and public case studies, and (3) presence in ERP and technology procurement pipelines that Averro encounters in its state and local advisory engagements. Federal-only tools were excluded. No vendor paid to be included. No vendor influenced placement.

■ The Phase Zero Question

Before evaluating any AI tool, ask yourself: Does my organization have the data governance, change management capacity, and structural readiness to absorb AI? If not, start with Phase Zero—an independent readiness assessment—before any procurement. Technology without preparation is just expensive shelfware.

How to Read This Report

We evaluate every tool across three quadrants, each answering a different executive question:

- 1. Quadrant 1: Government Readiness × Capability Depth** — "Can I buy it and what does it do?"
- 2. Quadrant 2: Implementation Complexity × Mission Impact** — "What will it take and what will I get?"
- 3. Quadrant 3: Vendor Independence × S&L Maturity** — "Am I getting locked in?"

Each quadrant reveals different risks and opportunities. A tool that scores well on Quadrant 1 (easy to procure, powerful capabilities) might score poorly on Quadrant 3 (heavy vendor lock-in). Smart government leaders look at all three before deciding.

Quadrant 1: S&L Readiness × Capability

"Can I buy it and what does it do?"

This is the procurement officer's quadrant. The X-axis measures how easy a tool is to buy and deploy in a state or local government environment: Does it have StateRAMP or FedRAMP authorization? Is it available through cooperative purchasing vehicles? Does it have documented city, county, or state references?

The Y-axis measures what the tool can actually do: Is it a narrow point solution or a broad, transformative platform? Can it handle complex government use cases or is it limited to basic productivity?

Four Zones

- **S&L-Ready; Leaders (top-right):** Strong capability AND easy for state and local agencies to procure. These tools have proven S&L; deployments, cooperative purchasing availability, and compliance postures that match S&L; requirements. Examples: Tyler Technologies, Microsoft Copilot, CentralSquare, Esri.
- **High Potential, High Risk (top-left):** Powerful technology but procurement gaps for S&L; agencies. May require workarounds or extended evaluation periods. Examples: SAP Joule (limited S&L-specific; AI), newer GenAI platforms still building gov sales channels.
- **Safe but Limited (bottom-right):** Easy to buy but narrow in scope. Good for specific use cases but won't transform your operations. Examples: Citibot (311 chatbot), Polco AI (community engagement), PublicInput, Zencity.
- **Emerging Bets (bottom-left):** Early stage and still building S&L; track records. May have great technology but lack the references and procurement history that government buyers need. Examples: Madison AI, DarwinAI.

Key Trend: The GovAI Coalition Effect

In November 2023, five cities banded together because vendors wouldn't share basic information about their AI products' privacy and data practices. That coalition now includes 2,000+ public servants from 700+ governments. They've created an AI Vendor Registry with "AI FactSheets"—nutrition labels for AI products—and a cooperative purchasing repository. Vendors that refuse to participate are losing access to procurement capital. Before you buy, ask: Has this vendor submitted a GovAI Coalition FactSheet?

Quadrant 2: Complexity × Mission Impact

"What will it take and what will I get?"

This is the CIO's quadrant. It answers the ROI question. The X-axis measures how difficult the tool is to implement: Does it require deep integration with legacy systems? Extensive data migration? Organizational change management? Or can you deploy it next week?

The Y-axis measures the potential impact on your agency's mission: Will this tool improve internal efficiency, or will it fundamentally change how you deliver services to constituents?

Four Zones

- **Quick Wins (top-left):** High impact with relatively fast deployment. Start here for visible early successes. Examples: Microsoft Copilot (layer on existing M365), Granicus GXA (citizen comms), AWS Bedrock (multi-model AI platform).
- **Strategic Transformers (top-right):** Major investment but transformational returns. Requires executive sponsorship, multi-year commitment, and dedicated change management. Examples: Tyler Technologies ERP, Oracle Cloud Gov, CentralSquare.
- **Easy Adds (bottom-left):** Low effort, incremental value. Good for building AI competency within your organization. Examples: Citibot (SMS chatbot), OpenAI ChatGPT (individual productivity), Polco AI.
- **Heavy Lifts (bottom-right):** Complex to implement with limited near-term payoff. Avoid unless you have a well-defined use case. These tools drain resources without proportionate returns.

Avero Insight: The Pilot Purgatory Problem

In 2026, the biggest risk is not choosing the wrong tool—it's getting stuck in endless pilots that never reach production. Over 90% of states now have responsible-use policies, but many still lack the organizational structure to move from experimentation to enterprise deployment. This is exactly what Phase Zero solves.

Quadrant 3: Independence × S&L Maturity

"Am I getting locked in?"

This is the strategist's quadrant—and the one most vendors hope you never see. The X-axis measures how independent you remain after adopting the tool: Can you switch vendors? Export your data? Integrate with other systems? Or does adoption create an irreversible dependency?

The Y-axis measures how mature and proven the tool is specifically in state and local government settings: How many cities, counties, or states have deployed it at scale? What's its track record for the unique challenges S&L; agencies face—tight budgets, citizen-facing services, elected officials, compliance requirements?

Four Zones

- **Open & Proven (top-right):** The ideal zone. Established in S&L; government with reasonable exit flexibility. Very few tools achieve this position. Examples: OpenGov (cloud-native, interoperable), Accela (API-first).
- **Established but Locked (top-left):** Proven and reliable in S&L; but difficult to leave. Most major gov ERP and platform vendors sit here. Plan for switching costs. Examples: Tyler Technologies, Microsoft Copilot, Oracle, CentralSquare, Granicus GXA, Esri.
- **Flexible but Unproven (bottom-right):** Open architecture and low lock-in, but limited S&L; track record. Worth watching and piloting. Examples: Anthropic Claude (API-standard, multi-cloud), Madison AI, DarwinAI, Cardinality.ai, Peregrine.
- **Risky Bets (bottom-left):** New to S&L; government AND proprietary. Maximum risk. If the vendor pivots, gets acquired, or raises prices, you have limited recourse and limited alternatives.

The Lock-In Warning

The most expensive AI decision you'll ever make isn't the initial purchase—it's the switching cost you'll face in 5 years. Government agencies that build on proprietary data models or single-vendor AI ecosystems often find themselves paying 3–10x the original implementation cost to migrate away. Independent advisory at the selection stage is the most cost-effective investment you can make.

Complete S&L Tool Assessment Matrix

The table below provides Avero's independent assessment of all 31 tools validated for state and local government. Every tool listed has documented S&L; deployments or is on the 2026 GovTech 100.

Tool	Category	Validation	S&L Clients	Capabilit y	Lock-In	Key Notes
Tyler Technologies	Gov ERP	GovTech 100 (10 yrs)	15,000+	High	Very High	44K+ installations, pure-play gov, AI partnerships
CGI Advantage	Gov ERP	Federal/State ERP	Large	High	High	Federal/state ERP, 91K employees, AI integration
CentralSquare	Gov Platform	GovTech 100 (8 yrs)	8,000+	High	High	Public safety + admin, 8K+ agencies, major S&L; platform
Accela	Gov Platform	GovTech 100 (11 yrs)	Hundreds	Medium	Medium	Permitting/licensing AI, cloud-native, growing
OpenGov	Gov Platform	GovTech 100	1,000+	Medium-High	Medium	Budgeting/planning AI, procurement workflows
Microsoft Copilot	GenAI/Copilot	FedRAMP High M365 GCC	Widespread	Very High	High	FedRAMP High, M365 GCC integration, 2.3M+ fed users
Google Gemini	GenAI/Copilot	FedRAMP High (Mar 2025)	Growing	Very High	Medium-High	First GenAI FedRAMP High, Workspace integration
OpenAI ChatGPT	GenAI/LLM	Azure Gov FedRAMP	Growing	Very High	Medium	Via Azure Gov FedRAMP, 90K+ gov users
Anthropic Claude	GenAI/LLM	FedRAMP High (AWS/GCP)	Emerging	Very High	Low	FedRAMP High via AWS/GCP, growing gov adoption
AWS Bedrock	AI Platform	GovCloud FedRAMP High	Growing	Very High	Medium-High	GovCloud, multi-model access, FedRAMP High
Oracle Cloud Gov	ERP/Cloud	In every state FedRAMP	Universal	High	High	Sovereign cloud, IL5 authorized, FedRAMP
SAP (Joule AI)	ERP/AI	Avero S&L; clients	Widespread	High	High	S/4HANA Cloud AI, strong enterprise but limited gov-specific
Workday AI	HCM/Finance	Avero S&L; clients	Growing	Medium-High	Medium-High	Strong in large gov HCM, AI for workforce planning
ServiceNow Gov	Workflow/ITSM	OneGov GSA deal	Growing	High	High	OneGov GSA deal, 70% discounts, strong fed presence
Salesforce GovCloud	CRM/Platform	Missionforce launch	Growing	High	High	Missionforce launch, US Army contract win
Esri	GIS/Analytics	FedRAMP Gov standard	Universal	High	High	Market-leading GIS with AI/ML, ubiquitous in gov, FedRAMP
Granicus GXA	Citizen Engage	GovTech 100 (11 yrs)	6,000+	Medium-High	High	Purpose-built gov, AI digital agents, 27+ data scientists

Tool	Category	Validation	S&L Clients	Capability	Lock-In	Key Notes
Citibot	Citizen Engage	GovTech 100	Growing	Low-Medium	Low	Gov-only AI chatbot, SMS/web, Carahsoft distribution
Polco AI (Polly)	Citizen Engage	GovTech 100 (3 yrs)	500+	Low-Medium	Low	Purpose-built local gov, 500+ gov clients, ICMA grounded
CivicPlus	Citizen Engage	GovTech 100	4,000+	Medium	Medium	Website/meeting/civic engagement with AI, 4K+ clients
PublicInput	Citizen Engage	GovTech 100 (3 yrs)	150+	Low-Medium	Low	Community engagement AI analytics, 150+ clients
Zencity	Citizen Engage	Gov verified	300+	Medium	Medium	AI-driven community trust platform, 300+ gov agencies
Madison AI	Gov-Native AI	GovAI Coalition	35+	Medium	Low-Medium	Role-specific AI assistants, Washoe County equity partner
DarwinAI	Gov-Native AI	GovTech 100 (NEW 2026)	Emerging	Medium	Low-Medium	AI governance/monitoring, helps agencies oversee AI adoption
Polimorphic	Gov-Native AI	GovTech 100 (3 yrs)	200+ depts	Medium-High	Low	AI Front Desk + VoiceAI + CRM, 200+ depts, 36M residents
Just Appraised	Gov-Native AI	County assessors	Emerging	Low-Medium	Low	AI-assisted property tax assessment for county assessors
Cardinality.ai	HHS AI	AWS Gov Partner	Emerging	Medium	Low-Medium	AI case management for Health & Human Services
Hayden AI	Public Safety	Transit agencies	Growing	Medium	Medium	Vision AI for transit enforcement, bus-mounted camera systems
Mark43	Public Safety	Cloud-native RMS/CAD	200+	Medium-High	Medium	Cloud-native public safety RMS/CAD, 200+ agencies
Forcemetrics	Public Safety	Law enforce. analytics	Growing	Low-Medium	Low-Medium	AI precision policing platform, law enforcement analytics
Peregrine	Public Safety	Data integration platform	Growing	Medium	Low-Medium	Integration platform connecting disparate public safety data

Phase Zero Readiness Scorecard

Before evaluating any AI tool, use this scorecard to assess your organization's readiness. Rate each area from 1 (not started) to 5 (fully mature).

Readiness Area	Score	Status
Data governance policies are documented and enforced	____ / 5	■ Ready ■ Needs Work
Master data is clean, current, and accessible	____ / 5	■ Ready ■ Needs Work
IT infrastructure supports cloud/hybrid deployment	____ / 5	■ Ready ■ Needs Work
Cybersecurity posture meets current compliance standards	____ / 5	■ Ready ■ Needs Work
Executive sponsor is identified and actively engaged	____ / 5	■ Ready ■ Needs Work
Change management plan exists for new technology adoption	____ / 5	■ Ready ■ Needs Work
Staff training budget is allocated for AI upskilling	____ / 5	■ Ready ■ Needs Work
AI acceptable use policy is drafted or approved	____ / 5	■ Ready ■ Needs Work
Procurement has identified compliant AI purchasing vehicles	____ / 5	■ Ready ■ Needs Work
Success metrics and KPIs are defined for AI outcomes	____ / 5	■ Ready ■ Needs Work

Total Score: ____ / 50

- **40–50:** AI-Ready. Proceed with tool evaluation.
- **25–39:** Partially Ready. Address gaps before major procurement.
- **Below 25:** Not Ready. Invest in Phase Zero before tool selection.

About Avèro Advisors

Avero Advisors is an independent government technology advisory firm specializing in ERP implementations, AI readiness, and technology modernization for state, local, and county government agencies.

We are not affiliated with any technology vendor. We do not resell software. We do not accept referral fees. Our only client is you.

Our services include:

- **Phase Zero Readiness Assessments** — Before your agency invests in AI or ERP technology
- **Independent Implementation Oversight** — Protecting your interests during vendor-led deployments
- **AI Governance & Strategy** — Building responsible AI frameworks for government organizations
- **Data Strategy & Legacy Migration** — Planning for system transitions and data continuity
- **Savoi.ai** — Our AI-powered consulting platform accelerating government technology implementations

Schedule a Briefing

Want to discuss how these tools apply to your agency's specific situation? Avero offers complimentary 30-minute AI readiness briefings for government executives. Visit averoadvisors.com or contact us to schedule.

Disclaimer: This report represents Avero Advisors' independent analysis as of February 2026. Tool capabilities, compliance status, and market positions change frequently. Verify all compliance claims independently before procurement. This report does not constitute legal, procurement, or technology advice. Consult appropriate professionals for your specific situation.