

DELAWARE STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

FEBRUARY 2023

Overview

- Between 2017 and 2022, the state of Delaware spent \$479,918 on restricted Chinese technology from Lexmark, Inc. and Lenovo, Inc. Just a few of the agencies holding sensitive information that have purchased these products include:
 - The Office of the Attorney General
 - The State Justice Information System
 - County Elections
 - The Department of State

The Problem

- Chinese government-owned technology manufacturers Lenovo and Lexmark have been restricted from U.S. military and intelligence agencies due to their connection to the Chinese government and military. While federal policy directs information security at the federal level, states must determine their own security standards making states vulnerable to intrusion through the purchase of these risky Chinese technology products. For more detail on these two manufacturers and others, see our briefing paper at www.StatesStopChinaTech.com.

The Process

- China Tech Threat (CTT) reached out to the State of Delaware Department of Administrative Services on August 16, 2022 requesting documents relevant to purchases of Lexmark and Lenovo products and services. CTT requested the exact numbers, dollars spent, products and services purchased, quantity of products and services purchased, remaining timeline of the contract(s), etc. and any other relevant documents. Following subsequent calls and emails, the Chief Procurement Officer provided the requested contract information on October 14, 2023. The contracts provided date from 2017 to 2022.
- However, purchases of restricted technology through third-party resellers, which can be significant, are not yet captured in our research. For example, in Delaware, SHI is identified as a [qualified reseller](#) by the National Association of State Procurement Officers. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.

Lexmark

Between 2017 and 2022, the State of Delaware purchased \$199,849 of Lexmark technology.

In 2022, \$17,233 of Lexmark technology purchased, including:

- Education (Universities, Grade School, District Offices): \$13,619
- The Department of State: \$1,496
- Select purchases by the Department of Corrections

In 2021, \$29,185 of Lexmark technology purchased, including:

- Education (Universities, Grade School, District Offices): \$16,321
- The Department of Health and Social Services: \$2,302
- Select purchases by the Public Archives, Family Court, and the Seaford Police Department

In 2020, \$66,173 of Lexmark technology purchased, including:

- Education (Universities, Grade School, District Offices): \$56,900
- Select purchases by the Department of Corrections, the National Guard, Public Archives, and the Attorney General's Office

In 2019, \$82,378 of Lexmark technology purchased, including:

- Education (Higher Ed, Grade School, District Offices): \$68,667
- The Judicial Branch: \$5,007
- Select purchases by the Department of State, the Department of Corrections, the Department of Labor, and the Seaford Police Department

In 2018, \$3,800 of Lexmark technology purchased, including:

- Education (Higher Ed, Grade School, District Offices): \$3,074
- Minimal purchases by the Department of Justice Fiscal Unit

In 2017, \$1,115 of Lexmark technology purchased, including:


- Select purchases by the Administrative Office of the Courts, the Department of Labor, and educational institutions

Lenovo

Between 2021 and 2022, the State of Delaware purchased \$280,069 of Lenovo technology.

In 2022, \$186,684 of Lenovo technology purchased, including:

- The University of Delaware: \$142,963

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- The Justice of the Peace Court Administration Office: \$8,000
 - Select purchases by State Police Headquarters and the Court of Common Pleas, New Castle County

In 2021, \$93,385 of Lenovo technology purchased, including:

- The University of Delaware: \$71,336
- The State Justice Information System, Court of Common Pleas: \$21,064
- Select purchases by New Castle County Elections and the Department of State