

GEORGIA STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

FEBRUARY 2023

Overview

- Between 2020 and 2022, the state of Georgia purchased \$47,259,946 of restricted Chinese technology from Lexmark, Inc. and Lenovo, Inc. A few of the many agencies holding sensitive information that have purchased these products include:
 - The Bureau of Investigation
 - The Department of Public Safety
 - The Department of Revenue
 - The Superior Court Clerk
 - Fort Benning and Fort Stewart

Recent Progress

- In May 2022, the Georgia legislature passed and Governor Kemp signed into law [SB 346](#) to prohibit companies owned or operated by China from bidding on state contracts. Implementation of this new law will help eradicate Georgia taxpayer dollars being used to purchase dangerous Chinese technology for use in government departments and agencies like those detailed below.

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) originally reached out to the Georgia Procurement office on September 6, 2022 requesting the exact numbers, dollars spent, products and services purchased, quantity of products and services purchased, remaining timeline of Lexmark and Lenovo contracts. On September 22, the Records Management Officer provided contracts from 2020 to 2022.

- However, purchases of restricted technology through third-party resellers, which can be significant, are not yet captured in our research. For example, the National Association of State Procurement Officers identifies CDWG, SHI, GovConnection, and others as [qualified resellers](#) in Georgia. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.
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Lenovo

Between 2020 and 2022, the state of Georgia purchased \$46,489,513 of Lenovo technology.

In 2022, \$10,935,675 of Lenovo technology purchased, including:

- Higher Education/Research: \$1,299,116
- The Department of Education: \$79,331
- Select purchases made by the World Congress Center, the Superior Court Clerk, the Legal Services Program, and the Department of Public Safety

In 2021, \$16,734,777 of Lenovo technology purchased, including:

- Atlanta Public Schools: \$1,752,725
- The Lottery Corporation: \$639,374
- Select purchases made by the Department of Audits and Accounts, the Superior Courts Clerk, Consolidated Government of Columbus, and the Second Judicial Administration District

In 2020, \$6,383,567 of Lenovo technology purchased, including:

- The Department of Education: \$367,963
 - The Institute of Technology: \$399,578
 - Select purchases made by the Department of Juvenile Justice, the Department of Public Safety, Emory University Hospitals, and the Superior Court Clerk
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Lexmark


Between 2020 and 2022, the state of Georgia purchased \$770,433 of Lexmark technology.

In 2022, \$97,165 of Lexmark technology purchased, including:

- The Department of Corrections: \$23,991
- Select purchases made by the Department of Revenue, the State Accounting Office, and the Bureau of Investigation

In 2021, \$156,022 of Lexmark technology purchased, including:

- The Department of Behavioral Health: \$37,184
- Select purchases made by the Department of Labor, the Department of Corrections, and the Department of Revenue



In 2020, \$516,596 of Lexmark technology purchased, including:

- The Department of Labor: \$20,865
- The Department of Corrections: \$20,592
- Select purchases from the State Accounting Office, the Department of Juvenile Justice, the Department of Law, and the Bureau of Investigation