

NEVADA STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

FEBRUARY 2023

Overview

- Between 2019 and 2022, the state of Nevada spent \$2,706,054 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 Department of Motor Vehicles: \$2,048,379

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

- On September 26, 2022, China Tech Threat (CTT) reached out to the State of Nevada Purchasing Division requesting documents relevant to purchases of Lexmark and Lenovo products and services. CTT requested exact numbers, dollars spent, products and services purchased, and the quantity of products and services purchased. Following a series of subsequent emails and phone calls to advance the request, the Public Records Manager provided the contract information on October 3, 2022. The contracts provided date from 2019 to 2022.
- However, purchases of restricted technology through third-party resellers, which can be significant, are not yet captured in our research. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.

Lexmark

Between 2019 and 2022, the state of Nevada purchased \$2,048,205 of Lexmark technology.

In 2022, there were \$921,379 of Lexmark technology purchased:

- The Department of Motor Vehicles

In 2019, there were \$1,126,826 of Lexmark technology purchased:

- The Department of Motor Vehicles
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Lenovo

Between 2019 and 2020, the state of Nevada purchased \$657,849 of Lenovo technology.

In 2020, \$369,060 of Lenovo technology purchased, including:

- The Department of Health and Human Services: \$269,643
- The Attorney General's Office: \$97,290
- The Silver State Health Insurance Exchange: \$2,292

In 2019, \$272,643 of Lenovo technology were purchased:

- The Department of Health and Human Services