

NEBRASKA STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

MAY 2023

Overview

- Between 2018 and 2023, the state of Nebraska spent \$206,797 on restricted Chinese technology from Lenovo, Inc. Just a few of the agencies holding sensitive information that have purchased these products include:
 - The Nebraska State Patrol
 - The University of Nebraska
 - The Attorney General

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

- In March 2023, China Tech Threat (CTT) obtained Nebraska's detailed financial records of payments to Lenovo, showing payment amounts, dates and check numbers, payor agencies or departments, and descriptions of services through StateSpending.Nebraska.Gov, the state's public financial database maintained by the State Treasurer and made available to improve transparency.
- 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.

Lenovo

In 2023, \$56,363 of technology purchased, including:

- Nebraska State Patrol: \$51,324
- Select purchases by the Attorney General and the Board of Engineers and Architects

In 2022, \$5,918 of technology purchased including:

- The Board of Engineers and Architects: \$4,772
- The Game and Parks Commission: \$1,146

In 2021, \$41,415 of technology purchased, including:

- Nebraska State Patrol: \$38,664
- The Board of Engineers and Architects: \$2,751

In 2020, \$100,091 of technology purchased, including:

- The University of Nebraska: \$97,211
- The Board of Engineers and Architects: \$2,880

In 2019 there were no recorded purchases.

In 2018, \$3,010 of technology purchased by the University of Nebraska.