

# MINNESOTA STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

MAY 2023

## Overview

- Between 2017 and 2022, the state of Minnesota spent \$4,682,925 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:
  - Board of Public Defense
  - Minnesota State Colleges and Universities
  - Department of Human Services

## 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](http://www.StatesStopChinaTech.com).

## The Process

- In March 2023, China Tech Threat (CTT) obtained Minnesota's detailed financial records of payments to Lexmark and Lenovo, showing payment amounts, dates and check numbers, payor agencies or departments, and descriptions of services, through Minnesota's open checkbook, an online database 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. For example, the National Association of State Procurement Officers identifies the following [qualified resellers](#) in Minnesota: CDWG, Firefly, and TSG. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.

## Lenovo

Between 2017 and 2023, the state of Minnesota spent \$4,416,478 on Lenovo technology.

In 2023, \$498,590 of technology purchased, including:

- Minnesota State Colleges and Universities: \$429,905
- The Board of Public Defense: \$68,685

In 2022, \$890,499 of technology purchased, including:

- Minnesota State Colleges and Universities: \$527,898
- The Board of Public Defense: \$318,310
- Minnesota IT Services: \$18,876

In 2021, \$1,394,660 of technology purchased, including:

- The Board of Public Defense: \$918,780
- Minnesota State Colleges and Universities: \$438,227
- Minnesota IT Services: \$37,653

In 2020, \$716,756 of technology purchased, including:


- Minnesota State Colleges and Universities: \$486,065
- The Board of Public Defense: \$177,920
- Minnesota IT Services: \$52,743
- Select purchases by the Animal Health Board

In 2019, \$699,880 of technology purchased, including:

- The Board of Public Defense: \$609,653
- Minnesota State Colleges and Universities: \$48,438
- Minnesota IT Services: \$41,789

In 2018, \$39,521 of technology purchased, including:

- Minnesota IT Services: \$27,582
- Minnesota State Colleges and Universities: \$11,899
- Select purchases by the Animal Health Board



In 2017, \$176,572 of technology purchased, including:

- Minnesota State Colleges and Universities: \$62,316
  - Department of Human Services: \$94,400
  - Minnesota IT Services: \$19,786
  - Select purchases by the Employment and Economic Development Department
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### **Lexmark**

Between 2017 and 2018, the state of Minnesota spent \$266,447 on Lexmark technology.

In 2018, \$59,346 of technology purchased by Minnesota State Colleges and Universities.

In 2017, \$207,131 of technology purchased, including:

- Minnesota State College and Universities: \$207,026