

VIRGINIA STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

MAY 2023

Overview

- Between 2017 and 2023, the state of Virginia spent \$5,786,482 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:
 - o The State Police
 - o Fort Monroe Authority
 - o The Polytechnic Institute and State University

Progress

- In January 2023, Rep. Emily Brewer sponsored [House Bill 2385](#), which prohibits state agencies from entering into a contract for goods or services with a scrutinized company.

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 Virginia'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 datapoint.virginia.apa.gov, a database generated by the Auditor of Public Accounts 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

Between 2017 and 2023, the state of Virginia spent \$3,322,320 on Lenovo technology.

In 2023, \$80,455 of technology purchased, including:

- Virginia Polytechnic Institute and State University \$59,592
- Virginia Commonwealth University: \$13,495
- Select purchases by the Fort Monroe Authority

In 2022, \$74,631 of technology purchased, including:

- Virginia Polytechnic Institute and State University: \$38,044
- Select purchases by Radford University and George Mason University

In 2021, the state of Virginia had no recorded purchases from Lenovo.

In 2020, \$432,393 of technology purchased, including:

- Radford University: \$267,293
- Virginia Polytechnic Institute and State University: \$104,881
- Select purchases by the University of Virginia

In 2019, \$1,088,882 of technology purchased, including:

- Radford University: \$934,664
- Virginia Polytechnic Institute and State University: \$59,473
- Select purchases by Virginia Commonwealth University and the University of Virginia

In 2018, \$831,322 of technology purchased, including:

- Radford University: \$696,299
- Virginia Polytechnic Institute and State University: \$64,126
- Virginia Commonwealth University: \$41,184

In 2017, \$814,637 of technology purchased, including:

- Radford University: \$678,882
- Virginia Polytechnic Institute and State University

Lexmark

Between 2017 and 2023, the state of Virginia spent \$2,464,162 on Lexmark technology.

In 2023, \$3,359 of technology purchased, including:

- The Department of the Blind and Vision Impaired: \$2,996

- Select purchases by the Department of Rehabilitative Services

In 2022, \$8,435 of technology purchased, including:

- The Department of the Blind and Vision Impaired: \$8,300
- Select purchases by the Rehabilitation Center for the Blind and the Department of Rehabilitation Services

In 2021, \$15,452 of technology purchased, including:

- The Department of Blind and Vision Impaired: \$13,410
- Select purchases by the Department for Aging and Rehabilitative Services and the Board for People with Disabilities

In 2020, \$44,837 of technology purchased, including:

- The Department of Blind and Vision Impaired: \$22,735
- The Department of Aging and Rehabilitative Services: \$18,579
- Select purchases by the University of Virginia and James Madison University

In 2019, \$97,836 of technology purchased, including:

- The Department of Aging and Rehabilitative Services: \$67,978
- The Virginia State Police: \$11,747
- Select purchases made by the Board for People with Disabilities, the Department of Blind and Vision Impaired and Wilson Workforce and Rehabilitation Center

In 2018, \$36,044 of technology purchased, including:

- The Department for Aging and Rehabilitative Services: \$20,762
- The Department of Blind and Vision Impaired: \$8,741
- Select purchases by J. Sargeant Reynolds Community College and Virginia Community College System Office

In 2017, \$2,258,199 of technology purchased, including:

- The Department of Social Services: \$795,418
- The Department of Aging and Rehabilitative Services: \$389,106
- Virginia Community College System Office: \$327,899
- The Virginia State Police: \$61,969