

KENTUCKY STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

FEBRUARY 2024

Update

- In February 2024, China Tech Threat (CTT) accessed transparency.ky.gov.
- The portal reported that since CTT's last report in 2023, the state of Kentucky spent an additional \$906,379 in 2024 and \$1,805,465 in 2023 on restricted Chinese technology from Lenovo, Inc. Additional purchases of Lexmark, Inc. technology were made between 2022 and 2024.
- Factoring in the updated numbers, the state of Kentucky spent a combined \$8,488,286 on restricted technology from Lenovo, Inc. and Lexmark, Inc. between 2015 and 2024.

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 August 15, 2022, China Tech Threat (CTT) reached out to the Kentucky Department of Administration 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 with no response, we were able to find the vendor expenses for the years 2016 to 2022 on transparency.ky.gov, the state's public accountability database (see CTT's prior [Fact Sheet](#), dated February 2023).
- However, purchases of restricted technology through third-party resellers, which can be significant, are not yet captured in our research. For example, in Kentucky, CDWG is identified as a [qualified reseller](#) by the National Association of State Procurement Officers. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.

Lexmark

UPDATE: In 2024, \$906,379 of Lexmark technology purchased, including:

- Majority of purchases by the Judicial Branch

UPDATE: In 2023, \$1,805,465 of Lexmark technology purchased, including:

- Judicial Branch: \$1,779,178
- Department of Highways: \$25,000

In 2022, \$1,795,221 of Lexmark technology purchased:

- Majority of purchases by the Judicial Branch

In 2021, \$1,994,794 of Lexmark technology purchased, including:

- Judicial Branch: \$1,981,718
- Select purchases by the Department of Revenue

In 2020, \$1,870,999 of Lexmark technology purchased, including:

- Majority of purchases by the Judicial Branch
- Select purchases by the Department of Revenue and the State Police Department

Lenovo

UPDATE: In 2024, \$13,961 of Lenovo technology purchased by the Office of Technology.

UPDATE: In 2022, \$36 of Lenovo technology purchased by the Office of the Secretary, Finance and Administration Cabinet.

In 2020, \$1,034 of Lenovo technology purchased:

- Department of Education

In 2018, \$10,560 of Lenovo technology purchased:

- Higher Education Assistance Committee

In 2016, \$89,837 of Lenovo technology purchased:

- Majority of purchases by the Auditor of Public Accounts



In 2016, \$298,038 of Lenovo technology purchased, including:

- Emporia State University: \$224,946
- Office of the State Bank Commissioner: \$44,968

In 2015, \$466,537 of Lenovo technology purchased, including:

- Emporia State University: \$306,136
- Office of the State Bank Commissioner: \$81,175
- Department of Corrections: \$50,244
- Select purchases by the Highway Patrol and Kansas State University