# MAINE STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY



**FEBRUARY 2024** 

## \*Update\*

- On January 17, 2024, China Tech Threat (CTT) accessed the <u>Maine Open Checkbook</u> public record system.
- The system reported that, since CTT'S last report, the state of Maine spent an additional \$28,190 in 2024 and \$202,541in 2023 on restricted Chinese technology from Lenovo, Inc.
- Factoring in the updated numbers, the state of Maine spent a combined \$5,528,267 on restricted Chinese technology from Lenovo, Inc. between 2015 and 2024,
- All purchases were made by the Bureau of Information Services.

# **Recent Progress**

- Maine State Senator Lisa Keim's bill, An Act to Prohibit State Contracts with Companies
  Owned or Operated by the Government of the People's Republic of China (<u>LD877</u>,
  <u>SP0374</u>), originally introduced in 2023, has continued to advance through the Maine
  state legislature in 2024.
- The bill is supported by the Manufacturers Association of Maine and submitted
   testimony stating: "We believe this bill addresses a concerning issue and it's important
   that the state and state funded entities are not inadvertently procuring goods or services
   that could unknowingly put them at risk."

### 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 <a href="www.StatesStopChinaTech.com">www.StatesStopChinaTech.com</a>.

### The Process

 Originally, on August 15, 2022, China Tech Threat (CTT) accessed procurement information through the <u>Maine Open Checkbook</u> public record system. (See CTT's <u>prior Fact Sheet</u>, 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, the National Association of State Procurement Officers identifies the following <u>qualified resellers</u> in Maine: CDWG, GovConnection, and SHI. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.

# **Bureau of Information Services\* purchases of Lenovo technology**

- \$28,190 in 2024 [UPDATED]
- \$202,541 in 2023 [UPDATED]
- \$42,307 in 2022
- \$397,933 in 2017
- \$989,743 in 2016
- \$3,867,553 in 2015

\*The Bureau of Information Services likely purchases all technology for the state and distributes it to all state agencies. CTT is currently seeking more details about the agencies to which the technology is distributed.