

# UTAH STATE GOVERNMENT SPENDING ON RESTRICTED TECHNOLOGY

FEBRUARY 2024

## \*Update\*

- On January 17, 2024, China Tech Threat (CTT) accessed [Transparent Utah](#).
- The system reported that, since CTT'S last report, the state of Utah spent an additional \$2,631,049 in 2024, \$6,188,533 in 2023, and \$7,741,105 in 2022 on restricted Chinese technology from Lenovo, Inc. Additionally, CTT discovered Lexmark, Inc. purchases previously unreported, totaling \$63,548 between 2018 and 2023.
- Factoring in the updated numbers, the state of Utah spent a combined \$51,025,679 on restricted Chinese technology from Lenovo, Inc. and Lexmark, Inc. between 2018 and 2024.

## Recent Progress

- On January 26, 2024, Representative Candice Pierucci introduced the Public Entity Restrictions bill, [HB 404](#). Among other things, it prohibits procurement of technology or technology services, networks, or systems from restricted foreign entities, including China.

## 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

- Originally, on August 16, 2022, CTT reached out to the Utah Department of Government Operations, Division of Purchasing and General Services, requesting documents relevant to purchases of Lexmark and Lenovo products and services. The Assistant Director of the Division of Purchasing provided the contract information on October 7, 2022. The contracts provided date from 2018 to 2021 (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, the National Association of State Procurement Officers identifies the following [qualified resellers](#) in Utah: CDWG, SHI, Summit Partner, DHE, Trinity3 Technology, and Firefly. Any future efforts to identify and restrict purchases of Chinese-owned technology manufacturers should include resellers.

## Lenovo

**UPDATED:** In 2024, \$2,631,049 of Lenovo technology purchased, including:

- Davis School District: \$2,237,040
- Granite School District: \$285,865
- Select purchases by the State of Utah

**UPDATED:** In 2023, \$6,188,533 of Lenovo technology purchased, including:

- Granite School District: \$2,329,827
- Davis School District: \$1,461,774
- University of Utah: \$243,297
- Select purchases by Orem City and State of Utah

**UPDATED:** In 2022, \$7,741,105 of Lenovo technology purchased, including:

- David School District: \$4,774,947
- Utah Valley University: \$1,289,324
- Select purchases by University of Utah and State of Utah

In 2021, \$10,398,634 of Lenovo technology purchased, including:

- Board of Education: \$136,656
- Legislative Branch: \$66,327
- Select purchases by the Office of the Lieutenant Governor and Utah State University

In 2020, \$9,159,587 of Lenovo technology purchased, including:

- Education: \$8,303,212
  - Utah Valley University: \$3,468,687
  - University of Utah: \$1,109,955
  - Board of Education: \$218,226
- Attorney General's Office: \$176,647
- State of Utah: \$1,447,032
- Select purchases by the Legislative Branch

In 2019, \$7,971,785 of Lenovo technology purchased, including:

- State of Utah: \$429,894

- Board of Education: \$326,966
- Legislative Branch: \$295,514

In 2018, \$6,871,438 of Lenovo technology purchased, including:

- State of Utah: \$501,690
- University of Utah: \$248,310
- Board of Education: \$202,590
- Select purchases by the Legislative Branch and Utah Financial Institutions

## **Lexmark [UPDATED]**

In 2023, \$223 of Lexmark technology purchased by the State of Utah.

In 2018, \$63,325 of Lexmark technology purchased, including:

- University of Utah: \$62,969